

Complaint Description

[joe Hyer](#) (Wed, 26 Sep at 9:01 AM)

Friends of Saturn recently produced and distributed the attached literature piece regarding his campaign for Thurston PUD Commissioner.

In it he states, "...they [PUD Commissioners] earn more in a few meetings than full-time PUD workers do in a year."

Yes, a 'few meetings' is less than exact - but even a liberal interpretation of the word creates an absurd allegation. PUD in Thurston meets twice a month - so let's go as far as 6 meetings for a 'few'. The adopted 2018 Budget has a line item for PUD commissioners - \$59,400. Divide by 3 commissioners, that's \$19,800 annually, or \$1650/month. Times 3 months of meetings makes \$4950.

Mr. Saturn appears to be indicting the Thurston PUD commission for minimum wage violations. A full-time employee making less than \$4950 per year is making less than \$2.37/hour. The State's minimum wage, BY LAW, is \$11.50/ hour.

The minimum wage for a full-time worker in Washington State is \$23,920. That is more than the ANNUAL salary provided to the commissioners. More important- the PUD doesn't pay anyone minimum wage - they pay wages competitive with other public utilities in the area. By extension, Mr. Saturn seems to also then be indicting all the agencies that have wages on par with Thurston PUD.

Clearly, some very bad math has been done, that casts both the PUD and Mr. Saturn's opponent, in a very negative light.

We request you fine Mr. Saturn an appropriate amount, and require him to post corrected information.

What impact does the alleged violation(s) have on the public?

This particular false statement undermines the public's faith in elected officials, fiscal responsibility, as well as clearly trying to state our elected PUD commissioners, including his opponent, are violating minimum wage laws.

List of attached evidence or contact information where evidence may be found.

Electioneering flyer distributed by Andrew Saturn

Proposed 2019 Thurston PUD Budget, with 2018 adopted.

List of potential witnesses with contact information to reach them.

Either Thurston PUD Staff or the other commissioners could assist with fact-finding

Complaint Certification:

I certify (or declare) under penalty of perjury under the laws of the State of Washington that information provided with this complaint is true and correct to the best of my knowledge and belief.

Andrew Saturn for Public Utility Commissioner - Fighting for Workers!

No Corporate Cash

Our opponent, who has ties to the Freedom Foundation, benefitted from nearly \$9,000 in ads paid for by Puget Sound Energy. Our campaign is refusing all corporate cash contributions, opting for small individual contributions instead.

Campaign Ethics

Our opponent has also relied upon a smear campaign and even physical assault and intimidation. We're running an issues-based clean campaign, and have signed the Pro-Truth Pledge.

Public Internet

Unlike our opponent, we understand the state laws and want to bring public internet to areas that have little or no service coverage. This will create family-wage union jobs and access to information necessary to learn and grow in the 21st century.

Public Power

And unlike our PSE-sponsored opponent, we believe we can move towards providing public power, starting with generating our own electricity via solar panels, and converting to modern solar-powered water pumps, saving you up to 50% on your bill.

Worker Pay

Our part-time PUD commissioners voted to give themselves a \$4,000 raise, which means they earn more in a few meetings than full-time PUD workers do in a year. As the only campaign with a union worker as the candidate, we believe PUD workers deserve a living wage plus benefits.

Social Responsibility

The current PUD offers nothing for low-income customers. We believe it is our responsibility to ensure those who have little to nothing aren't going without water and other essentials. This means vouchers and bill rate discounts for low-income customers and seniors.

Transparency

We want to open the PUD to the public, offering easier access to records and meeting minutes, and more opportunities for public input. Our opponent, until we pointed out that it was illegal, was not publishing meeting minutes or dates/times.

GENERAL ELECTION OCT 19–NOV 6! IN-PERSON VOTER REGISTRATION DEADLINE IS OCT 29!

Read more at www.votesaturn.com/issues

Facebook [fb.com/votesaturn](https://www.facebook.com/votesaturn)

Twitter [@votesaturn](https://twitter.com/votesaturn)

2019 Proposed Budget



Introduction

The Thurston Public Utility District's budget reflects the strategic goals developed by the PUD Commissioners and provides a blueprint for water services for 2019. The budget not only serves as a financial plan, but also as a tool for accountability.

Thurston PUD Mission and Strategic Goals

Mission: Provide safe, reliable, affordable, and sustainable utility services to the customers we serve.

Strategic Goals

- 1. Effectiveness:** Strive to be an effective organization.
- 2. Sustainability:** Provide sustained efficient utility services to our customers and serve the citizens of Thurston County.
- 3. Stewardship:** Be good stewards of the District's resources.
- 4. Partnerships:** Continue to build good relationships and partnerships with Thurston County, other counties, neighboring cities, other PUDs, Port Districts, Tribes, other water purveyors, and state agencies.
- 5. Growth:** Work toward steady growth in customers through the acquisition of systems with good value and periodically evaluate new lines of business to determine if entry is feasible and makes good financial sense.

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Background

The 2019 Thurston Public Utility District Operating Budget incorporates:

| <u>TOTAL CUSTOMERS</u> | <u>7,778</u> | <u>%</u> |
|------------------------|--------------|----------|
| Thurston County | 5,489 | 70.571% |
| Pierce County | 1,391 | 17.884% |
| Lewis County | 759 | 9.758% |
| Kitsap County | 28 | 0.360% |
| King County | 74 | 0.951% |
| Grays Harbor County | 37 | 0.476% |

Figure 1: Thurston PUD Customers by County

Goals

- Move all customers to standard rates by January 1, 2020
- Incorporate costs of equipment and vehicle repair and replacement
- Incorporate and allocate building operations/improvement costs
- Reduce the out-of-county rate differential by 50%.

Recommendations

Increase to the general PUD water rates 2.99% and reduce by half, the out-of-county rate differential so that all PUD customers are paying uniform rates by 2020. Water Systems acquired in the last 2 years receive increases to bring them half way to the recommended PUD In-County Rates. The capital surcharge is recommended to stay at \$6.70 per ERU for 2019.

Summary of Operational Needs incorporated in the 2018 Operations Budget

The 2019 Operating Budget includes:

Interest Income is projected at 1.5% based current reserve investments.

Property Tax Levy for General Fund is assumed to increase 1% as allowed by Washington state law.

Base Water Revenue forecasts for the 2018 rate level includes:

1. The addition of new customers from the purchase of water systems acquired in 2017.
2. The sale of service area to Mason PUD #1.

2019 Proposed Operating Budget

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SALARIES AND BENEFITS

In 2018 the district grew to 25 full time employees.

The 2019 Proposed Budget Includes:

- All eligible full-time employees receive step increases.
- PERS state retirement contribution increased to 12.83% from 12.7%.
- Salary capitalization (\$55,669) from Water Fund
- The addition of 1 FTE for additional Accounting Assistant I position. Increased salaries and benefits by \$66,368.

OPERATING FUND BUDGET SUMMARY

Depreciation/Debt Service includes the cost debt service of all loans including those assumed with the purchase of new water systems.

Purchased Water is expected to decrease slightly (4%) compared to the 2018 budget.

Purchase Power is expected to decrease slightly (1%) compared to the 2018 budget.

Chemicals expense is expected to decrease 15% compared to the 2018 budget.

Materials & Supplies includes the installation of new water treatment systems for seven (7) group B water systems valued at \$7,000 each.

Energy Efficiency Enhancements includes \$5,000.

Contractual Services Engineer is estimated at \$25,000.

Contractual Services Legal is estimated at \$45,000 to allow for additional projects related to water system property transactions.

Contractual Services Testing is reduced to \$52,000 removing the costs related to Mason County systems.

Contractual Services State Auditor increased slightly (5%) based on published rates from State Auditor's office.

Rental of Building/Real Property increased to reflect the inflationary adjustment in the lease contracts.

Transportation Expense –

1. Fuel – *Short Term Energy Outlook* published August 7, 2018 by the US Energy Information Administration predicts that on average gasoline prices will remain flat. 2019 estimate is an average of 2018 actual costs.
2. Repair Cost – We replaced 4 vehicles in 2018 reducing the necessary repair costs. However, there are 15 aging vehicles that will require repairs estimated at \$20,000.

