



Legislation Details (With Text)

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File created: 5/2/2011 **In control:** Budget and Fiscal Management Committee

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Enactment date: 6/17/2011 **Enactment #:** 17102

Title: AN ORDINANCE determining the monetary requirements for the disposal of sewage for the fiscal year beginning January 1, 2012, and ending December 31, 2012, setting the sewer rate for the fiscal year beginning January 1, 2012, and ending December 31, 2012, and approving the amount of the sewage treatment capacity charge for 2012, in accordance with RCW 35.58.570; and amending Ordinance 12353, Section 2, as amended, and K.C.C. 4.90.010, and Ordinance 11398, Section 1, as amended, and K.C.C. 28.84.055.

Sponsors: Julia Patterson

Indexes: Sewage

Code sections: 28.84.055 -, 4.90.010 -

Attachments: 1. 17102.pdf, 2. A. Wastewater Treatment Division Financial Plan for the 2012 Proposed Sewer Rate, 3. 2011-0211 transmittal letter.doc, 4. 2011-0211 fiscal note.xls, 5. 2011-0211 attachment to transmittal letter--Metropolitan Water Pollution Abatement Advisory Committee--April 6, 2011.pdf, 6. 2011-0211 attachment to transmittal letter--2012 Montly Sewer Rate and Capacity Charge Overview--Funding Our Clean-Water Utility--April 21, 2011.doc, 7. Staff Report 05-17-11, 8. 2011-0211 hearing notice.doc, 9. Staff Report 06-07-11, 10. A. Wastewater Treatment Division Financial Plan for the 2012 Proposed Sewer Rate

Date	Ver.	Action By	Action	Result
6/13/2011	1	Metropolitan King County Council	Hearing Held	
6/13/2011	1	Metropolitan King County Council	Passed	Pass
6/7/2011	1	Budget and Fiscal Management Committee	Recommended Do Pass	Pass
5/17/2011	1	Budget and Fiscal Management Committee	Deferred	
5/2/2011	1	Metropolitan King County Council	Introduced and Referred	

Clerk 04/25/2011

AN ORDINANCE determining the monetary requirements for the disposal of sewage for the fiscal year beginning January 1, 2012, and ending December 31, 2012, setting the sewer rate for the fiscal year beginning January 1, 2012, and ending December 31, 2012, and approving the amount of the sewage treatment capacity charge for 2012, in accordance with RCW 35.58.570; and amending Ordinance 12353, Section 2, as amended, and K.C.C. 4.90.010, 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. 4.90.010 are each hereby amended to read as follows:

A. Having determined the monetary requirements for the disposal of sewage, the council hereby adopts a ~~((2014))~~ 2012 sewer rate of thirty-six dollars and ten 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 ~~((and the first year start-up costs after construction on new plants))~~ 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, and shall be used solely for the purposes of: maintaining the level sewer rate in 2012; and if additional reserve balance is available, moderating future rate increases beyond 2012. ~~((If the))~~ The estimated amount of the reserve, as shown in the financial forecast, Attachment A to ~~((Ordinance 16858))~~ this ordinance, shall be revised in accordance with the 2012 adopted budget and financial plan. If the reserve needs to be reduced to meet debt service coverage requirements for ~~((2010))~~ 2011, 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, 2012, and ending December 31, 2012. The council hereby determines the monetary requirements for the disposal of sewage as follows:

Administration, operating, maintenance repair and replace (net of other income): \$65,103,007.

Establishment and maintenance of necessary working capital reserves:

-\$23,087,057.

Requirements of revenue bond resolutions (not included in above items and net of interest income):

\$264,193,203.

TOTAL: \$306,209,153.

