#### **ORDINANCE NO. 2022-10**

# AN ORDINANCE OF THE CITY OF RICHLAND, WASHINGTON, AMENDING CHAPTER 17.56 OF THE RICHLAND MUNICIPAL CODE RELATED TO SEWER RATES AND CHARGES.

**WHEREAS**, the City has need, from time to time, to update the Richland Municipal Code (RMC) to improve clarity and accuracy; and

**WHEREAS**, according to established policy, Richland's utility rates are set to recover the City's costs for each service and class of customers; and

**WHEREAS**, the City periodically reviews the revenue requirements and rate structures for each of its utilities; and

**WHEREAS**, pursuant to RCW 35.92.025, the City may charge connection fees for new customers to its water and sewer systems; and

WHEREAS, connection fees may not exceed the equitable share of system costs; and

**WHEREAS**, a 2021 analysis of the City's current sewer connection fees indicated that the fees are well below the maximum level that corresponds with the equitable share of system costs; and

**WHEREAS**, at its January 11, 2022 meeting, the Utility Advisory Committee (UAC) recommended that the Richland City Council increase sewer connection fees; and

WHEREAS, the City's best interests are served by increasing sewer connection fees so that new customers contribute more revenue to the sewer system's capital improvement program costs; and

**WHEREAS**, the terms and rate structure of some multi-family sewer customers are in need of updating to better align with recent multi-family developments in the City of Richland.

**NOW, THEREFORE, BE IT ORDAINED** by the City of Richland as follows:

<u>Section 1</u>. Chapter 17.56 of the Richland Municipal Code, entitled Rates and Charges, as first enacted by Ordinance No. 77, and last amended by Ordinance No. 05-17A, is hereby amended as follows:

# Chapter 17.56 RATES AND CHARGES

#### **Sections:**

17.56.010 Schedule I – Residences and multifamily residences.

17.56.020 Schedule II – Commercial, etc.

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- 17.56.025 Economic development rate.
- 17.56.028 Special residential rates Low income senior citizens and low-income disabled citizens.
- 17.56.030 Applicability.
- 17.56.040 Sewer facilities assessment.
- 17.56.050 Latecomer agreements.
- 17.56.060 Imposition of adjusted facilities assessment.

## 17.56.010 Schedule I – Residences and multifamily residences.

A. Billings shall be monthly, to the building owner and/or the tenant on the basis of one month in arrears and include applicable taxes.

- B. Residences and condominiums will be billed the monthly residential charge.
- C. The city may furnish sewer to customers at locations outside the corporate limits of the city. The monthly rates for sewer furnished to out-of-city customers shall be the rates set forth in this title for the applicable class of service plus 50 percent of such rates.
- D. Residences with less than three living units shall be billed the monthly residential charge per month per living unit. These monthly charges are due whether the living unit is occupied or not. Effective the first billing of December 2009, the multifamily Multifamily residences will be billed a per unit charge for each living unit, whether occupied or not, plus consumption charges based on water usage. Sewer charges will be billed on the owner's/manager's monthly bill along with the associated water charges.

For multifamily facilities served by a water meter for each unit, sewer will be billed at the residential charge to each unit regardless of whether the living unit is occupied.

E. Rates shall be charged according to the following table:

|   | Rate <del>as of</del><br><del>1-1-2010</del> |
|---|--|
| Monthly residential charge:             | \$25.60                                      |
| Monthly multifamily per unit charge:    | \$12.40                                      |
| Monthly multifamily consumption charge: | \$2.15                                       |

#### 17.56.020 Schedule II – Commercial, etc.

A. All commercial customers, including recreational vehicle parks, mixed-use and other customers not specifically included in Schedule I, shall be included in this schedule, except for industries which discharge chemical waste, food processing waste, other unusual waste, or unusual amounts of water. Industries discharging such wastes, if their waste is accepted for treatment by the city, shall be subject to individually negotiated contracts. Water usage will be used as the basis for computing monthly sewer charge. Sewer charges will be billed on the customer's monthly bill along with the associated water charges.

B. Billing shall be monthly to the owner or the tenant of the commercial establishment on the basis of one month in arrears and include applicable taxes. For the purposes of this section, "billing month" means the month which includes the last day of the period of water consumption for which the customer will be billed.

C. Rates shall be charged according to the following table:

|   | Rate <del>as of</del> 1-1-2010 |
|---|--------------------------------|
| Minimum monthly charge:                 | \$61.50                        |
| Additional charge – per 100 cubic feet: | \$2.15                         |

D. Users billed under this schedule who use large volumes of water that is not returned to the sewer shall have the option of installing a separate water meter for the irrigation system or installing an effluent meter in a control manhole as specified in RMC 17.44.010. Separate water meters or effluent meters shall be installed at the owner's expense and in compliance with city standards. All meters shall be dedicated to the city for operation and maintenance.

# 17.56.025 Economic development rate.

- A. Terms and conditions of negotiated rate will be by contract.
- B. Will be based upon the benefits derived from the new load and/or employment opportunities that expand the local economy.
- C. Will utilize marginal costing concept.