Office Expense increased 13% over the 2018 budget due to the reoccurring expenses required to provide service.

Telephone Expense is expected to increase 60% over the 2018 budget as new service needs are identified, installed and troubleshot.

Website/IT Support increased for 2019 rate announced by Thurston County. This cost includes support for 18 computers.

Postage Expense is expected to increase slightly (5%) over the 2018 budget due to the additional the customers we serve.

Printing Expenses is expected to increase 39% over the 2018 budget due to the additional the customers we serve.

Credit Card Fees are expected to remain the same as the 2018 budget.

EQUIPMENT/VEHICLE/BUILDING REPAIR AND REPLACEMENT FUND

- Increased annual contribution for replacement of 19 vehicles to \$98,650 annually.
- Building repair/replacement annual contribution is \$30,000 annually for the 1230 Building.
- Equipment replacement annual contribution is \$10,900.

EMERGENCY DISASTER

- Radio Upgrades, one-time cost for twenty (20) cost \$700 each plus a repeater \$10,000, plus the recurring charge for the repeater \$5,000 – Radios and repeaters 10 years.
- Small system Generators \$125,000 for five (5) – including licensing from L&I

Effect of Operating Budget on Fund Reserve

The net result of the Proposed Budget is that the General Fund revenues will exceed general expenses, and General Fund reserve will have an estimated ending fund balance of \$268,532 which is above our current minimum reserve policy of 60 days.

The net result of the Proposed Budget is that the Water Fund revenue will exceed anticipated water expenses. The reserve will have an estimated ending fund balance of \$860,292 which is below our current minimum reserve policy of 60 days. The District's debt service coverage ratio, a measure of the cash flow available to pay current debt principle and interest obligations, is maintained at 2.02 which is above the District's bond covenant coverage requirement of 1.25.

Operating Budget: General Fund and Water Fund

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Thurston PUD General Fund Worksheet

| | Actual | Budget | YTD | Projection | Proposed |
|--|---------|---------|---------|------------|----------|
| | 2017 | 2018 | Jun-18 | 2018 | 2019 |
| Estimated Beginning Fund Balance | | | | | |
| Income | | 299,793 | | 299,793 | 285,766 |
| 419 · Interest Income | 2,390 | 2,000 | 1,652 | 3,304 | 3,304 |
| 421 · Non-utility Income | | | | | |
| 421.1 · Tax Levy Income | 281,046 | 279,933 | 283,920 | 283,920 | 286,759 |
| Total 421 · Non-utility Income | 281,046 | 279,933 | 283,920 | 283,920 | 286,759 |
| 460 · Unmetered Water Revenue | | | | | |
| 474 · Other Revenue | | | | | |
| 414 · Sales of Equipment | 0 | 0 | 0 | 0 | 0 |
| 469 · Ready to Serve | 0 | | | | |
| 474.1 · Surcharge Collection | 0 | 0 | 0 | 0 | 0 |
| 474.2 · Other Reimbursable Income | 0 | 0 | 0 | 0 | 0 |
| 436 · Grant Revenue | 0 | 0 | 0 | 0 | 0 |
| 430 · Developer Fees | 0 | 0 | 0 | 0 | 0 |
| 474 · Revenue from SMA Contracts | 0 | 0 | 0 | 0 | 0 |
| Total 474 · Other Water Revenue | 0 | 0 | 0 | 0 | 0 |
| Total Income | 283,436 | 281,933 | 285,572 | 287,224 | 290,063 |
| Additional Income from proposed rate increase | | | | | |
| Total Budgeted Income after rate adjustment | 283,436 | 281,933 | 285,572 | 287,224 | 290,063 |
| Expense | | | | | |
| 403 · Depreciation Expense/Debt Service | 6,000 | 6,000 | 2,253 | 4,507 | 4,500 |
| 408 · Taxes other than Income | | | | | |
| 408.12 · Payroll Taxes | 9,145 | 11,195 | 4,860 | 11,820 | 11,908 |
| 408.13 · Other Tax & License | 0 | 0 | 0 | 0 | 0 |
| 408.2 · State Public Utility Tax | 0 | 0 | 0 | 0 | 0 |
| Total 408 · Taxes other than Income | 9,145 | 11,195 | 4,860 | 11,820 | 11,908 |
| 427 · Interest Expense | | | | | |
| 427.32 · Interest on Bonds | 0 | 0 | 0 | 0 | 0 |
| 427 · Interest Expense - Other | 0 | 0 | 0 | 0 | 0 |
| Total 427 · Interest Expense | 0 | 0 | 0 | 0 | 0 |
| ... · Allocate Labor costs to capital projects | | | | | |
| 601 · Salaries/Wages Employees | 48,834 | 42,439 | 27,395 | 54,790 | 48,434 |
| 603 · Salaries - Com'srs | 59,400 | 59,400 | 29,700 | 63,072 | 66,744 |
| 603.1 · Com'srs Mtg Compensation | 19,352 | 20,976 | 10,602 | 22,264 | 23,552 |
| 603.2 · Watershed Planning | 0 | 1,500 | 0 | 0 | 2,412 |
| 604 · Emp Pension & Benefits | 26,025 | 29,723 | 12,892 | 25,785 | 27,009 |
| 610 · Purchased Water | | 0 | 0 | 0 | 0 |
| 615 · Purchased Power | 139 | 0 | 89 | 178 | 0 |
| 618 · Chemicals | 0 | 0 | 0 | 0 | 0 |
| 620 · Materials & Supplies | 0 | 0 | 0 | 0 | 0 |
| 625 · Energy Efficiency Enhancements | 0 | 0 | 0 | 0 | 0 |
| 631 · Contr. Svcs. - PS/Board Retreat | 0 | 1,600 | 0 | 0 | 1,600 |
| 632 · Contr. Svcs. - Accounting | 25 | 1,000 | 0 | 1,000 | 1,000 |
| 633 · Contr. Svcs. - Legal | 11,550 | 11,520 | 6,220 | 12,440 | 12,938 |
| 635 · Contr. Svcs. - Studies | 10 | 0 | 31 | 62 | 0 |
| 636 · Contr. Svcs. - Testing | 0 | 0 | 0 | 0 | 0 |
| 637 · Contr. Svcs. - Janitorial | 218 | 300 | 292 | 584 | 700 |
| 638 · Contr. Svcs. - State Auditor | 3,235 | 6,483 | 0 | 5,880 | 6,800 |
| 641 · Rental of Bldg/Real Prop. | 3,367 | 0 | 1,645 | 3,290 | 4,500 |
| 642 · Rental Equipment | 0 | 0 | 0 | 0 | 0 |
| 643 · Building Operations | 573 | 16,306 | 2,872 | 5,744 | 6,000 |
| 650 · Transportation Expense | | | | | |
| 650.1 · Fuel | 0 | 0 | 0 | 0 | 0 |
| 650.2 · Licensing | 0 | 0 | 0 | 0 | 0 |
| 650.3 · Mileage | 56 | 700 | 0 | 0 | 0 |

