



INFORMATIONAL MEMORANDUM

To: Transportation and Infrastructure Services Committee
From: Hari Ponnekanti, Public Works Director/City Engineer
By: Brittany Robinson, Public Works Analyst
CC: Mayor Ekberg
Date: October 14, 2022
Subject: Public Works Fee Resolution for Water, Sewer, and Surface Water Rates

ISSUE

Adopt Public Works Fee Schedule Resolution for 2023 and 2024.

BACKGROUND

The City's Public Works Department manages three utility funds – Water, Sewer, and Surface Water. The Water and Sewer Utilities serve approximately 60% of the property owners in the City, while the Surface Water Utility serves all properties within City limits. Utility rates provide the bulk of the revenue that supports the operations of the water, sewer, and surface water operations in the City of Tukwila. These rates are reviewed biennially as a part of the City's budget and Capital Improvement process. The City's Budget, Capital Improvement Program and Comprehensive Plan all reference or include the policies that govern rate development.

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.

Discussion of rate increases were brought forward to Council at the October 3, 2022 Transportation & Infrastructure Services Meeting and subsequent Committee of the Whole meeting on October 10, 2022.

RECOMMENDATION

Council is being asked to adopt the City's 2023 and 2024 water, sewer, and surface water proposed rate increases in accordance with the Public Works Fee Schedule Resolution and consider this item on the Consent Agenda at the November 7, 2022 Regular Council Meeting.

Attachment: Public Works Fee Schedule Draft Resolution

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, ADOPTING A NEW PUBLIC WORKS FEE SCHEDULE; AND REPEALING RESOLUTION NOS. 2016 AND 2039.

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;

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, 2023:

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
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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)."		
	<u>Current</u> <u>2022</u>	<u>Proposed</u> <u>2023</u>	<u>Proposed</u> <u>2024</u>
Single Family (one dwelling unit)	\$ 20.00	\$ 21.00	\$ 21.50
Multi-Family (more than one dwelling unit, each dwelling is charged the base charge)	\$ 20.00	\$ 21.00	\$ 21.50
Commercial/Industrial Customers:	<u>Current</u> <u>2022</u>	<u>Proposed</u> <u>2023</u>	<u>Proposed</u> <u>2024</u>
3/4 inch Service	\$ 52.00	\$ 56.00	\$ 60.00
1 inch Service	\$ 65.00	\$ 68.00	\$ 72.00
1-1/2 inch Service	\$ 94.00	\$ 98.00	\$104.00
2 inch Service	\$123.00	\$129.00	\$135.00
3 inch Service	\$176.00	\$185.00	\$194.00
4 inch Service	\$235.00	\$246.00	\$259.00
6 inch Service	\$355.00	\$372.00	\$391.00
8 inch Service	\$472.00	\$495.00	\$520.00
10 inch Service	\$590.00	\$619.00	\$650.00
12 inch Service	\$708.00	\$740.00	\$770.00
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:		
	<u>Current</u> <u>2022</u>	<u>Proposed</u> <u>2023</u>	<u>Proposed</u> <u>2024</u>
Single Family Residence (Oct-May)	\$3.00	\$3.39	\$3.83
Single Family Residence (Jun-Sept)	\$4.18	\$4.18	\$4.18
Multi-Family (Oct-May)	\$3.62	\$4.08	\$4.56
Multi-Family (Jun-Sept)	\$5.02	\$5.02	\$5.02
Commercial/Industrial (Oct-May)	\$5.44	\$6.15	\$6.95
Commercial/Industrial (Jun-Sept)	\$7.38	\$7.38	\$7.38
Fire Protection Service Charges (Monthly)	Per month based on size of service.		
	<u>Current</u> <u>2022</u>	<u>Proposed</u> <u>2023</u>	<u>Proposed</u> <u>2024</u>
2 inch Service	\$ 10.50	\$ 11.00	\$ 11.25
3 inch Service	\$ 23.00	\$ 24.00	\$ 25.00
4 inch Service	\$ 41.00	\$ 43.00	\$ 44.00
6 inch Service	\$ 92.00	\$ 97.00	\$100.00
8 inch Service	\$138.00	\$145.00	\$149.00
10 inch Service	\$230.00	\$242.00	\$249.00
12 inch Service	\$300.00	\$315.00	\$325.00

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 <u>\$31.00</u> per month [TMC 14.16.030 (1)]
Residential Sewer Service (multiple dwelling unit, permanent type)	Flat rate of \$30.00 <u>\$31.00</u> per month for each dwelling unit [TMC 14.16.030 (2)].
Commercial and Industrial Sewage Service	Flat rate of \$55.36 <u>\$57.02</u> per month and, in addition, any usage over 750 cubic feet of water per month shall be at the rate of \$55.36 <u>\$57.02</u> per 750 cubic feet [TMC 14.16.030 (4)].

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 ~~2022~~ 2023, 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 ~~\$49.27~~ \$52.11 per single family dwelling.

For multiple family and commercial/industrial accounts, there is a minimum charge of ~~\$49.27~~ \$52.11 per meter for up to 750 cubic feet of consumption plus ~~\$49.27~~ \$52.11 per each additional 750 cubic feet or fraction thereof. (Consumption x 6.5693) (~~49.27~~ 52.11 / 7.5)

SURFACE WATER RATES	FEE PER YEAR
Surface Water Utility Rates Per Year	Service Charge Per Acre

<u>Category:</u>	<u>Current 2022</u>	<u>Proposed 2023</u>	<u>Proposed 2024</u>
1. Natural	\$ 245.82	\$ 258.11	\$ 271.01
2. 0 - 20% Developed Surface	\$ 534.60	\$ 561.33	\$ 589.40
3. 21 - 50% Developed Surface	\$ 979.84	\$1,029.83	\$1,080.27
4. 51 - 70% Developed Surface	\$1,462.10	\$1,535.20	\$1,611.96
5. 71 - 85% Developed Surface	\$1,761.40	\$1,849.47	\$1,941.94
6. 86 - 100% Developed Surface	\$2,054.70	\$2,157.43	\$2,265.30
7. Single-Family Residential Parcels (flat rate per residential parcel)	\$ 204.00	\$ 215.00	\$ 226.00
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 RESIDENTIAL¹		ROOMS²		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 Nos. 2016 and 2039 are hereby repealed.

PASSED BY THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, at a Regular Meeting thereof this _____ day of _____, 2022.

ATTEST/AUTHENTICATED:

Christy O'Flaherty, MMC, City Clerk

Thomas McLeod, Council President

APPROVED AS TO FORM BY:

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

Office of the City Attorney