

**CITY OF BLACK DIAMOND  
WASHINGTON**

**ORDINANCE NO. 13-1006**

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**AN ORDINANCE OF THE CITY OF BLACK DIAMOND, KING COUNTY, WASHINGTON; RELATING TO WATER UTILITY RATES; AMENDING SECTION 13.04.280(A) OF THE BLACK DIAMOND MUNICIPAL CODE; IMPLEMENTING A RATE INCREASE IN YEARS 2013, 2014 AND 2015 TO MEET WATER SERVICE OBLIGATIONS; PROVIDING FOR SEVERABILITY; ESTABLISHING AN EFFECTIVE DATE**

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**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, and establish the rates therefore, and further provides, among other things, that the City may not charge water utility service rates that are less than the cost of the water and service; and

**WHEREAS**, the City has established a water utility system and regulations governing rates and charges for water utility services codified at Chapter 13.04 of the Black Diamond Municipal Code; and

**WHEREAS**, pursuant to Resolution No. 13-864 the City Council authorized a contract with Ashley M. Emery of Peninsula Financial Consulting (the "Consultant") to conduct a cost-of-service study to determine whether existing water rates are adequate to recover the cost of providing water and service; and

**WHEREAS**, the Consultant has, together with Finance Department and other City staff, analyzed and processed available data relating to water utility system maintenance and operations,

including revenues, expenditures, debt service obligations, and certain future capital needs, as well as planned growth and impacts upon water utility service and usage, and utilizing this, and other data, has forecast total water utility system cash flows and expenditures for future years utilizing proprietary computer modeling; and

**WHEREAS**, Consultant forecasts that the total annual water utility system revenues in year 2013 and in each succeeding year will be less than the annual cost to provide water and service and that water utility cash reserves are insufficient to sustain near-term and long-term water utility service and to meet future capital needs; and

**WHEREAS**, based upon the foregoing, the City Council has determined that the current monthly water utility system rates are insufficient to fund the on-going maintenance, operational and capital costs of the water system utility; and

**WHEREAS**, the City Council has determined that rate increases are necessary in order to meet the City's legal obligation to adequately fund the on-going maintenance, operational and capital costs of the water utility system and to meet the City's service obligations to water utility system customers; and

**WHEREAS**, in consideration of the report and recommendation of Consultant, projected future growth, and future anticipated on-going operational, maintenance and capital costs of the water utility system, the City Council finds that the amendments to BDMC Ch. 13.04 increasing the water utility system rates as set forth herein are reasonable and necessary to meet revenue requirements to cover the costs necessary to maintain a self-supporting and financially viable water utility system;

**WHEREAS**, the City Council finds that it is in the public interest to implement the water rate increases as set forth herein in order to ensure that the water utility has sufficient revenue to be self-supporting and financially viable;

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

**Section 1. Incorporation of Recitals.** The above-stated recitals are incorporated by this reference as though fully set forth herein and are adopted as the findings and conclusions of the City Council.

**Section 2. Amendment of BDMC 13.04.280(A) (Rates – Consumption and meter installation).** Section 13.04.280(A) of the Black Diamond Municipal Code is hereby amended (*amendments shown in legislative revision marks*) 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 subsections (2) through (8) below, plus ~~one dollar and eighty-two~~ two dollars and nine

cents per one hundred cubic feet of water used, for water consumption ranging between zero to six hundred cubic feet of water, per month, plus ~~two dollars and ninety~~two dollars and forty cents per one hundred cubic feet of water used, for water consumption ranging between six hundred one to one thousand two hundred cubic feet of water per month, plus ~~two dollars and forty~~two dollars and seventy six cents per one hundred cubic feet of water used, for consumption greater than one thousand two hundred cubic feet of water per month.

2. All five-eighths-inch and three-fourths-inch meters shall be charged a minimum fee of ~~twenty-three dollars and forty-three~~twenty-six dollars and ninety four cents per month. Each additional dwelling/business served from the above described meter shall be charged ~~fourteen dollars and ninety-five~~seventeen dollars and nineteen cents for each additional unit for each month inside the city limits and ~~twenty-nine dollars and ninety~~thirty-four dollars and thirty-nine cents for each additional unit for each month outside the city limits.

3. All one-inch meters shall be charged ~~twenty-nine dollars and sixty-two~~thirty-four dollars and six cents per month plus the additional amount per unit served by such meter as established in subsection (A)(2) above.

4. All one and one-half-inch meters shall be charged ~~thirty-one dollars and ninety-five~~thirty-six dollars and seventy-four cents per month plus the additional amount per unit served as established in subsection (A)(2) above.

5. All two-inch meters shall be charged ~~fifty-five dollars and seventy-six~~sixty-four dollars and twelve cents per month plus the additional amount per unit served as established in subsection (A)(2) above.

6. All three-inch meters shall be charged a minimum of ~~sixty-seven dollars and sixty-five~~seventy-seven dollars and eighty cents per month plus the additional amount per unit served as established in subsection (A)(2) above.

7. All four-inch meters shall be charged a minimum of ~~one hundred twenty-seven dollars and four~~one hundred and forty-six dollars and ten cents per month. For additional dwellings, apartments, or units, there shall be a minimum charge of ~~fourteen dollars and ninety-five~~seventeen dollars and nineteen cents per month for each additional dwelling, apartment or unit, and ~~fourteen dollars and ninety-five~~seventeen dollars and nineteen cents for each additional commercial use.

8. All six-inch meters shall be charged a minimum of ~~three hundred twenty-eight dollars and fifty-two~~three hundred and seventy-seven dollars and eighty cents per month. For additional dwellings, apartments, or units, there shall be a minimum charge of ~~fourteen dollars and ninety-five~~seventeen dollars and nineteen cents per month for each additional dwelling, apartment, or unit, and ~~fourteen dollars and ninety-five~~seventeen dollars and nineteen cents for each additional commercial use.

9. Effective 12:01 a.m. January 1, 2014, the flow rates set forth in Subsection (A)(1) of this section and the minimum charges set forth in Subsections (A)(2) through (A)(8) of this section, shall be increased by fifteen percent ( 15%). Fractions shall be rounded to the nearest whole number.

10. Effective 12:01 a.m. January 1, 2015, the flow rates set forth in Subsection (A) (1) of this section, as adjusted pursuant to Section (A) (9) of this section, and the minimum charges set forth in Subsections (A) (2) through (A) (8) of this section, as adjusted pursuant to Section (A) (9) of this section, shall be increased by fifteen percent (15%). Fractions shall be rounded to the nearest whole number.

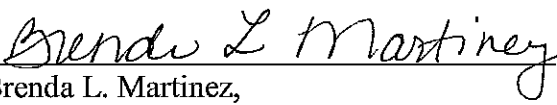
**Section 3. Effective Date.** This Ordinance shall be in full force and effect on **August 1, 2013**. A summary of this Ordinance may be published in lieu of publishing the ordinance in its entirety.

**Section 4. 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.

**ADOPTED** BY THE CITY COUNCIL AT A SPECIAL MEETING THEREOF ON THE 11TH DAY OF JULY, 2013.

  
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Mayor, Rebecca Olness

Attested:

  
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Brenda L. Martinez,  
City Clerk

APPROVED AS TO FORM:

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Chris Bacha  
Kenyon Disend, PLLC  
City Attorney

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