City of Lynnwood MAR 0 5 2007

CITY OF LYNNWOOD ORDINANCE NO. 2659

SCANNED

AN ORDINANCE CREATING A NEW RATE STRUCTURE AND RATES FOR THE SEWER UTILITY TO IMPLEMENT THE RECENTLY ADOPTED CITY OF LYNNWOOD WASTEWATER COMPREHENSIVE PLAN AND PROVIDE NECESSARY REVENUES TO FUND CAPITAL PROJECTS AND ONGOING MAINTENANCE AND OPERATION OF THE SEWER SYSTEM AND TO PRESERVE THE SOLVENCY OF THE UTITLITY; AND AMENDING SECTIONS 14.40.010, 14.40.025, 14.40.035 AND 14.40.040 OF THE LYNNWOOD MUNICIPAL CODE; PROVIDING FOR SEVERABILITY; ESTABLISHING AN EFFECTIVE DATE; AND PROVIDING FOR SUMMARY PUBLICATION.

WHEREAS, the City of Lynnwood Wastewater Comprehensive Plan dated January 2006 defines the Operations and Maintenance and Capital needs of the sewer utility; and

WHEREAS, the City desires to base sewer rates on the actual cost of providing all maintenance and operations services and capital construction costs; and

WHEREAS, the City desires to base sewer rates on the cost of treating sewage by charging customers based on the volume and nature or strength of the wastewater produced; and

WHEREAS, the new sewer rates move toward equity to the ratepayer by charging for the amount of service used; and

WHEREAS, the sewer rate structure was last adjusted in 2005 and before that in 1993;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LYNNWOOD DO ORDAIN AS FOLLOWS:

Section 1. Section 14.40.010 of the Lynnwood Municipal Code is hereby amended as follows:

14.40.010 Rates.

Rates for sewer services shall be as established in the schedules set forth in this chapter. The rate per month shall be comprised of a base monthly charge and a volume charge based on the metered volume of water consumption and the nature or strength of wastewater produced. The nature or strength of the wastewater produced will place

each customer in one of five sewage strength classifications as set forth in LMC 14.40.015. All billing information will be accumulated bi-monthly. Bi-monthly billing will be used for all accounts. These rates and charges shall be in effect and assessed beginning January 1, of each year, except for the 2007 rates, which shall be in effect and assessed beginning on February 1, 2007.

<u>Section 2.</u> Section 14.40.025 of the Lynnwood Municipal Code is hereby amended as follows:

14.40.025 Schedule II - Residential multiple-unit rates.

Each residential multiple-unit customer and each mobile home park shall be charged a base rate per month per separate dwelling unit in Table 1 in LMC 14.40.035. The base rate shall include 2,000 cubic feet of water consumption per unit every two months. Customers will be charged for each 100 cubic feet of water consumption above the first 2,000 cubic feet per unit every two months, at the rate specified in LMC 14.40.035.

Section 3. Section 14.40.035 of the Lynnwood Municipal Code is hereby amended as follows:

14.40.035 Schedule IV – Sewer volume charge based on metered water consumption.

Each customer, including residential single-unit, residential multiple-unit per unit, and commercial and industrial per meter, shall be charged a rate per 100 cubic feet of residential use or commercial/industrial use in excess of the first 2,000 cubic feet every two months included in the base rate. This rate shall be as specified in Table 1 below.

To account for summer water that does not enter the sewer system, the volume billed to residential customers in May, June, July, August, and September shall be adjusted according to the individual customer's winter usage. Winter usage shall be determined by water used in October through April.

TABLE 1, SEWER RATES

CUSTOMER CLASSIFICATION	2007 Monthly Rate	2008 Monthly Rate	2009 Monthly Rate	2010 Monthly Rate	2011 Monthly Rate	2012 Monthly Rate
Residential Single-Unit						
Mo. Base Rate (incl. 10 ccf)	\$25.25	\$29.00	\$29.50	\$30.00	\$30.50	\$31.00
Mo. Volume Charge >10 ccf	\$2.00**	\$2.25**	\$2.35**	\$2.45**	\$2.50**	\$2.55**
Special	See Table Below	See Table Below	See Table Below	See Table Below	See Table Below	See Table Below

