2013 - 2014 Seattle City Council Green Sheet

Approved

Tab	Action	Option	Version
29	1	A	1

Budget Action Title: Amend as recommended by the LUC Committee and pass as amended C.B. 117521 – the 2013-2015 wastewater rate ordinance

Councilmembers: Bagshaw; Conlin; Godden

Staff Analyst: Meg Moorehead

Council Bill or Resolution: C.B. 117521

Budget Committee Vote:

Date	Result	SB	BH	TR	RC	TB	NL	JG	SC	MO
11/07/2012	**Pass 8- 1-Absent**	**Y**	**Y**	**-**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**

Budget Action description:

This green sheet amends as recommended by the Libraries, Utilities and Center (LUC) Committee, and recommends passage as amended of C.B. 117521 (attached in mark-up format), the 2013-2015 wastewater rate ordinance.

The Seattle Public Utilities (SPU)-proposed rate ordinance was re-referred to the Budget Committee together with LUC Committee recommendations for changes to rates and associated budget expenditures. LUC recommendations would slightly reduce both the proposed rate increases and proposed budget. Changes that affect the wastewater rates and budget include:

- Drainage and Wastewater Cost Efficiencies. Achieve $500,000 of rate and budget savings by reducing the 2013 budget for claims and continuing the savings into 2014 and 2015. LUC recommendations also resulted in small reductions in consultant contract spending.

LUC recommendations affect DWF expenditures that are supported by both wastewater rates and the drainage rates in C.B. 117520. Instead of splitting the spending changes between green sheets, the entire LUC-recommended spending change (including the associated utility tax and General Subfund (GSF) revenue changes) is shown on the LUC-recommended drainage rate green sheet 28-1-A. Thus approval of this green sheet relies on approval of green sheet 28-1-A.

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CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

AN ORDINANCE relating to wastewater services of Seattle Public Utilities; amending Section 21.28.040 of the Seattle Municipal Code to adjust the wastewater volume rate; and amending Subsection 21.76.040 A of the Seattle Municipal Code to adjust credits to low-income wastewater customers.

WHEREAS, the wastewater volume rate was last increased on January 1, 2012, as authorized by Ordinance 123449 to pass through increased King County treatment costs; and

WHEREAS, Seattle Public Utilities (SPU) has identified wastewater infrastructure needs requiring additional capital funding; and

WHEREAS, SPU has completed a rate study showing that existing wastewater volume rates will not provide sufficient revenues to pay debt service and the costs of providing wastewater services; and

WHEREAS, credits for qualified low-income customers not billed directly by SPU for water or wastewater services are based on typical residential bills, and credits for such customers need to be revised to reflect changes in the wastewater volume rate; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Subsection 21.28.040 B of the Seattle Municipal Code is amended as follows:

21.28.040 Wastewater volume charge.

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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 ((~~one hundred sixteen and nine-tenths percent (~~))116.9((~~%~~))) percent 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

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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:

	((~~Effective Jan. 1, 2010~~	~~Effective Jan. 1, 2011~~	Effective Jan. 1, 2012	Effective Jan. 1, 2013	Effective Jan. 1, 2014	Effective Jan. 1, 2015
Treatment Rate	~~$6.03~~	~~$6.01~~	$6.94	$6.88	$6.91	$6.96
System Rate	~~$2.95~~	~~$3.34~~	$3.74	$3.96	$4.06	$4.15
Wastewater Volume Rate	~~$8.98~~	~~$9.35~~))	$10.68	$10.84	$10.97	$11.11

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Section 2. Subsection 21.76.040 A of the Seattle Municipal Code is amended as follows:

21.76.040 Utility low income rate assistance.

A. Drainage, Wastewater, and Water. Persons qualified by the Human Services Department as eligible recipients of low income utility credits provided for in Section 21.76.010 (eligible recipients) shall be granted low income billing credits in the following amounts:

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1. Wastewater. Eligible recipients billed directly by Seattle Public Utilities for wastewater services and residing in single-family dwellings shall receive a credit equal to 0.5 times the total current wastewater volume charge. Eligible recipients not billed directly by Seattle Public Utilities for wastewater services shall receive the following credits based on dwelling type:

Effective Date	Single-family and duplex	Multifamily dwelling
((~~January 1, 2010~~	~~$23.35 per month~~	~~$16.16 per month~~
~~January 1, 2011~~	~~$26.73 per month~~	~~$18.50 per month~~))
January 1, 2012	$27.77 per month	$19.22 per month
January 1, 2013	$23.31 per month	$16.26 per month
January 1, 2014	$23.59 per month	$16.46 per month
January 1, 2015	$23.89 per month	$16.67 per month

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At the time of a change to the wastewater volume rate described in SMC 21.28.040, the Director of Seattle Public Utilities shall calculate new credits based on dwelling type for eligible recipients not billed directly by Seattle Public Utilities. The credit for Single-family and duplex customers shall be 0.5 times the wastewater volume rate multiplied by ((~~5.2~~))4.3 CCF, which is typical single family residential sewer billed consumption. The credit for Multifamily dwelling customers shall be 0.5 times the wastewater volume rate multiplied by ((~~3.6~~))3.0 CCF, which is typical multifamily sewer billed consumption.

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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

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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 and be in force 30 days from and 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 Municipal Code Section 1.04.020.

Passed by the City Council the ____ day of _____, 2012, and signed by me in open session in authentication of its passage this _____ day of _____, 2012.

_____
President _____of the City Council

Approved by me this ____ day of _____, 2012.

_____
Michael McGinn, Mayor

Filed by me this ____ day of _____, 2012.

_____
Monica Martinez Simmons, City Clerk

(Seal)