

Ordinance No. 121328

Council Bill No. 114707

AN ORDINANCE relating to drainage services of Seattle Public Utilities; amending Seattle Municipal Code Section 21.33.030 to adjust drainage rates, and provide a reduction for certain commercial buildings that utilize rainwater harvesting systems; and amending Seattle Municipal Code Section 21.76.040 to adjust credits to low-income drainage customers.

Me

The City of Seattle Council Bill/Ordinance

11/7/03 Rere
Pass A

CF No. _____

Date Introduced: <u>SEP 15 2003</u>		
Date 1st Referred: <u>SEP 15 2003</u>	To: (committee) <u>Water & Health Committee</u>	
Date Re- Referred:	To: (committee)	
Date Re - Referred:	To: (committee)	
Date of Final Passage: <u>11-24-03</u>	Full Council Vote: <u>9-0</u>	
Date Presented to Mayor: <u>11-25-03</u>	Date Approved: <u>12/5/03</u>	
Date Returned to City Clerk: <u>12/5/03</u>	Date Published: <u>400</u>	T.O. <u>✓</u> F.T. <u>✓</u>
Date Voted by Mayor:	Date Veto Published:	
Date Passed Over Veto:	Veto Sustained:	

11-24-03 Pas

This file is complete and ready

LAW DEPARTMENT

Law Dept. Review

Margaret Pageler

Council Bill/Ordinance sponsored by: _____

PAGELER

Councilmember

Committee Action:

11/7/03 Rerefer to Budget Committee as amended

Pass As Amended JC, RC, JD, NL, RM,

MP, PS, HW

11-24-03 Passed 9-0

This file is complete and ready for presentation to Full Council.

Committee: _____

(initial/date)

LAW DEPARTMENT

Law Dept. Review

OMP
Review

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City Clerk
Review

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ORDINANCE 121328

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AN ORDINANCE relating to drainage services of Seattle Public Utilities; amending Seattle Municipal Code Section 21.33.030 to adjust drainage rates, and provide a reduction for certain commercial buildings that utilize rainwater harvesting systems; and amending Seattle Municipal Code Section 21.76.040 to adjust credits to low-income drainage customers.

WHEREAS, the rates for drainage services were last increased on January 1, 2003; and,

WHEREAS, the installation of additional drainage facilities has resulted in increased annual expenses for debt service and operations; and

WHEREAS, Seattle Public Utilities ("SPU") anticipates, and the Council recognizes, that a significant bond issuance will be needed during 2004 to finance a portion of the drainage Capital Improvement Program ("CIP") and that this issuance will further increase annual wastewater expenses for debt service; and

WHEREAS, a reexamination of costs shared by the drainage, wastewater, water, and solid waste components of SPU has resulted in an increase in costs allocated to drainage ratepayers; and

WHEREAS, the State Legislature passed, and the Governor signed, House Bill 2088, which requires drainage, stormwater, or surface water rates be reduced by a minimum of 10% for any new or remodeled commercial building that uses a permissive rainwater harvesting system; and

WHEREAS, SPU has completed a rate study showing that existing rates will not provide sufficient revenues to pay the costs of providing drainage services and that rate increases therefore are required; and

WHEREAS, the City Council has reviewed SPU's study and proposed rate increases, and the City Council has determined that somewhat lower rate increases are needed to produce revenues that, barring unforeseen factors that significantly increase costs or decrease revenues, will enable (a) the SPU drainage line of business to cash-finance at least 11.6% of its 2004 CIP, while achieving year-end cash balances of at least \$3 million, and (b) the overall SPU Drainage and Wastewater Fund to cash-finance at least 11.5% of its 2004 CIP, while achieving year-end cash balances of at least \$7 million;

WHEREAS, credits for qualified low-income customers need to be revised to reflect the increase in drainage rates; NOW, THEREFORE,



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

2
3 Section 1. Subsection D of Seattle Municipal Code Section 21.33.030 is amended as
4 follows:

