

**RWQC November 1, 2023
Agenda Item #
Improvements to Facilitate RWQC Review of Rate Policies**

November 1, 2023 RWQC: Committee discusses goals and options below and provides direction on whether staff should work with Chair to develop any of the options for further review by the RWQC. Chair will seek input from MWPAAC, WTD, and members in developing any of the selected options.

Goals:

- 1) Opportunities to review and provide input on major policy issues impacting the development of the sewer rate. (See Options #1 and #4)
- 2) Well defined roles and work plans for MWPAAC and RWQC to avoid duplication onve and to support complementary, coordinated work. (See Option #3)
- 3) Consistent method to provide input to the Council on the rate proposal. (See Option # 5)
- 4) Increase information on the long-term policy impacts of rate proposals. (See Option #6; information already addressed-requested via Motions 2023-0257 and 2023-0308)

RWQC Options for Discussion:

Option 1: To provide an opportunity for RWQC to weigh in on major countywide policies impacting rates, RWQC sheould develop a motion or letter to requesting the Executive, requesting WTD prioritize development of the update to the Regional Wastewater Services Plan (RWSP). Timeline for RWQC: January 3, 2024 RWQC Meeting.

Option 2: To increase rate predictability and increase time available to support policy development, RWQC eshould develop a motion requesting the Executive propose, at the time of the transmittal of the annual rate ordinance, a rate range for years two and three of the ten-year financial forecast. The ranges would provide an estimated upper and lower bound of likely rate proposals (e.g. +/-1%) to reflect the Executive's intention, notwithstanding any unforeseen events. This proposed option is not intended to return to the practice of previous years when a two-year rate was achieved by adopting an increase in year one and then adopting a zero rate increase in year two. Instead, Option 2 is intended to improve sewer rate predictability for wholesale customers and provide more time for policy development. This option appears consistent with FP 15(2)(b) which states, "King County should attempt to adopt a multiyear sewer rate to provide stable costs to sewer customers." **Timeline for RWQC:** December 6, 2023 RWQC Meeting.

Option 3: To support role clarity between MWPAAC and RWQC related to rates, a **resolution or a letter** requesting certain rate review activities from MWPAAC not specifically defined in RCW. The resolution or letter could also identify the RWQC role as

review for consistency with adopted RWSP policies and making policy recommendations to Council. **Timeline for RWQC:** February 7, 2024 RWQC Meeting.

Option 4: To increase RWQC's engagement with high level policy issues impacting the rate, request that WTD provide a briefing to RWQC by February each year on the major policy goals and projected drivers factors that are projected to influence the development of the rate. **Timeline for RWQC:** Can be acted upon now.

Option 5: RWQC will communicate to the Executive and the Council in a timely manner its review and opinion of the 2025 proposed rate either in a letter or resolution. **Timeline for RWQC:** This can be added to the work program now, as a place holder for 2024 work program.

Option 6: Completed. Request the long-term capital needs of the regional wastewater system and long-term rate forecasts. This information has already been requested by Motions 2023-0257 and 2023-0308 and will allow the RWQC and MWPAAC to better review the long-term policy impacts of rate proposals and provide their timely input.