



AGENDA MEMO

Needs Legal Review: Yes
Council Meeting Date: December 19, 2018
Agenda Item: Proposed Ordinance 2018-12-1032, Amending WSMC 13.16.055
Revising Sewer Rates
Presented By: Jan Brending, Clerk Treasurer

ACTION REQUIRED:

Approval of Ordinance 2018-12-1032 Amending WSMC 13.16.055 Revising Sewer Rates.

PROPOSED MOTION:

Motion to approve Ordinance 2018-12-1032 Amending WSMC 13.16.055 Revising Sewer Rates, Repealing Sections and Providing for Severability and an Effective Date.

Why is it a legislative issue:

City Council approves all ordinances.

Explanation of issue:

The City adopted amendments to its sewer rates in late 2017. This included language as to how commercial and industrial businesses are assigned a Standard Industrial Code (SIC) classification. Currently all commercial and industrial businesses are being billed at the "Low Strength" SIC. The amendment provides clarifies that commercial and industrial business will be billed at the "Low Strength" SIC from January 1, 2018 through January 31, 2019 and will be assigned an appropriate SIC by February 1, 2019 (see page 3 of the ordinance).

In addition, a provision that states "All future rate and service charge changes shall be adopted by Resolution of the city council" is removed (see page 6 of the ordinance). The ordinance adopted in late 2017 provides for future rate and service charge changes.

Budget:

None at this time. Changes in the SIC for some commercial and industrial businesses may result in higher wastewater receipts.

Staff Recommendation:

Staff recommends adoption of Ordinance 2018-12-1032, Amending WSMC 13.15.055 Revising Sewer Rates.

**CITY OF WHITE SALMON
ORDINANCE NO. 2018-12-1032**

AN ORDINANCE OF THE CITY OF WHITE SALMON, WA, AMENDING WHITE SALMON MUNICIPAL CODE 13.16.055 REVISING SEWER RATES, REPEALING SECTIONS AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE

WHEREAS, the current rate schedule for sewer rates does not reflect the current costs and should be increase according to the “Water and Sewer Cost of Service Rate Study” prepared by Anderson Perry & Associates, Inc. ; and

WHEREAS, the city needs time to determine the appropriate standard industry code (SIC) for each commercial and industrial account and therefore notify each commercial and industrial account holder of such determination; and

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF WHITE SALMON DO ORDAIN AS FOLLOWS: by the City Council of the City of White Salmon that the following amendments be made to White Salmon Municipal Code Chapter 13.16:

SECTION 1 – Amendment to WSMC 13.16.055

Section 13.16.055 is hereby amended to read:

Key: **Underlined** = added language
~~**Strikethrough**~~ = deleted language

13.16.055 Sewer rates – Schedule.

- A. The following sewer rate schedule shall apply to sewer users. As it is used herein the term “sewer users” shall mean anyone having paid a connection fee, regardless of whether sewage is being collected. All charges follow the property. Billing for new customers shall begin the month following payment of the connection fee.

Customer Class	2018	2019	2020	2021	2022
Residential – Inside	53.05	53.05	53.50	54.00	55.15
Residential – Outside	58.35	58.35	58.85	59.40	60.61
Commercial – Inside, Low Strength	53.05	54.00	56.00	58.00	62.00
Commercial – Inside, Low Strength, Volume, per 8,500 gallons over first 8,500 gallons	15.91	21.75	25.75	32.00	34.00
Commercial – Outside, Low Strength	58.35	59.40	61.60	63.80	68.20
Commercial – Outside, Low Strength, Volume, per 8,500 gallons over first 8,500 gallons	17.50	23.92	28.32	35.20	37.40

