



INFORMATIONAL MEMORANDUM

To: Transportation and Infrastructure Committee
From: Hari Ponnekanti, Interim Public Works Director
By: Gail Labanara, Public Works Analyst
CC: Mayor Ekberg
Date: October 2, 2020
Subject: Public Works Fee Resolution for Water, Sewer, and Surface Water Rates

ISSUE

Adopt Public Works Fee Schedule Resolution for 2021 and 2022.

BACKGROUND

Utility fees provide the bulk of the revenue that supports the operations of the water, sewer, and surface water operations in the City of Tukwila. The City’s Budget, Capital Improvement Program and Comprehensive Plan all reference or include the policies that govern rate development. Here are a few examples of the City’s policies, as taken from the Capital Facilities Element (Chapter 14) of the Comprehensive Plan:

- Utility rates and charges shall be structured to ensure adequate infrastructure development, in addition to compliance with operation, maintenance, and federal and State requirements
- Rate increases shall be small, applied frequently, and staggered to avoid an overly burdensome increase and undue impact in any given year
- Each enterprise fund shall be reviewed at least biennially, and shall have a rate structure adequate to meet its operations and maintenance and long-term capital requirements
- Rate increases of external agencies (i.e., King County secondary wastewater treatment fees) shall be passed through to the users of the utility

Annual rate increases allow the City to keep pace with inflation and fixed cost increases, and to implement the City’s long-term strategic goals for maintenance, improvement, and replacement of capital infrastructure. Without regularly occurring and sufficient rate increases, the City’s ability to address infrastructure needs would be compromised. In addition, the policies reinforce the importance of maintaining adequate fund reserve levels.

The City has adopted Comprehensive Plans for Water, Sewer and Surface Water that analyze each fund for revenue requirements and prioritize capital improvement projects. The City is currently updating the Water and Sewer Comprehensive Plans and Surface Water is scheduled to begin in 2021. Council adopts the comprehensive plans approximately every six years and those adopted plans inform rate studies. Rate recommendations are informed not only through identifying needed capital projects but by examining trends in charges from suppliers, consumption patterns, and regulatory and operating needs. Recommended rates are the product of a complex set of intertwined inputs, some of which are fixed and outside of the City’s control. Setting a rate higher or lower than what is suggested through the fund modeling, could mean that the assumptions or inputs may also need to change.

The Capital Improvement Program, which is one factor in establishing rate recommendations, is also used to advantageously position the City for grants. A thorough list of capital projects is needed, as granting agencies require that all projects must be listed in the City’s adopted Capital Improvement Program in order to be eligible for grants. Grant funding for water and sewer are normally rare and difficult to obtain, but the City has been very successful in obtaining grants for Surface Water projects.

The City’s current and proposed utility fees compare well in the region. All the comparisons show the City’s proposed rate increases for 2021 and 2022, and the City still ranks in the mid-range, without showing the corresponding increases that will occur in the other cities. The magnitudes of the proposed rate increases are also reasonable; as smaller rate increases more frequently helps the City avoid needing to implement more significant, catch-up increases in the future.

WATER

Public Works analyzed the operational and capital needs of the Water Enterprise Fund in determining the proposed fees. In addition, the City needs to account for Cascade Water Alliance’s (CWA) wholesale water rates that are set to increase by 2.2% in 2021 and 2.2% in 2022 (Exhibit A). A rate increase is being proposed to the base rates on residential, multi-family and commercial/ industrial customers as well as increases to water consumption fees. Fire Protection service charges are flat fees every month and will be increased in 2022.

Exhibit B is a rate matrix of all proposed utility rate increases for residential customers. Exhibit D-1 shows a comparison of adjoining cities and their water rates along with the Water Model from the Proposed 2021-2026 CIP. Exhibit E is the Resolution that updates the Public Works Fee Schedule for 2021 and 2022.

Tukwila water rates currently rank No. 13 and as rates will increase across the board, the estimate is that Tukwila will continue to be competitive as our neighboring cities. Even with the proposed water rate increases over the next six years as shown in the Water model, the water fund shows a drawdown each year and does not meet the 20% reserve policy in 2025 and 2026.

TABLE 1 - WATER RATES PROPOSED FOR 2021 and 2022

CATEGORY	Current 2020 Charges	Proposed 2021 Charges	Proposed 2022 Charges
Single Family	\$19.00	No change	\$20.00
Multi-Family (each condo, apt, or dwelling unit)	\$19.00	No change	\$20.00
Commercial/Industrial Base Charges	\$49.00 to \$661.00	\$50.00 & \$674.00	\$52.00 & \$708.00
Single Family Consumption Charges per 1 CCF	\$2.80 & \$3.90	\$2.86 & \$3.98	\$3.00 & \$4.18
Multi-Family Consumption Charges per 1 CCF	\$3.40 & \$4.70	\$3.46 & \$4.78	\$3.62 & \$5.02
Commercial/Industrial Consumption per 1 CCF	\$5.10 & \$6.90	\$5.20 & \$7.04	\$5.44 & \$7.38
Fire Protection Service Charges	\$10.00 to \$287.00	No change	\$10.50 to \$300.00

SEWER

King County Ordinance No. 19106 adopted a 4.5% rate increase in the King County sewage disposal fees for 2021. The King County sewer rate will increase from \$45.33 to \$47.37 per residential customer equivalent per month in 2021. There is no rate change proposed by King County in 2022. Exhibit C is King County Ordinance No. 19106 for the 2021 and 2022 rates.

Tukwila’s sewer base rate will not have an increase in 2021 or 2022 in accordance with the rate model that analyzes the City’s operational and capital needs. The City’s sewer rate will remain \$30.00 per residential connection and \$55.36 for up to 750 cubic feet or fraction thereof for commercial/industrial customers. Exhibit D-2 shows a comparison of adjoining cities and their residential sewer rates, along with the Sewer Model from the Proposed 2021-2026 CIP.

SURFACE WATER

Tukwila’s surface water base rate is scheduled for an increase in 2021 and 2022. The City’s surface water rate will increase from \$190.00 to \$194.00 in 2021 and from \$194.00 to \$204.00 in 2022 per residential parcel, per year. Commercial rates will range from \$234.12 to \$1,956.86 per 4,356 square foot for all other parcels in 2021 and \$245.82 to \$2,054.70 in 2022.

Exhibit D-3 shows a comparison of surface water fees with other cities in the region along with the Surface Water Model from the Proposed 2021-2026 CIP. The City’s proposed residential rates for 2021 and 2022 are below the 2020 average rate of \$237.60.

The proposed surface water fees are estimated to generate an additional \$137,000 in revenue in 2021 and \$350,000 in 2022. If Council were not to adopt the proposed rate increases, the City would either have to eliminate surface water capital projects or staff allocation or take funds from reserves. Doing so would mean that the City would fall behind on its infrastructure needs or would need to increase the rate more substantially in subsequent years.

Surface water fees are processed by King County and collected with property taxes.

TABLE 2 – SURFACE WATER RATES PROPOSED FOR 2021 and 2022

CATEGORY	Current 2020 SWM Rate	Proposed 2021 SWM Rate	Proposed 2022 SWM Rate
Residential	Flat rate of \$190.00	Flat rate of \$194.00	Flat rate of \$204.00

RECOMMENDATION

Council is being asked to adopt the City’s 2021 and 2022 water, sewer, and surface water proposed rate increases in accordance with the Public Works Fee Schedule Resolution (Exhibit E) and consider this item at the October 12, 2020 Committee of the Whole and subsequent October 19, 2020 Consent Agenda Regular Meeting.

- Attachments: Exhibit A Cascade Water Alliance Summary of Forecasted Member Payments
 Exhibit B Rate Matrix
 Exhibit C King County Ordinance No. 19106 for 2021
 Exhibit D-1 through D-3 Comparison of Utility Rates with Adjoining Cities with 2012 CIP Models
 Exhibit E Public Works Fee Schedule Draft Resolution



CASCADE WATER ALLIANCE
RESOLUTION NO. 2020-11A
2.2%/2.2%

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CASCADE WATER
ALLIANCE, A WASHINGTON MUNICIPAL CORPORATION, ADOPTING RATES AND
CHARGES FOR THE YEAR 2021 AND 2022

WHEREAS, the Cascade Water Alliance (“Cascade”) is a Washington municipal corporation formed under authority of the Joint Municipal Utilities Authority Act (Chapter 39.106 RCW) to provide water supply to its Members; and

WHEREAS, the Joint Municipal Utility Services Agreement provides for the payment of Administrative Dues by Cascade Members; and

WHEREAS, the Joint Municipal Utility Services Agreement provides for the Board of Directors (the Board) to set Rates and Charges according to the rate calculation methodology, which includes a calculation of demand shares and a uniform pricing structure with a commodity charge and fixed charges allocated by demand share; that the Board may adopt wholesale charges in addition to normal demand share charges to encourage resource conservation; and that the Board must set Rates and Charges at levels sufficient for all expenses of Cascade; and

WHEREAS, the Board adopted a Rate Calculation Methodology, codified at Chapter 5.20 of the Cascade Water Alliance Code; and

WHEREAS, by Resolution 2010-08, the Board established a two-year fiscal biennium budget that will consist of the adopted two consecutive annual budgets, which together shall be referred to as “the biennial budget.” By Resolution 2018-13, the Board further established that Member Charges for both years will be approved biennially when the biennial budget is adopted.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CASCADE WATER ALLIANCE as follows:

Section 1. Cascade Equivalent Residential Units (CERUs) for 2021 and 2022.

CERUs for each Member for 2021 and 2022 are as follows:

TABLE 1

Member	2021 Adopted CERUs	2022 Adopted CERUs
Bellevue	69,144.5	69,344.5
Issaquah	15,384.0	15,544.0
Kirkland	20,204.5	20,364.5
Redmond	33,083.5	33,273.5
Sammamish Plateau Water	24,301.5	24,571.5
Skyway WSD	3,889.5	3,894.5
Tukwila	8,397.5	8,412.5
Total	174,405.0	175,405.0

Section 2. 2021 and 2022 Demand Shares.

Adopted demand shares for each Member for 2021 and 2022 are as follows:

TABLE 2

Member	2021 Demand Shares	2021 Demand Share percentage	2022 Demand Shares	2022 Demand Share percentage
Bellevue	19.9611	52.61%	19.5130	52.63%
Issaquah	1.7011	4.48%	1.6488	4.45%
Kirkland	5.2625	13.87%	5.1940	14.01%
Redmond	6.7629	17.83%	6.5728	17.73%
Sammamish Plateau Water	1.3623	3.59%	1.2917	3.48%
Skyway WSD	0.4087	1.08%	0.4038	1.09%
Tukwila	2.4803	6.54%	2.4545	6.62%
Total	37.9388	100.00%	37.0786	100.00%

Except that, in accordance with the Interlocal Contract, no Member shall have a Weighted Vote of less than one.

Section 3. Summary of Member Charges.

2021 and 2022 Adopted Member Charges (excluding RCFC) are hereby established as shown in Table 3 below.

Administrative dues shall be assessed against each Member for the years 2021 and 2022 at the rates of \$19.48 and \$21.45 per CERU respectively multiplied by 100% of that Member's CERUs.

The demand share charge for the years 2021 and 2022 shall be \$385,347 and \$391,065 respectively per Demand Share percentage.

