



City of Yelm

STAFF REPORT

To: Mayor Ron Harding
Yelm City Council

From: Stephanie Ray, Project Manager

Date: March 1st, 2010 (for March 9th Council meeting)

Subj: Implementing 2010 Water Rate

Recommendation

To authorize Mayor Harding to sign Ordinance No. 918, implementing monthly water rate and meter fees taking effect April 1, 2010, with annual increases through 2015.

Background

During the past year, staff has been working on an update to the 2002 Water System Plan. As part of that planning process a financial analysis was conducted to determine the necessary revenue requirements during the next six year planning period to maintain the financial stability of the water fund (401).

Current

In June of 2009, Council adopted Ordinance 905 as part of a series of rate increases that will take place over the next six year planning period (2009-2015). The increases in fund revenue will allow for the continued operation and maintenance needs of the system, meet required debt coverage ratios, meet reserve requirements, and replace old or failing waterlines as well as fund new debt service for proposed capital projects.

Ordinance 918 funds the operational and maintenance needs of the water fund as well as provides for the implementation of capital projects as outlined in the water system planned and further approved by Council.

CITY OF YELM
ORDINANCE NO. 918

AN ORDINANCE of the City Council of the City of Yelm, Washington amending Chapter 13.04 Yelm Municipal Code relating to water rates.

WHEREAS, the City of Yelm ("City") is a non-charter Code city located in Thurston County, Washington; and

WHEREAS, the City has been working on an update of its 2002 Water System Plan; and

WHEREAS, the updated plan has been completed and submitted to the Washington State Department of Health for approval; and

WHEREAS, the draft updated plan includes a financial analysis and rate recommendation which supports existing debt, operation and maintenance of the water system, and new capital projects identified in the updated plan; and

WHEREAS, the financial analysis included a recommendation for rate increases of 16% in 2009 and 2010 followed by increases of 8.25% from 2011 through 2015; and

WHEREAS, the City Council adopted the 2009 rate increase on June 9, 2009 via Ordinance Number 905; and

WHEREAS, Ordinance Number 905 did not adopt rate increases for 2010 through 2015, as recommended by the financial analysis;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF YELM, WASHINGTON, DOES ORDAIN AS FOLLOWS:

Section 1. Section 13.04.250 Yelm Municipal Code is amended as follows:

13.04.250 Monthly water base and consumption rates shall be as follows:

A. Monthly Base Rate Charges. The monthly base rate charges based upon meter size for all consumers will be:

2010 Rate Table	
Meter Size	Meter Charge
5/8 inch (Typical Residential)	\$17.60 <u>\$20.42</u>
1 inch	\$44.00 <u>\$51.04</u>
2 inch	\$88.00 <u>\$102.08</u>
3 inch	\$140.80 <u>\$163.33</u>
4 inch	\$281.60 <u>\$326.66</u>
5 inch	\$440.00 <u>\$510.40</u>
6 inch	\$440.00 <u>\$510.40</u>
5/8 inch (Outside City Limits)	\$28.80 <u>\$33.41</u>

Monthly base rate charges shall be increased by sixteen percent (16%) January 1, 2011, and eight and one quarter percent (8.25%) January 1 of 2012, 2013, 2014, and 2015.

- B. Monthly Consumption Charges. The monthly consumption charges for all commercial, residential and irrigation meters will be:

2010 Rate Table					
Water Usage (Cubic Feet)					
	0-400	400-1000	1000-2000	2000-3000	3000+
Residential	<u>\$1.65/ccf</u>	<u>\$2.55/ccf</u>	<u>\$5.76/ccf</u>	<u>\$6.25/ccf</u>	<u>\$7.16/ccf</u>
	<u>\$1.91/ccf</u>	<u>\$2.96/ccf</u>	<u>\$6.68/ccf</u>	<u>\$7.25/ccf</u>	<u>\$8.31/ccf</u>
Commercial	<u>\$4.42/ccf \$5.13/ccf</u>				
Irrigation	<u>\$7.16/ccf \$8.31/ccf</u>				

Monthly consumption charges shall be increased by sixteen percent (16%) January 1, 2011, and eight and one quarter percent (8.25%) January 1 of 2012, 2013, 2014, and 2015.

- C. Automatic Fire Sprinkler Systems. All buildings with an automatic fire sprinkler system connected to the city water distribution shall pay the ready-to-serve charge based on the pipe size as substituted for equal meter size in the rate schedule. No water shall be used through such connections or sprinkler system except for actual fire control. If the consumer is found using water through unmetered special fire or sprinkler service connection for other than fire protection, then each such connection shall be equipped with a conventional-type meter at the expense of the property owner.
- D. Outside City Corporate Limits. Charges for the use of water outside the corporate limits of the city shall be the meter rate identified in the "outside" schedule.
- E. Temporary Water Service. Temporary water service for construction of any building, street, utility or similar project shall be provided at the rate identified in the rate schedule in subsection A or B of this section dependent upon location of project. A construction meter shall be required and application shall be made at the office of the public works director identifying location and reason for use of water. A deposit of \$600.00 for each construction meter shall be collected. Upon completion of the project, return of construction meter and charges for consumed water is paid for, return of deposit shall be made to consumer.

Section 2. Effective Date.

This Ordinance shall be in full force and effect five (5) days after passage and publication as provided by law.

ADOPTED BY the City Council of Yelm, Washington, this 9th day of March, 2010 and signed in authentication thereof this ____ day of _____, 2010.

Ron Harding, Mayor

ATTEST:

Janine Schnepf, City Clerk

Date of Publication:

Effective Date: