

Highline Water District King County, