



Legislation Details (With Text)

File #: CB 119356 **Version:** 1 **Name:** CB 119356
Type: Ordinance (Ord) **Status:** Passed
In control: City Clerk

On agenda: 10/1/2018
Final Action: 10/10/2018 **Ord. No.** Ord 125685

Title: AN ORDINANCE relating to Seattle Public Utilities; amending Sections 21.28.040, 21.28.080, and 21.76.040 of the Seattle Municipal Code to adjust wastewater rates.

Sponsors: Lisa Herbold

Indexes:

Attachments: 1. Summary and Fiscal Note, 2. Summary Ex A - 2019-2021 Drainage and Wastewater Rate Study v2, 3. Summary Ex A - 2019-2021 Drainage and Wastewater Rate Study v1, 4. Seattle Public Utilities GM-CEO Letter, 5. Presentation (9/11/18), 6. Central Staff Memo (9/21/18), 7. Signed Ordinance 125685, 8. Affidavit of Publication

Date	Ver.	Action By	Action	Result
10/10/2018	1	City Clerk	attested by City Clerk	
10/10/2018	1	Mayor	returned	
10/5/2018	1	Mayor	Signed	
10/3/2018	1	City Clerk	submitted for Mayor's signature	
10/1/2018	1	City Council	passed	Pass
9/21/2018	1	Civil Rights, Utilities, Economic Development, and Arts Committee	pass	Pass
9/11/2018	1	Civil Rights, Utilities, Economic Development, and Arts Committee	discussed	
9/10/2018	1	City Council	referred	
8/28/2018	1	Council President's Office	sent for review	
8/28/2018	1	City Clerk	sent for review	
8/28/2018	1	Mayor	Mayor's leg transmitted to Council	

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

AN ORDINANCE relating to Seattle Public Utilities; amending Sections 21.28.040, 21.28.080, and 21.76.040 of the Seattle Municipal Code to adjust wastewater rates.

WHEREAS, Seattle City Council Resolution 31760, adopted on November 13, 2017, adopted a 2018-2023

Strategic Business Plan Update for Seattle Public Utilities (SPU), which 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, wastewater credits for qualified low-income customers, not billed directly by Seattle Public Utilities whose credits are based on typical residential bills, need to be revised to reflect the changes in wastewater rates; and

WHEREAS, under certain circumstances the General Manager and Chief Executive Officer of SPU may use an assumed volume to calculate residential wastewater charges based on average residential usage that has been updated; 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 125443, 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 (~~118.0 percent in 2018~~) 118.7 percent in 2019 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:

	<u>Effective Jan. 1, 2018</u>	<u>Effective Jan. 1, 2019</u>	<u>Effective Jan. 1, 2020</u>	<u>Effective Jan. 1, 2021</u>
Treatment Rate	\$8.34	\$8.84	\$8.84	\$8.84
System Rate	\$5.12	\$5.64	\$6.71	\$7.42
Wastewater Volume Rate	\$13.46	\$14.48	\$15.55	\$16.26

* * *

Section 2. Subsection 21.28.080.B of the Seattle Municipal Code, which section was last amended by Ordinance 121665, is amended as follows:

21.28.080 Calculation of residential wastewater volume charge.

B. The ~~((Director))~~ General Manager and Chief Executive Officer of Seattle Public Utilities may use an assumed volume of ~~((five and two tenths (5.2)))~~ 4.3 CCF per household, or prior water consumption records if those records are more representative of expected usage, to calculate residential wastewater charges under the following circumstances:

1. When the water meter has been determined to be malfunctioning;
2. When customers have insufficient water consumption history to calculate average winter water consumption;
3. When water use in the period used to calculate average winter water consumption is not representative of expected water use, such as rental property that is vacant between tenants or in the case of seasonal customers; and
4. When customers are not served by a publicly owned water supply system.

* * *

Section 3. Subsection 21.76.040.A of the Seattle Municipal Code, which section was last amended by Ordinance 125444, 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, 2017	\$27.80 per month	\$19.40 per month
January 1, 2018	\$28.94 per month	\$20.20 per month))

Effective date	Single-family and duplex dwellings	Multifamily dwellings
January 1, 2018	\$28.94 per month	\$20.20 per month
January 1, 2019	\$31.13 per month	\$21.72 per month
January 1, 2020	\$33.43 per month	\$23.32 per month
January 1, 2021	\$34.96 per month	\$24.39 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 January 1, 2017	Effective January 1, 2018
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, 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 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 _____, 2018, and signed by me in open session in authentication of its passage this _____ day of _____, 2018.

President _____ of the City Council

Approved by me this _____ day of _____, 2018

Jenny A. Durkan, Mayor

Filed by me this _____ day of _____, 2018.

Monica Martinez Simmons, City Clerk

(Seal)