



Legislation Details (With Text)

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On agenda: **Final action:** 5/29/2007

Enactment date: 6/7/2007 **Enactment #:** 15805

Title: AN ORDINANCE determining the monetary requirements for the disposal of sewage for the fiscal year beginning January 1, 2008, and ending December 31, 2008, setting the sewer rate for the fiscal year beginning January 1, 2008, and ending December 31, 2008, and approving the amount of the sewage treatment capacity charge for 2008, 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: Bob Ferguson, Larry Phillips

Indexes: Fees, Sewage

Code sections: 28.84.055 -, 4.90.010 -

Attachments: 1. 15805.pdf, 2. 2007-0272 Fiscal Note 4610--Attachment to Transmittal Letter.xls, 3. 2007-0272 General Assumptions 2008 Rate Forecase--Attachment to Transmittal Letter.xls, 4. 2007-0272 Hearing Notice.doc, 5. 2007-0272 REVISED Staff Report from 05-09-07 OBFMMHC.doc, 6. 2007-0272 Staff Report for 05-09-07 OBFMMHC.doc, 7. 2007-0272 Transmittal Letter.doc, 8. A. Wastewater Treatment Enterprise 2008 Proposed Financial Plan, 9. A. Wastewater Treatment Enterprise 2008 Proposed Financial Plan

Date	Ver.	Action By	Action	Result
5/29/2007	2	Metropolitan King County Council	Hearing Held	
5/29/2007	2	Metropolitan King County Council	Passed	Pass
5/9/2007	2	Operating Budget, Fiscal Management and Mental Health Committee	Recommended Do Pass Substitute	Pass
4/23/2007	1	Metropolitan King County Council	Introduced and Referred	

Clerk 5/14/2007

AN ORDINANCE determining the monetary requirements for the disposal of sewage for the fiscal year beginning January 1, 2008, and ending December 31, 2008, setting the sewer rate for the fiscal year beginning January 1, 2008, and ending December 31, 2008, and approving the amount of the sewage treatment capacity charge for 2008, 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 ((2007)) 2008 sewer rate of twenty-seven dollars and ninety-five 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 2007 operating revenues and removed from the calculation of debt service coverage for 2007. The reserve balance shall be an amount at least sufficient to maintain a level sewer rate between 2007 and 2008, and shall be used solely for the purposes of: maintaining the level sewer rate in 2008; and if additional reserve balance is available, moderating future rate increases beyond the 2007-2008 periods. If the estimated amount of the reserve, as shown in the financial forecast, Attachment A to ((~~Ordinance 15522~~)) this ordinance, needs to be ((~~adjusted~~)) reduced to meet debt service coverage requirements for 2007 or 2008, 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, 2008, and ending December 31, 2008. The council hereby determines the monetary requirements for the disposal of sewage as follows:

Administration, operating, maintenance repair and replace (net of other income): \$65,245,854.

Establishment and maintenance of necessary working capital reserves:

-\$18,676,016.

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

\$185,963,318.

TOTAL: \$232,533,155.

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 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 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 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 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. ~~((For connections occurring between January 1, 2008, and December 31, 2008, said amount shall be fifty dollars per month per residential customer or equivalent for fifteen years, to be reviewed, approved or changed during 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.

In accordance with adopted policy FP-~~((12))~~ 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.

In accordance with adopted policy FP-~~((3))~~ 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 ~~((2007))~~ 2008.

In accordance with adopted policy FP-~~((12))~~ 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.

SECTION 4. A. The county executive shall semiannually update the council on the progress of contract negotiations with the sewer service providers. The update shall be accomplished through a status report that shall, at a minimum, include the following:

1. An update of the status of negotiations with each component agency;
2. An identification of issues in contention with each component agency;
3. An identification of agencies with which the executive branch feels the county is at an impasse; and
4. For those agencies at an impasse, a detailed summary of the issue causing the impasse.

B. The report shall be filed in the form of thirteen copies with the clerk of the council who will keep a

copy and forward a copy to each councilmember as well as the lead staff to the operating budget, fiscal management and mental health committee, or its successor, the lead staff to the growth management and natural resources committee, or its successor, and the lead staff to the regional water quality committee, or its successor.

C. The report shall be transmitted by March 31 and September 30 of each year until such time as all the component agency contracts have been extended. The executive shall notify the council when all the component agency contracts have been extended by filing thirteen copies of the notice with the clerk of the council who will keep a copy and forward a copy to each councilmember as well as the lead staff to the operating budget, fiscal management and mental health committee, or its successor, the lead staff to the growth management and natural resources committee, or its successor, and the lead staff to the regional water quality committee, or its successor.

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