



**PUBLIC UTILITY DISTRICT NO. 1
OF MASON COUNTY**
N. 21971 Hwy. 101
Shelton, WA 98584

BOARD OF COMMISSIONERS
KARL DENISON, Commissioner
JACK JANDA, Commissioner
RON GOLD, Commissioner

ATTENTION

Canal Mutual Water System Users and Property Owners

PUBLIC HEARING

Finally, we are preparing for construction this summer! In 2012, the Canal Mutual Water System received a \$650,000 grant to construct more of the water system improvements needed to increase system capacity so we can request additional connections from the State Department of Health.

The Mason County PUD No. 1 Board of Commissioners will hold a public hearing for the Canal Mutual Water System to discuss this summer's construction project and rate changes.

The hearing will occur **Tuesday, July 23, 2013 at 1:00 pm** at the District board room located at 21971 N Hwy 101 in Potlatch, Washington.

If you plan to attend, please contact Kristin Masteller or Jocelyne Gray at the District office. (The boardroom is small and has very limited seating- we may need to choose another venue if expected attendance is high.)

The purpose of the hearing is to bring Canal Mutual Water System customers and property owners up to speed on the topics listed below. We have provided brief explanations of each topic in this letter and are available to answer any questions in person or by phone prior to the hearing, for those who are unable to attend or would like additional information.

Public Hearing topics include:

- A.** Construction update
- B.** Installation of service meters for all existing customers
- C.** Installation of service meters for property owners wanting a connection
- D.** Conversion of flat rates to metered rates

A. CONSTRUCTION UPDATE

Since last fall, the Director of Operations-Water, Jocelyne Gray, has been busy with the permitting process. Then this spring she completed the sealed bid process to select the contractor and material supplier. Ferguson Waterworks was awarded the material bid for \$136,878.39 plus sales tax (\$11,634.66). Kamin Excavation was awarded the construction bid for a total of \$369,000.00 plus sales tax (\$31,365.00). Material has already begun being delivered, but construction will not begin until mid-July and is scheduled to be completed by October 1. The contractor will begin along US Highway 101 then move up the hill.

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Due to the nature of the permitting that has been required by the State and County, the District is unable to construct all of the system improvements that have been designed, though we have purchased all of the material. By purchasing all of the material now, it will allow us to complete the remainder of the improvements at a later date. The following improvements will be constructed by Kamin Excavation and their subcontractor Armadillo Boring:

- Schedule A Base Bid: replace water main and install new water main along Terrace Road and lower portion of Westward Way, install meters and pressure reducing valves, install meters on Terrace Loop Road services;
- Schedule B Alternate Bid: replace water main along US Highway 101 including two bores across highway and one bore under creek culvert, install meters and pressure reducing valves, manually remove existing water main within creek;
- Alternate A-1 Bid: replace water main and install new water main along England Drive and Viken Road, install meters; and
- Schedule C Bid: decommission Wells 1 and 2, demolish associated well houses, restore landscaping.

The current project budget is as follows:

Budget Item	Funding Contract Budget	Spent to Date
Engineering Report	\$0.00	\$0.00
Cultural & Historical Resources Review	\$19,260.59	\$4,860.59
Environmental Review	\$680.00	\$680.00
Land Acquisition	\$52,525.05	\$52,525.05
Permits	\$1,602.50	\$1,497.50
Public Involvement/Information	\$200.00	\$0.00
Bid Documents	\$10,615.57	\$9,077.20
Construction	\$495,788.50	\$0.00
Service Meters	\$21,236.05	\$10,390.60
Contingency (required)	\$3,644.65	\$227.00
Sales Taxes	\$43,947.09	\$921.57
DOH Water System Plan	\$500.00	\$0.00
Total Amount	\$650,000.00	\$80,179.51

B. WATER METERS FOR EXISTING ACTIVE WATER CUSTOMERS

We will install service meters on all existing active water customers as part of this project. Meters not installed by the contractor will be installed by the District’s Water Department personnel. In some cases this will require relocating the service to the front of the property. Once the meters are installed, the District is responsible for the distribution system up to, and including, the service meter. Each customer is responsible for the service line after the meter. **The District recommends that each customer installs their own shut-off valve AFTER the meter for your own use**; only District personnel are permitted to turn off the meter and the valve at the meter. Your own shut-off valve can be used if you leave for an extended period of time or need to make plumbing repairs.

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Due to high pressures expected in the system, some services will have pressure reducing valves installed after the meter. These valves will be installed by the contractor, but maintenance will be the responsibility of the customer.

C. WATER METERS FOR WAITING PROPERTY OWNERS

IMPORTANT: If you have been waiting for a water connection to your property and would like to connect to the system as part of this project, please contact Jocelyne Gray, Director of Operations-Water by **July 9, 2013** so we can ensure a meter will be installed at your property. We have a list of properties that do not have a connection and we need to verify who wants to connect this year. Meters not installed by the contractor will be installed by the District’s Water Department personnel.

The District will request additional connections from the State Department of Health so properties within the current Canal Mutual Water System that have been waiting may finally connect. Preliminary analysis indicates there will be capacity for all properties to connect that want to connect to the system even though we are not replacing all of the water mains.

D. FLAT RATE CUSTOMERS TO CONVERT TO METERED RATES

The Department of Health is now requiring all Group A water systems to install service meters. After construction, customers who are currently paying a monthly flat rate (\$37.04/month) for their water will begin paying the District’s metered tiered rates. The metered rates are as follows for 2013:

Base Charge (0-400 cf).....	\$31.10 per month for up to 400 cf of water
401-1,000 cf.....	\$1.47 per 100 cf used each month
1,001+ cf.....	\$1.84 per 100 cf used each month

Average winter usage is less than 400 cf. Average summer usage is 1,100 cf if watering outdoors. Monthly bills will be the base charge + usage charges + capital surcharge.

The service meters measure water in cubic feet and the bills report usage in cubic feet.
Abbreviation definitions: cf = cubic feet gal = gallons 1 cf = 7.48 gal

Below are examples of water bills for flat rates and metered rates based on average water usage. The table compares the total monthly example bills side-by-side. In some cases, monthly bills might actually decrease.

Please see the next page for examples of what your bill might look like.



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Examples:

Your **Current** Flat Rate: \$37.04 base charge + \$32.00 capital surcharge = **\$69.04/month**

New Metered Rate: **400 cf** = \$31.10 base charge + \$32.00 capital surcharge = **\$63.10/month**

1,100 cf (8,228 gal) = \$31.10 base + \$10.29 usage + \$32.00 capital = **\$73.39/month**

How usage is calculated:

1,100 cf—400 cf = 700 cf (or 5,236 gal) which is the usage over the base amount of 400 cf

700 cf x \$1.47 per 100 cf = \$10.29 usage charge (or 7 x \$1.47= \$10.29)

	Flat Rate	Minimum Metered Rate (0-400 cf)	Metered Rate at 1,100 cf
Base Rate	\$37.04/month	\$31.10/month	\$31.10/month
Usage Allowed	Unlimited	400 cf	400 cf
Additional Usage	N/A	0 cf	700 cf
Metered Rate	\$0.00	\$0.00	\$10.29/month
Capital Surcharge	\$32.00/month	\$32.00/month	\$32.00/month
Total Water Bill	\$69.04/month	\$63.10/month	\$73.39/month

If you have any questions regarding this information, please contact Jocelyne Gray, Director of Operations-Water at (360) 877-5249 or jocelyneg@hctc.com.

Please share this notice with all the other people who drink this water, especially those who may not have received this notice directly (for example, people in apartments, renters, and businesses). You can do this by posting this notice in a public place or distributing copies by hand or mail.

Sincerely,

Jocelyne Gray, PE
Director of Operations-Water