5 **SMC 21.33.030 Drainage service charges -- Schedule -- Exemptions.**

6 *****

7 D. The rate categories and the corresponding annual drainage service charges are as
8 follows:

	<u>((Effective))</u>	<u>Effective</u>	<u>Effective</u>
	<u>((Jan. 1, 2001))</u>	<u>Jan. 1, 2003</u>	<u>Jan. 1, 2004</u>
9 Single-family Residential	<u>((\$99.00 per parcel))</u>	\$104.94 per parcel	<u>\$110.36 per parcel</u>
10 Open Space (0 -- 2%)	<u>((92.70 per acre))</u>	98.26 per acre	<u>111.33 per acre</u>

13 All Other Properties Classification:

14 1. (0 -- 15%)	<u>((\$158.03 per acre))</u>	\$167.51 per acre	<u>194.54 per acre</u>
15 2. (16 -- 35%)	<u>((266.95 per acre))</u>	282.97 per acre	<u>322.60 per acre</u>
16 3. (36 -- 65%)	<u>((484.79 per acre))</u>	513.88 per acre	<u>581.47 per acre</u>
17 4. (66 -- 85%)	<u>((630.01 per acre))</u>	667.81 per acre	<u>758.95 per acre</u>
18 5. (86 -- 100%)	<u>((775.23 per acre))</u>	821.74 per acre	<u>944.43 per acre</u>

19 SPU shall provide a 10% reduction in drainage rates for properties containing new or remodeled
20 commercial buildings that, after July 27, 2003, install and utilize rainwater harvesting systems
21 that are sized to use or infiltrate the amount of rain that falls on the roofs of such buildings during
22 a one year, 24 hour storm event. A system that involves indoor uses of rainwater must be
23 permitted by Seattle-King County Department of Health in order to qualify for the rate reduction.
24 A system that relies solely on the capture and indoor use of rainwater shall qualify for the
25 drainage rate reduction only if the system is sized to meet the performance requirement.
26



1 Qualifying for the drainage rate reduction does not relieve the property owner from the obligation
2 to comply with applicable stormwater and drainage code requirements for the buildings and site.

3 *****

4 Section 2. Paragraph 2 of Subsection A of Seattle Municipal Code 21.76.040 is amended
5 as follows:

6 **21.76.040 Utility low income rate assistance.**

7 * * *

8 2. Drainage. Eligible recipients residing inside The City of Seattle shall receive the
9 following credits for drainage services based on dwelling type:

	((Effective))	Effective	<u>Effective</u>
	((January 1, 2001))	January 1, 2003	<u>January 1, 2004</u>
10 Single-family	(((\$4.13 per month))	\$4.38 per month	<u>\$4.60 per month</u>
11 Duplex	((2.06 per month))	2.18 per month	<u>2.30 per month</u>
12 Multifamily	((0.44 per month))	0.47 per month	<u>0.49 per month</u>

13 * * *

14 Section 3. . The provisions of this ordinance are declared to be separate and severable.
15 If a court of competent jurisdiction, all appeals having been exhausted or all appeal periods
16 having run, finds any provision of this ordinance to be invalid or unenforceable as to any person
17 or circumstance, then such provision or provisions shall be null and severed from the rest of this
18 ordinance.

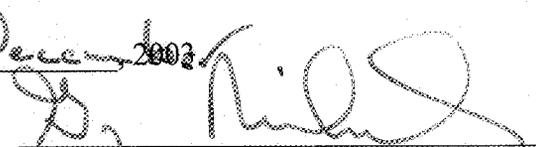


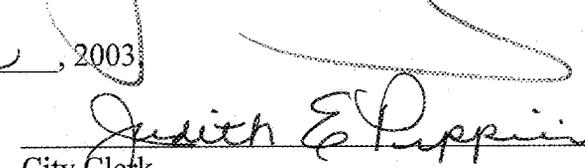
1 ordinance with respect to the particular person or circumstance. The offending provision with
2 respect to all other persons and all other circumstances, as well as all other provisions of this
3 ordinance, shall remain valid and enforceable.

4 Section 4. This ordinance shall take effect and be in force thirty (30) days from and
5 after its approval by the Mayor, but if not approved and returned by the Mayor within ten (10)
6 days after presentation, it shall take effect as provided by Seattle Municipal Code Section
7 1.04.020.

8 Passed by the City Council the 24th day of November, 2003, and signed by me in open
9 session in authentication of its passage this 24th day of November, 2003.

