

How Are We Doing?

by Commissioner Don Ellis



How efficient are we? How well do we do our job, and how well do we serve our owners? How much sewer line can we inspect and clean in one day? How accurately can we install, replace, and read your meter? How do we compare to other utilities? Are we above or below average or right in the middle? These are questions that Northshore Utility asks itself as we try to make the most informed and

responsible decision for you -- the owners of the District. Most of you consider yourselves customers, but you are actually owners, and you elect Commissioners like me to represent your interests.

Many years ago, as a new, younger commissioner, I championed installing new, plastic water pipe to replace old, leaking, metal pipe. The new pipe didn't rust, corrode, suffer from electrolysis, or react to acidic soil. It was light and easy to handle and install. Everything went well for a year or two, and then suddenly a section of the pipe split spontaneously, disgorging enough water to wipe out a block or more of road. We contacted the manufacturer who blamed the installing contractor, who in turn blamed the manufacturer, or the delivery company, or whomever. Apparently the pipe had been damaged somewhere along the way, but not bad enough to show during construction. Turns out it wasn't the perfect answer.

A few years later, a section of the pipe blew out late in the afternoon a few blocks from my home on a hill, washing out a block of asphalt and dropping a sedan into the "glory hole." Our duty-man had responded to the call, closed the valves at each end of the block, and ordered out repair crews. It was a major mess, and we were only a block from Bothell Way. Two members from the Washington State Department of Transportation had responded, and were standing in a group on the sidewalk as the equipment and the new pipe were arriving in the darkness. I overheard one of the State employees say to her colleague, "What a mess. Thank God, it's Northshore." I immediately felt better.

But how well do we do? How can we measure our efforts?

Recently, a study was made of the number of connections served per employee at several of the State's larger water and sewer utilities. We placed either first or second in the state for the lowest number of employees per connection. However, this can be misleading, we have in-house engineering and IT departments; many other agencies outsource these functions. This means we provide water and sewer services to more households with fewer employees than all but one or two of our peers.

Rates are another measure of our efficiency. How do our rates compare? Are our rates "real" or "artificial"? There are ways of keeping rates low artificially. Early in my career, I served on the Seattle Public Utility Rate Committee. The committee often made recommendations to the city council for aging water main replacement. The council chose to keep city rates as low as possible, and not spend funds to replace the aging pipes. Deferred maintenance is a commonly-used method to keep rates artificially low. Another tactic is to delay the purchase of new equipment. Credit rating agencies frowned upon these rate-reduction tactics. They favor systematic long-term investments in capital equipment and facilities. At Northshore, we replace infrastructure and equipment as needed. We spend an average of \$4 million each year on these types of activities. While this may result in somewhat higher rates immediately, it is a much cheaper solution in the long-run. I should mention that the District's most recent credit rating from Standard and Poor's is "AAA."

In the final analysis, the evidence of efficiency probably comes down to money. How much do we charge the owners for our services compared to other agencies who receive their wholesale water supply and sewage treatment service from the same supply sources? Are we competitive with the City of Kirkland, the City of Bothell, or the City of Bellevue? These other local providers all purchase wholesale water from the City of Seattle and pay King County for sewage treatment. Each entity pays similar fees to the City of Seattle and King County; therefore the rates for our services should reflect our efficiency. And they do! Northshore Utility has some of the lowest water and sewer rates of all local utilities in the Lake Washington area. We strive to maintain a higher quality of service with excellent employees and infrastructure to better serve you, the owners. ♦

“Share a Drop for Someone in Need”

During these challenging economic times, many of the District’s ratepayers have difficulty paying their utility bills. While the District offers one of the longest payment grace periods of any local utility, we are prohibited by State Constitution from extending credit. This means that water service will eventually be terminated if an account remains unpaid. However, with the help and support of Hopelink of King County, you are now able to help those within the District that are facing the possibility of service termination. Please read the following story and look for a donation card enclosed with your next utility bill. All donations received by Hopelink will be used to assist customers in our District. They may also be 100% tax deductible. Please consider a donation to the “Share a Drop” campaign today. ♦



Robert, a NUD customer and a single dad raising three daughters on his own, has been a victim of the current economy. Robert’s employment search has lasted longer than his unemployment benefits. Hopelink helped Robert get current on his water bill to avoid shut-off. In spite of the extreme circumstances he finds himself in, Robert continues to have a positive attitude and focuses on the future. Robert is very grateful that with the help of Hopelink he could continue to keep his water connected and provide a healthy environment for his girls.

\$30 Toilet Rebates for Residential Customers



Customers can receive a \$30 rebate when they purchase a new WaterSense-labeled high-efficiency toilet (HET).

By replacing their old water-guzzling toilet with an efficient WaterSense-labeled model, most households can lower their utility bills by \$50 - \$200 a year and reduce water waste – and utilities are offering qualified homeowners a \$30 rebate as an incentive.

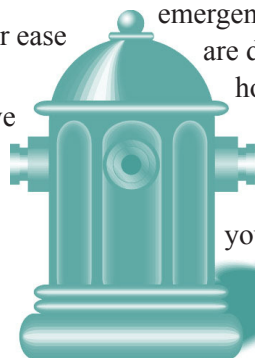
Toilets are the main source of water use in the home, accounting for nearly 30 percent of residential indoor water use. WaterSense-labeled toilets use less than 1.28 gallons per flush compared to the 3.5 gallons per flush or more used by toilets installed prior to 1994.

Toilets with the WaterSense label qualify for a rebate. Get the details at www.savingwater.org or call 206-684-SAVE(7283) for eligibility requirements. ♦

Fire Hydrant Maintenance Program

The District maintains 2,715 fire hydrants, thoroughly checking each one on a two-year cycle. In addition, local Fire Departments also perform fire hydrant checks and report deficiencies to the District for repair. The District’s fire hydrant maintenance program consists of:

- Operating the hydrant, checking for ease of operation, leaks, and drainage
- Exercising the hydrant supply valve
- Recording water pressure
- Lubricating the operating nut
- Checking and clearing access
- Cleaning and painting
- Noting all other deficiencies



Fire hydrant maintenance reports are turned in at the end of each workday and work orders are created and prioritized.

If a hydrant is found to be inoperable, the hydrant is immediately marked “out of service” and reported to the local Fire Departments. An emergency repair work order is created and crews are dispatched to complete repairs within 24 hours of being notified. The most frequent cause of a fire hydrant being “out of service” is related to unauthorized use or failure to report a vehicle accident. If you see a damaged hydrant, please report the location to the District immediately so we can put it back into service. ♦

Northshore
Utility District
Board of
Commissioners:

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Commissioner

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Don Ellis
Commissioner

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Commissioner

Board of
Commissioner
Meetings
are held at the
District Office
on the
first and third
Monday of each
month at 5:30 p.m.
except Holidays.



District Office
P.O. Box 82489
6830 NE 185th St.
Kenmore, WA 98028

P. 425.398.4400
F. 425.398.4430

www.nud.net