The conservation program charge for the years 2021 and 2022 shall be \$4.25 and \$4.27 respectively per CERU. The charge is applicable to 100% of a Member's CERUs.

TABLE 3

2021 Member Charges	Administrative Dues	Conservation Charges	Demand Share Charges	2020 True-up	Total
Bellevue	\$1,342,900	\$292,651	\$20,274,573	\$93,287	\$22,003,411
Issaquah	\$297,008	\$64,726	\$1,727,838	(\$114,822)	\$1,974,750
Kirkland	\$390,929	\$85,193	\$5,345,177	(\$95,149)	\$5,726,150
Redmond	\$643,418	\$140,217	\$6,869,076	\$10,926	\$7,663,637
Sammamish Plateau Water	\$469,195	\$102,249	\$1,383,668	\$148,561	\$2,103,673
Skyway WSD	\$75,684	\$16,493	\$415,150	(\$4,807)	\$502,520
Tukwila	\$163,322	\$35,592	\$2,519,224	(\$37,998)	\$2,680,140
Total	\$3,382,456	\$737,121	\$38,534,706	(\$2)	\$42,654,281

2022 Member Charges	Administrative Dues	Conservation Charges	Demand Share Charges	Total
Bellevue	\$1,483,288	\$295,312	\$20,580,180	\$22,358,780
Issaquah	\$330,018	\$65,704	\$1,738,960	\$2,134,682
Kirkland	\$433,427	\$86,292	\$5,478,039	\$5,997,758
Redmond	\$709,707	\$141,298	\$6,932,311	\$7,783,316
Sammamish Plateau Water	\$521,316	\$103,790	\$1,362,345	\$1,987,451
Skyway WSD	\$83,438	\$16,612	\$425,914	\$525,964
Tukwila	\$180,143	\$35,865	\$2,588,718	\$2,804,726
Total	\$3,741,337	\$744,873	\$39,106,467	\$43,592,677

Section 4. Effect.

This Resolution shall be in full force and effect on the date of its adoption.

ADOPTED AND APPROVED by the Board of Directors of the Cascade Water Alliance at a regular meeting thereof, held on the 23rd day of September 2020.

CASCADE WATER ALLIANCE

John Stokes, Chair

Attest – Ray Hoffman, Chief Executive Officer

Penny Sweet, Vice Chair

Angela Birney, Secretary/Treasurer

Members

Yes _____

No _____

Demand Share

Yes _____%

No _____%

Include in CWAC?

Yes

No

**City of Tukwila Proposed Utility Rate Increases
Monthly Fees for Residential Customers**

With 10 % City Interfund Utility Tax

RESIDENTIAL WATER RATES	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	Total
CWA Purchased Water Pass-through (Average monthly rate with 10 ccf)	+15%	+10%	+10%	+10%	+5%	+5%	+0%	+5%	+5%	+5%	+0%	+2%	+5%	+6%	+5%	+6%	+6%	\$14.30
												+1.0%	+2.5%	+3.0%	+2.5%	+3.0%	+3.0%	
City of Tukwila Water (Average monthly rate with 10 ccf)												+1.0%	+2.5%	+3.0%	+2.5%	+3.0%	+3.0%	\$7.60
												\$3.94 to \$3.98	\$4.08 to \$4.18	\$4.30 to \$4.42	\$4.52 to \$4.62	\$4.76 to \$4.90	\$5.04 to \$5.18	
City of Tukwila Minimum Monthly charge per meter/each dwelling unit	Range 3%-20% \$6.00 to \$8.00 \$2.00	Range 3%-20% \$8.00 to \$10.00 \$2.00	Range 3%-20% 10.00 to 12.00 \$2.00	Range 3%-20% 12.00 to 14.00 \$2.00	Range 3%-7% 14.00 to 15.00 \$1.00	Range 3%-7% 15.00 to 16.00 \$1.00	0% \$16.00	Range 3%-7% 16.00 to 17.00 \$1.00	Range 3%-7% 17.00 to 18.00 \$1.00	Range 3%-7% 18.00 to 19.00 \$1.00	0% \$19.00	0% \$19.00	Range 3%-7% 19.00 to 20.00 \$1.00	Range 3%-7% 21.00 to 22.00 \$1.00	Range 3%-7% 22.00 to 23.00 \$1.00	Range 3%-7% 23.00 to 24.00 \$1.00	Range 3%-7% 24.00 to 25.00 \$1.00	\$18.00

Commercial Water	Range+66%	Range+50%	Range+33%	+8%	+6.5%	Range +5%	+5%	+5%	+5%	+5%	+5%	+2%	+5%	+6%	+5%	+6%	+5%	
Consumption Increase	\$4.98	\$4.98	\$4.98	\$4.98 to \$5.36	\$5.36 to \$5.72	\$5.72 to \$6.00	\$6.00 to \$6.30	\$6.30 to \$6.60	\$6.60 to \$6.90	\$6.90	\$6.90	\$6.90 to \$7.04	\$7.04 to \$7.38	\$7.38 to \$7.82	\$7.82 to \$8.20	\$8.20 to \$8.68	\$8.68 to \$9.10	
Minimum Charge based on Meter Size	\$20-\$360	\$30-\$480 Fire lines	\$40-\$575			\$45-\$600 Fire lines				\$47-\$630 Fire lines	\$49-\$661	\$50-\$674	\$52-\$708 Fire lines	\$54-\$743 Fire lines		\$57-\$780		

RESIDENTIAL SEWER RATES	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	Total
King County Sewer Treatment (Monthly Flat Rate)	0% \$31.90	+13.17% 31.90 to 36.10 \$4.20	0% \$36.10	+10.22% 36.10 to 39.79 \$3.69	0% \$39.79	+5.6% 39.79 to 42.03 \$2.24	0% \$42.03	+5.21% 42.03 to 44.22 \$2.19	0% \$44.22	+2.51% 44.22 to 45.33 \$1.11	0% \$45.33	+4.50% 45.33 to 47.37 \$2.04	0% \$47.37	+10.25% 47.37 to 52.23 \$4.86	0% \$52.23	+10.25% 52.23 to 57.58 \$5.35	0% \$57.58	\$34.18
City of Tukwila Sewer (Monthly Flat Rate)	+15% 11.64 to 13.39 \$1.75	+20% 13.39 to 16.06 \$2.67	+20% 16.06 to 19.26 \$3.20	+20% 19.26 to 23.10 \$3.84	+15% 23.10 to 26.50 \$3.40	+10% \$26.50 to \$29 \$2.50	0% \$29.00	0% \$29.00	+3.5% \$29 to \$30 \$1.00	0% \$30.00	0% \$30.00	0% \$30.00	0% \$30.00	0% \$30.00	0% \$30.00	0% \$30.00	+3.4% \$30 to \$31 \$1.00	
Monthly Sewer Bill (Residential)	\$45.29	\$52.16	\$55.36	\$62.89	\$66.29	\$71.03	\$71.03	\$73.22	\$74.22	\$75.33	\$75.33	\$77.37	\$77.37	\$82.23	\$82.23	\$87.58	\$88.58	

Commercial Sewer Rate Increases	+15%	+33.17%	+20%	+30.22%	+15%	+15.6%	+5%	+5.21%	+3.5%	+2.51%	+0.0%	+4.50%	+0.0%	+10.25%	+0.0%	+10.25%	+3.4%	
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RESIDENTIAL SURFACE WATER	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	Total
City of Tukwila Surface Water Annual Charge (billed Jan & July)	+20% \$71 to \$85	+10% \$85 to \$93	+10% \$93 to \$102	+5% \$102 to \$107	+10% \$107 to \$118	+20% \$118 to \$142	+15% \$142 to \$163	+5% \$163 to \$171	+3% \$171 to \$176	+5% \$176 to \$185	+3% \$185 to \$190	+2% \$190 to \$194	+5% \$194 to \$204	+5% \$204 to \$214	+5% \$214 to \$224	+5% \$224 to \$235	+5% \$235 to \$247	\$16.25
Annual Charge divided monthly Monthly Increase for chart	\$5.92 to \$7.08 \$1.16	\$7.08 to \$7.75 \$0.67	\$7.75 to \$8.50 \$0.75	\$8.50 to \$8.92 \$0.42	\$8.92 to \$9.83 \$0.91	\$9.83 to \$11.83 \$2.00	11.83 to 13.58 \$1.75	13.58 to 14.25 \$0.67	14.25 to 14.67 \$0.42	14.67 to 15.42 \$0.75	15.42 to 15.83 \$0.41	15.83 to 16.17 \$0.34	16.17 to 17.00 \$0.83	17.00 to 17.83 \$0.83	17.83 to 18.67 \$0.84	18.67 to 19.58 \$0.91	19.58 to 20.58 \$1.00	

Commercial Surface Water - Same Inc	+20%	+10%	+10%	+5%	+10%	+20%	+15%	+5%	+3%	+5%	+3%	+2%	+5%	+5%	+5%	+5%	+5%	
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Total Monthly Residential Increase	\$4.91	\$9.54	\$5.95	\$9.95	\$5.31	\$7.74	\$1.75	\$3.86	\$2.42	\$2.86	\$0.41	\$3.18	\$3.83	\$9.09	\$3.84	\$10.06	\$5.80	\$114.33
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2018 Connections	Average Monthly Residential Bill	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	
Single Family Water	\$	33.34	35.34	37.40	38.40	39.40	39.40	40.40	41.40	42.40	42.40	43.48	45.08	48.52	50.72	53.40	56.08	6 ccf
Low Income Seniors/Disabled Sewer	\$	52.16	55.36	62.89	66.29	71.03	71.03	73.22	74.22	75.33	75.33	77.37	77.37	82.23	82.23	87.58	88.58	Flat Fee
Multi Family SWM	\$	7.75	8.50	8.92	9.83	11.83	13.58	14.25	14.66	15.42	15.83	16.17	17.00	17.83	18.67	19.58	20.58	Flat Fee
Commercial Total	\$	93.25	99.20	109.21	114.52	122.26	124.01	127.87	130.28	133.15	133.56	137.02	139.45	148.58	151.62	160.56	165.24	

	6.38%	10.09%	4.86%	6.76%	1.43%	3.11%	1.88%	2.20%	0.31%	2.59%	1.77%	6.55%	2.05%	5.90%	2.91%		
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Metropolitan King County Council

Melani Pedroza, *Clerk of the Council*

King County Courthouse

516 Third Avenue, Room 1200

Seattle, WA 98104-3272

Tel: 206.477.1025

Email: melani.pedroza@kingcounty.gov

TTY 296-1024

Web: www.kingcounty.gov/council/clerk

June 11, 2020

Mr. Bryant Still, Operations Manager
City of Tukwila
6200 Southcenter Blvd.
Tukwila, WA 98188

Dear Mr. Still,

Monetary Requirements for 2021

The Metropolitan King County Council approved the sewer rate for 2021 and the sewage treatment capacity charge for 2021 with the adoption of Ordinance 19106 on May 26, 2020. A copy of Ordinance 19106 is enclosed for your information.

If you have any questions, please call the Clerk of the Council's Office at 206 477-1020.

