

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

..title

AN ORDINANCE relating to drainage services of Seattle Public Utilities; adjusting drainage rates to pass through changes to treatment rates charged by King County and meet capital financing requirements; amending Section 21.33.030 of the Seattle Municipal Code to reflect adjusted rates; and amending Section 21.76.040 of the Seattle Municipal Code to adjust credits to low-income customers.

..body

WHEREAS, Seattle Public Utilities has recently completed a rate study incorporating guidance of its adopted 2021-2026 Strategic Business Plan; and

WHEREAS, the Strategic Business Plan Update included increases in the capital and operating requirements of the Drainage and Wastewater Fund in response to federal and state regulatory requirements, as well as environmental and infrastructure concerns, with a resulting increase in revenue requirements; and

WHEREAS, drainage and wastewater rates are calculated in accordance with the financial policies adopted by Council Resolution 30612 and Statement of Legislative Intent 13-1-A-1; and

WHEREAS, Seattle Public Utilities’ wastewater and drainage rates are based on the sum of the treatment rate and system rate; and

WHEREAS, the wastewater and drainage treatment rates are designed to pass through treatment expenses paid to King County and Southwest Suburban Sewer District, and any taxes, expenses, or discounts concurrently incurred; and

WHEREAS, the wastewater and drainage system rates are designed to pass through all other expenses, and any taxes or discounts concurrently incurred; and

1 WHEREAS, discount program credits for qualified customers indirectly billed for services need
2 to be updated to reflect changes to rates; NOW, THEREFORE,

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

4 Section 1. Subsection 21.33.030.D of the Seattle Municipal Code, which section was last
5 amended by Ordinance 126215, is amended as follows:

6 **21.33.030 Drainage service charges and drainage rates—Schedule—Exemptions**

7 * * *

8 D. Drainage rates used in the calculation of drainage service charges shall be the sum of
9 the treatment rate and the system rate, as follows:

10 1. Treatment rate. The “treatment rate” shall be the rate required to pay the
11 drainage share of “treatment cost” which is the cost of wastewater treatment, interception and
12 disposal service, and any associated costs necessary to meet Drainage and Wastewater Fund
13 policies. The treatment rate shall be the amount obtained when (a) the projected drainage
14 treatment cost for each rate category is divided by (b) the projected number of billing units in
15 each rate category and the result is multiplied by (~~(+17.4 percent)~~) 1.189507 in 2022, 1.190301
16 in 2023, and 1.190379 in 2024 to cover the costs of taxes, low income rate assistance, and other
17 allowances. The projected treatment cost shall be the treatment cost anticipated for the upcoming
18 calendar year, which may include an adjustment to reflect the difference, whether positive or
19 negative, between the drainage share of expected total treatment cost for the current year and the
20 total drainage service charge revenues attributable to the treatment rate expected for the current
21 year. The treatment rate is designed to pass through cost changes driven by King County and
22 may be adjusted by ordinance at any time in response to such charges.

2. System rate. The “system rate” shall be the rate required to fund the expense associated with operating, maintaining, and constructing the City’s surface and stormwater management system, including any share of combined sanitary and stormwater system expense assigned to drainage.

3. ~~((The rate categories and the corresponding annual drainage rates))~~ Annual drainage treatment rates and dates effective are as follows:

~~((Effective January 1, 2020~~

Rate Category	Treatment Rate	System Rate	Total Drainage Rate	Billing Unit
Small Residential				
Under 2,000 sq. ft.	\$12.88	\$170.59	\$183.47	per parcel
2,000 - 2,999 sq. ft.	\$22.29	\$276.46	\$298.75	per parcel
3,000 - 4,999 sq. ft.	\$30.74	\$383.52	\$414.26	per parcel
5,000 - 6,999 sq. ft.	\$41.85	\$516.42	\$558.27	per parcel
7,000 - 9,999 sq. ft.	\$53.16	\$651.93	\$705.09	per parcel
General Service/Large Residential				
Undeveloped (0 - 15% impervious)				
Regular	\$3.50	\$42.55	\$46.05	per 1,000 sq. ft.
Low Impact	\$2.06	\$25.34	\$27.40	per 1,000 sq. ft.
Light (16 - 35% impervious)				
Regular	\$5.25	\$63.50	\$68.75	per 1,000 sq. ft.
Low Impact	\$4.10	\$49.75	\$53.85	per 1,000 sq. ft.
Moderate (36 - 65% impervious)				
Regular	\$7.49	\$90.37	\$97.86	per 1,000 sq. ft.
Low Impact	\$6.06	\$73.15	\$79.21	per 1,000 sq. ft.
Heavy (66 - 85% impervious)				
Regular	\$9.93	\$119.57	\$129.50	per 1,000 sq. ft.
Very Heavy (86 - 100% impervious)				
Regular	\$11.87	\$142.73	\$154.60	per 1,000 sq. ft.

