



# SEATTLE CITY COUNCIL

## Legislative Summary

CB 119051

Record No.: CB 119051

Type: Ordinance (Ord)

Status: Passed

Version: 1

Ord. no: Ord 125445

In Control: City Clerk

File Created: 07/11/2017

Final Action: 11/17/2017

**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.

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	07/18/2017	Mayor's leg transmitted to Council	City Clerk			
1	City Clerk	07/18/2017	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	07/24/2017	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>						

Legislative Summary Continued (CB 119051)

---

- 1 Full Council 08/07/2017 referred Civil Rights,  
Utilities,  
Economic  
Development, and  
Arts Committee
- 1 Civil Rights, Utilities, 08/08/2017 discussed  
Economic Development,  
and Arts Committee  
**Action Text:** The Council Bill (CB) was discussed.  
**Notes:** Councilmember Johnson entered Council Chambers at 10:35 a.m.
- 1 Civil Rights, Utilities, 09/12/2017 pass Pass  
Economic Development,  
and Arts Committee  
**Action Text:** The Committee recommends that Full Council pass the Council Bill (CB).  
In Favor: 2 Chair Herbold, Member O'Brien  
Opposed: 0
- 1 Full Council 09/25/2017 held Pass  
**Action Text:** The Motion carried, and Council Bill 119051 was held by the following vote:  
In Favor: 7 Councilmember Bagshaw, Councilmember González , Council  
President Harrell, Councilmember Herbold, Councilmember Johnson,  
Councilmember O'Brien, Councilmember Sawant  
Opposed: 0
- 1 Full Council 11/13/2017 passed Pass  
**Action Text:** The Council Bill (CB) was passed by the following vote, and the President signed the Bill:  
In Favor: 8 Councilmember Bagshaw, Councilmember González , Council  
President Harrell, Councilmember Harris-Talley, Councilmember  
Herbold, Councilmember Johnson, Councilmember Juarez,  
Councilmember O'Brien  
Opposed: 1 Councilmember Sawant
- 1 City Clerk 11/16/2017 submitted for Mayor  
Mayor's signature
- 1 Mayor 11/17/2017 Signed
- 1 Mayor 11/17/2017 returned City Clerk
- 1 City Clerk 11/17/2017 attested by City Clerk  
**Action Text:** The Ordinance (Ord) was attested by City Clerk.  
**Notes:**
-

**CITY OF SEATTLE**

**ORDINANCE** 125445

**COUNCIL BILL** 119051

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

1 WHEREAS, the existing Facilities Charges authorized by Ordinance 124367 were based on the  
2 costs of Seattle Public Utilities' regional water conservation program from 2014 through  
3 2018; and

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

7 WHEREAS, the Facilities Charges to recover the costs of the regional water conservation  
8 program for 2019 through 2023 have been calculated; NOW, THEREFORE,

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

10 Section 1. Subsection 21.04.440.E of the Seattle Municipal Code, which section was last  
11 amended by the ordinance introduced as Council Bill 119050, is amended as follows:

12 **21.04.440 Rates outside The City of Seattle ((:))**

13 \* \* \*

14 E. Wholesale ((Customers—Commodity and Other Charges:)) customers – commodity  
15 and other charges

16 1. Reserved

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

Commodity Charge Per 100 Cubic Feet of Water	<del>Effective</del> Jan. 1, 2014))	Effective Jan. 1, 2015	<u>Effective</u> <u>Jan. 1,</u> <u>2018</u>	<u>Effective</u> <u>Jan. 1,</u> <u>2019</u>	<u>Effective</u> <u>Jan. 1,</u> <u>2020</u>
--	---	------------------------------	---	---	---

Summer (May 16th - September 15th)	(\$2.27)	\$2.10	\$2.22	\$2.36	\$2.50
Winter (September 16th - May 15th)	(\$1.53)	\$1.42	\$1.50	\$1.58	\$1.67

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

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

<b>Renton New Supply Discount Per 100 Cubic Feet of Water</b>	<b>((Effective Jan. 1, 2014))</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><u>Renton New Supply Surcharge Per 100 Cubic Feet of Water</u></b>	<b><u>Effective Jan. 1, 2018</u></b>	<b><u>Effective Jan. 1, 2019</u></b>	<b><u>Effective Jan. 1, 2020</u></b>
Summer (May 16th - September 15th)	\$0.08	\$0.08	\$0.09
Winter (September 16th - May 15th)	\$0.05	\$0.06	\$0.06

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

1

Through December 31, 2018:

<b>Meter Size</b>	<b>Facilities Charge</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

2

Effective January 1, 2019:

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

3

\* \* \*

4

Section 2. Prior ordinances of the City setting rates and charges for water

5

services of Seattle Public Utilities shall continue in effect with respect to obligations

6

incurred for water services rendered before the effective date of this ordinance, unless

7

and until such prior ordinances expire of their own terms or are superseded.

8


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 13<sup>th</sup> day of November, 2017,  
5 and signed by me in open session in authentication of its passage this 13<sup>th</sup> day of  
6 November, 2017.

7   
\_\_\_\_\_

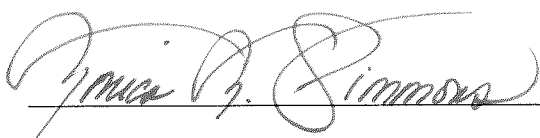
8 President \_\_\_\_\_ of the City Council

9 Approved by me this 17<sup>th</sup> day of November, 2017.

10   
\_\_\_\_\_

11 Tim Burgess, Mayor

12 Filed by me this 17<sup>th</sup> day of NOVEMBER, 2017.

13   
\_\_\_\_\_

14 Monica Martinez Simmons, City Clerk

15 (Seal)