Thurston PUD General Fund Worksheet

| | Actual | Budget | YTD | Projection | Proposed |
|---|---------|----------------|---------|----------------|----------------|
| | 2017 | 2018 | Jun-18 | 2018 | 2019 |
| 650.4 · Repairs & Maintenance | 0 | 0 | 0 | 0 | 0 |
| 650 · For Replacement Vehicles | 0 | 0 | 0 | 0 | 0 |
| 650 · Transportation Expense | 56 | 700 | 0 | 0 | 0 |
| 657 · Insurance - Gen'l Liab. | 4,547 | 4,715 | 1,950 | 1,950 | 4,500 |
| 660 · LegalAdv/Public Info Expense | 0 | 0 | 42 | 85 | 0 |
| 670 · Bad Debt Expense | 0 | 0 | 0 | 0 | 0 |
| 675.01 · Election Costs | 29,041 | 50,000 | 0 | 50,000 | 50,000 |
| 675 · Miscellaneous Expense | | | | | |
| 675.02 · Office Expense | 5,567 | 6,133 | 6,505 | 13,010 | 11,000 |
| 675.03 · Meeting Cost Com'srs | 3,287 | 3,200 | 8,041 | 8,564 | 6,400 |
| 675.04 · Meeting Costs Staff | 2 | 0 | 0 | 0 | 0 |
| 675.05 · Telephone Expense | 1,834 | 1,528 | 2,956 | 5,912 | 6,200 |
| 675.06 · Dues & Subscriptions | 9,302 | 8,300 | 2,891 | 8,300 | 8,300 |
| 675.07 · Website/IT Support | 2,319 | 2,100 | 559 | 2,015 | 2,800 |
| 675.08 · (Other) Telecommunications Event | 0 | 0 | 0 | 0 | 0 |
| 675.10 · Conservation | 0 | 0 | 0 | 0 | 0 |
| 675.12 · Staff Training | 0 | 0 | 0 | 0 | 0 |
| 675.13 · Postage | 48 | 0 | 0 | 0 | 0 |
| 675.14 · Printing | 8 | 100 | 0 | 0 | 0 |
| 675.15 · Credit Card Fees | 0 | 0 | 0 | 0 | 0 |
| 675 · Miscellaneous Expenses | 22,367 | 21,361 | 20,953 | 37,801 | 34,700 |
| Total Expense | 243,884 | 285,218 | 121,797 | 301,251 | 307,297 |
| To(From) Reserves | 39,552 | (3,285) | 163,775 | (14,027) | (17,234) |
| Capital Projects (Telecommunications) | | | | | |
| To(From) Reserves | 39,552 | (3,285) | 163,775 | (14,027) | (17,234) |
| Estimated Ending Fund Balance | | 296,508 | | 285,766 | 268,532 |
| Minimum Reserve Per Financial Policy (60 days) | | 46,885 | | 49,521 | 50,515 |
| Proposed Minimum Reserve Discussed (90 days) | | 70,328 | | 74,281 | 75,772 |

Thurston PUD Water Fund Budget Worksheet

| | Actual | Budget | YTD | Projection | Proposed |
|---|-----------|-----------|-----------|------------|-----------|
| | 2017 | 2018 | Jun-18 | 2018 | 2019 |
| Estimated Beginning Fund Balance | | 851,522 | | 851,522 | 611,334 |
| Income | | | | | |
| 419 · Interest Income | 22,384 | 18,000 | 22,600 | 45,201 | 8,200 |
| 421 · Non-utility Income | | | | | |
| 421.1 · Tax Levy Income | 0 | 0 | 0 | 0 | 0 |
| Total 421 · Non-utility Income | 0 | 0 | 0 | 0 | 0 |
| 460 · Unmetered Water Revenue | | | | | |
| 460.1 · Residential | 23,760 | 424,139 | 75,830 | 151,659 | 91,150 |
| Total 460 · Unmetered Water Revenue | 23,760 | 424,139 | 75,830 | 151,659 | 91,150 |
| 461 · Metered Water Revenue | | | | | |
| 461.11 · Residential Base | 1,414,167 | 2,245,234 | 1,277,866 | 2,132,392 | 2,229,872 |
| 461.12 · Residential Consumption | 1,196,749 | 1,586,631 | 751,651 | 1,973,424 | 2,074,038 |
| 461.21 · Commercial Base | 49,074 | 56,425 | 30,948 | 57,847 | 64,708 |
| 461.22 · Commercial Consumption | 79,137 | 80,680 | 27,164 | 74,391 | 77,150 |
| 461.23 · Rec Center Contract Base | 569 | 569 | 285 | 569 | 569 |
| 461.24 · Rec Center Contract Consumption | 1,046 | 1,011 | 395 | 1,050 | 1,050 |
| 461.51 · Multifamily Base | 86,006 | 85,396 | 45,973 | 87,882 | 88,472 |
| 461.52 · Multifamily Consumption | 159,994 | 156,223 | 66,336 | 145,092 | 146,173 |
| Total 461 · Metered Water Revenue | 2,986,742 | 4,212,169 | 2,200,617 | 4,472,647 | 4,682,032 |
| 465 · Sales to Irrigation | | | | | |
| 465.2 · Irrigation Base | 11,353 | 11,384 | 5,464 | 10,928 | 11,384 |
| 465.3 · Irrigation Consumption | 55,710 | 67,951 | 22,739 | 61,271 | 57,646 |
| Total 465 · Sales to Irrigation | 67,063 | 79,335 | 28,203 | 72,199 | 69,030 |
| 471 · Miscellaneous Svc Revenue | | | | | |
| 471.1 · Reimb of Damage Costs | 313 | 0 | 0 | 0 | 0 |
| 471 · Misc Service Revenue | 55,523 | 127,576 | 69,356 | 138,712 | 138,000 |
| Total 471 · Miscellaneous Svc Revenue | 55,836 | 127,576 | 69,356 | 138,712 | 138,000 |
| 474 · Other Water Revenue | | | | | |
| 414 · Sales of Equipment | 0 | 0 | 0 | 0 | 0 |
| 469 · Ready to Serve / Service credits | (2,951) | 25,588 | (1,912) | (3,823) | (5,000) |
| 474.1 · Surcharge Collection | 52,147 | 52,030 | 26,042 | 52,084 | 52,030 |
| 474.1 · Capital Surcharge | 271,538 | 556,663 | 326,995 | 653,991 | 577,594 |
| 474.2 · Other Reimbursable Income | 220 | 0 | 0 | 0 | 0 |
| 436 · Grant Revenue | 0 | 0 | 0 | 0 | 0 |
| 430 · Developer Fees/Contributed Capital | 0 | 0 | 0 | 0 | 0 |
| 415 · Revenue from SMA Contracts | 137,477 | 108,000 | 23,516 | 43,114 | 0 |
| Total 474 · Other Water Revenue | 458,431 | 742,281 | 374,642 | 745,365 | 624,624 |
| Total Income before rate adjustment | 3,614,217 | 5,603,500 | 2,771,248 | 5,625,783 | 5,613,036 |
| Additional Income from proposed 2019 rate increase | | | | | 144,800 |
| Total Budgeted Income after rate adjustment | 3,614,217 | 5,603,500 | 2,771,248 | 5,625,783 | 5,757,836 |
| Expense | | | | | |
| 403 · Depreciation Expense/Debt Service | 777,374 | 574,642 | 230,240 | 574,642 | 490,000 |
| 408 · Taxes other than Income | | | | | |
| 408.12 · Payroll Taxes | 82,869 | 172,404 | 61,510 | 123,020 | 200,614 |
| 408.13 · Other Tax & License | 20,106 | 41,639 | 15,780 | 31,560 | 31,560 |
| 408.2 · State Public Utility Tax | 175,101 | 136,798 | 101,357 | 237,928 | 267,279 |
| Total 408 · Taxes other than Income | 278,075 | 350,841 | 178,647 | 392,508 | 499,453 |
| 427 · Interest Expense | | | | | |
| 427.32 · Interest on Bonds | 198,803 | 614,037 | 370,478 | 740,955 | 487,431 |
| 427 · Interest Expense - Loans | 18,137 | 15,000 | 0 | 15,000 | 14,500 |
| Total 427 · Interest Expense | 216,940 | 629,037 | 370,478 | 755,955 | 501,931 |
| ... · Allocate Labor costs to capital projects | | (25,766) | | | (56,456) |
| 601 · Salaries/Wages Employees | 1,007,416 | 1,433,344 | 790,590 | 1,581,179 | 1,687,253 |
| 603 · Salaries - Com'srs | 0 | 0 | 0 | 0 | 0 |
| 603.1 · Com'srs Mtg Compensation | 0 | 0 | 0 | 0 | 0 |