Commercial – Inside, Medium Strength	53.05	55.00	57.00	60.00	63.00
Commercial – Inside, Medium Strength, Volume, per 8,500 gallons over first 8,500 gallons	16.00	22.75	27.25	33.50	35.75
Commercial – Outside, Medium Strength	58.35	60.50	62.70	66.00	69.30
Commercial – Outside, Medium Strength, Volume, per 8,500 gallons over first 8,500 gallons	17.60	25.02	29.97	36.85	39.32
Commercial – Inside, High Strength	53.05	56.00	58.00	62.00	64.00
Commercial – Inside, High Strength, Volume, per 8,500 gallons over first 8,500 gallons	16.50	25.00	30.00	37.50	39.00
Commercial – Outside, High Strength	58.35	61.60	63.80	68.20	70.40
Commercial – Outside, High Strength, Volume, per 8,500 gallons over first 8,500 gallons	18.15	27.50	33.00	41.25	42.90

Low Strength Ranges: BOD₅ 100 – 250 mg/L, TSS 100 – 250 mg/L, FOG 0 – 75 mg/L, pH 5.5 - 9 standard units and temperature that does not exceed 100 degrees Fahrenheit;

Medium Strength Ranges: BOD₅ 250 mg/L – 350 mg/L, TSS 250 – 350 mg/L, FOG 75 – 100 mg/L

High Strength Ranges are herein defined as having strength of wastewater that is lower or exceeds the minimum/maximum ranges established in medium strength ranges.

(Note: All wastewater uses are subject to other applicable conditions establish by WSMC 13.12 as determined by the Public Works Director).

Implementation of Strength Classifications. The following types of business activities shall be assigned Standard Industry Code (“SIC”) classifications as indicated below:

Activity	Classification
Residential	SIC_Low Strength
Hotel/motel without restaurant	SIC_Low Strength
Hotel/motel with restaurant	SIC_Medium Strength
Bed & breakfast	SIC_Low Strength
Apartments	SIC_Low Strength
Breweries	SIC_High Strength
Brew pub	SIC_Medium/High Strength
Restaurants/taverns full service	SIC_Medium Strength
Fast food	SIC_Medium/High Strength
Prepackaged servers	SIC_Low/Medium Strength
Laundries	SIC_Low/High Strength
Automotive repair	SIC_Low Strength

Supermarkets with deli, bakery, etc.	SIC_Medium/High Strength
Supermarkets without deli, bakery, etc.	SIC_Medium Strength
Bakery	SIC Medium Strength
Convenience stores	SIC_Low/Medium Strength
Canneries (food processors)	SIC High Strength
Convalescent homes	SIC_Low Strength
Hospital	SIC Medium Strength
Doctor Office	SIC_Low Strength
Office Buildings	SIC_Low Strength

Each commercial and industrial account shall be assigned to a SIC by the Public Works Director based on a review of the wastewater discharges from each account. Classifications not address above shall be evaluated on an individual basis. **The SIC shall be assigned to commercial and industrial accounts by February 1, 2019. From January 1, 2018 through January 31, 2019 all commercial and industrial accounts will be billed at the appropriate "Low Strength" rate.**

School accounts (alternative school, elementary school, and high school/middle school) will be charged \$1 per registered student per month for sewer services or if the above Commercial – Low Strength base rate is higher than the \$1 charge per students the base rate for Commercial – Low Strength shall be used. The number of registered students per building(s)/account will be determined by the number of students registered January 1 of each year.

Residential structures with more than one residential unit (e.g. apartments, multi-plexex) per meter will be charged the applicable base rate times the number of units. Residential structures with accessory dwelling units will be charge additional rate based on 1/3 of the base fee.

Combination residential/commercial users shall be charged at the following rate, whichever is higher:

1. The monthly Residential rate, based on the location (inside or outside city), times the number of units; or
2. The monthly Commercial Low Strength rate, based on location (inside or outside city) plus volume rates.

