



Legislation Details (With Text)

File #: CB 119075 **Version:** 1 **Name:** CB 119075
Type: Ordinance (Ord) **Status:** Passed
In control: City Clerk

On agenda: 11/13/2017
Final Action: 11/17/2017 **Ord. No.** Ord 125443

Title: AN ORDINANCE relating to wastewater and drainage services of Seattle Public Utilities; adjusting wastewater and drainage rates; amending Sections 21.28.040 and 21.33.030 of the Seattle Municipal Code to reflect the adjusted rates; and amending Section 21.76.040 of the Seattle Municipal Code to adjust credits to low-income wastewater and drainage customers.

Sponsors: Lisa Herbold

Indexes:

Attachments: 1. Summary and Fiscal Note, 2. Central Staff Memo, 3. Signed Ord_125443, 4. 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
9/11/2017	1	City Council	referred	
9/7/2017	1	Council President's Office	sent for review	
9/5/2017	1	City Clerk	sent for review	

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

AN ORDINANCE relating to wastewater and drainage services of Seattle Public Utilities; adjusting wastewater and drainage rates; amending Sections 21.28.040 and 21.33.030 of the Seattle Municipal Code to reflect the adjusted rates; and amending Section 21.76.040 of the Seattle Municipal Code to adjust credits to low-income wastewater and drainage customers.

WHEREAS, Seattle City Council Resolution 31760 adopts a 2018-2023 Strategic Business Plan Update for Seattle Public Utilities (SPU) that guides utility investments, service levels, and rate paths through

2023; 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, SPU has identified wastewater and drainage infrastructure needs requiring additional capital funding; and

WHEREAS, the Strategic Business Plan recommends a 2018 Drainage and Wastewater rate adjustment to spread the impacts of new capital and operating requirements over multiple years; and

WHEREAS, wastewater and drainage credits for qualified low-income customers, not billed directly by Seattle Public Utilities, are based on typical residential bills, and credits for such customers need to be revised to reflect the changes in the wastewater and drainage rates; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Subsection 21.28.040.B of the Seattle Municipal Code, which section was last amended by Ordinance 125191, is amended as follows:

21.28.040 Wastewater volume charge

* * *

B. The wastewater volume rate shall be the sum of the treatment rate and the system rate, as follows:

1. Treatment rate. The "treatment rate" shall be the rate required to pay the wastewater share of "treatment cost," which is the cost of wastewater treatment, interception and disposal services, and any associated costs required to meet Drainage and Wastewater Fund financial policies. The treatment rate shall be the amount obtained when (a) the projected wastewater treatment cost is divided by (b) the projected billed wastewater consumption, each for the next calendar year, and the result is multiplied by (~~117.8 percent in 2017 and 117.0~~) 118.0 percent in 2018 and thereafter to cover the costs of taxes and low-income rate assistance. The projected treatment cost shall be the treatment cost anticipated for the upcoming calendar year, which may include an adjustment to reflect the difference, whether positive or negative, between the total expected treatment cost for the current year and the total wastewater volume charge revenues attributable to the treatment rate expected for the current year. The treatment rate is designed to pass through cost changes driven by King County and 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 pay the cost of carrying and discharging all wastewater and any wastewater-funded share of stormwater into the City sewerage system, as presently maintained and operated and as may be added to, improved, and extended.

3. The wastewater volume rate per CCF shall be in accordance with the following schedule:

	Effective Jan. 1, 2015	Effective Jan. 1, 2016	Effective Jan. 1, 2017	Effective Jan. 1, 2018
Treatment Rate	\$7.69	\$7.69	\$8.34	\$8.34
System Rate	\$4.15	\$4.58	\$4.59	\$4.74
Wastewater Volume Rate	\$11.84	\$12.27	\$12.93	\$13.08))

	<u>Effective Jan. 1, 2018</u>
<u>Treatment Rate</u>	<u>\$8.34</u>
<u>System Rate</u>	<u>\$5.12</u>
<u>Wastewater Volume Rate</u>	<u>\$13.46</u>

