RECEIPT

Department of Ecology (4610)
PO Box 47611
Olympia, WA 98504-7611
(360) 407-7095

Receipt Number 11CJ000351
Manual Receipt

Document Number 461J1698 CJ Date 07/09/2010 FM 13

Remitter Name THURSTON COUNTY PUBLIC UTILITY DISTRICT
THURSTON COUNTY PUD NO 1

Receipt Name

Check/Draw Number 9641

Document Amount 50.00

Method of Payment Check

Comment Description WATER RIGHT G2-27015, G2-29250

REF DOC NR	REF DOC SFX	INV NR	ID NR	SUB ID NR	T C	R	FUND	MAJ GRP	MAG SRC	SUB SRC	CNTY	WORK CLS	PIC	AI	ORG	PRJ	SUB PRJ	PRJ PHS	SUB OBJ	SUB SUB OBJ	VAR GL	SUB SID DR	SUB SID CR	ALLOC AMT
					001		001	02	85	000011														50.00

Thurston
Public Utility District

RECEIVED

'10 JUL -8 A10:12

WA STATE
DEPARTMENT OF ECOLOGY
SW REGIONAL OFFICE

Commissioners
Alan Corwin
Paul Pickett
Chris Stearns

June 24, 2009

Tom Loranger, Manager
Water Resources Program
Southwest Regional Office
Department of Ecology
300 Desmond Drive
Lacey, WA 98503

RE: Requests for Extension of Development Schedule
Permit No. G2-27015 - scheduled for beneficial use by December 31, 2010
Permit No. G2-29250 - scheduled for beginning of construction by March 1, 2010

Dear Tom:

On behalf of the Public Utility District No. 1 of Thurston County (TPUD), I submit this request for extension of the development schedule for the above referenced permits.

TPUD respectfully requests that these permits be extended as follows:

1. Permit G2-27015: extend beneficial use to 2020; and

2. Permit G2-29250: extend beginning of construction to December 31, 2012, completion of construction to December 2018, and beneficial use to December 31, 2020.

In May, Phil Crane met with me and Tom McDonald, TPUD's Chief Counsel, to discuss these water right permits, which are used for the Prairie Ridge Water System. The water system was being transferred from a private owner to TPUD to own and operate.

As new owners of the system, TPUD is taking the necessary steps to update the water system records and permits. TPUD is drafting and soon will be submitting a water system plan to the Department of Health. As part of this process, it is seeking from Ecology the necessary extensions of the water permits under RCW 90.03.320.

The water system has the above two referenced permits as well as Certificate No. G2-25621 for 50 gallons per minute (gpm) and 80 acre feet per year (afy). Permit No. G2-27015 authorizes 175 gpm and 80 afy supplemental. This permit is scheduled for beneficial use by December 31, 2010. Permit No. G2-29250 authorizes125 gpm and 80 afy supplemental. The Department of Health has approved the water system for 150 connections or equivalent residential units (ERUs). Currently there are 99 existing connections. Water System ID No. is 02356 W.

921 Lakeridge Way SW, Suite 201 • Olympia, Washington 98502-6035
(360) 357-8783 • Fax (360) 357-1172
www.thurstonpud.com

RCW 90.03.320 requires Ecology to extend permit development schedules as reasonable necessary:

> For good cause shown, the department shall extend the time or times fixed as aforesaid, and shall grant such further period or periods as may be reasonably necessary, having due regard to the good faith of the applicant and the public interests affected.

Ecology may consider many factors in determining good cause including cost and magnitude of the project, financing, growth projections, and conservation measures.

As indicated in the water system data, the water system is approximately 65% developed. TPUD estimates that full growth for this area, based upon growth projections, is approximately 10 years based on the current economy and market. TPUD asks you to consider two key elements of its taking this system. First, the system is in need of conservation measures, as TPUD does not believe it is as efficient as reasonably necessary. There appears to be a high level of water use and TPUD will be initiating a rate structure and conservation program to address this.

Second, to maintain the viability of this system for TPUD, it is imperative that the water system be allowed to add the authorized customers. In regard to this point, many systems fail or are unable to maintain the minimum standards because of lack of a reasonable financial base, which is directly related to the customer base. As a service to the County, TPUD has been taking ownership and management of many small systems that are in critical situations with the intent of providing the necessary support to bring the systems up to all state and federal standards. But this can only be done if the water rights are maintained and allow for the sustained operation and reasonable growth of the systems.

The Prairie Ridge Water System was owned by an elderly couple who were no longer desiring to own the system. The TPUD Board voted to purchase the system to maintain the system's viability. As the new owner, TPUD, a governmental entity statutorily authorized to operate these systems, respectfully asks that Ecology provide the reasonable time of 10 years for the development of the system and full beneficial use of the water.

Sincerely,

John Weidenfeller

John Weidenfeller
General Manager

JW:en

cc: Phil Crane
Tom McDonald

921 Lakeridge Way SW, Suite 201 • Olympia, Washington 98502-6035
(360) 357-8783 • Fax (360) 357-1172
www.thurstonpud.com

Thurston
Public Utility District

Commissioners
Alan Corwin
Paul Pickett
Chris Stearns

June 24, 2009

Tom Loranger, Manager
Water Resources Program
Southwest Regional Office
Department of Ecology
300 Desmond Drive
Lacey, WA 98503

RE: Requests for Extension of Development Schedule
Permit No. G2-27015 - scheduled for beneficial use by December 31, 2010
Permit No. G2-29250 - scheduled for beginning of construction by March 1, 2010

Dear Tom:

On behalf of the Public Utility District No. 1 of Thurston County (TPUD), I submit this request for extension of the development schedule for the above referenced permits.

TPUD respectfully requests that these permits be extended as follows:

1. Permit G2-27015: extend beneficial use to 2020; and

2. Permit G2-29250: extend beginning of construction to December 31, 2012, completion of construction to December 2018, and beneficial use to December 31, 2020.

In May, Phil Crane met with me and Tom McDonald, TPUD's Chief Counsel, to discuss these water right permits, which are used for the Prairie Ridge Water System. The water system was being transferred from a private owner to TPUD to own and operate.

As new owners of the system, TPUD is taking the necessary steps to update the water system records and permits. TPUD is drafting and soon will be submitting a water system plan to the Department of Health. As part of this process, it is seeking from Ecology the necessary extensions of the water permits under RCW 90.03.320.

The water system has the above two referenced permits as well as Certificate No. G2-25621 for 50 gallons per minute (gpm) and 80 acre feet per year (afy). Permit No. G2-27015 authorizes 175 gpm and 80 afy supplemental. This permit is scheduled for beneficial use by December 31, 2010. Permit No. G2-29250 authorizes125 gpm and 80 afy supplemental. The Department of Health has approved the water system for 150 connections or equivalent residential units (ERUs). Currently there are 99 existing connections. Water System ID No. is 02356 W.

921 Lakeridge Way SW, Suite 201 • Olympia, Washington 98502-6035
(360) 357-8783 • Fax (360) 357-1172
www.thurstonpud.com

RCW 90.03.320 requires Ecology to extend permit development schedules as reasonable necessary:

> For good cause shown, the department shall extend the time or times fixed as aforesaid, and shall grant such further period or periods as may be reasonably necessary, having due regard to the good faith of the applicant and the public interests affected.

Ecology may consider many factors in determining good cause including cost and magnitude of the project, financing, growth projections, and conservation measures.

As indicated in the water system data, the water system is approximately 65% developed. TPUD estimates that full growth for this area, based upon growth projections, is approximately 10 years based on the current economy and market. TPUD asks you to consider two key elements of its taking this system. First, the system is in need of conservation measures, as TPUD does not believe it is as efficient as reasonably necessary. There appears to be a high level of water use and TPUD will be initiating a rate structure and conservation program to address this.

Second, to maintain the viability of this system for TPUD, it is imperative that the water system be allowed to add the authorized customers. In regard to this point, many systems fail or are unable to maintain the minimum standards because of lack of a reasonable financial base, which is directly related to the customer base. As a service to the County, TPUD has been taking ownership and management of many small systems that are in critical situations with the intent of providing the necessary support to bring the systems up to all state and federal standards. But this can only be done if the water rights are maintained and allow for the sustained operation and reasonable growth of the systems.

The Prairie Ridge Water System was owned by an elderly couple who were no longer desiring to own the system. The TPUD Board voted to purchase the system to maintain the system's viability. As the new owner, TPUD, a governmental entity statutorily authorized to operate these systems, respectfully asks that Ecology provide the reasonable time of 10 years for the development of the system and full beneficial use of the water.

Sincerely,

John Weidenfeller

John Weidenfeller
General Manager

JW:en

cc: Phil Crane
Tom McDonald

921 Lakeridge Way SW, Suite 201 • Olympia, Washington 98502-6035
(360) 357-8783 • Fax (360) 357-1172
www.thurstonpud.com

RECEIPT

Department of Ecology (4610)
PO Box 47611
Olympia, WA 98504-7611
(360) 407-7095

Receipt Number 11CJ000021
Manual Receipt

Document Number 461J1670 CJ Date 07/02/2010 FM 13

Remitter Name PUBLIC UTILITY DIST NO 1 Receipt Name

Check/Draw Number 9619

Document Amount 100.00

Method of Payment Check

Comment Description WATER RIGHTS - G2-29250, G2-27105

REF DOC NR	REF DOC SFX	INV NR	ID NR	SUB ID NR	T C	R	FUND	MAJ GRP	MAG SRC	SUB SRC	CNTY	WORK CLS	PIC	AI	ORG	PRJ	SUB PRJ	PRJ PHS	SUB OBJ	SUB SUB OBJ	VAR GL	SUB DR	SID	SUB CR	SID	ALLOC AMT
					001		001	02	85	000011																100.00

DEPARTMENT OF ECOLOGY
State of Washington

Water Resources Program

Assignment of Application or Permit to Appropriate or Store Water

To change the ownership of an application/permit

A NON-REFUNDABLE $50.00 FEE MUST ACCOMPANY THE FILING OF THIS ASSIGNMENT
PLEASE COMPLETE THIS FORM IN INK

I/We, Prairie Ridge Water Company (Please print) ***(Applicant/Permittee)***

Address: 4326 Legacy Drive NE City: Lacey State: WA Zip: 98516 Telephone: (360) 789-6514

E-mail address: rmdrohman@comcast.net

Hereby assign to: Public Utility District No. 1 of Thurston County (Please print) ***(Assignee)***

Address: 921 Lakeridge Way SW, Suite 201 City: Olympia State: WA Zip: 98502 Telephone: (360) 357-8783

E-mail address: jweidenfeller@thurstonpud.com

All my right, title, and interest in and to Application/Permit No. G2-27015 to appropriate the public waters of the State of Washington.

OR (for partial assignments)

The following described portion of my right, title, and interest in and to Application/Permit

No. _____ to appropriate the public waters of the State of Washington.

Describe portion of the application/permit assigned, listing the number of acres (only for irrigation rights), point of diversion/withdrawal location(s), and amount of the water in gallons per minute or cubic feet per second and acre feet per year.

Provide the latitude and longitude of the Point(s) of Diversion or Withdrawal. If unable to do so, provide the distance and direction from the nearest Section, Township, and Range using the Public Land Survey System.

If for a partial assignment, attach a copy of the property deed or title insurance policy and a detailed map of the proposal.

This assignment is being made for the following reason(s): This Assignment is pursuant to a Purchase and Sale Agreement dated ~~May~~ June 2,2010, between Robert R. and Rita M. Drohman, as Owners of the Prairie Ridge Water System, and the Thurston CountyPublic Utility District No. 1.

If for a permit to appropriate or store water:
☐ The development schedule can be met.

Assignment ok
7-13-2010
MP

☒ The development schedule cannot be met. A proposal for a new development schedule is included.

Applicant/Permittee Section:

I/We, Robert Drohman, Prairie Ridge Water Company, have read the above assignment of application or permit to appropriate or store water; that I/we know the contents thereof; and that the facts therein stated are true.

Signed this 9th day of June, in the year 2010.

Robert R. Drohman
Applicant/Permittee Signature

Rita M. Drohman
Applicant/Permittee Signature

Applicant/Permittee Signature

State of Washington

County of Thurston

I hereby certify that I know or have satisfactory evidence that Robert R. Drohman & Rita Drohman Applicant(s)/Permittee(s) is the person who appeared before me, and said person acknowledged that he/she signed this instrument and acknowledged it to be his/her free and voluntary act for the uses and purposes mentioned in this document.

Subscribed and sworn before me this 9th day of June, in the year 2010.

CYNTHIA AHRENHOLTZ
NOTARY PUBLIC
STATE OF WASHINGTON
COMMISSION EXPIRES
NOVEMBER 12, 2012

Seal or Stamp

Cynthia Ahrenholtz
Notary Signature

My commission expires: 11-12-12

Assignee Section:

I/We, Thurston County Public Utility District No. 1, have read the above assignment of application or permit to appropriate or store water; that I/we know the contents thereof; and that the facts therein stated are true.

Signed this 22nd day of June, in the year 2010.

John Weidenfeller
Assignee Signature

Assignee Signature

Assignee Signature

State of Washington

County of Thurston

I hereby certify that I know or have satisfactory evidence that John Weidenfeller Assignee(s) is the person who appeared before me, and said person acknowledged that he/she signed this instrument and acknowledged it to be his/her free and voluntary act for the uses and purposes mentioned in this document.

Subscribed and sworn before me this 22nd day of June, in the year 2010.

