



Legislation Details (With Text)

File #: CB 120417 **Version:** 1 **Name:** CB 120417
Type: Ordinance (Ord) **Status:** Passed
In control: City Clerk

On agenda: 10/4/2022
Final Action: 10/5/2022 **Ord. No.** Ord 126690

Title: AN ORDINANCE relating to drainage services of Seattle Public Utilities; adjusting drainage rates code to automatically pass-through changes to treatment rates charged by external wastewater treatment providers; amending Section 21.33.030 of the Seattle Municipal Code to enable automatic adjustment of treatment rates; and amending Section 21.76.040 of the Seattle Municipal Code to enable automatic adjustment of credits to low-income drainage customers.

Sponsors: Alex Pedersen

Indexes:

Attachments: 1. Summary and Fiscal Note, 2. Presentation, 3. Central Staff Memo 9/20/22, 4. Signed Ordinance 126690

Date	Ver.	Action By	Action	Result
10/5/2022	1	City Clerk	attested by City Clerk	
10/5/2022	1	Mayor	returned	
10/5/2022	1	Mayor	Signed	
10/5/2022	1	City Clerk	submitted for Mayor's signature	
10/4/2022	1	City Council	passed	Pass
9/20/2022	1	Transportation and Seattle Public Utilities	pass	Pass
9/2/2022	1	Council President's Office	sent for review	
8/17/2022	1	City Clerk	sent for review	
8/17/2022	1	Mayor	Mayor's leg transmitted to Council	

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

AN ORDINANCE relating to drainage services of Seattle Public Utilities; adjusting drainage rates code to automatically pass-through changes to treatment rates charged by external wastewater treatment providers; amending Section 21.33.030 of the Seattle Municipal Code to enable automatic adjustment of treatment rates; and amending Section 21.76.040 of the Seattle Municipal Code to enable automatic adjustment of credits to low-income drainage customers.

WHEREAS, Seattle Public Utilities' drainage rates are based on the sum of the treatment rate and system rate and are designed to pass through the drainage share of King County and other external treatment

providers' charges to Seattle Public Utilities for wastewater treatment services; and

WHEREAS, the King County Council is contractually required to adopt a new wastewater treatment on an annual basis by June 30; and

WHEREAS, Seattle Public Utilities is contractually required to pay treatment rates adopted by the King County Council and other external treatment providers; and

WHEREAS, 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 drainage rates; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Subsection 21.33.030.D of the Seattle Municipal Code, which section was last amended by Ordinance 126432, is amended as follows:

21.33.030 Drainage services 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 as paid to external treatment providers by the Department, and any taxes incurred on treatment rate revenue, and any other 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 1.189507 in 2022, 1.190301 in 2023, and 1.190379 in 2024 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.))~~ adjusted for utility discount program credits or any other revenue-reducing credits. 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.

If an external treatment provider implements new rates for wastewater treatment or related services, the updated treatment contract cost under the new rates for the subsequent 12-month period shall be compared with the Department’s cost assumption used in the adopted revenue requirement for the same time period. If the calculated difference for the rate year is \$500,000 greater than what was adopted, then it will be deemed material and passed through in rates. Treatment rates in all rate schedules will be adjusted upwards or downwards by a consistent amount such that the identified material cost difference, including taxes and Utility Discount Program expense, is collected from or credited to customers over the subsequent 12-month period from the onset of the rate adjustment.

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. Annual drainage treatment rates and dates effective are as follows:

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	((\$12.83
2,000-2,999 sq. ft.	\$21.36	\$22.45	((\$22.45
3,000-4,999 sq. ft.	\$30.16	\$31.47	((\$31.47
5,000-7,999 sq. ft.	\$41.00	\$43.00	((\$43.00
8,000-9,999 sq. ft.	\$52.09	\$54.43	((\$54.43

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

	Jan 1, 2021	Jan 1, 2022	((Jan 1, 2023	Jan 1, 2024))

Undeveloped (0% to 15% impervious)	\$3.44	\$3.65	(((\$3.65	\$3.65))
Undeveloped (Low Impact)	\$2.02	\$2.09	(((\$2.09	\$2.09))
Light (16% to 35% impervious)	\$5.19	\$5.44	(((\$5.44	\$5.44))
Light (Low Impact)	\$4.02	\$4.22	(((\$4.22	\$4.22))
Moderate (36% to 65% impervious)	\$7.34	\$7.74	(((\$7.74	\$7.74))
Moderate (Low Impact)	\$5.82	\$6.24	(((\$6.24	\$6.24))
Heavy (66% to 85% impervious)	\$9.75	\$10.25	(((\$10.25	\$10.25))
Very Heavy (86% to 100% impervious)	\$11.62	\$12.23	(((\$12.23	\$12.23))

4. Annual drainage system rates are as follows:

For small residential parcels, per parcel:

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

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

	Jan 1, 2021	Jan 1, 2022	Jan 1, 2023	Jan 1, 2024
Undeveloped (0% to 15% impervious)	\$46.05	\$50.03	\$53.03	\$56.23
Undeveloped (Low Impact)	\$27.43	\$29.02	\$30.75	\$32.61
Light (16% to 35% impervious)	\$68.73	\$74.22	\$78.65	\$83.40
Light (Low Impact)	\$53.85	\$57.70	\$61.15	\$64.85
Moderate (36% to 65% impervious)	\$97.81	\$105.13	\$111.41	\$118.14
Moderate (Low Impact)	\$79.18	\$84.96	\$90.03	\$95.47
Heavy (66% to 85% impervious)	\$129.42	\$138.87	\$147.17	\$156.07
Very Heavy (86% to 100% impervious)	\$154.49	\$165.60	\$175.49	\$186.10

5. SPU shall provide a 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.

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. Subsection 21.76.040.A of the Seattle Municipal Code, which section was last amended by Ordinance 126434, is amended as follows:

21.76.040 Rate discounts

A. Drainage, wastewater, and water. 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 Jan 1, 2021	Effective Jan 1, 2022	Effective Jan 1, 2023	Effective Jan 1, 2024
Single-Family	\$35.85	\$36.57	\$36.57	\$36.57
Duplex	\$35.85	\$36.57	\$36.57	\$36.57
Multifamily	\$25.01	\$25.52	\$25.52	\$25.52

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 Jan 1, 2021	Effective Jan 1, 2022	Effective Jan 1, 2023	Effective Jan 1, 2024
Single-Family	\$25.00	\$26.36	\$27.83	\$29.40
Duplex	\$12.50	\$13.18	\$13.92	\$14.70
Multifamily	\$2.68	\$2.82	\$2.98	\$3.15))

Single-Family	One half of one-twelfth of the annual drainage rate for small residential parcels 5,000 - 7,999 square feet as described in subsection 21.33.030.D
Duplex	50% of the single-family rate credit
Multi-Family	10.7% of the single-family rate credit

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 3. 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 4. The provisions of this ordinance are declared to be separate and severable. The invalidity of any clause, sentence, paragraph, subdivision, section, or portion of this ordinance, or the invalidity of its application to any person or circumstance, does not affect the validity of the remainder of this ordinance or the validity of its application to other persons or circumstances.

Section 5. 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 _____, 2022, and signed by me in open session in authentication of its passage this _____ day of _____, 2022.

President _____ of the City Council

Approved / returned unsigned / vetoed this _____ day of _____, 2022.

Bruce A. Harrell, Mayor

Filed by me this _____ day of _____, 2022.

_____, City Clerk

(Seal)

Attachments: