



# PATTISON WATER COMPANY

PO Box 3374 Lacey, WA 98509-3374 ♦ (360) 412-1252

May 4, 2015

Mr. Steven King  
Executive Director and Secretary  
Washington Utilities and Transportation Commission  
1300 Evergreen Park Drive South West  
PO Box 47250  
Olympia WA 98504-7250

RE: Contract review for Brown Large Lot Subdivision

Dear Mr. King,

Pattison Water Company Inc. hereby submits two contracts for a water line extension to serve two lots in a large lot short plat. We are submitting these contracts for commission review.

The contract titled "Agreement to Construct Water System" is an agreement between two future customers and G. C. Casebolt Co. which is an affiliated interest of Pattison Water Company. This agreement involves the installation of 1,900 feet of water main to serve two new homes near Spurgeon Creek Rd SE. The ultimate cost to the customers is \$5.38 per lineal foot. In addition to the contract we are submitting a cost breakdown for the construction of the line for your review. The cost breakdown includes the cost of an easement needed to avoid being in the path of a fiber optic line, which was negotiated at \$1,000.00. The easement reduces the cost of the county right of way permit. We have also re-configured the three year anticipated revenue in comparison to our prior submittal.

The contract titled "Agreement Related to Water System" is a complementary contract to the construction contract. This contract is between the same two future customers and Pattison Water Company. This agreement spells out that the future customers are paying for the majority of the line extension so as not to be a burden upon the company's existing rate payers. Pattison Water Company will contribute \$2,280.00 to the construction cost which is our estimate of three year's revenue from these two homes.

We have also included a Late Comer's Agreement on the front lot of the Large Lot Subdivision (Lot 1). This lot currently has a functional well from an existing residence that was torn down. Should they elect to hook on the water main in the next 5 years, they will be charged a Late Comer's fee that will be refunded to the two parties who are signers of these contracts.

There are potentially five other homes that currently have their own private wells that may elect to utilize this line at some time in the future should their wells fail. We are proposing to run a three inch main to these lots as this is as far as we will need to run to serve this area. The area north of this subdivision is already served with an eight inch line. We chose not to run an eight inch line to serve these two homes due to cost prohibitions and to avoid the need to cross under a busy street. Also attached to this submittal is a plan showing the location of the water line.

Thank you for your consideration of these contracts.

Sincerely,

James S. Casebolt  
President