



# 2018 Rate Notification NO INCREASES TO WATER OR SEWER RATES

**March 2018**

Dear Ratepayers:

Each year Northshore Utility District (NUD) evaluates its budget needs, weighing service and operating costs against future rate revenues. The District held public hearings on February 26, and March 5, 2018, regarding proposed rate adjustments that would take effect with all billing starting March 15, 2018.

## No water or sewer rate increases for 2018

After strong consideration of public input and the District’s funding needs, the NUD Board of Commissioners voted unanimously to approve a Rate Resolution for 2018 with **NO WATER OR SEWER RATE INCREASES, despite a 2.6% increase in our wholesale cost of water from Seattle Public Utilities (SPU)**. No sewer treatment cost increases were levied by King County for 2018. *See rate tables below.*

## Balancing rising costs and service quality investments

When determining rates, the District looks at many factors related to providing your water and sewer services. Like any agency, we face continually rising business costs. These include increases in wholesale water and wastewater treatment rates, costs for security and technology, power, communications, construction, and increased wages and local municipal fees.

At the same time, we work to make smart investments to increase the quality of your services—investments in infrastructure to accommodate a growing service area and keep up with aging pipelines, IT security systems to protect your information, and new technology to improve internal efficiency and customer experience.

## Efficient operating practices and reserves help fund some cost increases

Many agencies pass on all annual cost increases to customers, or require ratepayers to fund specific projects by special bond. NUD does neither. We work hard to keep internal costs down—and a comparatively low staff to service connection ratio—while funding improvement projects from reserves.

It is important to us to be prudent stewards of your rate dollars and keep your rate adjustments as even as possible, while still giving you the service you expect and deserve. If you can identify an area where we can be even more efficient, we welcome your feedback.

### 2018 BIMONTHLY SINGLE-FAMILY WATER AND SEWER RATES

#### WATER SERVICE

Bimonthly Base Charge	\$30.20
Usage Charge per 100 Cubic Foot (CCF)	
0 through 10 CCFs	\$3.45
11 through 20 CCFs	\$4.45
21 CCFs and above	\$5.45
Bill for Bimonthly Average Use of 13 CCFs	\$78.05
<b>Bill after 5% Early Payment Discount</b>	<b>\$74.14</b>

#### SEWER SERVICE

Bimonthly Base Charge	\$118.59
Usage Charge per CCF*	\$4.00
Typical Bimonthly Bill	\$118.59
<b>Bill after 5% Early Payment Discount</b>	<b>\$112.66</b>

*\*The typical single-family home uses 10 CCFs in the winter. Sewer usage charge is assessed based on bimonthly winter consumption in excess of 15 CCFs. For 2017, less than 2% of total sewer usage was above this threshold.*

## NUD rate comparison: lower rates than most neighboring utilities

Tables comparing our rates to neighboring King County water and sewer utilities are below for your reference.

### BIMONTHLY WATER BILL COMPARISON OF PROVIDERS WITHIN KING COUNTY

This comparison uses an average consumption of 13 CCFs for two months.\* The NUD rate is net of the 5% early payment discount.†

NUD 2018	Woodinville Water District Summer Rate	Woodinville Water District Winter Rate	Lake Forest Park Water District	City of Kirkland	City of Seattle Summer Rate	City of Seattle Winter Rate	Bothell Inside City Limits	Bothell Outside City Limits
<b>\$74.15</b>	\$110.25	\$96.83	\$110.00	\$84.64	\$105.27	\$99.80	\$67.12	\$83.90

### BIMONTHLY SEWER BILL COMPARISON OF PROVIDERS WITHIN KING COUNTY

This comparison uses an average consumption of 13 CCFs for two months.\* The NUD rate is net of the 5% early payment discount.†

NUD 2018	Woodinville Water District	City of Lake Forest Park	City of Kirkland	City of Seattle	Bothell Inside City Limits	Bothell Outside City Limits	Ronald Wastewater District (Shoreline)
<b>\$112.66</b>	\$142.74	\$124.32	\$151.86	\$174.98	\$155.92	\$194.90	\$113.00

Finding a meaningful comparison for rates among providers is often difficult. Agencies purchase water from different sources; some have their own sewer processing plants and do not rely on King County. These can have a profound impact on rates, making comparisons less meaningful.

This table compares water and sewer rates for NUD, Woodinville Water District and the cities of Seattle and Bothell. Each of these agencies purchase their water from SPU, and pay King County to treat sewage.\*

The NUD bill is net of the 5% early payment discount— used by over 85% of NUD ratepayers.†

AGENCY	WATER	SEWER	TOTAL
<b>NUD 2018</b>	<b>\$74.15</b>	<b>\$112.66</b>	<b>\$186.81</b>
<b>Bothell (Inside City)</b>	\$67.12	\$155.92	\$223.04
<b>Woodinville (Winter)</b>	\$96.83	\$142.74	\$239.57
<b>Woodinville (Summer)</b>	\$110.25	\$142.74	\$252.99
<b>Seattle (Winter)</b>	\$99.80	\$174.98	\$274.78
<b>Bothell (Outside City)</b>	\$83.90	\$194.90	\$278.80
<b>Seattle (Summer)</b>	\$105.27	\$174.98	\$280.25

\*The sample water and sewer bills do not include any franchise fees charged by, and paid to, the respective cities that impose such fees on the District. They also do not include the utility tax that city utilities impose on their own direct service ratepayers. If you are a City of Kirkland resident, the City's franchise fee is added as a multiplier to your water and sewer service rates. Residents of Bothell, Kenmore, and Lake Forest Park see their respective franchise fees listed as a separate line item on their water and sewer bills.

†NUD is the only provider to offer such a discount.

### Questions or comments?

If you have any questions regarding your rates, please feel free to call us at (425) 398-4402 or email us at [billing@nud.net](mailto:billing@nud.net). Your elected Commissioners welcome the opportunity to discuss policy or the future direction of the District with you. Please feel free to contact any of them by phone or email. Contact information is listed on our website at [www.nud.net/board](http://www.nud.net/board).