resolution no. <u>655</u>

A RESOLUTION RELATING TO PUBLIC SERVICES; ESTABLISHING AND CONFIRMING FEES IN RELATION TO CONNECTION TO THE CITY'S UTILITY SYSTEMS; REPEALING RESOLUTION 580; AND PROVIDING FOR EFFECTIVE DATES.

#### RECITALS:

- 1. Pursuant to the applicable provisions of the Municipal Code, the Council and Mayor may set by written resolution fees and rates to be charged for specified City provided services and provide for certain mechanisms in relation to the adjustment thereof.
- 2. The necessity of the continued collection of the authorized levels of fees and rates and the mechanisms for their adjustment has been confirmed by the Mayor and Council during the most recent review of the financial affairs of the City. Those fees and rates were set out in Resolution 580.
- 3. The fees and rates set in the following sections are the same as set out in Resolution 580. Pursuant to the provisions of that resolution, the actual fee amount which is current payable has been adjusted on an annual basis as required. The fees for 2013 are set forth in the following schedules.

RESOLUTION -C- 1 4/5/2013 DG/le 4. The Mayor and Council have received certain recommendations in relation to the time period set out in Section III.A allowing for a more extended period of inactivity. Rather than amending only that section, so as to insure ease of reference, the Council is repealing Resolution 580 and ratifying the CPI adjustments as well as setting forth certain fees authorized pursuant to Ordinance \_\_\_\_\_.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS BY THE CITY COUNCIL OF THE CITY OF McCLEARY, THE MAYOR SIGNING IN AUTHENTICATION THEREOF:

SECTION I: On and after the effective date of this resolution, the following overall connection fee (OCF) to be paid by a party seeking to obtain connection to the City's water and sewer utility shall be as set forth herein.

- A. As to properties within the corporate limits of the City at the time of the submission of the request for connection, the following connection fees shall be required prior to connection to the utility in question.
- 1. <u>Single family residence</u>: As to a single family residence, a base overall connection fee, hereinafter referred to for convenience by the acronym BOCF, shall apply for a connection requiring service for no more than an equivalent residential unit (ERU):

- a. As to a water connection, the sum of \$4,029.00.
- b. As to a sewer connection, the sum of \$5,159.00.
- 2. <u>Non-single-family water and sewer connections</u>: As to such connections, the following provisions shall apply:
- a. <u>Multi-family</u>: An overall connection fee (OCF) determined by multiplying the base overall connection fee (BOCF) for the connection requested by a figure representing the equivalent residential units, the applicable ERU figure being derived by application of the standards set forth in the applicable adopted planning document or plan.
- b. <u>Commercial Connections</u>: The BOCF for the utility connection sought shall be applicable: PROVIDED THAT, in the event the City Administrator determines the utilization of the utility will exceed an ERU, the OCF shall be determined by the Administrator as a product of the BOCF multiplied by the ERU derived by application of the standards set forth in the applicable adopted planning document or plan.
- c. <u>Industrial</u>: Shall be calculated and established by the Administrator based upon the BOCF of the utility connection sought multiplied by the number of ERU represented by the utilization for the applicant property derived by application of the standards set forth in the applicable adopted planning document or plan.

- B. As to properties outside of the corporate limits at the time of the submission of the completed application, the following connection fees shall apply:
- 1. <u>Single family residence</u>: As to a single family residence, a base overall connection fee, hereinafter referred to for convenience by the acronym BOCF, shall apply for a connection requiring service for no more than an equivalent residential unit (ERU):
  - a. As to a water connection, the sum of \$4,895.00.
  - b. As to a sewer connection, the sum of \$7,338.00.
- 2. <u>Non-single-family water and sewer connections</u>: As to such connections, the following provisions shall apply:
- a. <u>Multi-family</u>: An overall connection fee (OCF) determined by multiplying the base overall connection fee (BOCF) for the connection requested by a figure representing the equivalent residential units, the applicable ERU figure being derived by application of the standards set forth in the applicable adopted planning document or plan.
- b. <u>Commercial Connections</u>: The BOCF for the utility connection sought shall be applicable: PROVIDED THAT, in the event the City Administrator determines the utilization of the utility will exceed an ERU, the OCF shall be determined by the Administrator as a product of the BOCF multiplied by the ERU

derived by application of the standards set forth in the applicable adopted planning document or plan.

c. <u>Industrial</u>: Shall be calculated and established by the Administrator based upon the BOCF of the utility connection sought multiplied by the number of ERU represented by the utilization for the applicant property derived by application of the standards set forth in the applicable adopted planning document or plan.

