



Legislation Details (With Text)

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File created: 5/1/2017 **In control:** Budget and Fiscal Management Committee

On agenda: 6/12/2017 **Final action:** 6/12/2017

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Title: AN ORDINANCE determining the monetary requirements for the disposal of sewage for the fiscal year beginning January 1, 2018, and ending December 31, 2018; setting the sewer rate for the fiscal year beginning January 1, 2018, and ending December 31, 2018, and approving the amount of the sewage treatment capacity charge for 2018, in accordance with RCW 35.58.570; and amending Ordinance 12353, Section 2, as amended, and K.C.C. 4A.670.100 and Ordinance 11398, Section 1, as amended, and K.C.C. 28.84.055.

Sponsors: Dave Upthegrove

Indexes: Sewage

Code sections:

Attachments: 1. Ordinance 18537.pdf, 2. 2017-0188 legislative review form.pdf, 3. A. Wastewater Treatment Division Financial Plan for the 2018 Proposed Sewer Rate, 4. A. Wastewater Treatment Division Financial Plan for the 2018 Proposed Sewer Rate, 5. 2018 Sewer Rate Issue Paper.pdf, 6. MWPAAC 2018 Rate Recommendation to KC Executive and Council.pdf, 7. Transmittal Letter.docx, 8. 2017-0188_SR_Wastewater Rate Capacity Charge.docx, 9. 2017-0188_SR_dated_05242017_Wastewater Rate.docx, 10. hearing notice - Seattle Times 5-31-17.doc, 11. Affidavit of Publication - Seattle Times 5-31-17.pdf

Date	Ver.	Action By	Action	Result
6/12/2017	1	Metropolitan King County Council	Hearing Held	
6/12/2017	1	Metropolitan King County Council	Passed	Pass
5/24/2017	1	Budget and Fiscal Management Committee	Recommended Do Pass	Pass
5/10/2017	1	Budget and Fiscal Management Committee	Deferred	
5/1/2017	1	Metropolitan King County Council	Introduced and Referred	

Clerk 04/26/2017

AN ORDINANCE determining the monetary requirements for the disposal of sewage for the fiscal year beginning January 1, 2018, and ending December 31, 2018; setting the sewer rate for the fiscal year beginning January 1, 2018, and ending December 31, 2018, and approving the amount of the sewage treatment capacity charge for 2018, in accordance with RCW 35.58.570; and amending Ordinance 12353, Section 2, as amended, and K.C.C. 4A.670.100 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.670.100 are each hereby amended to read as follows:

A. Having determined the monetary requirements for the disposal of sewage, the council hereby adopts a ~~((2017))~~ 2018 sewer rate of forty-four dollars and twenty-two 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 No. 62 of the Governmental Accounting Standards Board (GASB-62) as it pertains to regulatory assets and liabilities to treat pollution remediation obligations and ~~((Rain-Wise))~~ RainWise Program expenditures and strategic planning costs as regulatory assets, recovered ratably over the life of the underlying financing, and establish a rate stabilization reserve for the purpose of leveling rates between years.

C. As required for GASB-62 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 2017 and 2018, and shall be used solely for the purposes of: maintaining the level sewer rate in 2018; and if additional reserve balance is available, moderating future rate increases beyond 2018. The estimated amount of the reserve, as shown in the financial ~~((forecast))~~ plan, Attachment A to ~~((Ordinance 18305))~~ this ordinance, shall be revised in accordance with the ~~((2017/2018 adopted))~~ 2017-2018 ~~((b))~~Biennial ~~((b))~~Budget Ordinance and financial plan. If the reserve needs to be reduced to meet debt service coverage requirements for ~~((2016))~~ 2017, the county executive shall notify the council of the change by providing an updated financial ~~((forecast))~~ plan.

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, 2018, and ending December 31, 2018. The

council hereby determines the monetary requirements for the disposal of sewage as follows:

Administration, operating, maintenance repair and replacement (net of other income): \$66,269,617.

Establishment and maintenance of necessary working capital reserves:

\$36,739,235.

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

\$298,547,013.

TOTAL: \$401,555,865.

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;

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

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

14. Fifty-five dollars and thirty-five cents for sewer connections occurring between and including January 1, 2014, and December 31, 2014;

15. Fifty-seven dollars for sewer connections occurring between and including January 1, 2015, and December 31, 2015;

16. Fifty-eight dollars and seventy cents for sewer connections occurring between and including January 1, 2016, and December 31, 2016; ~~((and))~~

17. Sixty dollars and eighty cents for sewer connections occurring between and including January 1, 2017, and December 31, 2017; and

18. Sixty-two dollars and sixty cents for sewer connections occurring between and including January 1, 2018, and December 31, 2018.

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 ((2017)) 2018, which is Attachment A to this ordinance.

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.