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Ordinance No. 110216

AN ORDINANCE relating to the Sewerage Utility; amending Section 2 of Ordinance 85317 to provide that the interest rate on installment contracts for special connection charges for property beyond the City limits be the same as the effective annual interest rate of the most recent Seattle Local Improvement District Bond Issue.

10/13/81 PASS

COMPTROLLER
FILE NUMBER

Council Bill No. 102455

INTRODUCED **OCT 12 1981** BY: **EXECUTIVE REQUEST**
REFERRED: **OCT 12 1981** TO:

REFERRED:

REPORTED: **OCT 19 1981** SECOND READING: **OCT 19 1981**
THIRD READING: **OCT 19 1981** SIGNED: **OCT 19 1981**

PRESENTED TO MAYOR: **OCT 20 1981** APPROVED: **OCT 29 1981**
NETO. TO CITY CLERK: **OCT 29 1981** PUBLISHED:

VETOED BY MAYOR: VETO PUBLISHED:
PASSED OVER VETO: VETO SUSTAINED:

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ORDINANCE 110216

AN ORDINANCE relating to the Sewerage Utility; amending Section 2 of Ordinance 85317 to provide that the interest rate on installment contracts for special connection charges for property beyond the City limits be the same as the effective annual interest rate of the most recent Seattle Local Improvement District Bond Issue.

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Section 2 of Ordinance 85317, as last amended by Ordinance 106313, is further amended to read as follows:

Section 2. Such agreement shall specify the property to be connected with the city sewer system; shall grant permission for connection upon payment of prescribed fees and charges therefor; shall require the property owners to construct such connection in accordance with city plans and specifications and under the supervision of the ((City Engineer)) Director of Engineering, without cost or expense to the city; shall provide that the property owner shall not allow any additional property to be served by such connection until the owner of such additional property has executed a similar agreement, except that two or more property owners may join in one connection agreement; shall require such property owner to pay any sewerage utility charge fixed by ordinance and also an amount equivalent to side sewer permit fees and special connection charges fixed by ordinance for like property within the City, which special connection charge shall be paid in cash or in installments with interest at the ((rate-established-by ordinance-for-local-improvement-district-warrants)) same rate as the effective annual interest rate of the most recent Seattle Local Improvement District Bond Issue

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3 computed annually on unpaid balances; shall agree that the
4 city in the event the terms and conditions of said agreement
5 are not faithfully kept and performed may disconnect the
6 sewer serving the property from the city's system and for
7 that purpose shall authorize the (~~City-Engineer~~) Director
8 of Engineering to enter upon the premises of such property
9 owner; and shall provide that in such event the payment made
10 for such connection shall be forfeited to the city and no
11 credit shall be allowed therefor if such property is later
12 reconnected to the city sewer system upon approval of a new
13 application therefor and shall further provide that such
14 agreement shall be filed for record in the office of the
15 Director of Records and Elections of King County, Washington,
16 and shall constitute a covenant running with the land
17 binding upon the property owner, his heirs and assigns, and
18 upon any parties subsequently acquiring any right, title or
19 interest in said property.

20 In the event that such agreement provides for payment of the
21 special connection charge in installments, such agreement
22 shall further provide for a down payment of five percent
23 (5%) of the total connection charge, payable upon execution
24 of such agreement and for payment of the balance in forty
25 (40) quarterly installments payable on each January 1,
26 April 1, July 1, and October 1, and shall further provide
27 that any unpaid balance may be paid in full in any year at
28 the time the first quarterly payment of such year is due
and payable.

(To be used for all Ordinances except Emergency.)

Section 2. Any act pursuant to the authority and prior to the effective date of this ordinance is hereby ratified and confirmed.

Section 3. This ordinance shall take effect and be in force thirty days from and after its passage and approval, if approved by the Mayor; otherwise it shall take effect at the time it shall become a law under the provisions of the city charter.

Passed by the City Council the 19th day of October, 1981, and signed by me in open session in authentication of its passage this 19th day of October, 1981. *[Signature]* President of the City Council.

Approved by me this 29th day of October, 1981. *[Signature]* Mayor.

Filed by me this 29th day of October, 1981.

Attest: *[Signature]* City Comptroller and City Clerk.

(SEAL)

Published.....

By *[Signature]* Deputy Clerk.

The City of Seattle--Legislative Department

MR. PRESIDENT:

Date Reported
and Adopted

Your Committee on Water and Waste Management

OCT 19 1981

to which was referred

C.B. 102655

Relating to the Sewerage Utility; amending Section 2 of Ordinance 85317 to provide that the interest rate on installment contracts for special connection charges for property beyond the City limits be the same as the effective annual interest rate of the most recent Seattle Local Improvement District Bond Issue.

RECOMMENDS THAT THE SAME DO PASS

Jack N. Richards Chairman

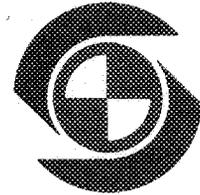
..... Chairman

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Committee

Committee



Seattle
Engineering Department

Eugene V. Avery, Director of Engineering
Charles Royer, Mayor

September 25, 1981

Mayor Charles Royer
The City of Seattle
Seattle, Washington

Attention John Saven, Director
Office of Management and Budget

Re: Interest Rate for Special Sewer Connection Charge
Contracts for Property Beyond the City Limits

Dear Sir:

We request adoption by the City Council of the attached legislation amending Section 2 of Ordinance 85317 to provide that the interest rate on installment contracts for special sewer connection charges for property beyond the City limits be the same as the effective annual interest rate of the most recent Seattle Local Improvement District Bond Issue.

Ordinance 106313 amended Section 2 of Ordinance 85317 to allow special connection charges for property beyond the City limits to be paid in cash or installments and specified the terms and conditions for installment agreements. Section 2 of Ordinance 85317, as amended by Ordinance 106313, provides that special sewer connection charges for property beyond the City limits shall be paid in cash or in installments with interest at the rate established by ordinance for local improvement district warrants computed annually on unpaid balances. Due to rapid changes in the bond market, a fixed rate is no longer established by ordinance. The ordinances set an upper limit on the interest to be charged.

The effective annual interest rate of the most recent Seattle Local Improvement District Bond Issue is a fixed rate. Passage of the attached legislation will allow the City to charge interest at a rate that is reflective of the current market.

A ratify and confirm prior acts clause is included in the attached legislation.

Very truly yours,

EUGENE V. AVERY
Director of Engineering

By 
ROBERT R. PARKER
Assistant Director
Management Support

EVA/GAB:mf

Att.

cc - Mayor Royer
OMB

I. TITLE

Interest Rate for Special Sewer Connection Charge Contracts for Property Beyond the City Limits

II. OBJECTIVE

Amend Section 2 of Ordinance 85317 to provide that the interest rate on installment contracts for special connection charges for property beyond the City limits be the same as the effective annual interest rate of the most recent Seattle Local Improvement District Bond Issue.

III. FISCAL

No appropriation involved in the attached legislation.

IV. PERSONNEL

No new personnel required.

V. EQUIPMENT

No new equipment required.

VI. EVALUATION

Rapid changes in the bond market have precluded establishing a fixed rate for local improvement district warrants by ordinance, upon which to base the interest rate for special connection charge contracts for property beyond the City limits. The effective annual interest rate of the most recent Seattle Local Improvement Bond Issue is a fixed rate. Passage of the attached legislation will allow the City to charge interest at a rate that is reflective of the current market.

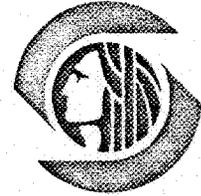
VII. ALTERNATIVES

The alternative is to amend Section 2 of Ordinance 85317 to establish a fixed interest rate to be charged for special connection charge contracts for property beyond the City limits. This would mean that the rate of interest charged for special connection charge contracts for property beyond the City limits would not reflect changes in market conditions.

City of Seattle

Executive Department-Office of Management and Budget

John D. Saven, Director
Charles Royer, Mayor



September 30, 1981

The Honorable Douglas Jewett
City Attorney
City of Seattle

3356

John

Alroy
HS

Dear Mr. Jewett:

The Mayor is proposing to the City Council that the enclosed legislation be adopted.

REQUESTING
DEPARTMENT: Engineering

SUBJECT: An ordinance relating to the Sewer Utility, amending Section 2 of Ordinance 85317 to provide that the interest rate on installment contracts for special connection charges for property beyond the City limits be the same as the effective annual interest rate of the most recent Seattle Local Improvement District Bond Issue.

Pursuant to the City Council's S.O.P. 100-014, the Executive Department is forwarding this request for legislation directly to your office for review and drafting.

After reviewing this request and drafting appropriate legislation:

- (X) File the legislation with the City Clerk for formal introduction to the City Council as an Executive Request.
- () Do not file with City Council but return the proposed legislation to OMB for our review. Return to _____.

Sincerely,

Charles Royer
Mayor

By

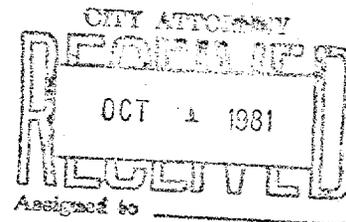
John Saven

John Saven
Budget Director

JS/kn/pbb

Enclosure

cc: Director of Engineering Department



Affidavit of Publication

STATE OF WASHINGTON KING COUNTY—SS.

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

Ordinance No. 110216

was published on October 31, 1981

B. Blair
Subscribed and sworn to before me on

October 31, 1981

J. Mahalyo
Notary Public for the State of Washington,
residing in Seattle.

ORDINANCE INDEX

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computed annually on unpaid balances; shall agree that the city in the event the terms and conditions of said agreement are not faithfully kept and performed may disconnect the sewer serving the property from the city's system and for that purpose shall authorize the ((City Engineer)) Director of Engineering to enter upon the premises of such property owner; and shall provide that in such event the payment made for such connection shall be forfeited to the city and no credit shall be allowed therefor if such property is later reconnected to the city sewer system upon approval of a new application therefor and shall further provide that such agreement shall be filed for record in the office of the Director of Records and Elections of King County, Washington, and shall constitute a covenant running with the land binding upon the property owner, his heirs and assigns, and upon any parties subsequently acquiring any right, title or interest in said property.

In the event that such agreement provides for payment of the special connection charge in installments, such agreement shall further provide for a down payment of five percent (5%) of the total connection charge, payable upon execution of such agreement and for payment of the balance in forty (40) quarterly installments payable on each January 1, April 1, July 1, and October 1, and shall further provide that any unpaid balance may be paid in full in any year at the time the first quarterly payment of such year is due and payable.

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Passed by the City Council the 19th day of October, 1981, and signed by me in open session in authentication of its passage this 19th day of October, 1981. *Charles Royce* President of the City Council.

Approved by me this 29th day of October, 1981. *Charles Royce* Mayor.

Filed by me this 29th day of October, 1981. *Jim Hill* City Comptroller and City Clerk.

(SEAL)

By *J. Forrest Dunbar* Deputy Clerk.

Publication ordered by JIM HILL, Comptroller and City Clerk.

Date of Official Publication in the Daily Journal of Commerce, Seattle, October 31, 1981. (C-831)