SECTION II: Labor & material costs: The cost for the City's provision of the necessary labor and materials to achieve the physical connection to the system shall be in addition to the fee set forth in Section I. These shall be such figures as are established in the schedule issued by the Administrator, who is hereby authorized to establish and maintain such schedule. These schedules shall reflect the then existing current material costs and current City labor costs, as determined on the 1st day of January of each calendar year and subject to adjustment on the 1st day of July of each calendar year.

## SECTION III: Changes in existing connections:

A. Subject to the responsibility to pay any fees established by subsection B (required as a result of more extensive use of the property or change of use), an applicant seeking service to a property which is being served as of the

date of the application and/or has been served by the utility from which service is sought within the six months immediately preceding the date upon which application was filed shall not be required to pay the reactivation or closure fees authorized by Section 13.24.070 MMC.

- B. The following provisions shall apply to an application which will either result (1) in a change of use through increased consumption, or (2) an increase in the number of residential, commercial, industrial, or business equivalency units actually served by the particular utility connection as contrasted with existing use.
- 1. The City shall calculate the connection fee which would be charged if the applicant was seeking connection for the current actual utilization, as well as the connection fee which would be charged for the proposed use. The calculations shall be done as if the applicant was making a request for initial connection to the utility system. In the event that the figure for a proposed use exceeds the figure determined for the existing use, this differential shall be paid to the City.
- 2. Payment of the amount determined pursuant to this Section shall be required whether the increased use is [1] as a result of the replacement of an existing structure or structures with a new structure or new structures, [2] as the result of the

remodeling of an existing structure or structures, [3] the placement of an additional structure upon the served property, or [4] any combination thereof.

C. For purposes of applicable Ordinances and Resolutions, a property shall be deemed to have been served or be being served by the utility in question so long as there is or has been, within the period established in Section I, an active account maintained with the City for which billings were rendered as a result of the actual utilization upon the subject property of the utility in question.

# SECTION IV: Adjustment:

To reflect the effect of inflation, commencing with the year 2014, the monetary figures established pursuant to the provisions of this resolution shall be increased, as of the date of the commencement of each calendar year, as follows.

The adjustment shall be the greater of (1) three percent (3%) or (2) the monetary amount which is the result of the following calculation:

A. Methodology of Calculation: The then existing connection fee 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%.

### B. Principals of application:

- 1. 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.
- 2. The resulting product of the calculation carried out pursuant to §A shall be rounded up or down to the nearest dollar.

### SECTION V:

A. The fee to be paid for reactivation of a utility service shall be as follows [Service not active for more than six months and less than five years prior to date of application to recommence.]:

1. Water Service: \$200.00

2. Sewer Service: \$250.00

B. The fee to be paid to recommence provision of utility service to a connection deemed to have been closed [Service not active for five years or more prior to date of application to recommence.]:

1. Water Service: \$525.00

2. Sewer Service: \$650.00

SECTION VI: The provisions of this resolution, including rate structure, shall be effective as of 12:01 a.m.

upon the day following adoption hereof: PROVIDED THAT, any completed application meeting the qualifications for submission to the City and on file in the Office of the Clerk-treasurer prior to adoption of this resolution shall be processed under existing provisions.

SECTION VII: Resolution 580 shall be repealed as of the effective date of this resolution, subject to the continued efficacy of the rates as set forth in Section V: PROVIDED THAT, such repeal shall not effect any billing or obligation for services received prior to that date under the terms of that resolution.

PASSED THIS  $10^{4M}$ DAY OF  $10^{4M}$ DAY OF

CITY OF McCLEARY:

D. GARY DENT, Mayor

ATTEST:

WENDY COLLINS Clerk-Treasurer

APPROVED AS TO FORM:

DANIEL O. GLENN, City Attorney

RESOLUTION -C- 9 4/5/2013 DG/le

CITY OF McCLEARY 100 SOUTH 3RD STREET McCLEARY, WASHINGTON 98557