# 17.56.028 Special residential rates – Low-income senior citizens and low income disabled citizens.

There shall be a 60 percent discount applied to rates specified in RMC 17.56.010(E) for sewer service supplied to residential customers qualifying as low income senior citizens or low income disabled citizens.

## 17.56.030 Applicability.

The monthly sewer service charge shall be charged to all residences and commercial establishments within the city having a sewer on the premises or within 300 feet of the property line, regardless of whether connection to the sewer system has been made.

#### 17.56.040 Sewer facilities assessment.

Sewer treatment, lift station, interceptor facilities and frontage charges shall be assessed and collected as a condition precedent to providing sewer service connections by the city of Richland according to the following table:

| Size of Water<br>Meter | Facilities<br>Assessment | Facilities Assessment Effective 7-1- 2017 | <u>Facilities</u><br><u>Assessment</u> | Frontage<br>Charge |
|------------------------|--------------------------|---|--|--------------------|
| 3/4"                   | <del>\$1,995</del>       | <del>\$2,495</del>                        | <u>\$2,995</u>                         | \$30/ft.           |
| 1"                     | <del>\$1,995</del>       | <del>\$2,495</del>                        | <u>\$2,995</u>                         | \$30/ft.           |
| 1 1/2"                 | <del>\$6,643</del>       | <del>\$8,308</del>                        | <u>\$9,973</u>                         | \$30/ft.           |
| 2"                     | <del>\$10,633</del>      | <del>\$13,298</del>                       | <u>\$15,963</u>                        | \$30/ft.           |
| 3"                     | <del>\$19,950</del>      | <del>\$24,950</del>                       | <u>\$29,950</u>                        | \$30/ft.           |
| 4"                     | By Contract              | By Contract                               | By Contract                            | \$30/ft.           |
| 6"                     | By Contract              | By Contract                               | By Contract                            | By Contract        |

Duplexes, tri-plexes and four-plexes shall be assessed facility assessments for each residential unit regardless of the number of water meters installed.

The frontage fee shall apply to all connections to the public sewer system except:

A. When the existing main crosses the entire property frontage and was installed by the property owner or developer of the property; or

B. When the existing main crosses the entire property frontage and was included in an approved latecomer agreement pursuant to the Municipal Water and Sewer Facilities Act (Chapter 35.91 RCW).

For a corner lot, the frontage fee shall be calculated on the longest side of the lot.

The sewer facilities assessment may be waived by the Richland city council when providing a sewer service connection, or connections, to previously existing residences where the cost of providing a sewer service connection, or connections, is paid in whole or in part by a state or federal grant in aid of community rehabilitation, or to newly constructed residences where the cost of providing a sewer service connection, or connections, is paid in whole or in part by a state or federal grant to provide housing for low-income families or handicapped persons and may likewise be waived by the Richland city council when providing a sewer service connection or connections for new publicly funded facilities built for public use.

The charges set forth in this section assume normal chemical composition and biochemical oxygen demand based on residential sewage. The public works director may negotiate facilities assessment charges for waste with significantly different characteristics.

#### 17.56.050 Latecomer agreements.

Any developer using private funds to construct utility system improvements in the city or within the city's utility service area may request to enter into a latecomer agreement with the city in order to recover a pro rata share of the costs of construction from other property owners that will later derive a benefit from the utility system improvements made by the d\$2,995eveloper. The procedure for entering into such an agreement is administered by the city and provided in Chapter 3.10 RMC.

# 17.56.060 Imposition of adjusted facilities assessment.

All existing customers, notwithstanding their exemption from the imposition of a facilities assessment by virtue of having received a side sewer connection prior to the effective date of the ordinance codified in RMC 17.56.040 and this section shall be required to pay an adjusted facilities assessment where an increased capacity sewer service connection permit is requested after March 15, 1994; provided, however, that in no event shall such an assessment be made where a side sewer inspection has been made prior to the effective date of the ordinance codified in RMC 17.56.040 and this section. The amount to be assessed in such instances shall be the difference between the facilities charge that would have been required for the earlier installed service and that charge imposed upon the size water service installed.

A customer having paid an initial sewer facilities assessment shall also be required to pay an adjusted facilities assessment where an increased capacity sewer service connection permit is obtained after the effective date of the ordinance codified in RMC 17.56.040 and this section. The adjusted facilities charge shall be determined as provided in this section.

<u>Section 2</u>. This Ordinance shall be published in the official newspaper of the City of Richland on April 10, 2022 and take effect on June 1, 2022.

<u>Section 3</u>. Should any section or provision of this Ordinance be declared by a court of competent jurisdiction to be invalid, that decision shall not affect the validity of the Ordinance as a whole or any part thereof, other than the part so declared to be invalid.

<u>Section 4</u>. The City Clerk and the codifiers of this Ordinance are authorized to make necessary corrections to this Ordinance, including but not limited to the correction of scrivener's errors/clerical errors, section numbering, references, or similar mistakes of form.

**PASSED** by the City Council of the City of Richland, Washington, at a regular meeting on the 5<sup>th</sup> day of April, 2022.

Michael Alvarez, Mayor

Attest:

ennifer Rogers, City Clerk

First Reading: March 15, 2022 Second Reading: April 5, 2022 Date Published: April 10, 2022 Approved as to Form:

Heather Kintzley, City Attorne