Sincerely,

Melani Pedroza
Clerk of the Council

Enclosure



KING COUNTY

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

Signature Report

Ordinance 19106

Proposed No. 2020-0186.2

Sponsors Kohl-Welles

1 AN ORDINANCE relating to rates and charges for sewage
 2 treatment and disposal; and amending Ordinance 12353,
 3 Section 2, as amended, and K.C.C. 4A.670.100, Ordinance
 4 18745, Section 2, and Ordinance 11398, Section 1, as
 5 amended, and K.C.C. 28.84.055.

6 BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

7 SECTION 1. Ordinance 12353, Section 2, as amended, and K.C.C. 4A.670.100
 8 are hereby amended to read as follows:

9 A. Having determined the monetary requirements for the disposal of sewage, the
 10 council hereby adopts a ((2020)) 2021 sewer rate of ((~~forty-five~~)) forty-seven dollars and
 11 ((~~thirty-three~~)) thirty-seven cents per residential customer equivalent per month. Once a
 12 sewer rate ordinance becomes effective, the clerk of the council is directed to deliver a
 13 copy of that ordinance to each agency having an agreement for sewage disposal with King
 14 County.

15 B. The King County council approves the application of Statement No. 62 of the
 16 Governmental Accounting Standards Board (GASB-62) as it pertains to regulatory assets
 17 and liabilities to treat pollution remediation obligations and RainWise Program
 18 expenditures and strategic planning costs as regulatory assets, recovered ratably over the
 19 life of the underlying financing, and establish a rate stabilization reserve for the purpose

Ordinance 19106

20 of leveling rates between years.

21 C. As required for GASB-62 application, amounts are to be placed in the rate
22 stabilization reserve from operating revenues and removed from the calculation of debt
23 service coverage. The reserve balance shall be an amount at least sufficient to maintain a
24 level sewer rate between ~~((2019))~~ 2021 and ~~((2020))~~ 2022, and shall be used solely for
25 the purposes of: maintaining the level sewer rate in ~~((2020))~~ 2021; and if additional
26 reserve balance is available, moderating future rate increases beyond ~~((2020))~~ 2021. The
27 estimated amount of the reserve, as shown in the financial forecast, Attachment A to
28 ~~((Ordinance 18915))~~ this ordinance, shall be revised in accordance with the ~~((2019-~~
29 ~~2020))~~ 2021-2022 Biennial Budget Ordinance and financial plan. If the reserve needs to
30 be reduced to meet debt service coverage requirements for ~~((2019))~~ 2020, the county
31 executive shall notify the council of the change by providing an updated financial
32 forecast.

33 SECTION 2. Ordinance 18745, Section 2, as amended, is hereby amended to
34 read as follows:

35 Monetary requirements for the disposal of sewage as defined by contract with the
36 component sewer agencies for the fiscal year beginning January 1, ~~((2020))~~ 2021, and
37 ending December 31, ~~((2020))~~ 2021. The council hereby determines the monetary
38 requirements for the disposal of sewage as follows:

39 Administration, operating, maintenance repair and replacement (net of other
40 income): ~~((59,013,738))~~ \$57,502,034.

41 Establishment and maintenance of necessary working capital reserves:
42 ~~((53,990,152))~~ \$93,206,863.

Ordinance 19106

43 Requirements of revenue bond resolutions (not included in above items and net of
44 interest income): (~~(\$300,041,257)~~) \$288,244,280.

45 TOTAL: (~~(\$413,045,147)~~) \$438,953,178.

46 SECTION 3. Ordinance 11398, Section 1, as amended, and K.C.C. 28.84.055 are
47 hereby amended as follows:

48 A. The amount of the metropolitan sewage facility capacity charge adopted by
49 K.C.C. 28.84.050.O. that is charged monthly for fifteen years per residential customer or
50 residential customer equivalent shall be:

51 1. Seven dollars for sewer connections occurring between and including January
52 1, 1994, and December 31, 1997;

53 2. Ten dollars and fifty cents for sewer connections occurring between and
54 including January 1, 1998, and December 31, 2001;

55 3. Seventeen dollars and twenty cents for sewer connections occurring between
56 and including January 1, 2002, and December 31, 2002;

57 4. Seventeen dollars and sixty cents for sewer connections occurring between
58 and including January 1, 2003, and December 31, 2003;

59 5. Eighteen dollars for sewer connections occurring between and including
60 January 1, 2004, and December 31, 2004;

61 6. Thirty-four dollars and five cents for sewer connections occurring between
62 and including January 1, 2005, and December 31, 2006;

63 7. Forty-two dollars for sewer connections occurring between and including
64 January 1, 2007, and December 31, 2007;

65 8. Forty-six dollars and twenty-five cents for sewer connections occurring

Ordinance 19106

66 between and including January 1, 2008, and December 31, 2008;

67 9. Forty-seven dollars and sixty-four cents for sewer connections occurring
68 between and including January 1, 2009, and December 31, 2009;

69 10. Forty-nine dollars and seven cents for sewer connections occurring between
70 and including January 1, 2010, and December 31, 2010;

71 11. Fifty dollars and forty-five cents for sewer connections occurring between
72 and including January 1, 2011, and December 31, 2011;

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

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

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

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

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

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

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

87 19. Sixty-four dollars and fifty cents for sewer connections occurring between
88 and including January 1, 2019, and December 31, 2019; ~~((and))~~

Ordinance 19106

89 20. Sixty-six dollars and thirty-five cents for sewer connections occurring
90 between and including January 1, 2020, and December 31, 2020; and

91 21. Sixty-eight dollars and thirty-four cents for sewer connections occurring
92 between and including January 1, 2021, and December 31, 2021.

93 B.1. In accordance with adopted policy FP-15.3.d. in the Regional Wastewater
94 Services Plan, K.C.C. 28.86.160.C., it is the council's intent to base the capacity charge
95 upon the costs, customer growth and related financial assumptions used in the Regional
96 Wastewater Services Plan.

97 2. In accordance with adopted policy FP- 6 in the Regional Wastewater Services
98 Plan, K.C.C. 28.86.160.C., the council hereby approves the cash balance and reserves as
99 contained in the attached financial plan for ~~((2020))~~ 2021, which is Attachment A to this
100 ~~((Θ))~~ ordinance ~~((18915))~~.

101 3. In accordance with adopted policy FP-15.3.c., King County shall pursue
102 changes in state legislation to enable the county to require payment of the capacity charge

Ordinance 19106

103 in a single payment, while preserving the option for new ratepayers to finance the
104 capacity charge.
105

Ordinance 19106 was introduced on 5/12/2020 and passed by the Metropolitan King County Council on 5/26/2020, by the following vote:

Yes: 6 - Ms. Balducci, Ms. Kohl-Welles, Ms. Lambert, Mr. McDermott, Mr. Upthegrove and Mr. Zahilay
No: 3 - Mr. Dembowski, Mr. Dunn and Mr. von Reichbauer

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON

DocuSigned by:

Claudia Balducci

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Claudia Balducci, Chair

ATTEST:

DocuSigned by:

Melani Pedroza

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Melani Pedroza, Clerk of the Council

APPROVED this _____ day of 6/4/2020, _____

DocuSigned by:

Dow Constantine

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Dow Constantine, County Executive

Attachments: A. Wastewater Treatment Division Financial Plan Revised May 19, 2020

Attachment A Revised 5-19-2020 - Wastewater Treatment Division Financial Plan												
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
	Unaudited	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
CUSTOMER EQUIVALENTS (RCEs)	763.44	768.21	772.21	776.22	780.26	784.32	788.39	792.49	796.61	800.76	804.92	809.11
MONTHLY RATE	\$45.33	\$45.33	\$ 47.37	\$ 47.37	\$ 52.23	\$ 52.23	\$ 57.58	\$ 57.58	\$ 65.64	\$ 65.64	\$ 74.83	\$ 74.83
% Increase	2.51%	0.00%	4.5%	0.0%	10.25%	0.0%	10.25%	0.0%	14.00%	0.0%	14.00%	0.0%
BEGINNING OPERATING FUND	\$ 61,509	\$ 61,828	\$ 63,139	\$ 63,562	\$ 64,437	\$ 65,412	\$ 66,563	\$ 67,589	\$ 68,433	\$ 69,312	\$ 70,225	\$ 71,174
OPERATING REVENUE:												
Customer Charges	\$ 415,279	\$ 417,877	\$ 438,953	\$ 441,236	\$ 489,007	\$ 491,550	\$ 544,735	\$ 547,574	\$ 627,456	\$ 630,723	\$ 722,787	\$ 726,551
Capacity Charge	100,385	92,302	95,800	99,086	102,113	106,158	111,264	116,856	121,817	126,007	129,526	133,175
Other Income	19,888	18,481	19,814	18,730	17,662	18,192	18,738	19,300	19,879	20,475	21,089	21,722
Investment Income	9,561	9,214	5,727	5,354	6,781	8,371	9,657	11,586	14,864	16,625	16,840	15,559
Rate Stabilization (a)	-	-	-	-	-	-	(30,000)	-	-	20,000	10,000	-
TOTAL OPERATING REVENUES	\$ 545,113	\$ 537,874	\$ 560,294	\$ 564,406	\$ 615,563	\$ 624,271	\$ 654,394	\$ 695,316	\$ 784,016	\$ 813,829	\$ 900,242	\$ 897,007
OPERATING EXPENSE	(155,785)	(168,886)	(173,116)	(181,872)	(191,617)	(203,127)	(213,388)	(221,835)	(230,618)	(239,749)	(249,243)	(259,113)
DEBT SERVICE PARITY DEBT (incl WIFIA)	(171,321)	(168,317)	(160,989)	(162,596)	(176,137)	(189,192)	(199,877)	(219,968)	(238,909)	(264,379)	(273,574)	(296,414)
DEBT SERVICE PARITY LIEN OBLIGATIONS	(42,672)	(52,381)	(54,376)	(54,311)	(51,985)	(51,910)	(51,899)	(51,807)	(51,717)	(49,884)	(58,369)	(59,980)
SUBORDINATE DEBT SERVICE	(35,901)	(35,594)	(39,955)	(46,027)	(42,474)	(42,919)	(39,899)	(38,543)	(36,576)	(37,028)	(38,587)	(38,026)
DEBT SERVICE COVERAGE PARITY DEBT	2.27	2.19	2.41	2.35	2.41	2.23	2.21	2.15	2.32	2.17	2.38	2.15
DEBT SERVICE COVERAGE TOTAL PAYMENTS	1.56	1.44	1.52	1.45	1.57	1.48	1.51	1.53	1.69	1.63	1.76	1.62
2019 & 2020 Debt Retirements	(84,996)	(95,000)										
AMORTIZATION OF VARIABLE RATE DEBT	(1,975)	(1,875)	(1,973)	(11,178)	(12,295)	(12,961)	(13,659)	(14,399)	(17,518)	(20,169)	(23,353)	(33,141)
LIQUIDITY RESERVE CONTRIBUTION	(320)	(1,310)	(423)	(876)	(974)	(1,151)	(1,026)	(845)	(878)	(913)	(949)	(987)
TRANSFERS TO CAPITAL	(52,755)	(14,693)	(129,155)	(107,089)	(140,080)	(122,250)	(131,403)	(147,557)	(207,387)	(201,111)	(256,167)	(208,192)
RATE STABILIZATION RESERVE	\$ 46,250	\$ 46,250	\$ 46,250	\$ 46,250	\$ 46,250	\$ 46,250	\$ 76,250	\$ 76,250	\$ 76,250	\$ 56,250	\$ 46,250	\$ 46,250
OPERATING LIQUIDITY RESERVE BALANCE	15,578	16,889	17,312	18,187	19,162	20,313	21,339	22,183	23,062	23,975	24,924	25,911
OPERATING FUND ENDING BALANCE	\$ 61,828	\$ 63,139	\$ 63,562	\$ 64,437	\$ 65,412	\$ 66,563	\$ 67,589	\$ 68,433	\$ 69,312	\$ 70,225	\$ 71,174	\$ 72,161
Waterworks & Grant & RR Carryforward	\$ 4,989	\$ 4,989	\$ 4,989	\$ 4,989	\$ 4,989	\$ 4,989	\$ 4,989	\$ 4,989	\$ 4,989	\$ 4,989	\$ 4,989	\$ 4,989
CONSTRUCTION FUND												
BEGINNING FUND BALANCE	\$ 173,825	\$ 132,794	\$ 233,132	\$ 144,654	\$ 31,580	\$ 5,060	\$ 5,058	\$ 5,057	\$ 5,060	\$ 5,000	\$ 5,000	\$ 5,000
REVENUES:												
Parity Bonds	128,720	202,041	-	0	169,552	200,787	164,230	235,587	365,717	392,446	299,204	278,942
Parity Bonds - GT & SC WIFIA Loan	-	-	-	52,412	82,088	-	-	96,499	-	-	-	-
Variable Debt Bonds (new money only)	-	-	-	-	-	-	-	-	-	31,592	45,784	27,705
Interim Debt	-	53,277	48,652	26,614	20,270	24,169	20,501	26,901	17,518	20,169	23,353	33,141
SRF Loans	13,997	51,357	380	-	-	-	-	0	-	-	-	-
Insurance Settlements; Other	7,779	1,450	500	500	500	500	500	500	500	500	500	500
Transfers From Operating Fund	52,755	14,693	129,155	107,089	140,080	122,250	131,403	147,557	207,387	201,111	256,167	208,192
TOTAL REVENUES	\$ 203,251	\$ 322,818	\$ 178,687	\$ 186,615	\$ 412,490	\$ 347,706	\$ 316,634	\$ 507,045	\$ 591,122	\$ 645,817	\$ 625,008	\$ 548,480
CAPITAL EXPENDITURES	(212,206)	(221,260)	(271,838)	(298,544)	(338,722)	(331,392)	(305,911)	(408,914)	(560,489)	(612,878)	(599,331)	(525,770)
Retirement of Interim Debt					(82,088)			(73,803)				
DEBT ISSUANCE COSTS	(501)	(4,041)	0	0	(3,391)	(4,016)	(3,285)	(4,712)	(7,314)	(8,007)	(6,213)	(5,717)
BOND RESERVE TRANSACTIONS	-	3,003	4,365	(1,604)	(14,809)	(13,061)	(10,683)	(19,975)	(23,790)	(25,529)	(19,464)	(18,146)
ADJUSTMENTS	(31,576)	(181)	308	459	0	761	3,244	362	412	596	0	1,153
ENDING FUND BALANCE	\$ 132,794	\$ 233,132	\$ 144,654	\$ 31,580	\$ 5,060	\$ 5,058	\$ 5,057	\$ 5,060	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
CONSTRUCTION FUND RESERVES												
Parity Reserve Account	141,812	138,809	134,444	136,048	150,856	163,918	174,601	194,577	218,367	243,896	263,360	281,505
SRF Reserve Account	13,485	13,666	13,358	12,899	12,899	12,137	8,893	8,531	8,120	7,523	7,523	6,370
Asset Management	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
TOTAL FUND RESERVES	\$ 170,297	\$ 167,475	\$ 162,802	\$ 163,947	\$ 178,755	\$ 191,055	\$ 198,494	\$ 218,108	\$ 241,487	\$ 266,420	\$ 285,883	\$ 302,876
CONSTRUCTION FUND BALANCE	\$ 303,090	\$ 400,607	\$ 307,456	\$ 195,527	\$ 183,815	\$ 196,113	\$ 203,552	\$ 223,167	\$ 246,487	\$ 271,419	\$ 290,883	\$ 307,876

(a) Bond covenants are written to allow that in any given year, use of the Rates Stabilization Reserve can be recognized as revenue eligible for inclusion in the bond coverage calculation. In years that WTD contributes to this reserve, that portion of revenue is deducted from the revenue basis for calculating bond coverage. This allows WTD to use reserves to smooth rate increases and otherwise manage rate levels without compromising the ability to meet annual bond coverage targets.

Certificate Of Completion

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Source Envelope:	
Document Pages: 6	Signatures: 3
Supplemental Document Pages: 1	Initials: 0
Certificate Pages: 5	
AutoNav: Enabled	Envelope Originator:
Envelopeld Stamping: Enabled	Angel Allende
Time Zone: (UTC-08:00) Pacific Time (US & Canada)	11493 Sunset Hills Road
	Reston, VA 20190
	Angel.Allende@kingcounty.gov
	IP Address: 198.49.222.20

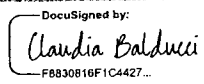
Record Tracking

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Signer Events

Claudia Balducci
claudia.balducci@kingcounty.gov
Security Level: Email, Account Authentication (None)

Signature

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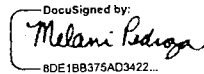
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Accepted: Not Required

Melani Pedroza
melani.pedroza@kingcounty.gov
Clerk of the Council
King County Council
Security Level: Email, Account Authentication (None)

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Signature Adoption: Uploaded Signature Image
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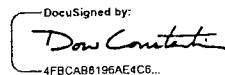
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Supplemental Documents:

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Accepted: Not Required

Dow Constantine
dow.constantine@kingcounty.gov
Security Level: Email, Account Authentication (None)

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Residential Water Rate Comparison as of June 2020

2020 Ranking	CITY	2016 TOTAL	2018 TOTAL	City Base Rate	Summer Rates Per CCF	Consumption Assume 10 CCF	2020 TOTAL	2021 TOTAL	2022 TOTAL	Difference (2018)
1	WATER DISTRICT 119 (Duvall)	\$ 79.35	\$ 90.60	\$ 45.00	4.10/8.22	44.21	\$ 89.21			(1.39)
2	REDMOND (CWA)	42.25	43.97	22.44	3.71/14.85	63.13	85.57			41.60
3	WOODINVILLE	67.78	82.80	22.55	41.77	61.50	84.05			1.25
4	SEATTLE	72.30	82.20	18.45	5.55/11.80	\$ 62.05	80.50			(1.70)
5	DUVALL	68.97	73.14	28.22	4.20/9.04	48.04	76.26			3.12
6	SKYWAY (CWA)	59.39	64.22	20.71	4.6/9.36	48.46	69.17			4.95
7	BELLEVUE	54.34	59.60	25.26	3.96	39.60	64.86			5.26
8	KIRKLAND	48.00	69.16	21.57	5.17	41.36	62.93			(6.23)
9	MERCER ISLAND	53.24	54.87	18.45	4.38	43.80	62.25			7.37
	TUKWILA 2020 and 2021			20.00	3.98			58.80	61.80	
11	COVINGTON WATER DISTRICT	58.62	95.32	28.33	2.80/8.50	30.30	58.63			(36.70)
12	COAL CREEK UTILITY	55.90	57.03	21.96	3.62	36.20	58.16			1.13
13	TUKWILA 2020	55.00	57.00	19.00	3.90	39.00	58.00			1.00
14	HIGHLINE WATER DISTRICT	53.15	59.35	15.53	3.82/4.53	41.75	57.28			(2.07)
15	KENT	57.59	53.07	24.69	2.56/5.04	30.56	55.25			2.18
16	ISSAQUAH	46.80	50.42	16.39	2.12/21.91	38.66	55.05			4.63
17	KING COUNTY WD #125	46.89	49.70	14.91	3.92	39.20	54.11			4.41
10	SAMMAMISH PLATEAU	47.11	50.93	32.03	2.02/7.92	21.96	53.99			3.06
18	AUBURN	48.54	50.25	17.18	3.41/4.73	36.35	53.53			3.28
19	NE SAMMAMISH	44.67	47.41	21.02	2.93	29.30	50.32			2.91
20	ALGONA	57.07	53.35	33.91	3.24	16.20	50.11			(3.24)
21	KING COUNTY WD #20	41.90	43.75	24.20	2.57	25.70	49.90			6.15
22	TACOMA	45.03	45.74	24.95	2.132/2.665	23.99	48.94			3.20
23	RENTON	47.35	47.35	17.95	2.59/4.39	30.35	48.30			0.95
24	CEDAR RIVER WATER DIST	50.08	63.24	18.52	2.82	28.20	46.72			(16.53)
25	BOTHELL	37.09	37.09	14.74	2.89/7.98	28.90	43.64			6.55
26	LAKEHAVEN (FEDERAL WAY)	31.19	33.92	18.63	1.64	16.40	35.03			1.11
27	SOOS CREEK	41.14	56.83	15.48	1.95/5.65	19.50	34.98			(21.86)
28	ALDERWOOD WATER DIST	35.65	51.81	22.90	2.56	10.24	33.14			(18.67)
29	LYNNWOOD	20.83	23.92	26.12	-	-	26.12	27.16	28.25	2.20
	AVERAGE	\$ 50.59	\$ 56.83	\$ 21.70			\$ 56.76			

ATTACHMENT D
City of Tukwila
WATER ENTERPRISE FUND
2021 - 2026 Analysis in 000's

REVENUES	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2020 Estimate	2021	2022	2023	2024	2025	2026	Totals
Monthly Water Charges ⁽¹⁾	+5% Commercial	+5% Commercial	+5% Commercial	+5% Commercial	+5% Commercial	+2%	+5%	+6%	+5%	+6%	+6%	
Cascade Water Alliance (CWA)	2,905	2,372	2,707	3,256	3,256	3,289	3,356	3,524	3,629	3,701	3,776	21,275
Regular City Water	3,841	4,569	4,030	4,110	2,789	3,353	3,488	3,723	3,902	4,022	4,142	22,630
Subtotal Water	6,746	6,941	6,737	7,366	6,045	6,642	6,844	7,247	7,531	7,723	7,918	43,905
Other Miscellaneous Revenue	96	125	352	58	60	60	83	130	135	140	145	693
Interlocal Ags\PWTF\Grants/Bonds	0	0	0	0	0	1,000	1,900	1,600	2,500	2,000	1,000	10,000
Water Connection Fees ⁽²⁾	216	108	37	100	82	20	20	20	20	20	20	120
Total Revenues	7,058	7,174	7,126	7,524	6,187	7,722	8,847	8,997	10,186	9,883	9,083	54,718
EXPENDITURES												
CWA Purchased Water ⁽³⁾	2,905	2,372	2,707	3,142	3,256	3,256	3,356	3,524	3,629	3,701	3,776	21,242
Water Operations & Maintenance	2,172	3,141	2,345	2,325	1,926	2,459	2,520	2,423	2,471	2,520	2,621	15,014
Debt Service ⁽⁴⁾	146	147	146	145	145	144	129	128	128	47	47	623
Debt Service for PW Shops			340	181	186	167	324	1,004	1,005	1,004	1,003	4,507
Interfund Utility Tax ⁽⁵⁾ 10%	677	698	677	742	611	670	693	738	767	786	806	4,460
Engineering Labor ⁽⁷⁾	53	88	63	76	69	117	119	70	72	74	76	528
Subtotal	5,953	6,446	6,278	6,611	6,193	6,813	7,141	7,887	8,072	8,132	8,329	46,374
Water Capital - CIP Program	2,041	1,811	265	2,205	178	1,725	2,455	3,140	2,605	2,280	1,240	13,445
Total Expenditures	7,994	8,257	6,543	8,816	6,371	8,538	9,596	11,027	10,677	10,412	9,569	59,819
FUND BALANCE												
Change in Fund Balance ^(a)	(936)	(1,083)	583	(1,292)	(184)	(816)	(749)	(2,030)	(491)	(529)	(486)	(5,101)
Beginning Balance	6,693	5,691	6,058	4,380	5,787	5,604	4,787	4,039	2,009	1,518	989	5,487
Ending Balance	5,757	4,608	6,641	3,088	5,604	4,787	4,039	2,009	1,518	989	503	386
Fund Balance:												
Reserved ^(b) 20% of revenue	1,302	1,412	1,435	1,302	1,302	1,237	1,344	1,389	1,479	1,537	1,577	1,577
Unreserved	4,455	3,196	5,206	1,786	4,301	3,550	2,694	619	39	(548)	(1,074)	(1,074)
Ending Balance	5,757	4,608	6,641	3,088	5,604	4,787	4,039	2,009	1,518	989	503	503

^(a) Revenues in excess of (less than) expenditures

^(b) Annual reserve balance requirement equals 20% of the prior year operating revenues.