10 
11 _____
12 President _____ of the City Council

13 Approved by me this 2 day of December, 2003.
14 
15 _____
16 Gregory J. Nickels, Mayor

17 Filed by me this 2 day of Dec, 2003.
18 
19 _____
20 City Clerk

21 (Seal)



2004 BUDGET LEGISLATION FISCAL NOTE

Department:	Contact Person/Phone:	DOF Analyst/Phone:
Seattle Public Utilities	Ben Noble, Central Staff / 684-8160	Cameron Keyes / 684-8048

Legislation Title:

AN ORDINANCE relating to drainage services of Seattle Public Utilities; amending Seattle Municipal Code Section 21.33.030 to adjust drainage rates, and provide a reduction for certain commercial buildings that utilize rainwater harvesting systems; and amending Seattle Municipal Code Section 21.76.040 to adjust credits to low-income drainage customers.

• Summary of the Legislation:

This ordinance will raise drainage rates for 2004 by an average of 8.8%. Drainage rates for residential customers will increase by 5.2%. Non-residential rates will increase an average of 14.8%. The low-income credit will be adjusted to reflect the increase in the drainage rates. This ordinance also includes a 10% reduction in drainage rates for new or remodeled commercial buildings that install and utilize rainwater harvesting systems after July 27, 2003, in accordance with House Bill 2088.

This legislation was amended by Council and the average rate increase to be imposed for 2004 has been reduced to 8.8% from the 14% that was originally proposed by the Mayor. For 2004, these reductions are primarily made possible through the use of available cash balances. After the Executive had presented it's original rate proposal, SPU discovered an additional \$3 million in available cash balances for the Drainage/Wastewater Fund. The proposal also includes a small decrease in the share of the Drainage CIP to be cash-financed (from 13% to 11%), but the 2004 target of 11% still represents a significant improvement over the 5% expected for this year. Furthermore, it puts the Drainage Utility on course to achieve the 25% cash-financing target that has been set for 2007.

• Background:

The need for a 2004 rate increase was identified in the fall of 2002 when Seattle Public Utilities (SPU) proposed its 2003 budget. The City Council approved a rate increase in 2003, but asked SPU to identify any possible revisions to its financial policies for the Drainage and Wastewater Fund prior to submitting any requests for a 2004 rate increase. In July of 2003 the Mayor proposed and the Council approved a revision to the financial policies for the Drainage and Wastewater Fund. The proposed rate increase is consistent with SPU's new policies.

• *Please check one of the following:*

This legislation does not have any financial implications. (Stop here and delete the remainder of this document prior to saving and printing.)

 X This legislation has financial implications. (Please complete all relevant sections that follow.)

Anticipated Revenue/Reimbursement (in \$1,000s):

Fund Name and Number	Department	Revenue Source	2003 Revenue	2004 Revenue
Drainage & Wastewater Fund - 44010	SPU	Drainage Rates		\$25,685
TOTAL				\$25,685

Notes: This figure represents an estimated increase of 8.6% in drainage revenues between 2003 and 2004. It is estimated that the rainwater harvesting discount will cost approximately \$112,000 in 2004. This includes both the cost of administration and the revenue reduction from the discount.

- What is the financial cost of not implementing this legislation

The Drainage and Wastewater Fund (DWF) would not recover the full cost of its business operations.

- What are the possible alternatives to the legislation that could achieve the same or similar objectives?

Not raising the rates at this time would result in DWF failing to recover the cost of its operations and to meet SPU's financial policies.

- Is the legislation subject to public hearing requirements?

No.

- Other Issues:





City of Seattle

Gregory J. Nickels, Mayor

Office of the Mayor

September 9, 2003

Honorable Peter Steinbrueck
President
Seattle City Council
City Hall, 2nd Floor

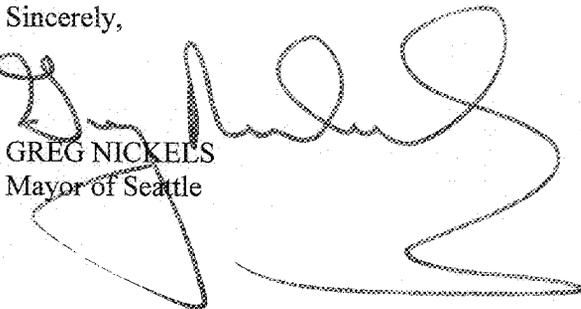
Dear Council President Steinbrueck:

The attached ordinance will increase Seattle Public Utilities (SPU's) drainage rates to pay for the operations and debt costs of Seattle's drainage facilities, meet increasingly restrictive regulatory requirements, and continue improving the drainage system throughout the City of Seattle. Based on the proposed changes, a typical single family customer will experience an increase of 89 cents per month, while commercial businesses that have heavy development on a one-acre parcel will experience an increase of approximately \$10.64 per month. The attached legislation also adjusts the credits for qualifying low-income drainage customers to protect our most vulnerable citizens. Finally, the ordinance includes a 10% reduction in drainage rates for new or remodeled commercial buildings that install and utilize rainwater harvesting systems after July 27, 2003, in accordance with House Bill 2088.

SPU's Drainage and Wastewater Utility, which is funded by drainage revenues, has made great strides in improving the City's drainage system to address flooding, restore our urban creeks, and reduce the risk from landslides. The additional revenues resulting from this rate increase will allow them to continue this important work.

Thank you for your consideration of this legislation. Should you have questions please contact Leanne Galati at 684-0455.

Sincerely,



GREG NICKELS
Mayor of Seattle

600 Fourth Avenue, 7th Floor, Seattle, WA 98104-8154

Tel: (206) 684-4000, TDD: (206) 684-8811 Fax: (206) 684-5360, E:mail: mayors.office@ci.seattle.wa.us

An equal employment opportunity, affirmative action employer. Accommodations for people with disabilities provided upon request.



SMC 21.33.030 Drainage service charges -- Schedule -- Exemptions.

D. The rate categories and the corresponding annual drainage service charges are as follows:

	((Effective))	Effective	<u>Effective</u>
	((Jan. 1, 2001))	Jan. 1, 2003	<u>Jan. 1, 2004</u>
Single-family Residential	((999.00 per parcel))	\$104.94 per parcel	<u>\$115.63 per parcel</u>
Open Space (0 -- 2%)	((92.70 per acre))	98.26 per acre	<u>116.70 per acre</u>
All Other Properties Classification:			
1. (0 -- 15%)	((158.03 per acre))	\$167.51 per acre	<u>203.80 per acre</u>
2. (16 -- 35%)	((266.95 per acre))	282.97 per acre	<u>338.11 per acre</u>
3. (36 -- 65%)	((484.79 per acre))	513.88 per acre	<u>609.55 per acre</u>
4. (66 -- 85%)	((630.01 per acre))	667.81 per acre	<u>795.51 per acre</u>
5. (86 -- 100%)	((775.23 per acre))	821.74 per acre	<u>989.63 per acre</u>

SPU shall provide a 10% reduction in drainage rates for new or remodeled commercial buildings that install and utilize rainwater harvesting systems after July 27, 2003, that are sized to use or infiltrate the amount of rain that falls on the roofs of the buildings on the site during a 1 year, 24 hour storm event. Those systems that involve indoor uses of rainwater must be permitted by Seattle-King County Department of Health in order to qualify for the rate reduction. Systems that rely solely on the capture and indoor use of rainwater shall qualify for the reduction provided the system is sized to meet the performance requirement. Qualifying for the 10% reduction does



1 not relieve the property owner from the obligation to comply with applicable stormwater and
2 drainage code requirements for the buildings and site.

3
4 *****

5
6 Section 2. Paragraph 2 of Subsection A of Seattle Municipal Code 21.76.040 is amended
7 as follows:

8
9 **21.76.040 Utility low income rate assistance.**

10
11 * * *

12
13 2. Drainage. Eligible recipients residing inside The City of Seattle shall receive the
14 following credits for drainage services based on dwelling type:

15
16
17

	<u>((Effective))</u>	<u>Effective</u>	<u>Effective</u>
	<u>((January 1, 2004))</u>	January 1, 2003	<u>January 1, 2004</u>
19 Single-family	<u>(((\$4.13 per month))</u>	\$4.38 per month	<u>\$4.83 per month</u>
20 Duplex	<u>((2.06 per month))</u>	2.18 per month	<u>2.41 per month</u>
21 Multifamily	<u>((0.44 per month))</u>	0.47 per month	<u>0.52 per month</u>

22

23 * * *

24
25 Section 3. The provisions of this ordinance are declared to be separate and severable.
26 If any one or more of the provisions of this ordinance shall be declared by any court of competent



1 jurisdiction to be contrary to law, then such provision or provisions shall be null and void and
2 severed from the rest of this ordinance, and all other provisions of this ordinance shall remain
3 valid and enforceable.