* * *

Section 2. Subsection 21.33.030.D of the Seattle Municipal Code, which section was last amended by Ordinance 125191, is amended as follows:

21.33.030 Drainage service charges and drainage rates - Schedule - Exemptions

* * *

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

1. Treatment rate. The "treatment rate" shall be the rate required to pay the drainage share of "treatment cost" which is the cost of wastewater treatment, interception and disposal service, and any associated costs necessary to meet Drainage and Wastewater Fund policies. The treatment rate shall be the amount obtained when (a) the projected drainage treatment cost for each rate category is divided by (b) the projected number of billing units in each rate category and the result is multiplied by 118 percent to cover the costs of taxes, low income rate assistance, and other allowances. The projected treatment cost shall be the treatment cost anticipated for the upcoming calendar year, which may include an adjustment to reflect the difference, whether positive or negative, between the drainage share of expected total treatment cost for the current year and the total drainage service charge revenues attributable to the treatment rate expected for the current year. The treatment rate is designed to pass through cost changes driven by King County and 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 are as follows:

((Effective January 1, 2016

Rate Category	Treatment Rate	System Rate	Total Drainage Rate	Billing Unit
Small Residential				
Under 2000	\$12.37	\$111.44	\$123.81	per parcel
2000-2999	\$18.90	\$188.03	\$206.93	per parcel
3000-4999	\$24.79	\$261.84	\$286.63	per parcel
5000-6999	\$33.73	\$356.30	\$390.03	per parcel
7000-9999	\$42.65	\$448.75	\$491.40	per parcel
General Service/Large Residential				
Undeveloped (0-15% impervious)				
Regular	\$2.85	\$28.39	\$31.24	per 1000 Sq Ft
Low Impact	\$1.66	\$16.91	\$18.57	per 1000 Sq Ft
Light (16-35% impervious)				
Regular	\$4.27	\$44.25	\$48.52	per 1000 Sq Ft
Low Impact	\$3.35	\$34.96	\$38.31	per 1000 Sq Ft
Moderate (36-65% impervious)				
Regular	\$6.09	\$64.58	\$70.67	per 1000 Sq Ft
Low Impact	\$4.92	\$52.29	\$57.21	per 1000 Sq Ft
Heavy (66-85% impervious)	\$8.10	\$85.46	\$93.56	per 1000 Sq Ft
Very Heavy (86-100% impervious)	\$9.53	\$102.85	\$112.38	per 1000 Sq Ft))

Effective January 1, 2017

Rate Category	Treatment Rate	System Rate	Total Drainage Rate	Billing Unit

Small Residential					
	Under 2000	\$13.68	\$126.78	\$140.46	per parcel
	2000-2999	\$20.79	\$210.68	\$231.47	per parcel
	3000-4999	\$30.21	\$288.84	\$319.05	per parcel
	5000-6999	\$41.20	\$391.25	\$432.45	per parcel
	7000-9999	\$52.04	\$491.94	\$543.98	per parcel
General Service/Large Residential					
Undeveloped	(0-15% impervious)				
	Regular	\$3.37	\$31.39	\$34.76	per 1000 Sq Ft
	Low Impact	\$1.98	\$18.69	\$20.67	per 1000 Sq Ft
Light	(16-35% impervious)				
	Regular	\$5.17	\$48.37	\$53.54	per 1000 Sq Ft
	Low Impact	\$4.07	\$38.19	\$42.26	per 1000 Sq Ft
Moderate	(36-65% impervious)				
	Regular	\$7.48	\$70.12	\$77.60	per 1000 Sq Ft
	Low Impact	\$6.05	\$56.81	\$62.86	per 1000 Sq Ft
Heavy	(66-85% impervious)	\$9.87	\$92.61	\$102.48	per 1000 Sq Ft
Very Heavy	(86-100% impervious)	\$11.83	\$111.11	\$122.94	per 1000 Sq Ft