1 Effective January 1, 2021

Rate Category	Treatment Rate	System Rate	Total Drainage Rate	Billing Unit
Small Residential				
Under 2,000 sq. ft.	\$10.97	\$184.60	\$195.57	per parcel
2,000–2,999 sq. ft.	\$21.36	\$299.22	\$320.58	per parcel
3,000–4,999 sq. ft.	\$30.16	\$415.09	\$445.25	per parcel
5,000–6,999 sq. ft.	\$41.00	\$558.94	\$599.94	per parcel
7,000–9,999 sq. ft.	\$52.09	\$705.60	\$757.69	per parcel
General Service/Large Residential				
Undeveloped (0–15% impervious)				
Regular	\$3.44	\$46.05	\$49.49	per 1,000 sq. ft.
Low Impact	\$2.02	\$27.43	\$29.45	per 1,000 sq. ft.
Light (16–35% impervious)				
Regular	\$5.19	\$68.73	\$73.92	per 1,000 sq. ft.
Low Impact	\$4.02	\$53.85	\$57.87	per 1,000 sq. ft.
Moderate (36–65% impervious)				
Regular	\$7.34	\$97.81	\$105.15	per 1,000 sq. ft.
Low Impact	\$5.82	\$79.18	\$85.00	per 1,000 sq. ft.
Heavy (66–85% impervious)	\$9.75	\$129.42	\$139.17	per 1,000 sq. ft.
Very Heavy (86–100% impervious)	\$11.62	\$154.49	\$165.81	per 1,000 sq. ft.))

2 For small residential parcels, per parcel:

Small Residential Parcels	Jan 1, 2021	Jan 1, 2022	Jan 1, 2023	Jan 1, 2024
Under 2,000 sq. ft.	\$10.97	\$12.83	\$13.92 \$12.83	\$14.73 \$12.83
2,000–2,999 sq. ft.	\$21.36	\$22.45	\$24.36 \$22.45	\$25.77 \$22.45
3,000–4,999 sq. ft.	\$30.16	\$31.47	\$34.15 \$31.47	\$36.12 \$31.47
5,000–7,999 sq. ft.	\$41.00	\$43.00	\$46.66 \$43.00	\$49.36 \$43.00
8,000–9,999 sq. ft.	\$52.09	\$54.43	\$59.07 \$54.43	\$62.48 \$54.43

1 For general service and large residential parcels, per 1,000 sq. ft.:

	<u>Jan 1, 2021</u>	<u>Jan 1, 2022</u>	<u>Jan 1, 2023</u>	<u>Jan 1, 2024</u>
<u>Undeveloped (0% to 15% impervious)</u>	<u>\$3.44</u>	<u>\$3.65</u>	\$3.96 <u>\$3.65</u>	\$4.19 <u>\$3.65</u>
<u>Undeveloped (Low Impact)</u>	<u>\$2.02</u>	<u>\$2.09</u>	\$2.27 <u>\$2.09</u>	\$2.40 <u>\$2.09</u>
<u>Light (16% to 35% impervious)</u>	<u>\$5.19</u>	<u>\$5.44</u>	\$5.91 <u>\$5.44</u>	\$6.25 <u>\$5.44</u>
<u>Light (Low Impact)</u>	<u>\$4.02</u>	<u>\$4.22</u>	\$4.58 <u>\$4.22</u>	\$4.84 <u>\$4.22</u>
<u>Moderate (36% to 65% impervious)</u>	<u>\$7.34</u>	<u>\$7.74</u>	\$8.40 <u>\$7.74</u>	\$8.89 <u>\$7.74</u>
<u>Moderate (Low Impact)</u>	<u>\$5.82</u>	<u>\$6.24</u>	\$6.78 <u>\$6.24</u>	\$7.17 <u>\$6.24</u>
<u>Heavy (66% to 85% impervious)</u>	<u>\$9.75</u>	<u>\$10.25</u>	\$11.12 <u>\$10.25</u>	\$11.76 <u>\$10.25</u>
<u>Very Heavy (86% to 100% impervious)</u>	<u>\$11.62</u>	<u>\$12.23</u>	\$13.28 <u>\$12.23</u>	\$14.04 <u>\$12.23</u>

2 4. Annual drainage system rates are as follows:

3 For small residential parcels, per parcel:

	<u>Jan 1, 2021</u>	<u>Jan 1, 2022</u>	<u>Jan 1, 2023</u>	<u>Jan 1, 2024</u>
<u>Under 2,000 sq. ft.</u>	<u>\$184.60</u>	<u>\$191.38</u>	<u>\$202.85</u>	<u>\$215.11</u>
<u>2,000–2,999 sq. ft.</u>	<u>\$299.22</u>	<u>\$314.68</u>	<u>\$333.50</u>	<u>\$353.65</u>
<u>3,000–4,999 sq. ft.</u>	<u>\$415.09</u>	<u>\$434.44</u>	<u>\$460.41</u>	<u>\$488.24</u>
<u>5,000–7,999 sq. ft.</u>	<u>\$558.94</u>	<u>\$589.67</u>	<u>\$624.92</u>	<u>\$662.69</u>
<u>8,000–9,999 sq. ft.</u>	<u>\$705.60</u>	<u>\$743.56</u>	<u>\$788.00</u>	<u>\$835.63</u>

4 For general service and large residential parcels, per 1,000 sq. ft.:

	<u>Jan 1, 2021</u>	<u>Jan 1, 2022</u>	<u>Jan 1, 2023</u>	<u>Jan 1, 2024</u>
<u>Undeveloped (0% to 15% impervious)</u>	<u>\$46.05</u>	<u>\$50.03</u>	<u>\$53.03</u>	<u>\$56.23</u>
<u>Undeveloped (Low Impact)</u>	<u>\$27.43</u>	<u>\$29.02</u>	<u>\$30.75</u>	<u>\$32.61</u>
<u>Light (16% to 35% impervious)</u>	<u>\$68.73</u>	<u>\$74.22</u>	<u>\$78.65</u>	<u>\$83.40</u>
<u>Light (Low Impact)</u>	<u>\$53.85</u>	<u>\$57.70</u>	<u>\$61.15</u>	<u>\$64.85</u>
<u>Moderate (36% to 65% impervious)</u>	<u>\$97.81</u>	<u>\$105.13</u>	<u>\$111.41</u>	<u>\$118.14</u>
<u>Moderate (Low Impact)</u>	<u>\$79.18</u>	<u>\$84.96</u>	<u>\$90.03</u>	<u>\$95.47</u>

	<u>Jan 1, 2021</u>	<u>Jan 1, 2022</u>	<u>Jan 1, 2023</u>	<u>Jan 1, 2024</u>
<u>Heavy (66% to 85% impervious)</u>	<u>\$129.42</u>	<u>\$138.87</u>	<u>\$147.17</u>	<u>\$156.07</u>
<u>Very Heavy (86% to 100% impervious)</u>	<u>\$154.49</u>	<u>\$165.60</u>	<u>\$175.49</u>	<u>\$186.10</u>

1 ~~((4. SPU shall provide a ten percent reduction in the drainage service charge for~~
2 ~~parcels containing new or remodeled commercial buildings that, after July 27, 2003, install and~~
3 ~~utilize rainwater harvesting systems that meet the performance requirement that the systems are~~
4 ~~sized to use the amount of rain that falls on the roofs of such buildings during a one year, 24-~~
5 ~~hour storm event. A system that involves indoor uses of rainwater must be permitted by Seattle-~~
6 ~~King County Department of Health to qualify for the rate reduction. A system that relies solely~~
7 ~~on the capture and indoor use of rainwater shall qualify for the drainage service charge reduction~~
8 ~~only if the system is sized to meet the performance requirement stated above. Qualifying for the~~
9 ~~drainage service charge reduction does not relieve the property owner from the obligation to~~
10 ~~comply with applicable stormwater and drainage code requirements for the buildings and site.))~~

11 5. SPU shall provide a ten percent reduction in the drainage service charge for
12 parcels containing new or remodeled commercial buildings that, after July 27, 2003, install and
13 utilize rainwater harvesting systems that meet the performance requirement that the systems are
14 sized to use the amount of rain that falls on the roofs of such buildings during a one year, 24-
15 hour storm event. A system that involves indoor uses of rainwater must be permitted by Seattle-
16 King County Department of Health to qualify for the rate reduction. A system that relies solely
17 on the capture and indoor use of rainwater shall qualify for the drainage service charge reduction
18 only if the system is sized to meet the performance requirement stated above. Qualifying for the
19 drainage service charge reduction does not relieve the property owner from the obligation to
20 comply with applicable stormwater and drainage code requirements for the buildings and site.