ATTACHMENT D-1

NOTES TO WATER ENTERPRISE FUND

- 1) Rates reflect increases of 2% in 2021, 5% in 2022, and 5%/6% in 2023 through 2026. These rate increases are essential to sustain our reserve balance and cover any possible increases from Cascade Water Alliance (CWA). We will continue to review the annual rate model to confirm that the proposed increases are necessary.

Future water purchased at additional costs will be passed on to ratepayers. We have identified Cascade Water Alliance's revenues and expenditures to better reflect the actual water charges and the respective increases. CWA has proposed rate increases of 2.2% in 2021 and 2.2% in 2022.

- 2) Connection fees are estimated for the Allentown/Foster Point and Duwamish projects.
- 3) Cascade Water Alliance is split out to identify the actual costs of purchased water. CWA has scheduled increases in their six-year planning model that will affect our water rates.
- 4) Debt schedule includes Public Works Trust Fund (PWTF) loans and Bonds.

Water Debt Service includes:	<u>Expires</u>	<u>2021</u>	<u>2022</u>
2003 PWTF Duwamish (20%)	7/1/21	\$ 14,526.53	Completed
2004 PWTF Allentown (26%)	7/1/24	82,238.00	\$ 81,834.87
2006 Bond Allentown (26%)	12/31/26	<u>46,934.54</u>	<u>47,370.05</u>
Subtotal		\$ 143,699.07	\$129,204.92
2018 Public Works Shops (17%)	12/31/38	136,714.00	260,814.00
2019 Public Works Shops (17%)	12/31/39	<u>30,118.22</u>	<u>63,217.22</u>
Total		<u>\$310,531.29</u>	<u>\$453,236.14</u>

- 5) An Interfund Utility Tax was approved in October 2009 for the water, sewer, and surface water utilities. Gross revenues are currently taxed 10% through December 31, 2021.
- 6) The Working Capital Reserve Fund's policy was updated in 2012 per Resolution No. 1774 to maintain an adequate fund balance in each of the enterprise funds. For the Enterprise Funds, the unrestricted fund balance shall equal or exceed 20% of the previous year's revenue, exclusive of significant non-operating, non-recurring revenues.
- 7) The Senior Water/Sewer Engineer's salary and benefits are split evenly between the water department and the sewer department. For 2021 and 2022, Technology staff have been added at 22% for the GIS Coordinator and 10% for the Information Systems Project Analyst.

Water Enterprise Fund

The City's Enterprise Funds account for utility operations that are self-supported through user charges. The utilities are financed and operated like a private business enterprise which requires periodic determination of revenues earned; expenses incurred, and net income for capital maintenance, public policy, management control and accountability. The Water Fund accounts for operations and capital improvements to provide water to a portion of City residents. King County Water District 125 and Highline Water District also supply water to City residents.

City of Tukwila
CAPITAL IMPROVEMENT PROGRAM
 for
 2021 - 2026

WATER ENTERPRISE FUND
401.98

CIP Page #	PROJECT TITLE	2021	2022	2023	2024	2025	2026	TOTAL	**Other Sources	After Six Years
60	Water Reservoir and Pump Station	1,000	1,900	1,600	2,500	2,000	1,000	10,000	10,000	0
61	Macadam Rd S Water Upgrade	650	400	1,300	0	0	0	2,350	0	0
62	GIS Inventory of Water System	50	100	50	100	105	100	505	0	0
63	Water Comprehensive Plan	20	0	0	0	0	100	120	0	200
64	Interurban Water Reuse	5	5	60	5	65	10	150	0	0
65	S 152nd Place Waterline Extension	0	50	130	0	0	0	180	0	0
66	S 152nd Street Waterline Replacement	0	0	0	0	110	30	140	0	0
	Baker Blvd Water Main Replacement	0	0	0	0	0	0	0	0	1,595
	Strander Blvd Waterline Upgrade	0	0	0	0	0	0	0	0	3,300
	Allentown Phase III - Water Revitalization	0	0	0	0	0	0	0	0	560
	57th Ave S Waterline Replacement	0	0	0	0	0	0	0	0	0
	Southcenter Blvd Water Main Replacement	0	0	0	0	0	0	0	0	870
	S 140th St Waterline Replacement	0	0	0	0	0	0	0	0	260
	S 180th & W Valley Loop/Renton Turnover	0	0	0	0	0	0	0	0	2,464
	Foster Area Water Upgrade	0	0	0	0	0	0	0	0	1,390
	West Valley Hwy East Side Water Looping	0	0	0	0	0	0	0	0	1,400
	58th Ave S Water Main Replacement	0	0	0	0	0	0	0	0	0
	West Valley Deep Water Main Replacement	0	0	0	0	0	0	0	0	690
	65th Ave S Water Main Replacement	0	0	0	0	0	0	0	0	2,240
	49th Ave S Water Main Replacement	0	0	0	0	0	0	0	0	1,400
	S 180th St Water Main Replacement	0	0	0	0	0	0	0	0	1,232
	Evans Black Dr Water Main Replacement	0	0	0	0	0	0	0	0	780
	S 112 St Water Looping	0	0	0	0	0	0	0	0	1,140
	S 153rd St Water Main Replacement	0	0	0	0	0	0	0	0	350
	Corporate Dr S Water Main Replacement	0	0	0	0	0	0	0	0	560
	Foster Playfield Reclaimed Water Extension	0	0	0	0	0	0	0	0	1,680
	Duwamish River Crossing Reclaimed Water	0	0	0	0	0	0	0	0	193
Grand Total		1,725	2,455	3,140	2,605	2,280	1,240	13,445	10,000	22,304

** Denotes other funding sources, grants, or mitigation.

Changes from 2019 to 2021 CIP:

Deleted:

- Martin Luther King Jr Way Water Main, no longer needed.
- Minkler Blvd Water Looping, completed by developer.
- Crystal Springs Intertie with Highline WD, no longer needed.

Project sheets scheduled beyond 2026
 can be found in the City's website under
 Public Works Capital Improvement Program.

Residential Sewer Rate Comparison as of June 2020

2020 Ranking	CITY	County Sewer Treatment	2016 Total	2017 Total	2018 Total	2020 City Charge	King County Sewer	2020 Total	2021	2022
1	SEATTLE (Typical)	KC	\$ 122.70	\$ 129.30	\$ 122.70	\$ 144.62	\$ 45.33	\$ 189.95		
2	SKYWAY	KC	78.56		90.87	137.28	45.33	182.61		
3	SAMMAMISH PLATEAU	KC	75.19		79.13	37.22	45.33	82.55		
	TUKWILA 2021-2022	KC							82.23	82.23
4	MERCER ISLAND	KC	60.36	62.60	65.10	33.70	45.33	79.03		
5	DUVALL	*	70.82	72.09	74.25	77.86	0.00	77.86		
6	LAKEHAVEN	* & KC	54.91	55.63	58.44	32.17	45.33	77.50		
7	RENTON	KC	70.26	72.98	74.13	30.51	45.33	75.84		
8	TUKWILA 2019-2020	KC	71.03	73.22	74.22	30.00	45.33	75.33		
9	NE SAMMAMISH	KC	65.95	70.60	70.60	28.53	45.33	73.86		
10	WOODINVILLE	KC	69.18	71.34	71.37	27.15	45.33	72.48		
11	CEDAR RIVER W & S	KC	62.60	65.00	67.09	25.85	45.33	71.18		
12	AUBURN	KC	66.32	69.11	69.11	25.45	45.33	70.78		
13	KENT	KC	61.46	66.38	68.16	25.44	45.33	70.77		
14	BELLEVUE	KC	81.23	83.42	86.92	23.80	45.33	69.13		
15	COAL CREEK	KC	63.09	66.03	66.03	22.24	45.33	67.57		
2019	BLACK DIAMOND	KC	62.00	65.24	65.24	21.78	45.33	67.11		
17	ALGONA	KC	53.77		62.50	20.65	45.33	65.98		
18	ALDERWOOD	KC	57.75	58.50	58.50	20.64	45.33	65.97		
19	ISSAQUAH	KC	66.76	na	71.87	19.89	45.33	65.22		
20	REDMOND	KC	56.18		58.37	19.86	45.33	65.19		
21	LAKE FOREST PARK	KC	59.12		62.16	19.02	45.33	64.35		
22	SOOS CREEK	KC	59.88	61.58	62.61	18.76	45.33	64.09		
23	KIRKLAND	KC	86.83		93.02	16.47	45.33	61.80		
24	VALLEY VIEW SEWER	KC	54.05	57.00	58.85	16.07	45.33	61.40		
2019	NORTHSHORE	KC	56.70	59.30	59.30	13.97	45.33	59.30		
26	TACOMA	*	65.79	55.17	57.72	52.26	0.00	52.26		
27	MIDWAY SEWER DISTRICT	*	26.00	27.00	27.00	48.35	0.00	48.35		
28	LYNNWOOD		41.87	43.85	44.80	47.93	0.00	47.93	49.74	51.60
29	SOUTHWEST Suburban Sewer	*	34.30		34.75	38.75	0.00	38.75		
	AVERAGE		\$ 63.95	\$ 65.97	\$ 67.41	\$ 37.11		\$ 74.63		

*Own their own sewer treatment plants
 KC is King County Sewer Treatment
 PC is Pierce County Sewer Treatment

