

Legislation Details (With Text)

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File created: 5/14/2012 **In control:** Budget and Fiscal Management Committee

On agenda: 6/11/2012 **Final action:** 6/11/2012

Enactment date: 6/15/2012 **Enactment #:** 17343

Title: AN ORDINANCE determining the monetary requirements for the disposal of sewage for the fiscal year beginning January 1, 2013, and ending December 31, 2013, setting the sewer rate for the fiscal year beginning January 1, 2013, and ending December 31, 2013, and approving the amount of the sewage treatment capacity charge for 2013, in accordance with RCW 35.58.570; and amending Ordinance 12353, Section 2, as amended, and K.C.C. 4A.--.--, and Ordinance 11398, Section 1, as amended, and K.C.C. 28.84.055.

Sponsors: Joe McDermott

Indexes: Sewage

Code sections: 28.84.055 -

Attachments: 1. Ordinance 17343.pdf, 2. A. Wastewater Treatment Division Financial Plan for the 2013 Amended Proposed Sewer Rate, Revised June 5, 2012, 3. 2012-0144 transmittal letter, 4. 2012-0144 Attachment to Transmittal Letter--2012 Monthly Sewer Rate and Capacity Charge Proposal, 5. 2012-0144 Attachment to Transmittal Letter-- MWPAAC Letter--April 4, 2012, 6. 2012-0144 fiscal note, 7. 05-15-12 Staff Report with attachments, 8. 2012-0144 hearing notice.doc, 9. 2012-0144 Affidavit of Publication.pdf, 10. 06-05-12 Staff Report with attachments, 11. A. Wastewater Treatment Division Plan for the 2013 Proposed Sewer Rate, 12. Revised Staff Report, 13. A. Financial Plan for 2013 Amended Proposed Sewer Rate, Revised June 11, 2012, 14. Amendment 1.pdf

Date	Ver.	Action By	Action	Result
6/11/2012	2	Metropolitan King County Council	Hearing Held	
6/11/2012	2	Metropolitan King County Council	Passed as Amended	Pass
6/5/2012	1	Budget and Fiscal Management Committee	Recommended Do Pass Substitute	Pass
5/15/2012	1	Budget and Fiscal Management Committee	Deferred	
5/14/2012	1	Metropolitan King County Council	Introduced and Referred	

AN ORDINANCE determining the monetary requirements for the disposal of sewage for the fiscal year beginning January 1, 2013, and ending December 31, 2013, setting the sewer rate for the fiscal year beginning January 1, 2013, and ending December 31, 2013, and approving the amount of the sewage treatment capacity charge for 2013, in accordance with RCW 35.58.570; and amending Ordinance 12353, Section 2, as amended, and K.C.C. 4A.--.--, and Ordinance

11398, Section 1, as amended, and K.C.C. 28.84.055.

BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

SECTION 1. Ordinance 12353, Section 2, as amended, and K.C.C. 4A.--.--- are each hereby amended to read as follows:

A. Having determined the monetary requirements for the disposal of sewage, the council hereby adopts a ~~((2012))~~ 2013 sewer rate of ~~((thirty-six dollars and ten))~~ thirty-nine dollars and seventy-nine cents per residential customer equivalent per month. Once a sewer rate ordinance becomes effective, the clerk of the council is directed to deliver a copy of that ordinance to each agency having an agreement for sewage disposal with King County.

B. The King County council approves the application of Statement of Financial Accounting Standards No. 71 (FAS 71) to treat pollution remediation obligations as regulatory assets, and establish a rate stabilization reserve for the purpose of leveling rates between years.

C. As required for FAS 71 application, amounts are to be placed in the rate stabilization reserve from operating revenues and removed from the calculation of debt service coverage. The reserve balance shall be an amount at least sufficient to maintain a level sewer rate between ~~((2011 and 2012))~~ 2013 and 2014, and shall be used solely for the purposes of: maintaining the level sewer rate in ~~((2012))~~ 2014; and if additional reserve balance is available, moderating future rate increases beyond ~~((2012))~~ 2014. The estimated amount of the reserve, as shown in the financial forecast, Attachment A to ~~((Ordinance 17102))~~ this ordinance, shall be revised in accordance with the ~~((2012))~~ 2013 adopted budget and financial plan. If the reserve needs to be reduced to meet debt service coverage requirements for ~~((2011))~~ 2012, the county executive shall notify the council of the change by providing an updated financial forecast.

D. The executive shall provide monthly cost reports to the council on Brightwater as outlined in K.C.C. 28.86.165.

SECTION 2. Monetary requirements for the disposal of sewage as defined by contract with the

component sewer agencies for the fiscal year beginning January 1, 2013, and ending December 31, 2013. The council hereby determines the monetary requirements for the disposal of sewage as follows:

Administration, operating, maintenance repair and replace (net of other income): \$65,697,551.

Establishment and maintenance of necessary working capital reserves: \$22,378,007.

Requirements of revenue bond resolutions (not included in above items and net of interest income):
\$294,445,033.

TOTAL: \$337,764,577.

SECTION 3. Ordinance 11398, Section 1, as amended, and K.C.C. 28.84.055 are each hereby amended as follows:

A. The amount of the metropolitan sewage facility capacity charge adopted by K.C.C. 28.84.050.O. that is charged monthly for fifteen years per residential customer or residential customer equivalent shall be:

1. Seven dollars for sewer connections occurring between and including January 1, 1994, and December 31, 1997;
2. Ten dollars and fifty cents for sewer connections occurring between and including January 1, 1998, and December 31, 2001;
3. Seventeen dollars and twenty cents for sewer connections occurring between and including January 1, 2002, and December 31, 2002;
4. Seventeen dollars and sixty cents for sewer connections occurring between and including January 1, 2003, and December 31, 2003;
5. Eighteen dollars for sewer connections occurring between and including January 1, 2004, and December 31, 2004;
6. Thirty-four dollars and five cents for sewer connections occurring between and including January 1, 2005, and December 31, 2006;
7. Forty-two dollars for sewer connections occurring between and including January 1, 2007, and

December 31, 2007;

8. Forty-six dollars and twenty-five cents for sewer connections occurring between and including January 1, 2008, and December 31, 2008;

9. Forty-seven dollars and sixty-four cents for sewer connections occurring between and including January 1, 2009, and December 31, 2009;

10. Forty-nine dollars and seven cents for sewer connections occurring between and including January 1, 2010, and December 31, 2010;

11. Fifty dollars and forty-five cents for sewer connections occurring between and including January 1, 2011, and December 31, 2011; ~~((and))~~

12. Fifty-one dollars and ninety-five cents for sewer connections occurring between and including January 1, 2012, and December 31, 2012; and

13. Fifty-three dollars and fifty cents for sewer connections occurring between and including January 1, 2013, and December 31, 2013.

B.1. In accordance with adopted policy FP-15.3.d. in the Regional Wastewater Services Plan, K.C.C. 28.86.160.C., it is the council's intent to base the capacity charge upon the costs, customer growth and related financial assumptions used in the Regional Wastewater Services Plan.

2. In accordance with adopted policy FP- 6 in the Regional Wastewater Services Plan, K.C.C. 28.86.160.C, the council hereby approves the cash balance and reserves as contained in the attached financial plan for ~~((2012))~~ 2013.

3. In accordance with adopted policy FP- 15.3.c., King County shall pursue changes in state legislation to enable the county to require payment of the capacity charge in a single payment, while preserving the option for new ratepayers to finance the capacity charge.