B. Alternate approach to determination of rates.

When the Public Works Director deems necessary, or when any sewer customer believes they have been assigned a Standard Industrial Code classification which is not appropriate, the sewer rate may be determined as follows and the customer shall pay the city a monthly fee based upon the actual use of the city wastewater treatment facility as measured by parameters which shall be determined in accordance with the following procedures:

1. **Metering.** The wastewater flow into the sewerage system will be metered at the point where the facility discharges wastewater into the city system. The cost of installation and maintenance of the meter shall be paid by the customer. The flow metering installation at the facility shall be calibrated quarterly and equipped with a totalizer. Daily maintenance by the facility shall include, at a minimum, a check of the primary element of the flow meter for obstructions and a visual check of all other elements of the installation for normal operation. A daily log shall be kept by the facility of all maintenance operations performed and any abnormalities observed shall be noted. The totalizer reading shall also be recorded daily in the log. At the end of each month, the average daily flow during the month shall be determined by using all the valid data collected during the month (total flow divided by days of operation).
2. **BOD and Suspended Solids.** The monitoring facility shall be equipped with an automatic liquid sampling device which shall be integrated with the flow-metering installation in such a manner that wastewater samples can be collected on a flow-weighted basis and stored. A composite sample shall be prepared weekly, as directed by the city, from all samples collected during a uniform 24-hour period. The BOD and TSS of each sample shall be determined and recorded in the log. At the end of each month, the average BOD and TSS during the month shall be determined by using all the valid data collected during the month. After a period of one year, the city may reduce the frequency of monitoring (provided there are no other constraints such as a Department of Ecology permit precluding less frequent monitoring).
3. **Records.** The facility shall maintain records of all information resulting from any monitoring activities. Such records for all samples shall include:
 - a. The date, exact place, method and time of sampling;
 - b. The names of persons taking the sample;
 - c. The date the analysis was done;
 - d. The names of persons doing the analysis;
 - e. The analytical techniques used;
 - f. The results of the analysis.
4. **Calculation of Maintenance and Operation Expenses.** The data collected shall be used by the city to calculate the share of the total maintenance and operation expenses which shall be charged to the facility. The method of calculation of maintenance and operation expenses to be charged shall be as follows:

a. Operations and maintenance charge to the facility during billing period = cost factor x monthly city treatment facility operations and maintenance cost.

b. Cost factor = $(V_f/V_c)(0.2 + 0.4 \text{ BOD}_f/\text{BOD}_c + 0.4 \text{ TSS}_f/\text{TSS}_c)$ where:

V_f = average daily wastewater flow (in gallons) from the facility during billing period

V_c = average daily wastewater flow for the City of White Salmon wastewater treatment facility plant during billing period (gallons)

BOD_f = average daily five-day BOD concentration of wastewater from the facility during billing period

BOD_c = average daily five-day BOD concentration of total plant wastewater during billing period

TSS_f = average daily TSS concentration of wastewater from the facility during billing period

TSS_c = average daily TSS concentration of wastewater of total plant during billing period

5. Lab Testing. One set of BOD, FOG (fat, oil and grease), TSS (total suspended solids), VSS (volatile suspended solids) and pH tests will be required on a composite sample collected by the sewer customer on a weekly basis, or other tests and/or testing intervals as determined by the Public Works Director, while the facility discharges to the city sewer system. Fees for the required tests shall be paid by the facility. The facility shall have all testing done by a lab that is certified by the Washington State Department of Ecology to perform the required analysis.

6. Operation. The city shall have free access to the facility and the records of operation and maintenance. The records of operation and maintenance shall be kept at the facility and shall be made available to the city during any site visit by the city. The city shall have access to the facility at reasonable hours without prior notice.

C. All basic rates shall be subject to an automatic annual rate increase of three percent, beginning January 1, 2023, unless modified by city council prior to the adjustment date.

~~D. All future rate and service charge changes shall be adopted by Resolution of the city council.~~

DE. The foregoing sewer rates based upon water usage do not include irrigation water, provided that irrigation water is separately metered.

SECTION 2 - SEVERABILITY.

If any section, sentence, or phrase of this Chapter is held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence or phrase of this Chapter.

SECTION 4 - EFFECTIVE DATE.

This ordinance shall become effective following passage and publication as provided by law.

PASSED in regular session this 19th day of December, 2018.

David Poucher, Mayor

Jan Brending, Clerk/Treasurer

Approved as to form:

Kenneth B. Woodrich, City Attorney