

**CITY OF ORTING
WASHINGTON
RESOLUTION NO. 2019-32**

ORIGINAL

**A RESOLUTION OF THE CITY OF ORTING,
WASHINGTON, RELATING TO UTILITY RATES;
ADOPTING ADJUSTMENTS TO WATER, SEWER AND
STORM WATER UTILITY RATES; AND ESTABLISHING
AN EFFECTIVE DATE**

WHEREAS, the City of Orting City Council has reviewed the Capital Improvement Plan (CIP) and the operations and maintenance expenses of the Water Fund, the Sewer Fund, and the Stormwater Fund; and

WHEREAS, during 2019 the City hired Baker Tilly to consult on utility rates to determine what changes in our rates and structure would be needed over the coming years to meet the goals of the CIP, maintain our system, create reserves for future projects and created a predictable rate structure; and

WHEREAS, the implemented rate increases are intended to reflect an amount up to but no greater than the cost of service, and such revenues reasonably required to maintain self-supporting and financially viable utilities without undue discrimination toward or against any customer; and

WHEREAS, the City Council having been in all matters fully advised finds that an adjustment to the water utility rates is necessary to meet revenue requirements to cover the costs necessary to maintain a self-supporting and financially viable water utility; and

WHEREAS, the City Council having been in all matters fully advised finds that an adjustment to the sanitary sewerage utility rates is necessary to meet revenue requirements to cover the costs necessary to maintain a self-supporting and financially viable sanitary sewer utility; and

WHEREAS, the City Council having been in all matters fully advised finds that an adjustment to the Stormwater utility rates is necessary to meet revenue requirements to cover the costs necessary to maintain a self-supporting and financially viable Stormwater utility; and

WHEREAS, the City Council finds that adopting five years' worth of rates will remove the volatility of setting rates annually and allows a more holistic view of the needs of the utility funds; and

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

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

Section 1. Establishment of Water, Sewer and Storm Water Utility Rates. Effective January 1, 2020 and annually on the same date thereafter, the water utility use fees imposed pursuant to OMC9-1D-3, sanitary sewer use charges imposed pursuant to OMC 9-2B-1, storm water utility use fees imposed pursuant to OMC 9-5C-6, shall be set at the amounts set forth in the 2019 Utility Rates Exhibit "A", attached hereto and incorporated as though fully set forth herein.

Section 2. Effective Date. This Resolution and Exhibit A shall be effective beginning on January 1, 2020.

PASSED BY THE CITY COUNCIL AT A SPECIAL MEETING THEREOF ON THE 25th DAY OF NOVEMBER, 2019.

CITY OF ORTING



Joshua Penner, Mayor

ATTEST/AUTHENTICATED:



Jane Montgomery, City Clerk, CMC

Approved as to form:



Charlotte A. Archer

~~Kenyon Disend PLLC~~ inslee Best ~~PLLC~~ P.S.
City Attorney

Attch: Exh. "A" (*Utility Rates*)

Exhibit A: Monthly Utility Rates (2020 - 2024)

WATER												
Monthly Base Charges												
Meter Size	2019		2020		2021		2022		2023		2024	
	Residential	COM	Residential	COM	Residential	COM	Residential	COM	Residential	COM	Residential	COM
0.75	\$24.38	\$24.38	\$25.84	\$25.84	\$27.40	\$27.40	\$29.04	\$29.04	\$30.78	\$30.78	\$32.63	\$32.63
1-1.5	\$39.81	\$39.81	\$42.20	\$42.20	\$44.73	\$44.73	\$47.41	\$47.41	\$50.26	\$50.26	\$53.27	\$53.27
2.0-4.0	\$56.53	\$56.53	\$59.92	\$59.92	\$63.51	\$63.51	\$67.32	\$67.32	\$71.36	\$71.36	\$75.64	\$75.64
Qualified Low Income	\$18.29		\$19.38		\$20.55		\$21.78		\$23.09		\$24.47	
Single Block Rates												
Rate Class	2019		2020		2021		2022		2023		2024	
	Residential	COM	Residential	COM	Residential	COM	Residential	COM	Residential	COM	Residential	COM
Single Block rate (per ccf)		\$3.68		\$3.90		\$4.13		\$4.38		\$4.64		\$4.92
Block 1: 1 to 6 CCF (per ccf)	\$2.65		\$2.80		\$2.97		\$3.15		\$3.34		\$3.54	
Block 2: 6 to 17 CCF (per ccf)	\$3.55		\$3.77		\$3.99		\$4.23		\$4.48		\$4.75	
Block 3: 17+ CCF (per ccf)	\$5.34		\$5.66		\$6.00		\$6.36		\$6.74		\$7.15	
Block 1: 0 to 6 CCF - Qualified Low Inc.	\$1.98		\$2.10		\$2.23		\$2.36		\$2.50		\$2.66	
Block 2: 6 to 17 CCF - Qualified Low Inc.	\$2.66		\$2.82		\$2.99		\$3.17		\$3.36		\$3.57	
Block 3: 17+ CCF - Qualified Low Inc.	\$4.01		\$4.25		\$4.50		\$4.77		\$5.06		\$5.36	

Annual Increase:
 Qualified Low Income, portion of Residential: 6%
 75%
 Out of Town Premium: 10%

