



# 2025 RATE NOTIFICATION

May 2025

Dear Ratepayers:

Northshore Utility District (NUD) is committed to providing reliable water and sewer services now and for decades to come. However, a recent analysis revealed that NUD's current rates do not fully cover the actual cost of providing services.

Wholesale water supply and sewage treatment costs account for 74% of our annual budget. Outside of these costs, numerous other factors are considered when evaluating revenue needs to provide safe and reliable services. These include analyzing costs related to personnel, security, technology, fuel, power, communications, construction, insurance, and local municipal fees. If rates do not cover these costs, the District is at risk of operating at a deficit and/or failing to provide reliable services.

At its April 21, 2025 meeting, the NUD Board of Commissioners took several actions to better align rates with the cost of delivering services such as:

- **Discontinuing the 5% early pay discount to offset higher rate increases**
- **Minimizing increases to water rates by 4.5% and only increasing sewer rates by 5.8% (a pass-through increase from King County) to achieve full cost recovery and maintain a capital reserve**
- **Revising the current Low-Income Discount Program and expanding access to customers**

This decision was reached after conducting open public hearings on April 7 and April 21, 2025. The 2025 Rate Resolution was adopted and will be applied to all utility bills sent after April 21, 2025, regardless of when service is rendered. NUD strives to keep rates as low as possible. However, these adjustments to the rate structure are necessary to ensure continued service reliability.

## NUD's proactive approach

NUD's mission focuses on providing efficient service and proactively investing in infrastructure for the long-term interest of its rate payers. This approach reduces the erratic high costs associated with being reactive to infrastructure needs. Investments include rehabilitating, replacing, and expanding facilities and pipelines; enhancing IT security systems; and adopting new technologies to improve efficiency and enhance our customer experience.

## Efficient operating practices and financial stewardship help keep costs low

For utilities, one measure of operational efficiency is the staff-to-service connection ratio. NUD maintains one of the lowest staffing counts compared to similar sized water/sewer service providers and has adopted Best Management Practices (BMPs) to maximize the useful life of the infrastructure. In addition, NUD exercises sound fiscal management principles and avoids accruing unnecessary debt costs. As a special purpose district, NUD can focus solely on providing utility service, which facilitates keeping rates as affordable as possible while still providing a high level of service.

## 2025 BIMONTHLY SINGLE-FAMILY WATER AND SEWER RATES

### WATER SERVICE (increase of \$1.54)

Bimonthly Base Charge	\$35.86
Usage Charge per 100 Cubic Foot (CCF) (NUD billing units)	
0 through 10 CCFs	\$3.83
11 through 20 CCFs	\$4.95
21 CCFs and above	\$6.06
<b>Total for average of 13 CCF:</b>	<b>\$89.01</b>

### SEWER SERVICE (increase of \$8.49)

Bimonthly Base Charge	\$154.87
Usage Charge per CCF*	\$4.80
<b>Typical Bimonthly Bill</b>	<b>\$154.87</b>

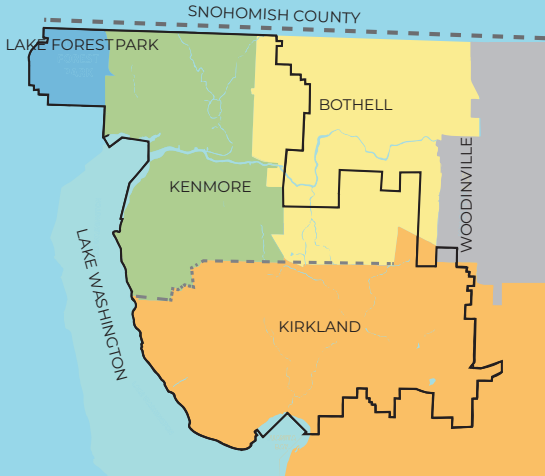
*\*For NUD, the typical single-family home uses 10 CCFs in the winter. Sewer usage charge is assessed based on bimonthly winter water use. ~2% of total sewer usage was above this threshold.*

## How NUD's rates compare with local neighboring utilities

A meaningful comparison of rates can be difficult, since different agencies have significant cost impacts associated with its water supply source and sewage treatment costs.

The table below compares water and sewer rates for NUD, Woodinville Water District, and the cities of Seattle, Bothell, and Kirkland. Each of these agencies purchase their water from Seattle Public Utilities and pay King County to treat their sewage.

### NUD SERVICE AREA MAP



2025 RATES <sup>1</sup>	WATER	SEWER	TOTAL
<b>NUD 2025</b>	<b>\$89.01</b>	<b>\$154.87</b>	<b>\$243.88</b>
Bothell	\$95.51	\$214.38	\$309.89
Kirkland	\$102.36	\$155.62	\$257.98
Woodinville (Winter)	\$174.17	\$185.48	\$359.65
Woodinville (Summer)	\$200.25	\$185.48	\$385.73
Inside Seattle (Winter)	\$191.44	\$165.20	\$356.64
Inside Seattle (Summer)	\$204.06	\$165.20	\$369.26
Shoreline & Lake Forest Park (Winter)	\$232.12	\$165.20	\$397.32
Shoreline & Lake Forest Park (Summer)	\$247.58	\$165.20	\$412.78

<sup>1</sup>Comparisons represent billing information based on average single-family residential usage of 13 CCF per bi-monthly billing period. Amounts do not include franchise fees and utility taxes charged by, and paid to, the respective cities. Franchise fees are listed as a separate line item on water and sewer bills. Current franchise fee information is found at [www.nud.net/customers/rate-information](http://www.nud.net/customers/rate-information)

## Working to represent your needs

Rate payers are the owners of this utility, and as your elected Board of Commissioners, we take great pride in representing you. We are focused on being an effective governing body that establishes policies to ensure high quality drinking water and sewer services are provided in an affordable, sustainable manner.

We welcome the opportunity to discuss District policies or the future direction of the District with you. Please contact any of us by phone or email. You can find our contact information on NUD's website [www.nud.net/board](http://www.nud.net/board).

Sincerely,

The Northshore Utility District Board of Commissioners

Tom Mortimer, Board President

Matt Breyse, Board Secretary

Trudy Rolla, Commissioner

Suzanne Greathouse, Commissioner

Bruce Gardiner, Commissioner