ATTACHMENT E
City of Tukwila
SEWER ENTERPRISE FUND
2021 - 2026 Analysis in 000's

REVENUES	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2020 Estimate	2021	2022	2023	2024	2025	2026	Totals
Monthly Sewer Charges	+5.2%	+3.5%	KC	0%	0%	KC +4.5%	0%	KC +10.25%	0%	KC +10.25%	City +3.4%	
King County Metro Sewer ⁽¹⁾	4,546	4,697	4,840	4,762	4,333	4,977	4,977	5,487	5,487	6,049	6,049	33,026
Regular City Sewer ⁽²⁾	4,865	4,898	4,927	4,720	4,368	4,725	4,730	4,735	4,740	4,745	4,887	28,562
Subtotal Sewer Revenue	9,411	9,595	9,767	9,482	8,701	9,702	9,707	10,222	10,227	10,794	10,936	61,588
Other Misc. Revenue	328	543	976	305	391	305	305	300	300	300	300	1,810
Grant/Bonds/PWTF	0	0	0	0	0	0	0	0	0	0	0	0
Sewer Connection Fees ⁽³⁾	328	244	150	125	85	25	25	0	100	100	0	250
Total Revenues	10,067	10,382	10,893	9,912	9,177	10,032	10,037	10,522	10,627	11,194	11,236	63,648
EXPENDITURES												
Sewer Operations & Maintenance												
King County Metro Sewer ⁽⁴⁾	4,546	4,697	4,840	4,762	4,333	4,977	4,977	5,487	5,487	6,049	6,049	33,026
Regular City Sewer ⁽⁵⁾	1,618	2,109	1,330	1,493	1,773	1,623	1,636	1,639	1,689	1,740	1,800	10,127
Debt Service ⁽⁶⁾	358	359	356	360	355	352	352	348	347	154	154	1,707
<i>Debt Service for PW Shops</i>			80	101	719	93	181	561	561	561	561	2,518
Interfund Utility Tax ⁽⁷⁾ 10%	972	1,000	1,006	979	909	1,001	1,001	1,052	1,053	1,109	1,124	6,340
Engineering Labor ⁽⁹⁾	79	88	93	76	96	469	478	429	84	86	88	1,634
Subtotal	7,573	8,253	7,705	7,771	8,185	8,515	8,625	9,516	9,221	9,699	9,776	55,352
Sewer Capital - CIP Program	1,468	1,410	416	1,900	498	3,202	2,865	2,145	2,755	3,965	3,485	18,417
Total Expenditures	9,041	9,663	8,121	9,671	8,683	11,717	11,490	11,661	11,976	13,664	13,261	73,769
FUND BALANCE												
Change in Fund Balance ^(a)	1,026	719	2,772	241	494	(1,685)	(1,453)	(1,139)	(1,349)	(2,470)	(2,025)	(10,121)
Beginning Balance	7,827	8,697	8,651	8,941	12,269	12,763	11,078	9,625	8,486	7,137	4,667	12,763
Ending Balance	8,853	9,416	11,423	9,182	12,763	11,078	9,625	8,486	7,137	4,667	2,642	2,642

Fund Balance:												
Reserved ^(b) 20% of revenue	1,896	2,013	2,076	2,179	2,179	1,982	2,006	2,007	2,104	2,125	2,239	2,239
Unreserved	6,957	7,403	9,347	7,003	10,584	9,096	7,619	6,478	5,033	2,541	403	403
Ending Balance	8,853	9,416	11,423	9,182	12,763	11,078	9,625	8,486	7,137	4,667	2,642	2,642

^(a) Revenues in excess of (less than) expenditures

^(b) Annual reserve balance requirement equals 20% of the prior year operating revenues.

ATTACHMENT E-1

NOTES TO SEWER ENTERPRISE FUND

- 1) King County Metro sewer and Tukwila's sewer have been split out to present the revenues separately. Metro increases will be passed through to the sewer ratepayers. King County Metro sewer fees will increase 4.50% in 2021 per KC Ordinance No. 19106 and we have factored in potential King County increases for 2022 through 2026.
- 2) No rate increases are proposed for Tukwila sewer in 2021 and 2022. We will continue with the annual rate model review to confirm that the proposed increases are necessary.
- 3) Sewer connection fees for Allentown Phase I and Allentown/Foster Point Phase II.
- 4) King County Metro Sewer treatment fees are passed through to ratepayers.
- 5) City's basic operation and maintenance costs.
- 6) Includes the Public Works Trust Fund (PWTF) Loan and the 2006 Bond for the Allentown/Foster Point Phase II Sewer Improvement Project.

Sewer Debt Service includes:	<u>Expires</u>	<u>2021</u>	<u>2022</u>
2004 PWTF Allentown (62%)	7/1/24	\$196,260.78	\$195,144.69
2006 Bond Allentown (62%)	12/31/26	111,920.83	112,959.35
2013 PWTF CBD Sewer Rehab	12/31/33	<u>43,645.48</u>	<u>43,439.59</u>
Subtotal		\$351,672.31	\$351,543.63
2018 Public Works Shops (10%)	12/31/38	76,399.00	145,749.00
2019 Public Works Shops (10%)	12/31/39	<u>16,830.77</u>	<u>35,327.27</u>
Total		<u>\$445,056.86</u>	<u>\$532,619.90</u>

- 7) An Interfund Utility Tax was approved in October 2009 for the water, sewer, and surface water utilities. Gross revenues are currently taxed 10% through December 31, 2021.
- 8) The Working Capital Reserve Fund's policy was updated in 2012 per Resolution No. 1774 to maintain an adequate fund balance in each of the enterprise funds. For the Enterprise Funds, the unrestricted fund balance shall equal or exceed 20% of the previous year's revenue, exclusive of significant non-operating, non-recurring revenues.
- 9) The Senior Water/Sewer Engineer's salary and benefits are split evenly between the water department and the sewer department. For 2021 through 2023, a Senior Program Manager and a Project Manager have been added to the Sewer Fund. For 2021 and 2022, Technology staff have been added at 22% for the GIS Coordinator and 10% for the Information Systems Project Analyst to assist with the GIS Inventory of the sewer fund.

Sewer Enterprise Fund

The City's Enterprise Funds account for utility operations that are self-supported through user charges. The utilities are financed and operated like a private business enterprise which requires periodic determination of revenues earned; expenses incurred, and net income for capital maintenance, public policy, management control and accountability. The Sewer Fund accounts for operations and capital improvements to provide sanitary sewer to a portion of City residents. Valley View Sewer District also provides sewer in the City.

City of Tukwila
CAPITAL IMPROVEMENT PROGRAM
for
2021 - 2026

SEWER ENTERPRISE FUND
402.98

CIP Page #	PROJECT TITLE	2021	2022	2023	2024	2025	2026	TOTAL	*Other Sources	After Six Years
68	Annual Sewer Repair Program	937	995	875	875	885	885	5,452	0	1,700
69	GIS Inventory of Sewer System	10	50	20	50	100	50	280	0	400
70	CBD Sanitary Sewer Rehabilitation	1,695	1,170	550	550	0	0	3,965	0	0
71	Sewer Lift Stations & Generator Upgrades	240	0	0	480	480	0	1,200	0	910
72	Sewer Lift Station No. 2 Upgrades	170	0	0	0	0	0	170	0	2,300
73	Sewer Comprehensive Plan	150	0	0	0	0	150	300	0	150
74	Abandon Sewer Lift Station No. 9	0	450	700	0	0	0	1,150	0	0
75	Southcenter Blvd Sewer Upgrade	0	200	0	100	1,150	550	2,000	0	0
	Sewer Repair at 14438 59th Ave S	0	0	0	0	0	650	650	0	0
	Sewer Replacement at 14025 Interurban Ave	0	0	0	0	0	100	100	0	900
	Future Sewer Lift Station No. 13	0	0	0	700	1,350	1,100	3,150	0	0
	Valley View West Hill Sewer Transfer Area	0	0	0	0	0	0	0	0	0
	Sewer Lift Station No. 12	0	0	0	0	0	0	0	0	4,400
	APW Sewer connection to KC Metro	0	0	0	0	0	0	0	0	300
	Allentown Phase III - Sewer Revitalization	0	0	0	0	0	0	0	0	1,440
	Ryan Hill - Sewer Revitalization	0	0	0	0	0	0	0	0	1,900
Grand Total		3,202	2,865	2,145	2,755	3,965	3,485	18,417	0	14,400

** Denotes other funding sources, grants, or mitigation.

Changes from 2019 to 2021 CIP:

Project sheets scheduled beyond 2026
can be found in the City's website under
Public Works Capital Improvement Program.

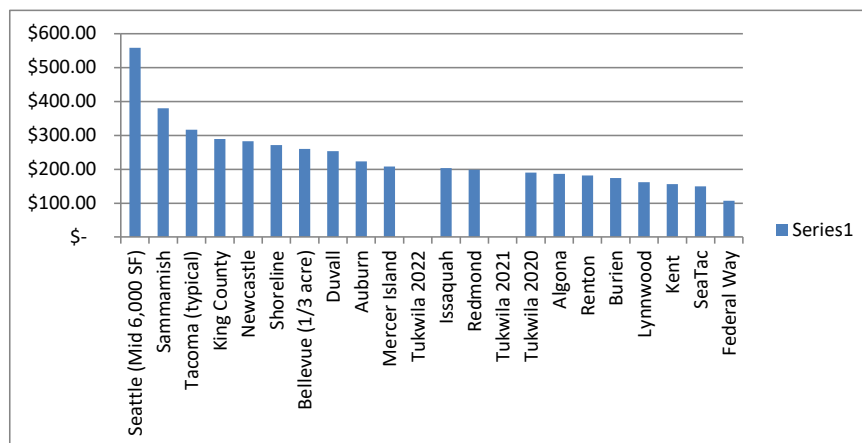
Deleted:

Sewer Repair West of Strander Blvd Bridge, included in 2020 Sewer Repair

Sewer Lift Station Locations	
Lift Station No. 1 - Master Telemetry Panel	600 Minkler Blvd. - Shops
Lift Station No. 2 - Backup Dialer	1105 Andover Pk W (at Minkler Blvd)
Lift Station No. 3	550 Minkler Blvd
Lift Station No. 4	6790 Todd Blvd - Southcenter South
Lift Station No. 5	6830 Fort Dent Way (entrance to Park)
Lift Station No. 6	6820 Fort Dent Way (only serves Park)
Lift Station No. 7 - Abandoned in 2011	was at 14601 Interurban - replaced by gravity sewer
Lift Station No. 8	13359 56th Ave S - Foster Point (new in 2007)
Lift Station No. 9	12638 Interurban - Suburban Propane
Lift Station No. 10	12218 51st Pl S - Allentown (new in 2007)
Lift Station No. 11	18799 Southcenter Pkwy (new in 2012)
Lift Station No. 12	255 Andover Park W - Key Bank parking lot at mall
Lift Station No. 13	Future - Tukwila Pkwy & Andover Park W