Thurston PUD Water Fund Budget Worksheet

| | Actual | Budget | YTD | Projection | Proposed |
|---|-----------|------------------|-----------|----------------|------------------|
| | 2017 | 2018 | Jun-18 | 2018 | 2019 |
| 603.2 · Watershed Planning | 0 | 0 | 0 | 0 | 0 |
| 604 · Emp Pension & Benefits | 280,736 | 705,775 | 300,780 | 601,560 | 566,741 |
| 610 · Purchased Water | 19,235 | 14,552 | 4,691 | 14,000 | 14,000 |
| 615 · Purchased Power | 141,815 | 294,309 | 137,602 | 275,204 | 291,387 |
| 618 · Chemicals | 37,990 | 76,011 | 25,076 | 54,152 | 65,000 |
| 620 · Materials & Supplies | 162,441 | 229,363 | 91,061 | 182,121 | 230,000 |
| 625 · Energy Efficiency Enhancements | 0 | 5,000 | 0 | 0 | 5,000 |
| 632 · Contr. Svcs. - Accounting | 3,875 | 8,240 | 0 | 8,240 | 8,240 |
| 631 · Contr. Svcs. - Engineer | 6,893 | 28,620 | 1,188 | 10,000 | 25,000 |
| 633 · Contr. Svcs. - Legal | 68,048 | 28,650 | 22,629 | 50,338 | 45,000 |
| 635 · Contr. Svcs. - Other | 38,148 | 0 | 20,681 | 41,363 | 25,000 |
| 636 · Contr. Svcs. - Testing | 51,269 | 89,630 | 27,157 | 46,484 | 52,000 |
| 637 · Contr. Svcs. - Janitorial | 3,091 | 12,260 | 10,049 | 20,098 | 20,000 |
| 638 · Contr. Svcs. - State Auditor | 3,235 | 6,483 | 0 | 6,483 | 6,800 |
| 641 · Rental of Bldg/Real Prop. | 63,978 | 60,170 | 42,406 | 62,510 | 66,000 |
| 642 · Rental Equipment | 905 | 5,180 | 409 | 818 | 5,180 |
| 643 · Building Operations | 10,877 | 9,000 | 15,767 | 32,677 | 42,000 |
| 650 · Transportation Expense | | | | | |
| 650.1 · Fuel | 41,457 | 88,632 | 40,489 | 80,977 | 85,000 |
| 650.2 · Toll fees | 64 | 0 | 202 | 404 | 600 |
| 650.3 · Mileage | 2,822 | 1,000 | 1,035 | 2,070 | 1,000 |
| 650.4 · Repairs & Maintenance | 22,101 | 33,360 | 21,093 | 9,405 | 20,000 |
| 650 · For Replacement Vehicles | 0 | 25,000 | 0 | 25,000 | 139,550 |
| 650 · Transportation Expense | 66,445 | 147,992 | 62,819 | 117,856 | 246,150 |
| 657 · Insurance - Gen'l Liab. | 34,485 | 75,230 | 31,665 | 34,235 | 50,000 |
| 660 · LegalAdv/Public Info Expense | 6,573 | 6,000 | 1,880 | 3,760 | 6,000 |
| 670 · Bad Debt Expense | 3,315 | 2,000 | 0 | 2,000 | 2,000 |
| 675.01 · Election Costs | 0 | 0 | 0 | 0 | 0 |
| 675 · Miscellaneous Expense | | | | | |
| 675.02 · Office Expense | 85,599 | 86,306 | 49,775 | 99,550 | 98,000 |
| 675.03 · Meeting Cost Com'srs | 2,667 | 3,200 | 2,726 | 5,452 | 3,200 |
| 675.04 · Meeting Costs Staff | 3,573 | 3,600 | 1,238 | 3,600 | 3,600 |
| 675.05 · Telephone Expense | 10,908 | 18,182 | 15,827 | 31,903 | 29,000 |
| 675.06 · Dues & Subscriptions | 9,174 | 9,780 | 4,006 | 8,500 | 9,780 |
| 675.07 · Website/IT Support | 44,067 | 50,170 | 21,370 | 50,170 | 52,500 |
| 675.08 · Other | 3,181 | 12,000 | 0 | 12,000 | 12,000 |
| 675.10 · Conservation | 1,577 | 2,500 | 0 | 1,500 | 2,500 |
| 675.12 · Staff Training | 9,680 | 19,790 | 5,570 | 11,140 | 19,790 |
| 675.13 · Postage | 41,242 | 49,460 | 24,733 | 49,466 | 52,000 |
| 675.14 · Printing | 18,455 | 31,000 | 20,300 | 40,600 | 43,000 |
| 675.15 · Credit Card Fees | 18,953 | 39,850 | 14,958 | 29,915 | 39,850 |
| 675 · Miscellaneous Expenses | 249,076 | 325,838 | 160,502 | 343,797 | 365,220 |
| Total Expense | 3,532,235 | 5,092,401 | 2,526,316 | 5,211,980 | 5,258,899 |
| To(From) Reserves | 81,981 | 511,099 | 244,932 | 413,803 | 498,938 |
| Capital Projects - From Reserve | | 556,663 | 326,995 | 653,991 | 250,000 |
| To(From) Reserves | 81,981 | (45,564) | (82,064) | (240,188) | 248,938 |
| Estimated Ending Fund Balance | | 805,958 | | 611,334 | 860,272 |
| Minimum Reserve Per Financial Policy (60 days) | | 837,107 | | | 864,477 |
| Proposed Minimum Reserve Discussed (90 days) | | 1,273,100 | | | 1,296,715 |
| Debt Service Coverage (1.25 Minimum) | | 2.04 | | | 2.02 |
| Revenue increase proposed operating budget | | 2,364,784 | | | 2.99% |

Rate Schedules

- PUD Legacy Customers
- Former H&R Waterworks Customers
- Redtail Hawk, Frog Hollow, Mountain Lakeview & Scatter Creek Ranch Customers

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**Comparison of Water Rates: PUD Legacy Customer Rates
2018 Current to Proposed 2019
Public Utility District No. 1 of Thurston County 8/31/2018**

| PUD (Legacy) Rates | Inside Thurston County | | Outside Thurston County | |
|-------------------------------|-------------------------------|-------------|--------------------------------|-------------|
| | 2018 | 2019 | 2018 | 2019 |
| Residential 3/4" Meter | \$ 28.82 | \$ 29.68 | \$ 32.82 | \$ 31.68 |
| Residential 1" Meter | \$ 61.89 | \$ 61.89 | \$ 65.89 | \$ 63.89 |
| Flat Rate | \$ 73.51 | \$ 75.71 | \$ 77.51 | \$ 77.71 |
| Consumption, per 100 cf | | | | |
| 0 - 500 cf | \$ 2.58 | \$ 2.66 | \$ 2.58 | \$ 2.66 |
| 500-1500 cf | \$ 3.96 | \$ 4.08 | \$ 3.96 | \$ 4.08 |
| 1501-3000 cf | \$ 5.45 | \$ 5.61 | \$ 5.45 | \$ 5.61 |
| 3001+ cf | \$ 6.23 | \$ 6.42 | \$ 6.23 | \$ 6.42 |
| Non-Residential - base charge | | | | |
| 3/4" Meter | \$ 33.15 | \$ 34.14 | \$ 37.15 | \$ 36.14 |
| 1" Meter | \$ 71.16 | \$ 71.16 | \$ 75.16 | \$ 73.16 |
| 1 1/2" Meter | \$ 142.32 | \$ 142.32 | \$ 146.32 | \$ 144.32 |
| 2" Meter | \$ 227.70 | \$ 227.70 | \$ 231.70 | \$ 229.70 |
| 3" Meter | \$ 426.95 | \$ 426.95 | \$ 430.95 | \$ 428.95 |
| Consumption, per 100 cf | | | | |
| Nov - June | \$ 3.96 | \$ 4.08 | \$ 3.96 | \$ 4.08 |
| July - October | \$ 6.23 | \$ 6.42 | \$ 6.23 | \$ 6.42 |
| Irrigation | \$ 6.23 | \$ 6.42 | \$ 6.23 | \$ 6.42 |
| Tanglewilde Park & Rec | | | | |
| Consumption, per 100 cf | | | | |
| Nov - June | \$ 1.31 | \$ 1.35 | | |
| July - October | \$ 2.06 | \$ 2.12 | | |
| Special Surcharges, monthly | | | | |
| MR DWSRF | \$ 15.35 | \$ 15.35 | | |
| WH DWSRF | \$ 14.94 | \$ 14.94 | | |
| Capital Surcharges, monthly | | | | |
| 3/4" Meter | \$ 6.70 | \$ 6.70 | \$ 6.70 | \$ 6.70 |
| 1" Meter | \$ 11.19 | \$ 11.19 | \$ 11.19 | \$ 11.19 |
| 1 1/2" Meter | \$ 22.31 | \$ 22.31 | \$ 22.31 | \$ 22.31 |
| 2" Meter | \$ 35.71 | \$ 35.71 | \$ 35.71 | \$ 35.71 |
| 3" Meter | \$ 67.00 | \$ 67.00 | \$ 67.00 | \$ 67.00 |

Figure 2: PUD Legacy Proposed Customer Rates

Comparison of Water Rates: PUD Legacy Customer Rates
2018 Current to Proposed 2019
Public Utility District No. 1 of Thurston County 8/31/2018

Customer Impact Scenarios based on estimated water usage

| | Inside Thurston County | | Outside Thurston County | |
|--|------------------------|-----------|-------------------------|-----------|
| | 2018 | 2019 | 2018 | 2019 |
| Average Rate Impact - PUD (Legacy) Rates | | | | |
| Average Residential Customer 1-2 person household, 500 cf | \$ 41.72 | \$ 42.98 | \$ 44.12 | \$ 44.98 |
| Average customer, 740 cf | \$ 51.22 | \$ 52.77 | \$ 53.26 | \$ 54.77 |
| Family of 4, 1000 cf | \$ 61.52 | \$ 63.38 | \$ 63.17 | \$ 65.38 |
| Residential User 3500 cf | \$ 194.22 | \$ 200.03 | \$ 198.22 | \$ 202.03 |
| Residential User 10500 cf | \$ 630.32 | \$ 649.43 | \$ 634.32 | \$ 651.43 |
| Customer Bill Impact, monthly 1-2 person household, 500 cf | | \$ 1.26 | | \$ 0.86 |
| Average customer, 740 cf | | \$ 1.55 | | \$ 1.51 |
| Family of 4, 1000 cf | | \$ 1.86 | | \$ 2.21 |
| Residential User 3500 cf | | \$ 5.81 | | \$ 3.81 |
| Residential User 10500 cf | | \$ 19.11 | | \$ 17.11 |
| Average bill with Capital Surcharge 1-2 person household, 500 cf | \$ 48.42 | \$ 49.68 | \$ 50.82 | \$ 51.68 |
| Average customer, 740 cf | \$ 57.92 | \$ 59.47 | \$ 59.96 | \$ 61.47 |
| Family of 4, 1000 cf | \$ 68.22 | \$ 70.08 | \$ 69.87 | \$ 72.08 |
| Residential User 3500 cf | \$ 200.92 | \$ 206.73 | \$ 204.92 | \$ 208.73 |
| Residential User 10500 cf | \$ 637.02 | \$ 656.13 | \$ 641.02 | \$ 658.13 |
| Customer Bill Impact, with Surcharge 1-2 person household, 500 cf | | \$ 1.26 | | \$ 0.86 |
| Average customer, 740 cf | | \$ 1.55 | | \$ 1.51 |
| Family of 4, estimate 1000 cf | | \$ 1.86 | | \$ 2.21 |
| Residential User 3500 cf | | \$ 5.81 | | \$ 3.81 |
| Residential User 10500 cf | | \$ 19.11 | | \$ 17.11 |

Figure 3: PUD Legacy Customers Rates Impact Scenarios

Comparison of Water Rates: Former H&R Customer Residential Rates
2018 Current to Proposed 2019
Public Utility District No. 1 of Thurston County 8/31/2018

| | Inside Thurston County | | Outside Thurston County | |
|-------------------------------|------------------------|-----------|-------------------------|-----------|
| | 2018 | 2019 | 2018 | 2019 |
| H&R Residential | | | | |
| Residential 3/4" Meter | \$ 24.99 | \$ 27.71 | \$ 26.03 | \$ 29.74 |
| Residential 1" Meter | \$ 49.84 | \$ 57.54 | \$ 50.88 | \$ 57.54 |
| Flat Rate | \$ 50.00 | \$ 63.60 | \$ 50.00 | \$ 63.60 |
| Consumption, per 100 cf | | | | |
| 0 - 500 cf | \$ 2.00 | \$ 2.36 | \$ 2.00 | \$ 2.36 |
| 500-1500 cf | \$ 3.18 | \$ 3.68 | \$ 3.18 | \$ 3.68 |
| 1501-3000 cf | \$ 4.80 | \$ 5.28 | \$ 4.80 | \$ 5.28 |
| 3001+ cf | \$ 6.23 | \$ 6.42 | \$ 6.23 | \$ 6.42 |
| Non Residential - base charge | | | | |
| 3/4" Meter | \$ 26.75 | \$ 30.85 | \$ 28.75 | \$ 32.91 |
| 1" Meter | \$ 52.56 | \$ 63.71 | \$ 54.56 | \$ 65.77 |
| 1 1/2" Meter | \$ 109.21 | \$ 129.53 | \$ 110.25 | \$ 131.59 |
| 2" Meter | \$ 174.75 | \$ 207.24 | \$ 175.79 | \$ 209.30 |
| 3" Meter | \$ 327.73 | \$ 388.62 | \$ 327.73 | \$ 390.68 |
| Consumption, per 100 cf | | | | |
| Nov - June | \$ 2.69 | \$ 3.42 | \$ 2.69 | \$ 3.42 |
| July - October | \$ 3.82 | \$ 5.18 | \$ 3.82 | \$ 5.18 |
| Irrigation | \$ 3.82 | \$ 5.18 | \$ 3.82 | \$ 5.18 |
| Capital Surcharges, monthly | | | | |
| 3/4" Meter | \$ 6.70 | \$ 6.70 | \$ 6.70 | \$ 6.70 |
| 1" Meter | \$ 11.19 | \$ 11.19 | \$ 11.19 | \$ 11.19 |
| 1 1/2" Meter | \$ 22.31 | \$ 22.31 | \$ 22.31 | \$ 22.31 |
| 2" Meter | \$ 35.71 | \$ 35.71 | \$ 35.71 | \$ 35.71 |
| 3" Meter | \$ 67.00 | \$ 67.00 | \$ 67.00 | \$ 67.00 |

Figure 4: PUD Former H&R Customer Proposed Rates

Comparison of Water Rates: Former H&R Customer Residential Rates
2018 Current to Proposed 2019
Customer Impact Scenarios based on estimated water usage

| | Inside Thurston County | | Outside Thurston County | |
|--|------------------------|-----------|-------------------------|-----------|
| | 2018 | 2019 | 2018 | 2019 |
| Average Rate Impact - H & R Transition | | | | |
| Average Residential Customer 1-2 person household, 500 cf | \$ 34.99 | \$ 39.51 | \$ 36.03 | \$ 41.54 |
| Average customer, 740 cf | \$ 42.62 | \$ 48.34 | \$ 43.66 | \$ 50.37 |
| Family of 4, 1000 cf | \$ 50.89 | \$ 57.91 | \$ 51.93 | \$ 59.94 |
| Residential User 3500 cf | \$ 169.94 | \$ 187.61 | \$ 170.98 | \$ 189.64 |
| Residential User 10500 cf | \$ 606.04 | \$ 637.01 | \$ 607.08 | \$ 639.04 |
| Customer Bill Impact, monthly | | | | |
| 1-2 person household, 500 cf | | \$ 4.52 | | \$ 5.51 |
| Average customer, 740 cf | | \$ 5.72 | | \$ 6.71 |
| Family of 4, 1000 cf | | \$ 7.02 | | \$ 8.01 |
| Residential User 3500 cf | | \$ 17.67 | | \$ 18.66 |
| Residential User 10500 cf | | \$ 30.97 | | \$ 31.96 |
| Average bill with Capital Surcharge | | | | |
| 1 person household, 500 cf | \$ 41.69 | \$ 46.21 | \$ 42.73 | \$ 48.24 |
| Average customer, 740 cf | \$ 49.32 | \$ 55.04 | \$ 50.36 | \$ 57.07 |
| Family of 4, 1000 cf | \$ 57.59 | \$ 64.61 | \$ 58.63 | \$ 66.64 |
| Residential User 3500 cf | \$ 176.64 | \$ 194.31 | \$ 177.68 | \$ 196.34 |
| Residential User 10500 cf | \$ 612.74 | \$ 643.71 | \$ 613.78 | \$ 645.74 |
| Customer Bill Impact, with Surcharge | | | | |
| 1-2 person household, 500 cf | | \$ 4.52 | | \$ 5.51 |
| Average customer, 740 cf | | \$ 5.72 | | \$ 6.71 |
| Family of 4, 1000 cf | | \$ 7.02 | | \$ 8.01 |
| Residential User 3500 cf | | \$ 17.67 | | \$ 18.66 |
| Residential User 10500 cf | | \$ 30.97 | | \$ 31.96 |

Figure 5: PUD Former H&R Customers Proposed Rates Scenarios

Comparison of Water Rates:
Red Tail Hawk, Frog Hollow, Mountain Lakeview & Scatter Creek Ranch
Water Systems
2018 Current to Proposed 2019

| Residential Rates | 2018 | 2019 |
|--|----------|----------|
| Redtail Hawk, Frog Hollow, Mountain Lakeview 3/4" Meter | \$ 23.41 | \$ 25.25 |
| Scattercreek Ranch 3/4" Meter | \$ 28.82 | \$ 29.68 |
| Consumption, per 100 cf | | |
| 0 - 500 cf | \$ 1.29 | \$ 1.85 |
| 500-1500 cf | \$ 2.48 | \$ 3.10 |
| 1501-3000 cf | \$ 3.35 | \$ 3.84 |
| 3001+ cf | \$ 4.49 | \$ 5.12 |
| Capital Surcharges, monthly | | |
| 3/4" Meter | \$ 6.70 | \$ 6.70 |
| 1" Meter | \$ 11.19 | \$ 11.19 |
| 1 1/2" Meter | \$ 22.31 | \$ 22.31 |
| 2" Meter | \$ 35.71 | \$ 35.71 |
| 3" Meter | \$ 67.00 | \$ 67.00 |

Figure 6: PUD Redtail Hawk, Frog Hollow, Mountain Lakeview & Scatter Creek Ranch Proposed Rates

Comparison of Water Rates:
 Redtail Hawk, Frog Hollow & Mountain Lakeview Systems
 2018 Current to Proposed 2019
 Customer Impact Scenarios based on estimated water usage

| | 2018 | 2019 |
|---|-----------|-----------|
| Redtail Hawk, Frog Hollow, Mountain Lakeview | | |
| 1-2 person household, 500 cf | \$ 29.86 | \$ 34.50 |
| Average customer, 740 cf | \$ 35.81 | \$ 41.94 |
| Family of 4, 1000 cf | \$ 42.26 | \$ 50.00 |
| Residential User 3500 cf | \$ 127.36 | \$ 148.70 |
| Residential User 10500 cf | \$ 441.66 | \$ 507.10 |
| Customer Bill Impact, monthly | | |
| 1-2 person household, 500 cf | | \$ 4.64 |
| Average customer, 740 cf | | \$ 6.13 |
| Family of 4, 1000 cf | | \$ 7.74 |
| Residential User 3500 cf | | \$ 21.34 |
| Residential User 10500 cf | | \$ 65.44 |
| Average bill with Capital Surcharge | | |
| 1 person household, 500 cf | \$ 36.56 | \$ 41.20 |
| Average customer, 740 cf | \$ 42.51 | \$ 48.64 |
| Family of 4, 1000 cf | \$ 48.96 | \$ 56.70 |
| Residential User 3500 cf | \$ 134.06 | \$ 155.40 |
| Residential User 10500 cf | \$ 448.36 | \$ 513.80 |
| Customer Bill Impact, with Surcharge | | |
| 1-2 person household, 500 cf | | \$ 4.64 |
| Average customer, 740 cf | | \$ 6.13 |
| Family of 4, 1000 cf | | \$ 7.74 |
| Residential User 3500 cf | | \$ 21.34 |
| Residential User 10500 cf | | \$ 65.44 |

Figure 7: PUD Redtail Hawk, Frog Hollow & Mountain Lakeview Proposed Rates Scenarios

Comparison of Water Rates:
Scatter Creek Ranch System
2018 Current to Proposed 2019
Customer Impact Scenarios based on estimated water usage

| Scatter Creek Ranch | | |
|---|-----------|-----------|
| 1-2 person household, 500 cf | \$ 35.27 | \$ 39.63 |
| Average customer, 740 cf | \$ 41.22 | \$ 47.60 |
| Family of 4, 1000 cf | \$ 47.67 | \$ 56.23 |
| Residential User 3500 cf | \$ 132.77 | \$ 168.38 |
| Residential User 10500 cf | \$ 447.07 | \$ 554.78 |
| Customer Bill Impact, monthly | | |
| 1-2 person household, 500 cf | | \$ 4.36 |
| Average customer, 740 cf | | \$ 6.38 |
| Family of 4, 1000 cf | | \$ 8.56 |
| Residential User 3500 cf | | \$ 35.61 |
| Residential User 10500 cf | | \$ 107.71 |
| Average bill with Capital Surcharge | | |
| 1-2 person household, 500 cf | \$ 41.97 | \$ 46.33 |
| Average customer, 740 cf | \$ 47.92 | \$ 54.30 |
| Family of 4, 1000 cf | \$ 54.37 | \$ 62.93 |
| Residential User 3500 cf | \$ 139.47 | \$ 175.08 |
| Residential User 10500 cf | \$ 453.77 | \$ 561.48 |
| Customer Bill Impact, with Surcharge | | |
| 1-2 person household, 500 cf | | \$ 4.36 |
| Average customer, 740 cf | | \$ 6.38 |
| Family of 4, 1000 cf | | \$ 8.56 |
| Residential User 3500 cf | | \$ 35.61 |
| Residential User 10500 cf | | \$ 107.71 |

Figure 8: PUD Scatter Creek Ranch Proposed Rates Scenarios

2019 Proposed Capital Budget

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Capital Budget

The 2019 Capital Budget includes ongoing projects that the District has identified in the past and is working to completion, as well as implementation of the overall Asset Management Plan (AMP) adopted by the District in 2014.

The capital surcharge implemented in 2015 has been collected and placed in a reserve account to be used only for projects identified in the Asset Management Plan. Any reserve will carry over to the following year to be used as appropriated by the Board of Commissioners. Due to the needs of the AMP, the District has obtained capital financing through the issuance of bonds, using the capital surcharge moneys to repay the loans taken.

Staff's review of the financial plan recommends that the capital surcharge for 2019 be maintained at the 2018 level, to reduce the rate impact on all of our customers. The financial plan will be reviewed annually to determine the surcharge needed in the future.

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2019 Proposed Capital Budget Summary

| Project Code | System Id. No. | Project Description | Purpose | 2019 Capital Budget |
|--------------|----------------|---------------------|---------|---------------------|
|--------------|----------------|---------------------|---------|---------------------|

Capital Improvements

| | | | | |
|--|----------|---|-----|------------------|
| CI-41 | multiple | Isolation valve maintenance | OP | 100,000 |
| CI-44 | multiple | Rebuild Pumphouses (PW) | OP | 224,805 |
| CI-53 | 278 | Combine Platt and Sward - (DWSRF) | H/S | 40,000 |
| CI-62 | multiple | Treatment Systems Upgrade/Media | OP | 132,000 |
| CI-65 | multiple | Replace Plumbing/Pressure Tanks | OP | 150,000 |
| CI-66 | multiple | Multiple System Upgrade | OP | 200,000 |
| CI-68 | multiple | Drilling New Wells | OP | 50,000 |
| CI-71 | multiple | Electrical Controls/Upgrades | OP | 50,000 |
| CI-75 | multiple | Source and Service Meter Replacement | OP | 100,000 |
| CI-76 | multiple | Well and Booster Pump Replacement | OP | 600,000 |
| CI-87 | multiple | Small System Generators | OP | 125,000 |
| CI-89 | 215 | Deschutes Glen Upgrade | OP | 50,000 |
| CI-96 | mutiple | Sampling Stations | OP | 32,000 |
| CI-97 | 667 | Quail Run Treatment and Repairs | OP | 250,000 |
| | | Administrative cost of all projects | | 100,000 |
| | | <i>15% contingency on asset management plan estimates</i> | | 250,000 |
| Subtotal - Capital Improvements | | | | 2,453,805 |

Water System Management

| | | | | |
|--|-----|----------------------------|-------|------------------|
| WM-4 | NA | Water System Plan - Part B | OP, G | 70,000 |
| WM-14 | NA | Fleet | G | 96,300 |
| WM-24 | 999 | Emergecy Radio Upgrade | G | 24,000 |
| WM-26 | 999 | Telephone system upgrade | OP | 10,000 |
| WM-29 | 999 | Building Upgrades | OP | 97,000 |
| Subtotal - Water System Management | | | | 297,300 |
| Total - Capital Improvement Program | | | | 2,751,105 |

Funding

| | | | |
|---|---------------------------------------|--|------------------|
| | Transfer from Water Fund Reserve | | 153,300 |
| | 2018 Water Revenue Bond Issue | | 2,158,000 |
| | DWSRF Loan - Platt/Sward DM12-952-103 | | 40,000 |
| | PWTF Loans 2018 | | 274,805 |
| | Additional Funding needed | | 125,000 |
| Total Other Funding | | | 2,751,105 |
| TOTAL CIP FUNDING FROM RATES (TO RESERVES) | | | - |

Figure 9: Proposed 2019 Capital Budget Summary

Capital Budget Project Code Explanations

CI-41 Isolation Valve Maintenance Project to ensure all isolation valves are in working order so that when needed the main can be shut down in sections to do repairs. This reduces the number of customers affected by any planned or emergency repair on the mainline or service connections. Funded by Asset Management Plan.

CI-44 Rebuild Pump Houses Project to rebuild pump houses that are at the end of their useful lives. Funded by Asset Management Plan. Public Works Trust Fund Loan obtained, line item increased to include 5 pump house projects (Brown South Prairie, Garden Acres #1, Marshall, Nisqually Vista and Olin for 3 years (2018 – 2020)

CI-53 Combine Platt and Sward Water system consolidation project to combine the Sward (278) and Platt water systems into one Group A water system. Project is needed as the well on the Platt water system is no longer producing sufficient water for the customers on the system. Funding from acquired DWSRF loan. Project must be completed by 3/30/2019.

CI-62 Treatment Systems Upgrade Annual program to upgrade treatment systems or replace critical equipment needed for treatment on existing water systems. Funded by Asset Management Plan

CI-65 Replace Plumbing/Pressure Tanks Annual program to replace pressure tanks and plumbing in the pump houses. Funded by Asset Management Plan.

CI-66 Multiple Systems Upgrade Annual program to upgrade water systems to solve issues as they come up. We can't always project where the failures will be. We look in the past on what extra cost average and use this for miscellaneous projects. Funded by Asset Management Plan.

CI-68 Drilling New Wells Project to drill replacement/additional wells at existing water systems to increase production or replace a well that is no longer producing at the rate that it once did. Funded by Asset Management Plan.

CI-71 Electrical Controls Upgrades Annual program to resolve issues with pumping controls and electrical wiring in pump houses. Funded by Asset Management Plan

CI-75 Service Meter Replacement Annual program to replace service and source meters as needed. Funded by Asset Management Plan

CI-76 Well and Booster Pump Replacement Annual program to replace well and booster pumps. Funded by Asset Management Plan

CI-87 Small System Generators Placeholder line item to reserve capital financing for the development of 5 small system generators.

CI-89 Deschutes Glen Upgrade System has had problems with total coliforms in the old reservoir. Reservoir and pump house needs replacement. Funded by Asset Management Plan.

CI-96 Sampling Stations Project to install sampling stations on water systems to make it more efficient and accurate to take required water samples.

CI-97 Quail Run Treatment and Repairs – The Quail Run water system has very high levels of manganese that has clogged pipes and valves over the years and has left the system with low pressure problems. This project will be to install new treatment and replace infrastructure like valves, blow offs, service lines and meters.

Administrative Cost of All Projects This line item is reserved for the capitalized salaries of District staff to oversee the projects in the Capital Budget.

WM-4 Water System Plan – Part B Line item to track the cost of updates to the water system plans for individual water systems.

WM-14 Fleet Purchase of 2 field vehicles in accordance with the District’s vehicle replacement plan.

WM-24 Emergency Radio Upgrade Upgrade up to 20 fleet radio units plus the installation of a repeater enabling the district field crew to communicate during a major emergency event.

WM-29 Building Improvements Installation of audio visual equipment in the Commissioner Public Meeting area. Access Control door security system. Tree replacement project.

Funding Sources

Transfer from Water Fund Reserve Amounts held in reserve from water revenues.

2018 Water Revenue Bond Amounts obtained from financing December 2017 and finalized in January 2018 to use for acquisitions and capital funding.

DWSRF Loan – Sward/Platt DM12-952-103 District has obtained dedicated funding from the Drinking Water State Revolving Fund to support CI-53.

PWTF Loans 2018 District was awarded and has accepted 3 loans from the Public Works Trust Fund to drill new wells, rebuild pump houses and decommission old unused wells.

General Facilities Charge (GFC) Currently \$3,000 paid by customers for new services.

Additional Funding Needed The District will pursue outside sources of funding to complete this portion of the capital budget.

[Fox Blackhorn](#) (Wed, 26 Sep at 9:16 AM)

Replied to : joexhyer@gmail.com

Good morning Joe,

Thank you for reaching out with your concerns about Andrew Saturn's political advertising. It appears that you may be attempting to file a complaint concerning [RCW 42.17A.335](#), but you have not alleged sufficient facts.

RCW 42.17A.335(1)(a) requires a false statement of material fact must be made with actual malice, and made about a candidate. [RCW 42.17A.005\(1\)](#) defines actual malice as "to act with knowledge of falsity or with reckless disregard as to truth or falsity." The statements you allege are false, are about the government agency, not about a candidate.

If you have evidence that would support an allegation of RCW 42.17A.335, please provide it by **10/3/18**.

Thank you,

Mx. Fox Blackhorn
Compliance Coordinator 2
360.753.1980 | 360.753.1111



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Washington State law established email as the PDC's official means of communication as of June 7th, 2018 (RCW 42.17A.055). Filers have a duty to amend their reports within 10 days of any material changes, such as new e-mail addresses. Please ensure your e-mail address is up to date.

To respond, please reply to this email.

Washington Public Disclosure Commission
<http://www.pdc.wa.gov>
1.360.753.1111

[joe Hyer](#) (Wed, 26 Sep at 4:11 PM)

to : pdc@pdc.wa.gov

Fox -

Thanks for the clarification.

I do have additional evidence, though the document has already been presented. In the same electioneering piece, first bullet point, he states that his opponent (Linda Oosterman) benefited from nearly \$9000 in ads paid for by Puget Sound Energy.

All independent ads are required to have a sponsor ID, which is the PAID for BY message. And they are required to file C6's with the PDC. I've searched- I can't find anything in the PDC database, either from the 2018 or 2012 election involving Ms. Oosterman and \$9000 from PSE.

There is \$8993, a similar amount, spent in 2012, by the Alliance to Protect Thurston Power, as an independent expenditure, made on behalf of Ms. Oosterman, without her knowledge or consent. And one of the major donors to that campaign was Puget Sound Energy.

But the ADS were not paid for by Puget Sound Energy, as Mr. Saturn asserts. If they were, PDC rules would require the sponsor ID to say, paid for by Puget Sound Energy. To that end, his statement is false, on its face.

Now, did he act with 'malice'? Well, did he have knowledge of this falsity? I assert yeas he did. As evidence - peruse your own complaint database for the past year. I found 8 complaints made by Mr. Saturn where he shows a keen knowledge of public disclosure laws, and makes complex assertions that show he clearly DOES understand what a sponsor ID is, and how it works.

If he said that Ms. Oosterman benefited from nearly \$9000 in advertising paid for by a PAC whose primary donor was Puget Sound Energy - that would connect the dots in a factual way. But he didn't. He chose to post a falsehood.

He knew it was false- look at his knowledge of public disclosure laws as proof.

The second piece of additional evidence is also on the flyer - third point, on public internet. Mr. Saturn is talking very specifically here about Ms. Oosterman, as he begins the sentence "Unlike our opponent, we understand the state laws..."

