

Dear customers: This letter is to advise you that in March, 2025, Fall City Water District is raising fees we charge for water use.

Your water bill is comprised of two separate fees:

- Your residence/business water use is calculated on cubic feet of water consumed per month and includes \$11 as a base fee. We will increase the base fee by \$5 per connection.
- Capital project fees are funds collected for construction projects like the pending new water tank on Mitchell Hill and planned waterline replacement projects. We have not increased this \$14 fee in more than a decade. We will raise this rate by \$5.

An average customer who uses 700 cubic feet of water per month can expect their monthly water bill to rise from \$58.10 to \$68.10/month.

In addition we will increase fees we charge for special services (not on your water bill) such as a new home's hookup to our system or shutting off water to a vacant house.

Why the increase? As any home or business owner knows, costs keep rising. We raise fees to keep up with those costs. However, we've been hit with a couple of extraordinary costs recently.

First, residents in the small neighborhood of Plum Creek - served by the District with a stand-alone well and distribution system - began noticing their tap water had turned reddish brown. Long story short, nothing we did to fix the problem actually worked. We decided to install a water treatment system for the community and to truck in clean water to the neighborhood's water storage tank in the interim. When the plant is installed early next year, total cost will be about \$300,000.

We also recently decided to spend about \$150,000 on a consultant to study potential implications of high-density residential development in Fall City on our water quality. We want to be certain our water source is adequately protected from discharges of septic tank effluent from those homes.

Our water wells tap a deep aquifer which, until recently, we've believed is insulated from a surface aquifer, **known to be polluted**, by a thick clay and gravel layer (called an aquitard). As high-density housing projects were proposed and initially subsequently permitted by King County, we hired a consultant for an initial study to help us ensure these new developments wouldn't threaten our water quality. This study, funded by state monies, questioned whether our deep aquifer might be threatened by surface pollution. In the course of that study, we learned that a neighborhood treatment system **was failing** to meet state standards. So we decided to hire the same consultant to

perform a more thorough study on potential threats to our water quality, at a cost of \$150,000.

Cumulatively, these unexpected costs forced us to tap our emergency savings, which is a dangerous practice for a small government agency. Raising rates will help us rebuild those emergency funds plus continue to fund replacing aging parts of our water infrastructure.

We thank you for taking the time to read this explanation and for your support of our management of the town's water resources. We are extraordinarily fortunate to have abundant clean water, and we must take steps now to ensure that water remains clean in the future.