Notary Public
State of Washington
JULIA M. PARKER
Seal or Stamp
MY COMMISSION EXPIRES
August 21 2012

Julia M Parker
Notary Signature

My commission expires: 8/21/2010

Use of this form is needed when the ownership of a water right application or permit needs to be transferred from the current owner to a new owner or additional owners. A water right application requests that a proposed beneficial water use be authorized, while a permit grants authority to develop a beneficial water use. A water right is established if water is put to beneficial water use(s) as authorized by a permit. A water right, once established, attaches to the land upon which it is legally used. It is not necessary to assign a water right certificate or a water right claim. It is required by statute that an assignment be filed for applications and permits (90.03.310 RCW).

To remain a viable application or permit, the person(s) owning it must maintain the ability to develop a water use(s) upon the property identified as the place of water use. Normally only the property owner, a lessee, or a legally recognized water system has authority to develop a water use upon a parcel of land.

An assignment of an application or permit is not valid until filed with the Department of Ecology. An assignment is made whenever it is desired to transfer all or part of the responsibility and/or interest in an application or a permit to appropriate or store water. Normally an assignment is made if the application/permit holder(s) sells the place water is to be used to another person.

The person(s) receiving the application/permit may be required to provide additional information prior to acceptance of the assignment. For example, information may be requested showing that the assignment is in compliance with the provisions of the Family Farm Water Act, Chapter 90.66 RCW.

This assignment may result in a real estate excise tax liability for the seller. The Department of Ecology notifies the Department of Revenue of potential taxable water right related actions. Please contact the state Department of Revenue for further information. The phone number is (360) 570-3265. The mailing address is: Department of Revenue, Real Estate Excise Tax, P.O. Box 47477, Olympia, WA 98504-7477. You may also contact them through the internet at: http://dor.wa.gov or e-mail REETSP@DOR.WA.GOV

Submit the assignment to: **DEPARTMENT OF ECOLOGY**
CASHIERING UNIT
PO BOX 47611
OLYMPIA, WA 98504-7611

Below is a map of the State of Washington, with outlines of the four Ecology regional offices. If you have questions about the assignment, contact the Water Resources Program at the regional office in which your project is located.

Please check the region in which the project is located:

☒ Southwest Regional Office (360) 407-6300	☐ Northwest Regional Office (425) 649-7000
☐ Central Regional Office (509) 575-2490	☐ Eastern Regional Office (509) 329-3400

STATE OF WASHINGTON
DEPARTMENT OF ECOLOGY
PO Box 47775 • Olympia, Washington 98504-7775 • (360) 407-6300

August 7, 2007

Prairie Ridge Water Company
Attn Bob Drohman
4326 Legacy Drive NE
Olympia, WA 98516

Re: Water Right Permit No. **G2-27015**

Dear Mr. Drohman:

We are pleased to let you know that your extension request for this water right permit has been granted. Your new deadline to put the water to **full beneficial use** and send a completed Proof of Appropriation form is **December 31, 2010.**

Reasons for granting extension:

- The supply needs of the public water system's service area, the area served by Prairie Ridge Water Company.

As a condition of this extension, the Department of Ecology is adding metering provisions to update your permit according to the most recent metering statute, Chapter 173-173 WAC. Please review the new metering provisions located on the back of your amended permit.

When you return the completed Proof of Appropriation form to us, be sure that:

- It is **notarized**.
- You have written in the **parcel number** for the point of diversion/withdrawal for where your project is located (and the place of use, if different). Parcel numbers can be found on property tax statements or obtained through the assessor's office.
- You have attached additional data in evidence of meeting provisions included on the original permit.

Upon receipt of your Proof of Appropriation form, we will review the information and may come out to inspect your project. Once we are confident that all of the terms and provisions of your permit have been met, we will notify you by mail to request the certificate recording fees for the state and county.

Your right to appeal
You have the right to appeal this decision to the Pollution Control Hearings Board. Pursuant to chapter 43.21B RCW, your appeal must be filed with the Pollution Control Hearings Board, and served on the Department of Ecology, within thirty (30) days of the date of your receipt of this document. To appeal this decision, your notice of appeal must contain a copy of the Ecology decision you are appealing.

Mail your appeal to:
Pollution Control Hearings Board
PO Box 40903
Olympia, Washington 98504-0903

OR

Deliver your appeal to:
Pollution Control Hearings Board
4224 – 6th Ave SE Rowe Six, Bldg 2
Lacey, Washington 98503

AND MAIL TO BOTH ADDRESSES BELOW

Mail your appeal to:
Department of Ecology
Appeals Coordinator
PO Box 47608
Olympia, Washington 98504-7608

AND

Mail your appeal to:
Thomas Loranger
Department of Ecology
PO Box 47775
Olympia, Washington 98504-7775

If we can provide further assistance, please contact us at (360) 407-6300.

Sincerely,

Thomas Loranger

Thomas Loranger
Water Resources Section Manager

Enclosure: Amended Permit