# RESOLUTION NO. 640

A RESOLUTION ESTABLISHING RATES AND CHARGES IN RELATION TO THE STORM WATER UTILITY OF THE CITY; REPEALING RESOLUTION 545; & PROVIDING AN EFFECTIVE DATE.

#### RECITALS:

1. Pursuant to existing Ordinances, the City established a storm water utility.

2. Those Ordinances authorized the establishment by resolution of rates and charges to be paid by those benefitted by and within the area subject to the storm water. This was done most recently through the adoption of Resolution 545.

3. In setting those rates and charges, the Council and Mayor considered the factors set forth within the Ordinance, as well as such other information and factors as have been developed since the adoption of the Ordinance, including the information referenced in Recital 4.

4. Since the adoption of Resolution 545, the Council has received the recommendations contained within a Storm Water Utility Plan prepared by the City's engineering consultant. While that Plan recommended significant increases in rates, the Council and Mayor do not find such increases appropriate at this

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time to the extent they relate to the capital improvement component of that study. Rather they have chosen to modify the rates in a more limited manner so as to reflect both the impacts of increased costs and the impact of fee increases upon the utility's customers.

5. In light of those factors, the rates set forth herein are found to be reasonable, necessary, and appropriate to operate the utility.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS BY THE CITY COUNCIL OF THE CITY OF McCLEARY, THE MAYOR CONCURRING:

#### SECTION I: AUTHORIZATION:

Pursuant to the authority granted by the Ordinance establishing the utility, there is hereby created and imposed in Section II a system of rates and charges on each parcel of real property within the City served by or which is capable of receiving benefit and service by and from the Storm Water Utility established by Ordinance.

## SECTION II: RATES AND CHARGES:

The following Utility rates and charges are hereby established for all parcels of real property in the City:

2.1. <u>System Development Charge</u>: The charge assessed to all parcels upon application for development. The System Development Charge shall be a one-time charge of #<u>578.90</u>((\$578.90)) for all applications received on and after the effective date of this resolution. This charge shall be

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adjusted annually as of December 16, 2012, and each December 16 thereafter as provided in Section III of this resolution.

2.2. Monthly Charges:

2.2.1: The following shall be billed upon the same billing schedule as is provided for the other utility services of the City.

A. <u>Single-Family Parcels</u>: The base single-family residential charge shall be \$7.00 per month for each Equivalent Service Unit (ESU) for a parcel having one residential unit. This uniform rate is based upon each residential unit being equal to or less than 3,000 square feet, or fraction thereof, of impervious surface.

B. <u>Multiple Family Parcels (two or more units)</u>: Base shall be \$7.00 for the first 3,000 square feet of impervious surface, or fraction thereof, and \$3.00 for each additional 3,000 square feet, or fraction thereof, of impervious surface area.

C. <u>Non-residential Parcels</u>: Base shall be \$7.00 for the first 3,000 square feet of impervious surface, or fraction thereof, and \$3.00 for each additional 3,000 square feet, or fraction thereof, of impervious surface area.

2.2.2: In the event that more than one utility account is based upon services provided to improvements located upon one parcel, the monthly charges set out in subsection 2.2.1 [B] or 2.2.1[C] shall be billed to and be the responsibility of the owner of the parcel.

RESOLUTION -B- 3 02/11/2012 DG/le 2.2.3: The charges established in §2.2.1 shall be adjusted annually as of December 16, 2012, and each December 16 thereafter as provided in Section III of this resolution

# SECTION III: ANNUAL ADJUSTMENT:

In recognition of the necessity of assuring that the rates established for this service remain consistent with the increase in costs and of the billing period utilized by the City utility, the rates set by Section II of this resolution shall be subject to adjustment as of December of each calendar year.

The adjustment shall be the greater of either three percent (3%) or the monetary amount which is the result of the following calculation:

A. <u>Methodology of Calculation</u>: The then existing utility rate multiplied by a figure established as the average of the Seattle-Tacoma-Bremerton Area Bi-Monthly Index CPI-U (June compared with June) and the US All City Average CPI-U for the same period . [Example: S-T-B Area Bi-monthly Index CPI-U is 3.5% and the US All City Average CPI-U for that period is 2.5%. The multiplier to be utilized is 3.0%. If the existing rate is \$4.00, the result would be an increase of \$00.12 for an adjusted rate of \$4.12.]

#### B. <u>Principals of application</u>:

The average for the CPI multiplier, if not an even
1/10th of a percent, shall be rounded upward to the nearest
1/10th of a percent.

RESOLUTION -B- 4 02/11/2012 DG/le 2. The resulting product of the calculation carried out pursuant to §A shall be rounded to the next highest 1/10th of a dollar, if the initial calculation does not so result.

## SECTION IV: REPEAL & EFFECTIVE DATE:

4.1. This resolution shall take effect at 12:01 a.m. on the day following adoption with the rates established by the provisions of Section II to be applied as to any utility billing issued by the City on and after the  $\underline{/4^{++}}_{day}$  of  $\underline{March}_{day}$ , 201  $\underline{2}_{A}$ 

4.2. Resolution 545 shall be repealed as of the effective date of this resolution: PROVIDED THAT, such repeal shall not affect any obligations which have arisen under the provisions of that resolution, whether fiscal or otherwise.

PASSED THIS 14<sup>4</sup>DAY OF <u>March</u>, 2012, by the City Council of the City of McCLEARY, and signed in authentication therewith this <u>1444</u> day of <u>March</u>, 2012.

CITY OF McCLEARY:

D. GARY Mayor

ATTEST:

Treasurer

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APPROVED AS TO FORM:

DANIEL O. GLENN, City Attorney

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