

ORDINANCE NO. 10-956

AN ORDINANCE OF THE CITY OF BLACK
DIAMOND, KING COUNTY, WASHINGTON;
RELATING TO WATER SERVICE RATES;
AMENDING SECTION 13.04.280 OF THE BLACK
DIAMOND MUNICIPAL CODE; IMPLEMENTING
A RATE INCREASE SET FOR IN THE 2008
WATER RATE STUDY; PROVIDING FOR
SEVERABILITY; ESTABLISHING AN EFFECTIVE
DATE

WHEREAS, the City of Black Diamond is a municipal corporation operating under the laws of the state of Washington as a code city pursuant to Chapter 35A of the Revised Code of Washington; and

WHEREAS, as a code city, the legislative body of the City of Black Diamond is vested with all powers possible for a city or town to have under the Constitution of this state, and not specifically denied to code cities by law; and

WHEREAS, RCW Ch. 35.92 authorizes the City of Black Diamond to construct, condemn and purchase, acquire, add to, alter, maintain, and operate waterworks, for the purpose of furnishing the City and its inhabitants, and any other persons, with an ample supply of water for all purposes, public and private, with full power to regulate and control the use, distribution, and price thereof; and

WHEREAS, RCW 35.92.020 specifically authorizes the City Council to set and establish uniform rates for the same class of customers or service and facilities; and

WHEREAS, pursuant to the above described authority, the City Council of Black Diamond has created a water system utility and rates and charges applicable thereto, which rates and charges are codified in Title 13 of the Black Diamond Municipal Code, and more specifically at BDMC 13.04.280; and

WHEREAS, in 2008 the City contracted with PacWest Engineering to perform a Water User Rates Study for the purpose of, (a) identifying current and projected water utility maintenance, operation and capital costs and needs to ensure that the City can continue providing adequate water services throughout the City and meet its statutory and contractual obligations related thereto, and (b) identifying water user rates that will adequately fund such existing and projected costs; and

WHEREAS, PacWest in its October 20, 2008 Water user Rate Study recommended several possible rate structures and the City Council finds that Alternative "C" as set forth therein is the appropriate method for implementation of a rate increase to adequately fund the current and projected

costs of maintenance, operation and capital improvement (expansion and replacement) of the water utility system; and

WHEREAS, the PacWest Alternative “C” included three years of rate increases of 15% for each year and the Council passed the first year of the rate increase effective in 2009; however, in 2010 due to the economic slump, the council did not increase rates; and

WHEREAS, in 2010 the water utility spread the cost of the water meter project over five years through an interfund loan to pay for the water meter replacement project; and

WHEREAS, the City Council Public Works Committee, Finance Committee and work-study group met several times during the months of October, November and December of 2010 to review the need for the rate increase and the structure of the increase; and

WHEREAS, the committees and work-study group recommend not increasing the consumption portion of the water rate as that has caused decreased revenue in some cities, and instead recommend a percentage increase in the base rate that will achieve an overall dollar increase in rate revenues that would equal 15%.; and

WHEREAS, based on the foregoing recommendation, the base rates will increase approximately 16% and there will be no increase to the consumption portion of the rate, which will result in an average net increase that equals the 15% dollar amount of the PacWest rate study without jeopardizing revenue ;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BLACK DIAMOND, KING COUNTY, WASHINGTON DO ORDAIN AS FOLLOWS:

Section 1. Amendment of BDMC 13.04.280(a). Section 13.04.280(A) of the Black Diamond Municipal Code is hereby amended to read as follows:

13.04.280 Rates – Consumption and meter installation.

- A. 1. The water service rates for customers of the City’s water utility shall be as set forth in section 2 through 8 below, plus \$1.82 per one hundred cubic feet of water used, for water consumption ranging between 0 to 600 cubic feet of water, per month, plus \$2.09 per one hundred cubic feet of water used, for water consumption ranging between 601 to 1,200 cubic feet of water per month, plus \$2.40 per one hundred cubic feet of water used, for consumption greater than 1,200 cubic feet of water per month.
- 2. All 5/8” and ¾” meters shall be charged a minimum fee of \$23.43 per month. Each additional dwelling/business served from the above described meter shall be charged \$14.95 for each additional unit for each month inside the City limits and \$29.90 for each additional unit for each month outside the City limits.
- 3. All 1” meters shall be charged \$29.62 per month plus the additional amount per unit served by such meter as established in subsection A(2) above.
- 4. All 1 ½” meters shall be charged \$31.95 per month plus the additional amount per unit served as established in subsection A(2) above.

5. All 2" meters shall be charged \$55.76 per month plus the additional amount per unit served as established in subsection A(2) above.
6. All 3" meters shall be charged a minimum of \$67.65 per month plus the additional amount per unit served as established in subsection A(2) above.
7. All 4" meters shall be charged a minimum of \$127.04 per month. For additional dwellings, apartments, or units, there shall be a minimum charge of \$14.95 per month for each additional dwelling, apartment or unit, and \$14.95 for each additional commercial use.
8. All 6" meters shall be charged a minimum of \$328.52 per month. For additional dwellings, apartments, or units, there shall be a minimum charge of \$14.95 per month for each additional dwelling, apartment, or unit, and \$14.95 for each additional commercial use.

Section 2. Effective Date. This Ordinance shall be in full force and effect on January 1, 2011, after its passage, approval, posting and publication as provided by law. A summary of this Ordinance may be published in lieu of publishing the ordinance in its entirety.

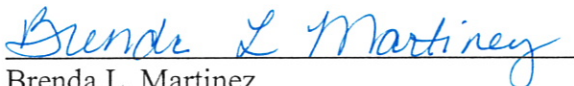
Section 3. Severability. If any provision of this ordinance, or ordinance modified by it is determined to be invalid or unenforceable for any reason, the remaining provision of this ordinance and ordinances and/or resolutions modified by it shall remain in force and effect.

CITY OF BLACK DIAMOND



Mayor, Rebecca Olness

Attested:



Brenda L. Martinez
City Clerk

APPROVED AS TO FORM:

Chris Bacha,
Kenyon Disend, PLLC
City Attorney

Published: 12/21/2010
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