SINGLE FAMILY SURFACE WATER RATES as of September, 2020

CITY	2015 Yearly Rate	2016 Yearly Rate	2018 Yearly Rate	Monthly Rate (2020)	2020 Yearly Rate	2021 Yearly Rate	2022 Yearly Rate
Seattle (Mid 6,000 SF)	\$ 350.40	\$ 390.03	\$ 480.86	46.52	\$ 558.27		
Sammamish	\$ 208.68	\$ 214.00	\$ 225.00	31.67	\$ 380.00		
Tacoma (typical)		\$ 267.00	\$ 294.36	26.40	\$ 316.80		
King County	\$ 171.50	\$ 171.50	\$ 240.44	24.08	\$ 289.00		
Newcastle	\$ 159.36	\$ 159.36	\$ 202.79	23.53	\$ 282.36		
Shoreline	\$ 150.09	\$ 160.77	\$ 214.39	22.60	\$ 271.20		
Bellevue (1/3 acre)	\$ 206.82	\$ 372.00	\$ 372.00	21.70	\$ 260.40		
Duvall		\$ 230.52	\$ 241.68	21.12	\$ 253.44		
Auburn	\$ 231.00	\$ 236.76	\$ 242.64	18.58	\$ 222.96		
Mercer Island	\$ 188.76	\$ 191.28	\$ 201.60	17.33	\$ 207.96		
Tukwila 2022							\$ 204.00
Issaquah	\$ 168.96	\$ 177.36	\$ 190.92	16.96	\$ 203.52		
Redmond	\$ 198.72	\$ 198.72	\$ 198.72	16.56	\$ 198.72		
Tukwila 2021						\$ 194.00	
Tukwila 2020		\$ 163.00	\$ 176.00	15.83	190.00		
Algona		\$ 114.00	\$ 162.00	15.50	\$ 186.00		
Renton	\$ 158.40	\$ 164.76	\$ 178.20	15.15	\$ 181.80		
Burien	\$ 153.45	\$ 156.99	\$ 164.40	14.48	\$ 173.74		
Lynnwood	\$ 242.40	\$ 261.84	\$ 305.64	13.52	\$ 162.18	\$ 167.04	\$ 172.08
Kent	\$ 146.64	\$ 146.64	\$ 150.12	13.03	\$ 156.36		
SeaTac	\$ 134.15	\$ 134.15	\$ 149.91	12.49	\$ 149.91		
Federal Way	\$ 95.37	\$ 96.90	\$ 101.60	8.95	\$ 107.37		
Average					\$ 237.60		



ATTACHMENT F
City of Tukwila
SURFACE WATER ENTERPRISE FUND
2021 - 2026 Analysis in 000's

REVENUES	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2020 Estimate	2021	2022	2023	2024	2025	2026	Total
	+5%	+3%	+5%	+3%	+3%	+2%	+5%	+5%	+5%	+5%	+5%	
Annual Billings (Current) ⁽¹⁾	6,148	6,344	6,739	6,863	6,863	7,000	7,350	7,717	8,103	8,508	8,934	47,612
Other Revenues	157	73	71	50	47	50	50	60	65	70	70	365
Grants/Bond Proceeds ⁽²⁾	194	470	310	1,077	1,556	1,833	3,109	1,654	5,975	225	216	13,012
Total Revenues	6,499	6,887	7,120	7,990	8,466	8,883	10,509	9,431	14,143	8,803	9,220	60,989
EXPENDITURES												
Operations & Maintenance	2,033	2,139	2,823	2,414	2,094	2,278	2,261	2,509	2,584	2,635	2,688	14,955
Debt Service ⁽³⁾	303	302	301	301	300	298	285	283	282	22	22	1,474
Debt Service for PW Shops		1,570	1,757	220	791	231	448	1,387	1,388	1,388	1,387	6,229
Interfund Utility Tax ⁽⁴⁾ 10%	617	637	676	691	691	705	740	778	817	858	900	4,798
Engineering Labor ⁽⁶⁾	208	246	148	590	390	667	678	629	633	646	659	3,912
Subtotal	3,161	4,894	5,705	4,216	4,266	4,179	4,412	5,586	5,704	5,549	5,656	31,086
SSWM Capital - CIP Program	3,098	4,305	917	4,400	2,021	4,624	7,330	4,973	8,441	4,290	2,020	31,678
Total Expenditures	6,259	9,199	6,622	8,616	6,287	8,803	11,742	10,559	14,145	9,839	7,676	62,764
FUND BALANCE												
Change in Fund Balance ^(a)	240	(2,312)	498	(626)	2,179	80	(1,233)	(1,128)	(2)	(1,036)	1,544	(1,775)
Beginning Balance	2,603	2,999	2,709	2,595	3,207	5,386	5,466	4,233	3,105	3,104	2,068	5,386
Ending Balance	2,843	687	3,207	1,969	5,386	5,466	4,233	3,105	3,104	2,068	3,611	3,611

Fund Balance:	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2020 Estimate	2021	2022	2023	2024	2025	2026	Total
Reserved ^(b) 20% of revenue	1,261	1,283	1,362	1,383	1,382	1,230	1,410	1,480	1,555	1,634	1,716	1,716
Unreserved	1,582	(596)	1,845	586	4,004	4,236	2,823	1,625	1,548	434	1,896	1,896
Ending Balance	2,843	687	3,207	1,969	5,386	5,466	4,233	3,105	3,104	2,068	3,611	3,611

^(a) Revenues in excess of (less than) expenditures

^(b) Annual reserve balance requirement equals 20% of the prior year operating revenues.

ATTACHMENT F-1

NOTES TO SURFACE WATER ENTERPRISE FUND

- 1) Reflects proposed rate increases of 2% in 2021, and 5% in 2022 through 2026. We will continue with the annual rate model review to confirm that the proposed Surface Water rate increases are necessary.

The National Pollution Discharge Elimination System (NPDES) permit required by the State Department of Ecology is having a significant impact on the Surface Water fund.

- 2) Potential grants and/or bond revenue. Included is the estimated Department of Ecology grant for NPDES and King County Flood Control District Opportunity grants as well as significant grant funding for the Riverton Creek Flapgate Removal Project, the Storm Quality Retrofit Project, the East Marginal Way Storm Outfalls Project, the Gilliam Creek Fish Barrier Removal Project and the Chinook Wind Project.

- 3) Debt schedule includes PWTF loans and the 2006 Allentown Bond.

Debt Service includes:	<u>Expires</u>	<u>2021</u>	<u>2022</u>
2004 PWTF Duwamish (15%)	7/01/21	\$ 11,633.00	Completed
2004 PWTF Cascade View Const.	7/01/24	226,587.02	\$ 225,476.31
2004 PWTF Allentown (12%)	7/01/24	37,956.00	37,769.94
2006 Bond Allentown (12%)	12/31/26	<u>21,662.10</u>	<u>21,863.10</u>
Subtotal		\$ 297,859.71	\$ 285,109.35
2018 Public Works Shops (23%)		188,987.00	360,537.00
2019 Public Works Shops (23%)	12/31/38	<u>41,634.01</u>	<u>87,388.51</u>
	Total	<u>\$ 528,480.72</u>	<u>\$ 733,034.86</u>

- 4) An Interfund Utility Tax was approved in October 2009 for the water, sewer, and surface water utilities. Gross revenues are currently taxed 10% through December 31, 2021.
- 5) The Working Capital Reserve Fund's policy was updated in 2012 per Resolution No. 1774 to maintain an adequate fund balance in each of the enterprise funds. For the Enterprise Funds, the unrestricted fund balance shall equal or exceed 20% of the previous year's revenue, exclusive of significant non-operating, non-recurring revenues.
- 6) Cost of engineering to support capital projects, NPDES, and operation efforts in-house. For 2021 and 2022, Technology staff have been added at 22% for the GIS Coordinator and 10% for the Information Systems Project Analyst to assist with the GIS Inventory of the Surface Water fund.

Surface Water Enterprise Fund

The City's Enterprise Funds account for utility operations that are self-supported through user charges. The utilities are financed and operated like a private business enterprise which requires periodic determination of revenues earned; expenses incurred, and net income for capital maintenance, public policy, management control and accountability. The Surface Water Enterprise Fund accounts for operations and capital improvements for the City's storm drainage and surface water management function. Surface Water projects are required to meet Federal, State and local mandates. The largest contributor to the surface water enterprise fund is the City of Tukwila.

City of Tukwila
CAPITAL IMPROVEMENT PROGRAM
 for
 2021 - 2026

SURFACE WATER
412 Fund

Page #	PROJECT TITLE	2021	2022	2023	2024	2025	2026	TOTAL	**Other Sources	After Six Years
78	Annual Small Drainage Program	900	900	900	900	970	970	5,540	0	673
79	Storm Water Quality Retrofit Program	115	3,314	105	105	110	105	3,854	2,160	115
80	NPDES Program	100	50	55	55	60	60	380	110	65
81	WRIA 9 Watershed Planning	20	21	21	21	22	23	128	87	23
82	Green the Green Program	45	145	55	155	40	173	613	150	200
83	Surface Water Monitoring	35	37	37	38	38	39	224	0	39
84	East Marginal Wy S Stormwater Outfalls	1,276	0	0	0	0	0	1,276	842	0
85	Gilliam Creek Fish Barrier Removal	936	536	405	5,952	2,400	0	10,229	7,076	0
86	Tukwila 205 Levee Certification	500	500	650	650	650	650	3,600	600	0
87	Nelson Side Channel	225	240	1,825	0	0	0	2,290	1,550	0
88	Surface Water Comprehensive Plan	200	0	0	0	0	0	200	0	250
89	S 131st PI Drainage Improvements	150	1,000	0	0	0	0	1,150	250	0
90	Riverton Creek Flap Gate Removal	55	0	0	0	0	0	55	50	0
91	Chinook Wind	59	357	0	0	0	0	416	137	0
92	Surface Water GIS Inventory	0	100	0	150	0	0	250	0	0
93	Northwest Gilliam Storm Drainage System	0	100	840	0	0	0	940	0	0
94	Tukwila Pkwy/Gilliam Creek Outfalls	0	0	60	415	0	0	475	0	0
	S 146th St Pipe & 35th Ave S Drainage	0	0	0	0	0	0	0	0	1,066
	Soils Reclamation Facility	0	0	0	0	0	0	0	0	1,375
	S 143rd Street Storm Drainage System	0	0	0	0	0	0	0	0	1,096
	Nelsen PI/Longacres Surface Water Phase II	0	0	0	0	0	0	0	0	345
	Duwamish Rvrbk Stabilization at S 104th St	0	0	0	0	0	0	0	0	595
	TUC Surface Water Conveyance	0	0	0	0	0	0	0	0	541
Grand Total		4,616	7,300	4,953	8,441	4,290	2,020	31,620	13,012	6,383

** Denotes other funding sources, grants, or mitigation.

Project sheets scheduled beyond 2026
 can be found in the City's website under
 Public Works Capital Improvement Program.

Changes from 2019 to 2021 CIP:
Additions

93 Surface Water Monitoring

Surface Water Lift Station Locations

Storm Lift Station No. 15	5910 S 180th St - Mizuki Grill
Storm Lift Station No. 16	7420 S 180th St (underpass)
Storm Lift Station No. 17	530 Strander Blvd - Bicentennial Park
Storm Lift Station No. 18	4225 S 122nd St - Allentown
Storm Lift Station No. 19	Fort Dent Park (Parks Dept.)

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
TUKWILA, WASHINGTON, ADOPTING A NEW PUBLIC WORKS
FEE SCHEDULE; AND REPEALING RESOLUTION NO. 1945.**

WHEREAS, each year the City analyzes the rate model for the three utility enterprise funds, which are water, sewer and surface water, to ensure revenues keep pace with expenses, to update the traffic model, and to analyze the transportation network to ensure continued compliance with the Growth Management Act and the City's adopted Comprehensive Plan; and

WHEREAS, the City is authorized to impose fees to recoup the costs of services rendered; and

WHEREAS, per an Interagency Agreement, the City will have the King County Treasury Operations provide services for managing the City's surface water management database, include the City's surface water charges on ratepayers' King County property tax bill, and provide customer service related to those surface water charges;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, HEREBY RESOLVES AS FOLLOWS:

Section 1. Public Works fees will be charged according to the following schedule, which shall supersede any previously adopted Public Works Fee Schedule and take effect as of January 1, 2021:

PUBLIC WORKS FEE SCHEDULE

WATER RATES	FEE
Water Meter Installation	
.75 inch	\$ 600.00
1 inch	\$ 1,100.00
1.5 inch	\$ 2,400.00
2 inch	\$ 2,800.00
3 inch	\$ 4,400.00
4 inch	\$ 7,800.00
6 inch	\$12,500.00
Water Meter Deduct	\$25.00

WATER RATES (CONT.)	FEE		
Water Base Charge (Monthly)	In addition to the monthly water base charge, each 100 cubic feet of water used will be charged as shown in "Water Rates (Monthly)."		
	Current <u>2020</u>	Proposed <u>2021</u>	Proposed <u>2022</u>
Single Family (one dwelling unit)	\$ 19.00	\$ 19.00	\$ 20.00
Multi-Family (more than one dwelling unit, each dwelling is charged the base charge)	\$ 19.00	\$ 19.00	\$ 20.00
Commercial/Industrial Customers:	Current <u>2020</u>	Proposed <u>2021</u>	Proposed <u>2022</u>
3/4 inch Service	\$ 49.00	\$ 50.00	\$ 52.00
1 inch Service	\$ 61.00	\$ 62.00	\$ 65.00
1-1/2 inch Service	\$ 88.00	\$ 90.00	\$ 94.00
2 inch Service	\$115.00	\$117.00	\$123.00
3 inch Service	\$165.00	\$168.00	\$176.00
4 inch Service	\$220.00	\$224.00	\$235.00
6 inch Service	\$331.00	\$338.00	\$355.00
8 inch Service	\$441.00	\$450.00	\$472.00
10 inch Service	\$551.00	\$562.00	\$590.00
12 inch Service	\$661.00	\$674.00	\$708.00
Water Rates (Monthly)	In addition to the monthly water base charge listed above, each 100 cubic feet of water will be charged at the following rates:		
	Current <u>2020</u>	Proposed <u>2021</u>	Proposed <u>2022</u>
Single Family Residence (Oct-May)	\$2.80	\$2.86	\$3.00
Single Family Residence (Jun-Sept)	\$3.90	\$3.98	\$4.18
Multi-Family (Oct-May)	\$3.40	\$3.46	\$3.62
Multi-Family (Jun-Sept)	\$4.70	\$4.78	\$5.02
Commercial/Industrial (Oct-May)	\$5.10	\$5.20	\$5.44
Commercial/Industrial (Jun-Sept)	\$6.90	\$7.04	\$7.38
Fire Protection Service Charges (Monthly)	Per month based on size of service.		
	Current <u>2020</u>	Proposed <u>2021</u>	Proposed <u>2022</u>
2 inch Service	\$ 10.00	\$ 10.00	\$ 10.50
3 inch Service	\$ 22.00	\$ 22.00	\$ 23.00
4 inch Service	\$ 39.00	\$ 39.00	\$ 41.00
6 inch Service	\$ 88.00	\$ 88.00	\$ 92.00
8 inch Service	\$132.00	\$132.00	\$138.00
10 inch Service	\$220.00	\$220.00	\$230.00
12 inch Service	\$287.00	\$287.00	\$300.00

WATER SERVICES	FEE
Water Turn On	\$ 50.00
After-Hour Water Turn On – additional fee for customer requested after-hours water turn on	\$ 100.00
Unauthorized Water Usage – after shut-off for non-payment	\$ 100.00
Special Meter Read – customer requested meter read outside normal read schedule	\$ 30.00
Shut-off notice	\$ 30.00
Change in owner, tenant, and/or third party paying agent	\$ 20.00
Emergency Conservation Sanction	\$ 100.00
WATER SERVICES	FEE
Temporary Water Meter Deposit .75" and 1" water meter	\$ 300.00
2.5" water meter	\$1,500.00
Temporary Water Meter Rental per minimum 60 days expiration .75" and 1" water meter	\$ 75.00
2.5" water meter	\$ 150.00
WATER INTEREST CHARGE	RATE
On all water accounts 30 days in arrears from the date of delinquency until paid	8% per annum computed on a monthly basis

SEWER RATES	FEES
Residential Sewer Service (single dwelling unit)	Flat rate of \$30.00 per month <i>[TMC 14.16.030 (1)]</i>
Residential Sewer Service (multiple dwelling unit, permanent type)	Flat rate of \$30.00 per month for each dwelling unit <i>[TMC 14.16.030 (2)].</i>
Commercial and Industrial Sewage Service	Flat rate of \$55.36 per month and, in addition, any usage over 750 cubic feet of water per month shall be at the rate of \$55.36 per 750 cubic feet <i>[TMC 14.16.030 (4)].</i> Flat rate of \$55.36 per month and, in addition, any usage over 750 cubic feet of water per month shall be at the rate of \$55.36 per 750 cubic feet <i>[TMC 14.16.030 (4)].</i>
SEWER INTEREST CHARGE	RATE
On all sewer accounts 30 days in arrears from the date of delinquency until paid	8% per annum computed on a monthly basis

SEWAGE TREATMENT RATES

As of 2021, the City Sewage Treatment Charges as required by the Agreement for Sewage Disposal between the King County Metropolitan Services and the City of Tukwila are set at a flat rate of \$47.37 per single family dwelling.

For multiple family and commercial/industrial accounts, there is a minimum charge of \$47.37 per meter for up to 750 cubic feet of consumption plus \$47.37 per each additional 750 cubic feet or fraction thereof. (Consumption x 6.044) (47.37 / 7.5)

SURFACE WATER RATES	FEE PER YEAR		
Surface Water Utility Rates Per Year	Service Charge <u>Per Acre</u>		
<u>Category:</u>	<u>Current</u> <u>2020</u>	<u>Proposed</u> <u>2021</u>	<u>Proposed</u> <u>2022</u>
1. Natural	\$ 229.54	\$ 234.12	\$ 245.82
2. 0 - 20% Developed Surface	\$ 499.16	\$ 509.14	\$ 534.60
3. 21 - 50% Developed Surface	\$ 914.88	\$ 933.18	\$ 979.84
4. 51 - 70% Developed Surface	\$1,365.18	\$1,392.48	\$1,462.10
5. 71 - 85% Developed Surface	\$1,644.64	\$1,677.52	\$1,761.40
6. 86 - 100% Developed Surface	\$1,918.50	\$1,956.86	\$2,054.70
7. Single-Family Residential Parcels (flat rate per residential parcel)	\$ 190.00	\$ 194.00	\$ 204.00
SURFACE WATER INTEREST CHARGE	RATE		
On all surface water accounts 30 days in arrears from the date of delinquency until paid	8% per annum computed on a monthly basis		

TRANSPORTATION CONCURRENCY TEST FEE SCHEDULE			
Fees for Residential and Lodging Use			
UNIT	ALL TYPES OF RESIDENTIAL ¹	ROOMS ²	HOTEL/MOTEL
Between 1 and 3	\$400	40 and under	\$3,000
Between 4 and 5	\$500	Between 41 and 60	\$4,800
Between 6 and 10	\$900	Between 61 and 80	\$6,800
Between 11 and 15	\$1,500	Between 81 and 100	\$8,500
Between 16 and 20	\$2,100	Between 101 and 120	\$10,500
Between 21 and 25	\$2,600	Between 121 and 150	\$12,800
Between 26 and 30	\$3,200	Between 151 and 180	\$24,800
Between 31 and 40	\$4,000	Between 181 and 220	\$30,000
Between 41 and 60	\$5,700	Between 220 and 260	\$36,000
Greater than 60	\$6,800	Between 261 and 300	\$46,000
		Greater than 300	\$49,800
¹ All residential uses defined by the ITE Trip Generation Manual Land Use Codes 200-299, including single family, multi-family, mobile home parks, and shared housing ² All lodging uses defined by the ITE Trip Generation Manual Land Use Codes 300-399, including all hotels and motels.			

Fees for Non-Residential Use						
GROSS FLOOR AREA	INDUSTRIAL³	OFFICE⁴	RETAIL⁵	EATERY⁶	INSTITUTIONAL & PORT⁷	
Less than 5,000	\$ 800	\$ 800	\$ 4,500	\$ 3,500	\$ 300	
Between 5,001 and 10,000	\$ 1,500	\$ 2,200	\$10,000	\$10,500	\$ 800	
Between 10,001 and 20,000	\$ 2,500	\$ 4,300	\$16,700	\$20,900	\$ 1,600	
Between 20,001 and 30,000	\$ 3,500	\$ 6,900	\$24,400	\$21,000	\$ 2,600	
Between 30,001 and 40,000	\$ 8,300	\$ 9,500	\$31,300	\$21,000	\$ 3,600	
Between 40,001 and 50,000	\$ 7,000	\$12,000	\$37,700	\$21,000	\$ 4,700	
Between 50,001 and 70,000	\$ 9,500	\$15,800	\$46,600	\$21,000	\$ 6,200	
Between 70,001 and 90,000	\$12,500	\$20,800	\$57,600	\$21,000	\$ 8,200	
Between 90,001 and 150,000	\$19,000	\$32,900	\$77,800	\$21,000	\$13,400	
Between 150,001 and 200,000	\$27,500	\$43,600	\$85,000	\$21,000	\$18,000	
Greater than 200,000	\$31,500	\$49,500	\$95,000	\$21,000	\$20,500	
All other uses are charged a \$250 per PM peak hour trip.						
³ All industrial/agricultural uses defined by the ITE Trip Generation Manual Land Use Codes 100-199, including light and heavy industrial, manufacturing, and warehousing ⁴ All office, medical, and service-related uses defined by the ITE Trip Generation Manual Land Use Codes 600-699, 700-799, and 900-999, including general office, medical facilities, and banks ⁵ All retail and recreation uses defined by the ITE Trip Generation Manual Land Use Codes 400-499, 800-830 and 837-899, including retail sales, rental sales, athletic clubs, and theaters ⁶ All food service uses defined by the ITE Trip Generation Manual Land Use Codes 930-940, excluding accessory (stand-alone) drive-through espresso stands (or similar) under 250 sq. ft., which are assessed \$400 ⁷ All institutional and transportation uses defined by the ITE Trip Generation Manual Land Use Codes 000-099 and 500-599, including schools, places of worship, day care, terminals, and transit						

POLE ATTACHMENT FEES	FEE PER YEAR
Pole Attachment (per pole) Natural.....	\$100.00 per year
Pole revisions to allow for attachments.....	Actual costs (engineering, labor, inspections, etc.)
Conduit Rental	\$1.00 per foot per year
City Dark Fiber Rental.....	\$200.00 per strand per mile per year
Installation fees	Actual costs (engineering, labor, inspections, etc.)

Section 2. Repealer. Resolution No. 1945 is hereby repealed.

PASSED BY THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, at a Regular Meeting thereof this _____ day of _____, 2020.

ATTEST/AUTHENTICATED:

Christy O'Flaherty, MMC, City Clerk

De'Sean Quinn, Council President

APPROVED AS TO FORM BY:

Filed with the City Clerk: _____
Passed by the City Council: _____
Resolution Number: _____

Office of the City Attorney