SEWER												
Customer Class	2019		2020		2021		2022		2023		2024	
	Base (per unit)	Flow (per ccf)	Base (per unit)	Flow (per ccf)	Base (per unit)	Flow (per ccf)	Base (per unit)	Flow (per ccf)	Base (per unit)	Flow (per ccf)	Base (per unit)	Flow (per ccf)
Residential	\$49.49	\$52.96	\$52.96	\$56.66	\$56.66	\$60.63	\$60.63	\$64.87	\$64.87	\$69.41	\$69.41	\$74.15
Residential - Snowbird	\$35.99	\$38.51	\$38.51	\$41.21	\$41.21	\$44.09	\$44.09	\$47.18	\$47.18	\$50.48	\$50.48	\$53.99
Residential - Qualified Low Income	\$37.12	\$39.72	\$39.72	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Commercial - Domestic ¹	\$49.49	\$55.10	\$52.96	\$54.46	\$56.66	\$58.84	\$60.63	\$62.25	\$64.87	\$66.68	\$69.41	\$71.15
Commercial - High Strength ²	\$49.49	\$9.04	\$52.96	\$9.67	\$56.66	\$10.35	\$60.63	\$11.07	\$64.87	\$11.85	\$69.41	\$12.67
High Cedars Residential	\$62.85	\$67.25	\$67.25	\$71.96	\$71.96	\$76.99	\$76.99	\$82.38	\$82.38	\$88.15	\$88.15	\$94.10
Business	\$62.85	\$64.94	\$67.25	\$69.44	\$71.96	\$74.43	\$76.99	\$79.55	\$82.38	\$85.00	\$88.15	\$91.00
Restaurant	\$62.85	\$11.48	\$67.25	\$12.28	\$71.96	\$13.14	\$76.99	\$14.06	\$82.38	\$15.05	\$88.15	\$16.10

Annual Increase:
 Qualified Low Income, portion of Residential: 7.0%
 75.0%
 Out of Town Premium: 75.0%

Storm												
Customer Class	2019		2020		2021		2022		2023		2024	
	Base (per unit)	Flow (per ccf)	Base (per unit)	Flow (per ccf)	Base (per unit)	Flow (per ccf)	Base (per unit)	Flow (per ccf)	Base (per unit)	Flow (per ccf)	Base (per unit)	Flow (per ccf)
Per Equivalent Residential Unit	\$20.60	\$21.63	\$21.63	\$22.71	\$22.71	\$23.85	\$23.85	\$25.04	\$25.04	\$26.29	\$26.29	\$27.64

Annual Increase: 5%

2019 Out of Monthly Water Rates (information only)

WATER															
Monthly Base Charges															
Meter Size	2019			2020			2021			2022			2023		
	Residential	COM		Residential	COM		Residential	COM		Residential	COM		Residential	COM	
0.75	\$26.82	\$26.82		\$28.43	\$28.43		\$30.13	\$30.13		\$31.94	\$31.94		\$33.86	\$33.86	
1-1.5	\$43.79	\$43.79		\$46.42	\$46.42		\$49.20	\$49.20		\$52.15	\$52.15		\$55.28	\$55.28	
2.0-4.0	\$62.18	\$62.18		\$65.91	\$65.91		\$69.86	\$69.86		\$74.06	\$74.06		\$78.50	\$78.50	
Qualified Low Income	\$20.11			\$21.32			\$22.60			\$23.96			\$25.39		
Single Block Rates															
Rate Class	2019			2020			2021			2022			2023		
	Residential	COM		Residential	COM		Residential	COM		Residential	COM		Residential	COM	
Single Block rate (per ccf)		\$4.04			\$4.29			\$4.54			\$4.82			\$5.11	
Block 1: 1 to 6 CCF (per ccf)	\$2.91			\$3.08			\$3.27			\$3.47			\$3.67		
Block 2: 6 to 17 CCF (per ccf)	\$3.91			\$4.14			\$4.39			\$4.65			\$4.93		
Block 3: 17+ CCF (per ccf)	\$5.87			\$6.23			\$6.60			\$7.00			\$7.42		
Block 1: 0 to 6 CCF - Qualified Low Inc.	\$2.18			\$2.31			\$2.45			\$2.60			\$2.76		
Block 2: 6 to 17 CCF - Qualified Low Inc.	\$2.93			\$3.11			\$3.29			\$3.49			\$3.70		
Block 3: 17+ CCF - Qualified Low Inc.	\$4.41			\$4.67			\$4.95			\$5.25			\$5.56		

Increase:
 Qualified Low Income, portion of Residential: 6.0%
 Out of Town Premium: 75.0%
 10.0%

Average Bill (information only)

Based on usage of 7.3 CCF of Water						
	2019	2020	2021	2022	2023	2024
Water:	\$42.23	\$44.76	\$47.45	\$50.29	\$53.31	\$56.51
Sewer:	\$49.49	\$52.96	\$56.66	\$60.63	\$64.87	\$69.41
Storm:	\$20.60	\$21.63	\$22.71	\$23.85	\$25.04	\$26.29
Total:	\$112.32	\$119.35	\$126.82	\$134.77	\$143.22	\$152.22
Total Increase:		\$7.03	\$7.47	\$7.95	\$8.45	\$8.99