



Legislation Details (With Text)

File #:	CB 119051	Version:	1	Name:	CB 119051
Type:	Ordinance (Ord)	Status:	Passed	In control:	City Clerk
On agenda:	11/13/2017				
Final Action:	11/17/2017	Ord. No.	Ord 125445		
Title:	AN ORDINANCE relating to water services of Seattle Public Utilities; revising water rates and charges for service to wholesale customers; and amending Seattle Municipal Code Section 21.04.440 in connection therewith.				
Sponsors:	Lisa Herbold				
Indexes:					
Attachments:	1. Summary and Fiscal Note, 2. Summary Att 1 - 2018-2020 Wholesale Water Rate Study, 3. Water Fund Rate Proposal Presentation, 4. Central Staff Memo, 5. Signed Ord_125445, 6. Affidavit of Publication				

Date	Ver.	Action By	Action	Result
11/17/2017	1	City Clerk	attested by City Clerk	
11/17/2017	1	Mayor	returned	
11/17/2017	1	Mayor	Signed	
11/16/2017	1	City Clerk	submitted for Mayor's signature	
11/13/2017	1	City Council	passed	Pass
9/25/2017	1	City Council	postponed	Pass
9/12/2017	1	Civil Rights, Utilities, Economic Development, and Arts Committee	pass	Pass
8/8/2017	1	Civil Rights, Utilities, Economic Development, and Arts Committee	discussed	
8/7/2017	1	City Council	referred	
7/24/2017	1	Council President's Office	sent for review	
7/18/2017	1	City Clerk	sent for review	
7/18/2017	1	Mayor	Mayor's leg transmitted to Council	

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

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

WHEREAS, Seattle Public Utilities provides wholesale water service to many water utilities surrounding

Seattle (Wholesale Customers) under the provisions of various long-term water supply contracts; and

WHEREAS, these water supply contracts establish procedures for allocation of 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 commodity charges, surcharges, and discounts authorized by Ordinance 124599 were based on a rate study covering 2015 through 2017; and

WHEREAS, Seattle Public Utilities completed a rate study covering Wholesale Customers for 2018 through 2020 and resulting rates consistent with the wholesale contracts have been calculated; and

WHEREAS, the provisions of the Full and Partial Requirements Contract for Supply of Water (Contracts) also require Wholesale Customers to pay a new service fee (Facility Charge) at the time they connect a new retail customer to their respective retail water distribution systems; and

WHEREAS, the amount of the Facility Charge is based in part on recovering costs associated with Seattle Public Utilities' investments in regional water conservation, which Wholesale Customers participate in pursuant to their Contracts; and

WHEREAS, the existing Facilities Charges authorized by Ordinance 124367 were based on the costs of Seattle Public Utilities' regional water conservation program from 2014 through 2018; and

WHEREAS, pursuant to the Contracts, the Operating Board of the Seattle Regional Water Supply System has determined to recover costs for regional conservation for 2019 through 2023 through Facility Charges; and

WHEREAS, the Facilities Charges to recover the costs of the regional water conservation program for 2019 through 2023 have 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 the ordinance introduced as Council Bill 119050, is amended as follows:

21.04.440 Rates outside The City of Seattle ((-))

* * *

E. Wholesale ~~((Customers—Commodity and Other Charges.))~~ customers - commodity and other charges

1. Reserved

2. Full or ~~((Partial Requirements Contracts))~~ 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:

Commodity Charge Per 100 Cubic Feet of Water	((Effective Jan. 1, 2014))	Effective Jan. 1, 2015	<u>Effective Jan. 1, 2018</u>	<u>Effective Jan. 1, 2019</u>	<u>Effective Jan. 1, 2020</u>
Summer (May 16th - September 15th)	(((\$2.27))	\$2.10	<u>\$2.22</u>	<u>\$2.36</u>	<u>\$2.50</u>
Winter (September 16th - May 15th)	(((\$1.53))	\$1.42	<u>\$1.50</u>	<u>\$1.58</u>	<u>\$1.67</u>

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:

Additional Charge Per 100 Cubic Feet of Water	((Effective Jan. 1, 2014))	((Effective Jan. 1, 2015))	Effective April 1, 2015	<u>Effective Jan. 1, 2018</u>	<u>Effective Jan. 1, 2019</u>	<u>Effective Jan. 1, 2020</u>
Northwest Wheeling Rate Surcharge	(((\$0.02))	(((\$0.02))	\$0.07	<u>\$0.07</u>	<u>\$0.07</u>	<u>\$0.07</u>
Southwest Subregion Surcharge	(((\$0.07))	(((\$0.16))	\$0.16	<u>\$0.16</u>	<u>\$0.16</u>	<u>\$0.16</u>
East Subregion, Segment #3 Surcharge	(((\$0.16))	(((\$0.08))	\$0.08	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
East Subregion, Segment #4 Surcharge	(((\$0.19))	(((\$0.16))	\$0.16	<u>\$0.00</u>	<u>\$0.01</u>	<u>\$0.01</u>

Renton New Supply Discount Per 100 Cubic Feet of Water	((Effective Jan. 1, 2014))	Effective Jan. 1, 2015 through December 31, 2017
Summer (May 16th - September 15th)	\$0.02	\$0.02
Winter (September 16th - May 15th)	\$0.02	\$0.01

Renton New Supply Surcharge Per 100 Cubic Feet of Water	Effective Jan. 1, 2018	Effective Jan. 1, 2019	Effective Jan. 1, 2020
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:

Meter Size	Facilities Charge
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:

Meter Size Facilities Charge	
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.

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

Passed by the City Council the _____ day of _____, 2017, and signed by me in open session in authentication of its passage this _____ day of _____, 2017.

President _____ of the City Council

Approved by me this _____ day of _____, 2017.

Tim Burgess, Mayor

Filed by me this _____ day of _____, 2017.

Monica Martinez Simmons, City Clerk

(Seal)