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 1994 metropolitan sewage facility capacity charge adopted by K.C.C. 28.84.050.O. shall be seven dollars per month per residential customer or residential customer equivalent for fifteen years.~~

B. ~~The amount of the 1995 metropolitan sewage facility capacity charge adopted by K.C.C. 28.84.050.O. shall be seven dollars per month per residential customer or residential customer equivalent for fifteen years.~~

C. ~~The sewage treatment capacity charge shall be seven dollars per month per residential customer or equivalent for fifteen years for sewer connections occurring between and including January 1, 1996, and December 31, 1996.~~

D. ~~The amount of the sewage treatment capacity charge adopted by K.C.C. 28.84.050.O. shall be seven dollars per month per residential customer or equivalent for fifteen years for sewer connections occurring between and including January 1, 1997, and December 31, 1997.~~

E. ~~The amount of the sewage treatment capacity charge adopted by K.C.C. 28.84.050.O. shall be ten dollars and fifty cents per month per residential customer or equivalent for fifteen years for sewer connections~~

~~occurring between and including January 1, 1998, and December 31, 1998.~~

~~F. The amount of the sewage treatment capacity charge adopted by K.C.C. 28.84.050.O. shall be ten dollars and fifty cents per month per residential customer or equivalent for fifteen years for sewer connections occurring between and including January 1, 1999, and December 31, 1999.~~

~~G. The amount of the sewage treatment capacity charge adopted by K.C.C. 28.84.050.O. shall be ten dollars and fifty cents per month per residential customer or equivalent for fifteen years for sewer connections occurring between and including January 1, 2000, and December 31, 2000.~~

~~H. The amount of the sewage treatment capacity charge adopted by K.C.C. 28.84.050.O. shall be ten dollars and fifty cents per month per residential customer or equivalent for fifteen years for sewer connections occurring between and including January 1, 2001, and December 31, 2001.~~

~~I. The amount of the sewage treatment capacity charge adopted by K.C.C. 28.84.050.O. shall be seventeen dollars and twenty cents per month per residential customer or equivalent for fifteen years for sewer connections occurring between and including January 1, 2002, and December 31, 2002.~~

~~J. The amount of the sewage treatment capacity charge adopted by K.C.C. 28.84.050.O. shall be seventeen dollars and sixty cents per month per residential customer or equivalent for fifteen years for sewer connections occurring between and including January 1, 2003, and December 31, 2003.~~

~~K. The amount of the sewage treatment capacity charge adopted by K.C.C. 28.84.050.O. shall be eighteen dollars per month per residential customer or equivalent for fifteen years for sewer connections occurring between and including January 1, 2004, and December 31, 2004.~~

~~L. The amount of the sewage treatment capacity charge adopted by K.C.C. 28.84.050.O. shall be thirty-four dollars and five cents per month per residential customer or equivalent for fifteen years for sewer connections occurring between and including January 1, 2005, and December 31, 2005.~~

~~M. The amount of the sewage treatment capacity charge adopted by K.C.C. 28.84.050.O. shall be thirty-four dollars and five cents per month per residential customer or equivalent for fifteen years for sewer~~

~~connections occurring between and including January 1, 2006, and December 31, 2006.~~

~~N. The amount of the sewage treatment capacity charge adopted by K.C.C. 28.84.050.O. shall be forty-two dollars per month per residential customer or equivalent for fifteen years for sewer connections occurring between and including January 1, 2007, and December 31, 2007.~~

~~O. The amount of the sewage treatment capacity charge adopted by K.C.C. 28.84.050.O. shall be forty-six dollars and twenty five cents per month per residential customer or equivalent for fifteen years for sewer connections occurring between and including January 1, 2008, and December 31, 2008.~~

~~P. The amount of the sewage treatment capacity charge adopted by K.C.C. 28.84.050.O. shall be forty-seven dollars and sixty four cents per month per residential customer or equivalent for fifteen years for sewer connections occurring between and including January 1, 2009, and December 31, 2009.~~

~~Q. The amount of the sewage treatment capacity charge adopted by K.C.C. 28.84.050.O. shall be forty-nine dollars and seven cents per month per residential customer or equivalent for fifteen years for sewer connections occurring between and including January 1, 2010, and December 31, 2010.~~

~~R. The amount of the sewage treatment capacity charge adopted by K.C.C. 28.84.050.O. shall be fifty dollars and forty five cents per month per residential customer or equivalent for fifteen years for sewer connections occurring between and including January 1, 2011, and December 31, 2011.)~~ 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.

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 ((2011)) 2012.

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.