I believe most people would consider Ms. Oosterman an expert on State Laws in the area of Public Internet. In the past six years, the PUD has coordinated significant research and planning with the cities and other governments. This is all public record.

And while candidates can disagree on interpretation or application of the law - to broadly suggest that a six year incumbent to an elected office doesn't 'understand state laws' is an ad hominem attack, not an attack on policy positions. Mr. Saturn has a recent pattern of attacking female political activists, and this appears to be yet another example. This is a personal attack directly at Ms. Oosterman's intelligence, and should be called out as such.

Third piece of evidence - back to the first bullet point, same flyer. 'Our opponent, who has ties to the Freedom Foundation...' The Freedom Foundation is well known in Thurston County as a right-wing obstructionist group, not supported by the local electorate. Ms. Oosterman has never been a member, supporter, volunteer or affiliated in any way with the Freedom Foundation. In fact, Ms Oosterman was office manager for the Thurston County Democrats in 2008, when they were locked in vicious battles with the Freedom Foundation.

This is a false statement, deliberately made to cast Ms. Oosterman as conservative. If you would like to hear the facts, the stories of Ms. Oosterman's democratic activism as far back as the 1960s, please several hours and interview her. It's an amazing journey.

Last piece of evidence - same flyer- fourth bullet. 'And unlike our PSE-sponsored opponent'. Many of the non-profits I have worked with over the years have been sponsored by Puget Sound Energy. But by policy,

they do not sponsor individuals, not even athletes. This is clearly a false statement, and clearly made directly about Ms. Oosterman. More important, when placed on the same page, after the false statements about the \$9000, it sets up a false pattern for the reader. Which also clearly shows malice - this statement shows clear and reckless disregard for the truth.

Nike sponsors athletes. PSE does not. More importantly, Ms. Oosterman, at 74, is not an athlete anymore. She's just a grandmother trying to serve her community and avoid the bullies out there.

Surely these 4 additional pieces of information steer directly towards the candidate.

Thanks,

Joe Hyer

Complaint Description

[joe Hyer](#) (Tue, 25 Sep at 11:50 PM) via Portal

The attached electioneering communication has been handed out and transmitted electronically at numerous local events recently. In it, he claims 'Our part-time PUD commissioners voted to give themselves a \$4000 raise...'

PUD Commissioners do not set their own salaries. The compensation is established in STATE LAW, RCW 54.12.010. RCW's are adopted by the State Legislature - no members of the Thurston PUD Commissioner also serve as State Legislators. Therefore, none of the current PUD commissioners, including Mr. Saturn's opponent, could possibly have voted to increase their salaries. It would be illegal.

I believe that per RCW 42.17A.335(1)(a), this communication contains 'a false statement of material fact about a candidate for public office'. Linda Oosterman is seeking re-election to her seat on the Commission, and is Mr. Saturn's opponent. Suggesting she illegally adjusted her salary, or even that it is within her power to adjust her salary, is an outright lie, and contrary to State Law.

I think it is also important to review the NOTES on RCW 42.17A.335 - the legislative intent is clear and specific.

We request the PDC fine Mr. Saturn an appropriate penalty for spreading false information, as well as require a retraction and correction.

What impact does the alleged violation(s) have on the public?

Undermines the public trust in its government institutions. Undermines public trust elected officials

List of attached evidence or contact information where evidence may be found.

Electioneering Communication attached.

RCW 54.12.010 is the correct law in question.

List of potential witnesses with contact information to reach them.

Russ Olsen, Thurston PUD Commissioner - contact VIA PUD office

Chris Stearns, Thurston PUD Commissioner - contact VIA PUD Office.

For additional clarification on facts, contact the Washington Public Utilities District Association.

Complaint Certification:

I certify (or declare) under penalty of perjury under the laws of the State of Washington that information provided with this complaint is true and correct to the best of my knowledge and belief.

Andrew Saturn for Public Utility Commissioner - Fighting for Workers!

No Corporate Cash

Our opponent, who has ties to the Freedom Foundation, benefitted from nearly \$9,000 in ads paid for by Puget Sound Energy. Our campaign is refusing all corporate cash contributions, opting for small individual contributions instead.

Campaign Ethics

Our opponent has also relied upon a smear campaign and even physical assault and intimidation. We're running an issues-based clean campaign, and have signed the Pro-Truth Pledge.

Public Internet

Unlike our opponent, we understand the state laws and want to bring public internet to areas that have little or no service coverage. This will create family-wage union jobs and access to information necessary to learn and grow in the 21st century.

Public Power

And unlike our PSE-sponsored opponent, we believe we can move towards providing public power, starting with generating our own electricity via solar panels, and converting to modern solar-powered water pumps, saving you up to 50% on your bill.

Worker Pay

Our part-time PUD commissioners voted to give themselves a \$4,000 raise, which means they earn more in a few meetings than full-time PUD workers do in a year. As the only campaign with a union worker as the candidate, we believe PUD workers deserve a living wage plus benefits.

Social Responsibility

The current PUD offers nothing for low-income customers. We believe it is our responsibility to ensure those who have little to nothing aren't going without water and other essentials. This means vouchers and bill rate discounts for low-income customers and seniors.

Transparency

We want to open the PUD to the public, offering easier access to records and meeting minutes, and more opportunities for public input. Our opponent, until we pointed out that it was illegal, was not publishing meeting minutes or dates/times.

GENERAL ELECTION OCT 19–NOV 6! IN-PERSON VOTER REGISTRATION DEADLINE IS OCT 29!

Read more at www.votesaturn.com/issues

Facebook [fb.com/votesaturn](https://www.facebook.com/votesaturn)

Twitter [@votesaturn](https://twitter.com/votesaturn)

Complaint Description

[joe Hyer](#) reported 16 days ago (Wed, 26 Sep at 9:12 AM) via Portal Andrew Saturn, running for Thurston PUD, recently published the attached electioneering flyer. in it, he makes a very unequivocal and certain statement -

"The current PUD offers nothing for low income customers."

It took me all of two minutes, without leaving my computer, to disprove this.

Simply go to www.thurstonpud.org and on the top menu, click 'Links and Forms'. Under service forms, click 'Project Help Application for Assistance'. The PDF is also attached. Not only is this exactly what Mr. Saturn claims does not exist - it is readily available to anyone online, with little difficulty to find.

We believe that this in and of itself proves malice. To do so little fact-checking before making such statements is irresponsible and harmful to the electoral process.

We respectfully request that Mr. Saturn be fined for his violation, and required to correct the information.

What impact does the alleged violation(s) have on the public?

False information about public agencies casts them in a negative light, and their leadership, and this candidate's opponent is the incumbent commissioner. Further this harms the integrity of the elections process, and voters faith in it, harming turnout numbers even farther.

List of attached evidence or contact information where evidence may be found.

Electioneering Flyer published by Friends of Saturn/ Andrew Saturn

List of potential witnesses with contact information to reach them.

Thurston PUD Staff could confirm, as could commissioners.

Complaint Certification:

I certify (or declare) under penalty of perjury under the laws of the State of Washington that information provided with this complaint is true and correct to the best of my knowledge and belief.

Project Help – Low Income Assistance Program

Application For Assistance

Last Name _____ First Name _____ MI _____

Street Address _____

City _____ State _____ ZIP _____

Mailing address (if different than street address) _____

Email Address _____

Daytime Telephone (____) _____ Work Telephone (____) _____

Customer Account Number _____

ELIGIBILITY REQUIREMENTS:

To be eligible for assistance you must:

- ❖ Be the owner of the property.
- ❖ Have received a disconnect notice for your water service
- ❖ Provide documentation that you qualify for the property tax exemption in your respective county. See your County Assessor for more information.

Assistance will be limited to \$50 annually.

Please attach required documents to this form.

- ✓ Copy of your disconnect notice
- ✓ Documentation that you qualify for your County's Property Tax Exemption

I do hereby certify that all the information I have provided is **true and complete** to the best of my knowledge. I understand any false or misrepresented information I have provided may cause denial of assistance.

Signature: _____ Date: _____

FOR OFFICE USE ONLY:

Eligibility Verified: Yes _____ No _____

By: _____

Authorization: _____

Andrew Saturn for Public Utility Commissioner - Fighting for Workers!

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