((Effective January 1, 2018

Rate Category	Treatment Rate	System Rate	Total Drainage Rate	Billing Unit
Small Residential				
	Under 2000	\$13.75	\$141.28	\$155.03 per parcel
	2000-2999	\$20.90	\$231.22	\$252.12 per parcel
	3000-4999	\$30.38	\$315.40	\$345.78 per parcel
	5000-6999	\$41.43	\$425.42	\$466.85 per parcel
	7000-9999	\$52.33	\$533.98	\$586.31 per parcel
General Service/Large Residential				

Undeveloped	(0-15% impervious)				
	Regular	\$3.39	\$34.26	\$37.65	per 1000 Sq Ft
	Low Impact	\$1.99	\$20.40	\$22.39	per 1000 Sq Ft
Light	(16-35% impervious)				
	Regular	\$5.20	\$52.31	\$57.51	per 1000 Sq Ft
	Low Impact	\$4.09	\$41.29	\$45.38	per 1000 Sq Ft
Moderate	(36-65% impervious)				
	Regular	\$7.52	\$75.44	\$82.96	per 1000 Sq Ft
	Low Impact	\$6.09	\$61.17	\$67.26	per 1000 Sq Ft
Heavy	(66-85% impervious)	\$9.92	\$99.37	\$109.29	per 1000 Sq Ft
Very Heavy	(86-100% impervious)	\$11.89	\$119.03	\$130.92	per 1000 Sq Ft))

Effective January 1, 2018

<u>Rate Category</u>	<u>Treatment Rate</u>	<u>System Rate</u>	<u>Total Drainage Rate</u>	<u>Billing Unit</u>	
<u>Small Residential</u>					
	Under 200	\$13.75	\$145.93	\$159.68	per parcel
	2000-2999	\$20.90	\$238.78	\$259.68	per parcel
	3000-4999	\$30.38	\$325.77	\$356.15	per parcel
	5000-6999	\$41.43	\$439.43	\$480.86	per parcel
	7000-9999	\$52.33	\$551.57	\$603.90	per parcel
<u>General Service/Large Residential</u>					
Undeveloped	(0-15% impervious)				
	Regular	\$3.39	\$35.39	\$38.78	per 1000 Sq Ft
	Low Impact	\$1.99	\$21.07	\$23.06	per 1000 Sq Ft
Light	(16-35% impervious)				

	Regular	\$5.20	\$54.04	\$59.24	per 1000 Sq Ft
	Low Impact	\$4.09	\$42.65	\$46.74	per 1000 Sq Ft
Moderate	(36-65% impervious				
	Regular	\$7.52	\$77.93	\$85.45	per 1000 Sq Ft
	Low Impact	\$6.09	\$63.19	\$69.28	per 1000 Sq Ft
Heavy	(66-85% impervious	\$9.92	\$102.65	\$112.57	per 1000 Sq Ft
Very Heavy	(86-100% impervious	\$11.89	\$122.96	\$134.85	per 1000 Sq Ft

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

* * *

Section 3. Subsection 21.76.040.A of the Seattle Municipal Code, which section was last amended by Ordinance 125262, 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, 2016	\$26.38 per month	\$18.41 per month
January 1, 2017	\$27.80 per month	\$19.40 per month
January 1, 2018	\$28.12 per month	\$19.62 per month))

Effective date	Single-family and duplex dwellings	Multifamily dwellings
January 1, 2017	\$27.80 per month	\$19.40 per month
January 1, 2018	\$28.94 per month	\$20.20 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:

	<u>Effective January 1, 2016</u>	<u>Effective January 1, 2017</u>	<u>Effective January 1, 2018</u>
Single-family	\$16.25 per month	\$18.02 per month	\$19.45 per month
Duplex	\$8.13 per month	\$9.01 per month	\$9.73 per month
Multifamily	\$1.74 per month	\$1.93 per month	\$2.08 per month))

	<u>Effective January 1, 2017</u>	<u>Effective January 1, 2018</u>
Single-family	\$18.02 per month	\$20.03 per month
Duplex	\$9.01 per month	\$10.02 per month
Multifamily	\$1.93 per month	\$2.14 per month

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, 2016	\$19.84 per month	\$12.38 per month))
January 1, 2017	\$20.56 per month	\$12.38 per month

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Section 4. 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.

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

Section 6. 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)