



City Council

Approval of Revised Ordinance Adopting the 2015 Utility Rates and General Facilities Charges

Agenda Date: 1/13/2015
Agenda Item Number: 3.E
File Number: 15-0020

Type: ordinance **Version:** 2 **Status:** Passed

Title

Approval of Revised Ordinance Adopting the 2015 Utility Rates and General Facilities Charges

Recommended Action

Committee Recommendation:

N/A

City Manager Recommendation:

Move to approve on second reading the revised ordinance adopting 2015 utility rates and charges.

Report

Issue:

On December 16, 2014, City Council approved an ordinance adopting the 2015 utility rates and general facility charges for Drinking Water, Wastewater, Storm and Surface Water, and Waste ReSources Utilities. After the approval, staff identified a minor omission in the wastewater rate charges. The attached ordinance corrects the omission (see page 5).

Staff Contact:

Andy Haub, P.E., Director, Public Works Water Resources, 360.753.8475

Presenter(s):

Consent Item - No Presenters

Background and Analysis

The background and analysis have not changed from first to second reading.

The rate ordinance adopting the 2015 Wastewater Utility rates intended to enact a two percent across-the-board rate increase. The two percent increase is consistent with City Council and Utility Advisory Committee recommendations.

After Council adoption of the ordinance, staff realized that a component of the wastewater rate was omitted from the ordinance. The two percent rate increase was not applied to the consumption-based wastewater rates for non-single family accounts. The revised ordinance corrects the omission with

the following change in the Olympia Municipal Code:

Nonresidential accounts shall be billed one (1) ERU minimum per month. ERU charges in excess of one (1) ERU shall be billed at the rate of ~~\$2.75~~ \$2.81 per 100 cf. for local collection system.

Note: ERU stands for Equivalent Residential Unit and c.f. is cubic feet

Neighborhood/Community Interests (if known):

A typical residential customer in 2015 will see a 4 percent, or an \$8.58, increase in their bi-monthly bills (\$4.29/month).

Options:

1. Move to approve on second reading the revised ordinance adopting 2015 utility rates and charges.

Implications: Enacts ordinance consistent with City Council intentions.

1. Leave the consumption-based wastewater rates for nonresidential accounts at the 2014 level.

Implications: 1. Inconsistent with 2015 rate calculations.

2. Reduces anticipated revenue for 2015.

Financial Impact:

The proposed change is consistent with City Council and Utility Advisory Committee recommendations for 2015 utility rates.

Attachment:

Revised 2015 Utility Rates Ordinance