4 Section 4. This ordinance shall take effect and be in force thirty (30) days from and
5 after its approval by the Mayor, but if not approved and returned by the Mayor within ten (10)
6 days after presentation, it shall take effect as provided by Municipal Code Section 1.04.020.

7
8 Passed by the City Council the ____ day of _____, 2003, and signed by me in open
9 session in authentication of its passage this ____ day of _____, 2003.

10
11 _____
12 President _____ of the City Council

13 Approved by me this ____ day of _____, 2003.

14 _____
15 Gregory J. Nickels, Mayor

16 Filed by me this ____ day of _____, 2003.

17 _____
18 City Clerk

19
20 (Seal)



2004 BUDGET LEGISLATION FISCAL NOTE

Note: This fiscal note template may be used for most pieces of budget legislation. Certain legislation submitted with the budget (e.g., the Supplemental Ordinance, Drug Forfeiture Legislation, Money Laundering Forfeiture Legislation, etc.), require that the standard fiscal note template be used with some modification. Please work with your Budget Analyst so that your fiscal note provides the information that is required during the budget process. The standard template can be found on the Legislation Tracking Page on the inweb at <http://inweb/legislationtracking/>

Department:	Contact Person/Phone:	DOF Analyst/Phone:
Seattle Public Utilities	Leanne Galati / 684-0455	Cameron Keyes / 684-8048

Legislation Title:

AN ORDINANCE relating to drainage services of Seattle Public Utilities; amending Seattle Municipal Code Section 21.33.030 to adjust drainage rates, and provide a reduction for certain commercial buildings that utilize rainwater harvesting systems; and amending Seattle Municipal Code Section 21.76.040 to adjust credits to low-income drainage customers.

• **Summary of the Legislation:**

This ordinance will raise drainage rates for 2004 by an average of 14%. Drainage rates for residential customers will increase by 10.2%. Non-residential rates will increase an average of 20.3%. The low-income credit will be adjusted to reflect the increase in the drainage rates. This ordinance also includes a 10% reduction in drainage rates for new or remodeled commercial buildings that install and utilize rainwater harvesting systems after July 27, 2003, in accordance with House Bill 2088.

• **Background:** *(Include brief description of the purpose and context of legislation and include record of previous legislation and funding history, if applicable):*

The need for a 2004 rate increase was identified in the fall of 2002 when Seattle Public Utilities (SPU) proposed its 2003 budget. The City Council approved a rate increase in 2003, but asked SPU to identify any possible revisions to its financial policies for the Drainage and Wastewater Fund prior to submitting any requests for a 2004 rate increase. In July of 2003 the Mayor proposed a revision to the financial policies for the Drainage and Wastewater Fund. The proposed rate increase is consistent with SPU's new policies.

• *Please check one of the following:*

This legislation does not have any financial implications. *(Stop here and delete the remainder of this document prior to saving and printing.)*

This legislation has financial implications. *(Please complete all relevant sections that follow.)*



Anticipated Revenue/Reimbursement (in \$1,000s): (For budget legislation that raises fees, please provide detail on each fee that is being raised, when it was last raised, how the proposed fee compares with similar fees in the region, etc.)

Fund Name and Number	Department	Revenue Source	2003 Revenue	2004 Revenue
Drainage & Wastewater Fund - 44010	SPU	Drainage Rates		\$26,912
TOTAL				\$26,912

Notes: This figure represents an estimated increase of 13.8% in drainage revenues between 2003 and 2004. It is estimated that the rainwater harvesting discount will cost approximately \$112,000 in 2004. This includes both the cost of administration and the revenue reduction from the discount.

- What is the financial cost of not implementing this legislation? (Estimate the costs to the City of not implementing the legislation, including estimated costs to maintain or expand an existing facility or the cost avoidance due to replacement of an existing facility, potential conflicts with regulatory requirements, or other potential costs if the legislation is not implemented)

The Drainage and Wastewater Fund (DWF) would not recover the cost of its business operations.

- What are the possible alternatives to the legislation that could achieve the same or similar objectives? (Include any potential alternatives to the proposed legislation, such as reducing fee-supported activities, identifying outside funding sources for fee-supported activities, etc.)

Not raising the rates at this time would result in DWF failing to recover the cost of its operations and to meet SPU's financial policies. In developing these rates, SPU has already made significant cuts to its DWF budget.

- Is the legislation subject to public hearing requirements? (If yes, what public hearings have been held to date)

No.

- Other Issues (including long-term implications of the legislation):



STATE OF WASHINGTON - KING COUNTY

--SS.

166336
City of Seattle, Clerk's Office

No. ORDINANCE IN FULL

Affidavit of Publication

The undersigned, on oath states that he is an authorized representative of The Daily Journal of Commerce, a daily newspaper, which newspaper is a legal newspaper of general circulation and it is now and has been for more than six months prior to the date of publication hereinafter referred to, published in the English language continuously as a daily newspaper in Seattle, King County, Washington, and it is now and during all of said time was printed in an office maintained at the aforesaid place of publication of this newspaper. The Daily Journal of Commerce was on the 12th day of June, 1941, approved as a legal newspaper by the Superior Court of King County.

The notice in the exact form annexed, was published in regular issues of The Daily Journal of Commerce, which was regularly distributed to its subscribers during the below stated period. The annexed notice, a

CT:121328 ORD IN FULL

was published on

12/16/2003



James P. Peltz
Subscribed and sworn to before me on

12/16/2003

Melissa Dowd
Notary public for the State of Washington,
residing in Seattle

State of

ity

Concern:
You are hereby notified that on
June 30, 2003, a petition for
Dependency was filed in the above
entitled Court, pursuant to RCW
13.34.080 and/or RCW 26.33.310
regarding:
DOUGLAS MERLIN MILLER
NEWSOM, a minor, born June 20,
1992,
whose parents are Christine
Miller and Douglas Newsom.

FOR FURTHER INFORMA-
TION, CALL 206-720-3293, 8:00
a.m. - 4:30 p.m.]
Said Petition will be heard on
January 28, 2004, at the hour of
8:15 a.m., at King County
Superior Court, Juvenile
Department, 1211 E. Alder,
Seattle, WA before a Judge of the
above entitled court at which time
you are directed to appear and
answer the said petition or the
petition will be granted and action
will be taken by the court such as
of the said child.

Dated December 15, 2003.
BARBARA MINNER
KING COUNTY
SUPERIOR COURT CLERK
BY: EPC, Deputy Clerk
Dates of publication in the
Seattle Daily Journal of
Commerce, December 16, 23 and
30, 2003.
12/30(16104) 8:
D. S. D.

IN THE SUPERIOR COURT
OF THE STATE OF
WASHINGTON IN AND FOR
THE COUNTY OF KING,
JUVENILE DEPARTMENT
IN RE THE
DEPENDENCY MATTER OF:
RODNEY JERROL GUESS
DOB: 01/02/95
NO. 03-7-05766-3 SEA
NOTICE OF HEARING

TO: Rodney Jerral Guess Sr.,
Alleged Father; Unknown Father,
and/or anyone claiming parental/
paternal rights or interest in the
child and to All Whom It May
Concern:
You are hereby notified that on
July 23, 2003, a petition for
Dependency was filed in the above
entitled Court, pursuant to RCW
13.34.080 and/or RCW 26.33.310
regarding:
RODNEY JERROL GUESS, a
minor, born January 2, 1995,
whose parents are Jameszetta
E. Anderson and Rodney Jerral
Guess, Sr., Alleged Father, or
Unknown Father.

FOR FURTHER INFORMA-
TION, CALL 206-720-3293, 8:00
a.m. - 4:30 p.m.]
Said Petition will be heard on
January 28, 2004, at the hour of
8:15 a.m., at King County
Superior Court, Juvenile
Department, 1211 E. Alder,
Seattle, WA before a Judge of the
above entitled court at which time
you are directed to appear and
answer the said petition or the
petition will be granted and action
will be taken by the court such as
of the said child.