RESOLUTION NO. 20-1390

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BLACK DIAMOND, KING COUNTY, WASHINGTON, SUSPENDING THE CITY'S SCHEDULED SEWER RATE INCREASE FOR THE YEAR 2021.

- WHEREAS, the City Council, by Ordinance No. 19-1133 adopted a Utility Rate Schedule wherein all customer rates for City utility services are included in a single document, which may be amended from time to time by City Council resolution at its discretion, pursuant to RCW 35.92.010 and 35.92.020; and
- **WHEREAS,** on December 19, 2019, the City Council, by Resolution No. 19-1328, adopted a multi-year schedule of sewer utility rate increases starting in the year 2020 and continuing for each year thereafter; and
- WHEREAS, pursuant to Resolution No. 19-1328, the City's sewer utility rates are scheduled to increase by ten percent (10%) over 2020 rates, beginning on January 1, 2021; and
- WHEREAS, the sewer utility has received higher than expected revenues in 2020 as a result of new development in the City, making the scheduled rate increase for 2021 unnecessary for the financial sustainability of the utility; and
- WHEREAS, the City's residents and utility customers have experienced and are expected to continue experiencing financial hardships resulting from the ongoing COVID-19 pandemic; and
- WHEREAS, the City Council desires to relieve residents and utility customers from the financial impact of rising utility bills in 2021 by implementing a one-year suspension of the scheduled sewer rate increases, while preserving the City's ability to resume the scheduled rate increases in the future if circumstances warrant;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BLACK DIAMOND, WASHINGTON, DOES RESOLVE AS FOLLOWS:

- <u>Section 1.</u> The scheduled ten percent (10%) sewer rate increase for the year 2021, as imposed by Resolution No. 19-1328, is hereby suspended and shall not go into effect on January 1, 2021. For the year 2021, the City's sewer utility shall continue to bill customers based on the 2020 utility rate schedule adopted in Resolution No. 19-1329.
- <u>Section 2.</u> All other scheduled sewer rate increases for the years 2022 and beyond, as adopted in Resolution No. 19-1328, shall take effect as scheduled, subject to further review and possible revision by the Council in future action.

<u>Section 3.</u> Pursuant to Resolution 19-1328, the City Council intends to conduct a further review of the adequacy of utility rates for City sewer services at least once every two years to determine if any additional adjustments should be made to ensure adequate funding for sewer operations, maintenance, and capital needs.

PASSED BY THE CITY COUNCIL OF THE CITY OF BLACK DIAMOND, WASHINGTON, AT A REGULAR MEETING THEREOF, THIS 5TH DAY OF NOVEMBER, 2020.

CITY OF BLACK DIAMOND:

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Carol Benson, Mayor

Attest:

Brenda L. Martinez, City Clerk

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