~~((5. Effective November 7, 2008, open space properties or parcels shall be charged only for the area of impervious surface and at the rate under which the parcel is classified using the total parcel acreage.))~~

6. Effective November 7, 2008, open space properties or parcels shall be charged only for the area of impervious surface and at the rate under which the parcel is classified using the total parcel acreage.

* * *

Section ~~2~~³. Subsection 21.76.040.A of the Seattle Municipal Code, which section was last amended by Ordinance 126216, is amended as follows:

21.76.040 Rate discounts

A. Drainage, wastewater, and water. Certified low-income residential utility customers (“Certified customers”) will receive rate discounts (or credits) in the following amounts:

1. Wastewater. Certified customers billed directly for Seattle Public Utilities wastewater services will receive a rate discount equal to 0.5 times the total current wastewater volume charge. Certified customers who pay for wastewater services indirectly through rent shall receive the following rate credits based on dwelling type and consistent with Section 21.76.050:

Effective date	Single-family and duplex dwellings	Multifamily dwellings
January 1, 2020	\$33.43 per month	\$23.32 per month
January 1, 2021	\$35.85 per month	\$25.01 per month

At the time of a change to the wastewater volume charge described in Section 21.28.040, the Director of Seattle Public Utilities shall calculate new credits for certified customers who pay for wastewater services indirectly through rent. The rate credit for single-family and duplex customers shall be 0.5 times the wastewater volume charge multiplied by 430 cubic feet (4.3 CCF), which is typical single-family residential sewer billed consumption. The

rate credit for multifamily dwelling customers shall be 0.5 times the wastewater volume charge multiplied by 3.0 CCF, which is typical multifamily sewer billed consumption.

2. Drainage. Certified customers ((residing inside The City of Seattle)) shall receive the following rate credits for drainage services based on dwelling type:

(Effective Date	Single-Family	Duplex	Multifamily
January 1, 2020	\$23.24 per month	\$11.62 per month	\$2.49 per month
January 1, 2021	\$25.00 per month	\$12.50 per month	\$2.68 per month))

	<u>Effective Jan 1, 2021</u>	<u>Effective Jan 1, 2022</u>	<u>Effective Jan 1, 2023</u>	<u>Effective Jan 1, 2024</u>
<u>Single-Family</u>	<u>\$25.00</u>	<u>\$26.36</u>	\$27.98 <u>\$27.83</u>	\$29.67 <u>\$29.40</u>
<u>Duplex</u>	<u>\$12.50</u>	<u>\$13.18</u>	\$13.99 <u>\$13.92</u>	\$14.83 <u>\$14.70</u>
<u>Multifamily</u>	<u>\$2.68</u>	<u>\$2.82</u>	\$2.99 <u>\$2.98</u>	\$3.17 <u>\$3.15</u>

3. Water. Certified customers billed directly for Seattle Public Utilities water services shall receive a rate discount equal to 0.5 times the total current commodity and base service charges. Certified customers who pay for water services indirectly through their rent shall receive the following rate credits based on dwelling type and consistent with Section 21.76.050:

Effective date	Single-family and duplex dwellings	Multifamily dwellings
January 1, 2017	\$20.56 per month	\$12.38 per month
January 1, 2018	\$21.15 per month	\$12.38 per month
January 1, 2019	\$21.86 per month	\$12.38 per month
January 1, 2020	\$22.85 per month	\$12.50 per month

* * *

Section 34. This ordinance does not affect any existing right acquired or liability or obligation incurred under the sections amended or repealed in this ordinance or under any rule or order adopted under those sections, nor does it affect any proceeding instituted under those sections.

1 Section ~~4~~5. The provisions of this ordinance are declared to be separate and severable. If
2 a court of competent jurisdiction, all appeals having been exhausted or all appeal periods having
3 run, finds any provision of this ordinance to be invalid or unenforceable as to any person or
4 circumstance, then such provision or provisions shall be null and severed from the rest of this
5 ordinance with respect to the particular person or circumstance. The offending provision with
6 respect to all other persons and all other circumstances, as well as all other provisions of this
7 ordinance, shall remain valid and enforceable.

1 Section 56. 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 _____ day of _____, 2021,
5 and signed by me in open session in authentication of its passage this _____ day of
6 _____, 2021.

7 _____
8 President _____ of the City Council

9 Approved / returned unsigned / vetoed this _____ day of _____, 2021.

10 _____
11 Jenny A. Durkan, Mayor

12 Filed by me this _____ day of _____, 2021.

13 _____
14 Monica Martinez Simmons, City Clerk

15 (Seal)