



# SEATTLE CITY COUNCIL

## Legislative Summary

CB 119308

Record No.: CB 119308

Type: Ordinance (Ord)

Status: Passed

Version: 1

Ord. no: Ord 125662

In Control: City Clerk

File Created: 05/14/2018

Final Action: 09/07/2018

**Title:** AN ORDINANCE relating to water services of Seattle Public Utilities; revising water rates and charges for service to wholesale customers; and amending Section 21.04.440 of the Seattle Municipal Code.

Date

Notes:

Filed with City Clerk:

Mayor's Signature:

Sponsors: Herbold

Vetoed by Mayor:

Veto Overridden:

Veto Sustained:

Attachments:

Drafter: bob.hennessey@seattle.gov

Filing Requirements/Dept Action:

### History of Legislative File

Legal Notice Published:

Yes

No

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	Mayor	07/03/2018	Mayor's leg transmitted to Council	City Clerk			
1	City Clerk	07/03/2018	sent for review	Council President's Office			
	<b>Action Text:</b> The Council Bill (CB) was sent for review. to the Council President's Office						
	<b>Notes:</b>						
1	Council President's Office	07/05/2018	sent for review	Civil Rights, Utilities, Economic Development, and Arts Committee			
	<b>Action Text:</b> The Council Bill (CB) was sent for review. to the Civil Rights, Utilities, Economic Development, and Arts Committee						
	<b>Notes:</b>						

- 1 City Council 07/30/2018 referred Civil Rights,  
Utilities,  
Economic  
Development, and  
Arts Committee
- Action Text:** The Council Bill (CB) was referred. to the Civil Rights, Utilities, Economic Development, and Arts Committee
- Notes:**
- 1 Civil Rights, Utilities, 08/14/2018 pass Pass  
Economic Development,  
and Arts Committee
- Action Text:** The Committee recommends that City Council pass the Council Bill (CB).  
In Favor: 1 Chair Herbold  
Opposed: 0  
Absent(NV): 1 Member O'Brien
- 1 City Council 09/04/2018 passed Pass
- Action Text:** The Council Bill (CB) was passed by the following vote, and the President signed the Bill:
- Notes:**
- In Favor: 6 Councilmember Bagshaw, Council President Harrell, Councilmember Herbold, Councilmember Johnson, Councilmember Juarez, Councilmember O'Brien
- Opposed: 0
- 1 City Clerk 09/06/2018 submitted for Mayor  
Mayor's signature
- 1 Mayor 09/07/2018 Signed
- 1 Mayor 09/07/2018 returned City Clerk
- 1 City Clerk 09/07/2018 attested by City Clerk
- Action Text:** The Ordinance (Ord) was attested by City Clerk.
- Notes:**
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**CITY OF SEATTLE**

**ORDINANCE** 125662

**COUNCIL BILL** 119308

AN ORDINANCE relating to water services of Seattle Public Utilities; revising water rates and charges for service to wholesale customers; and amending Section 21.04.440 of the Seattle Municipal Code.

WHEREAS, Seattle Public Utilities provides wholesale water service to many water utilities surrounding Seattle (“Wholesale Customers”) under various long-term water supply contracts; and

WHEREAS, these water supply contracts establish procedures for allocating Seattle Public Utilities’ costs to Wholesale Customers and treatment of accumulated surpluses or deficits of annual revenues as compared to annual costs; and

WHEREAS, the existing wholesale Southwest subregional surcharge authorized by Ordinance 124599 became effective January 1, 2015; and

WHEREAS, wholesale Southwest subregional demand has been higher and the allocation of costs has been lower than projected under the prior rate study, resulting in accumulated surpluses of annual revenues as compared to annual costs; and

WHEREAS, Seattle Public Utilities completed a rate study covering the Southwest subregional surcharge for 2019 through 2023 and the resulting rate consistent with the wholesale contracts has been calculated; NOW, THEREFORE,

**BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

Section 1. Subsection 21.04.440.E of the Seattle Municipal Code, which section was last amended by Ordinance 125445, is amended as follows:

**21.04.440 Rates outside The City of Seattle**

\* \* \*

E. Wholesale customers – commodity and other charges

1. Reserved

2. Full or partial requirements contracts. The rate to be charged to wholesale customers being served under the provisions of contracts substantially in the form of the Full and Partial Requirements Contracts for the Supply of Water that were authorized by Ordinance 120362 or 123559 ("Full or Partial Requirements Contract") shall consist of a commodity charge, surcharges, discounts, and facilities charges as follows:

<b>Commodity Charge Per 100 Cubic Feet of Water</b>	<b>((Effective Jan. 1, 2015))</b>	<b>Effective Jan. 1, 2018</b>	<b>Effective Jan. 1, 2019</b>	<b>Effective Jan. 1, 2020</b>
Summer (May 16th - September 15th)	(((\$2.10))	\$2.22	\$2.36	\$2.50
Winter (September 16th - May 15th)	(((\$1.42))	\$1.50	\$1.58	\$1.67

The following surcharges and discounts apply to each wholesale customer that has agreed to them in a contract substantially in the form of the Full or Partial Requirements Contracts:

<b>Additional Charge Per 100 Cubic Feet of Water</b>	<b>((Effective Jan. 1, 2015))</b>	<b>Effective Jan. 1, 2018</b>	<b>Effective Jan. 1, 2019</b>	<b>Effective Jan. 1, 2020</b>
Northwest Wheeling Rate Surcharge	(((\$0.07))	\$0.07	\$0.07	\$0.07
Southwest Subregion Surcharge	(((\$0.16))	\$0.16	(((\$0.16)) \$0.07	(((\$0.16)) \$0.07
East Subregion, Segment #3 Surcharge	(((\$0.08))	\$0.00	\$0.00	\$0.00
East Subregion, Segment #4 Surcharge	(((\$0.16))	\$0.00	\$0.01	\$0.01

<b>((Renton New Supply Discount Per 100 Cubic Feet of Water))</b>		<b>((Effective Jan. 1, 2015 through December 31, 2017))</b>
((Summer (May 16th – September 15th) ))	(((\$0.02))	(((\$0.02))
((Winter (September 16th – May 15th) ))	(((\$0.02))	(((\$0.01))

<b>Renton New Supply Surcharge Per 100 Cubic Feet of Water</b>	<b>Effective Jan. 1, 2018</b>	<b>Effective Jan. 1, 2019</b>	<b>Effective Jan. 1, 2020</b>
Summer (May 16th - September 15th)	\$0.08	\$0.08	\$0.09
Winter (September 16th - May 15th)	\$0.05	\$0.06	\$0.06

In addition, each wholesale customer served under a contract substantially in the form of the Full or Partial Requirements Contracts that requires payment of facilities charges based on each new metered service connection installed within its service area shall pay the facilities charges according to the following schedule:

Through December 31, 2018:

<b>Meter Size</b>	<b>Facilities Charge (in \$)</b>
1 inch and smaller	(((\$))936.00
1 1/2 inch	4,180.00
2 inch	6,688.00
3 inch	18,392.00
4 inch	25,916.00
6 inch	55,176.00
8 inch	93,632.00
10 inch	141,284.00
12 inch and larger	198,968.00

Effective January 1, 2019:

<b>Meter Size</b>	<b>Facilities Charge (in \$)</b>
1 inch and smaller	(((\$))1,081.00
1 1/2 inch	4,825.00
2 inch	7,720.00
3 inch	21,230.00
4 inch	29,915.00
6 inch	63,690.00
8 inch	108,080.00
10 inch	163,085.00
12 inch and larger	229,670.00

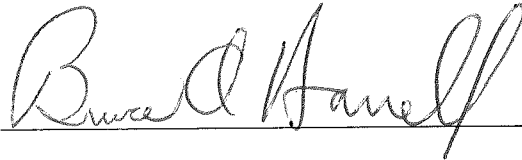
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Section 2. Prior ordinances of the City setting rates and charges for water services of Seattle Public Utilities shall continue in effect with respect to obligations incurred for water services rendered before the effective date of this ordinance, unless and until such prior ordinances expire of their own terms or are superseded.

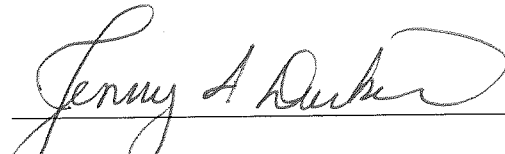
1 Section 3. This ordinance shall take effect and be in force 30 days after its approval by  
2 the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it  
3 shall take effect as provided by Seattle Municipal Code Section 1.04.020.

4 Passed by the City Council the 4<sup>th</sup> day of September, 2018,  
5 and signed by me in open session in authentication of its passage this 4<sup>th</sup> day of  
6 September, 2018.

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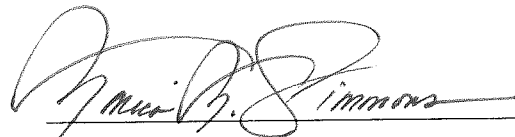
8 President \_\_\_\_\_ of the City Council

9 Approved by me this 7<sup>th</sup> day of September, 2018.

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11 Jenny A. Durkan, Mayor

12 Filed by me this 7<sup>th</sup> day of September, 2018.

13 

14 Monica Martinez Simmons, City Clerk

15 (Seal)