Residential-		<u> </u>	T			T
Multiple-Unit Per unit*					ļ	
Mo. Base Rate (incl. 10 ccf per unit)	\$22.00	\$25.38	\$26.25	\$26.75	\$27.13	\$27.25
Mo. Volume Charge >10 ccf per unit	\$2.00*	\$2.25*	\$2.35*	\$2.45*	\$2.50*	\$2.55*
Residential- Mobile-Per unit* - NEW						
Mo. Base Rate (incl. 10 ccf per unit)	\$12.40	\$16.13	\$17.88	\$19.88	\$22.13	\$27.25
Mo. Volume Charge >10 ccf per unit	\$2.00*	\$2.25*	\$2.35*	\$2.45*	\$2.50*	\$2.55*
Commercial/						
Industrial (based						
on meter size)					1	
5/8-3/4 Inch Meter	\$39.00	\$39.00	\$39.00	\$39.00	\$39.00	\$39.00
1 Inch Meter	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00
1-1/2 Inch Meter	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00
2 Inch Meter	\$90.00	\$90.00	\$90.00	\$90.00	\$90.00	\$90.00
3 Inch Meter	\$302.50	\$302.50	\$302.50	\$302.50	\$302.50	\$302.50
4 Inch Meter	\$382.50	\$382.50	\$382.50	\$382.50	\$382.50	\$382.50
6 Inch Meter	\$567.50	\$567.50	\$567.50	\$567.50	\$567.50	\$567.50
SEWER ONLY ACCOUNTS						
Residential Single- Unit	\$26.40	\$30.50	\$30.90	\$31.30	\$31.70	\$32.15
Residential- Multiple-Unit Per unit	\$22.00	\$25.25	\$26.25	\$27.25	\$27.80	\$28.40
Commercial/ Industrial Per account	\$63.95	\$72.95	\$75.85	\$78.75	\$80.20	\$80.65

TABLE 2, STRENGTH CHARGES

CUSTOMER CLASSIFICATION	2007 Monthly Rate	2008 Monthly Rate	2009 Monthly Rate	2010 Monthly Rate	2011 Monthly Rate	2012 Monthly Rate
Strength <3 per ccf	\$1.72	\$2.34	\$2.54	\$2.74	\$2.84	\$2.87
Strength =3 per ccf	\$2.36	\$2.90	\$2.92	\$2.96	\$2.99	\$3.08
Strength =4 per	\$3.10	\$4.00	\$4.54	\$5.22	\$5.33	\$5.46

^{*} Base rate per unit plus volume over 10 ccf per unit

** For next additional 17.5 CCF (No charges are incured for volumes over the additional 17.5 CCF per month)

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Strength =5 per ccf	\$3.96	\$4.80	\$5.33	\$5.84	\$6.09	\$6.11

<u>Section 4.</u> Section 14.40.040 of the Lynnwood Municipal Code is hereby amended as follows:

14.40.040 Schedule III - Special.

A. Persons of the age of 61 years or older, meeting the qualifications specified in subsection (B) of this section and RCW 84.36.381, shall be charged at a special sewer rate:

50% of the residential single unit monthly rate and volume charges.

CUSTOMER CLASSIFICATION	2007 Monthly Rate	2008 Monthly Rate	2009 Monthly Rate	2010 Monthly Rate	2011 Monthly Rate	2012 Monthly Rate
Special						1,510
Mo. Base Rate (incl. 10 ccf)	\$12.63	\$14.50	\$14.75	\$15.00	\$15.25	\$15.50
Mo. Volume Charge >10 ccf	\$1.00**	\$1.13**	\$1.18**	\$1.23**	\$1.25**	\$1.28**

^{**} For next additional 17.5 CCF (No charges are incured for volumes over the additional 17.5 CCF per month)

B. Qualifications for said rate shall be:

- 1. The property to which the utility service is extended shall have a valid property tax exemption from Snohomish County, pursuant to RCW 84.36.381 through 84.36.385.
- 2. Claimants for said reduction shall occupy site as principle residence and be within the corporate limits of the city of Lynnwood and have a household income level no greater than and as prescribed in RCW 84.36.381.
- C. The city council, by appropriation from the water and sewer fund, shall pay those capital costs as allocated in the sewer rate model, "total rate requirements and calculation by customer class" module to senior citizens, thereby lowering the actual monthly rate to be charged to senior citizens in single-family residences.

<u>Section 5.</u> <u>Severability.</u> If any section, subsection, sentence, clause, phrase of word of this Ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality thereof shall not affect the validity or

constitutionality of any other section, subsection, sentence, clause, phrase or word of this Ordinance.

Section 6. Effective Date. This Ordinance shall take effect February 1, 2007 which is more than five (5) days after passage and publication of an approved summary thereof consisting of the title.

PASSED THIS 11th day of December, 2006, and signed in authentication of its passage this ______ day of December, 2006.

DON GOUGH,

ATTEST:

APPROVED AS TO FORM:

PATRICK L. DUGAN

Interim Finance Director

City Attorney