CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

AN ORDINANCE relating to wastewater services of Seattle Public Utilities; adjusting wastewater rates; and amending Section 21.28.040 of the Seattle Municipal Code to reflect adjusted rates.

WHEREAS, Seattle Public Utilities has recently completed a rate study incorporating guidance of its adopted 2025-2030 Strategic Business Plan Update; and

WHEREAS, the 2025-2030 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 Resolution 30612 and Statement of Legislative Intent 13-1-A-1; and

WHEREAS, Seattle Public Utilities' wastewater system rates are designed to pass through all expenses in maintaining and operating the wastewater system, and any related taxes or discounts incurred; 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 126688, 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 as paid to external treatment providers by the Department, any taxes incurred on treatment rate revenue, and any other associated costs required to meet Drainage and Wastewater Fund financial policies. The treatment rate shall be adjusted for utility discount program credits or any other revenue-reducing credits. The treatment rate may be adjusted at any time in response to changes in the rates charged by external treatment providers.

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 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 system volume rate per CCF shall be in accordance with the following schedule: $7.67 effective through December 31, 2024; $7.10 effective January 1, 2025; $7.34 effective January 1, 2026; and $7.45 effective January 1, 2027.

	((~~Effective Jan 1, 2021~~	~~Effective Jan 1, 2022~~	~~Effective Jan 1, 2023~~	~~Effective Jan 1, 2024~~
~~System Rate~~	~~$7.42~~	~~$7.67~~	~~$7.67~~	~~$7.67~~))

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* * *

Section 2. 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 3. 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 4. This ordinance shall take effect as provided by Seattle Municipal Code Sections 1.04.020 and 1.04.070.

Passed by the City Council the _____ day of _____, 2024, and signed by me in open session in authentication of its passage this _____ day of _____, 2024.

_____

President _____ of the City Council

Approved / returned unsigned / vetoed this _____ day of _____, 2024.

_____

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Bruce A. Harrell, Mayor

Filed by me this _____ day of _____, 2024.

_____

Scheereen Dedman, City Clerk

(Seal)

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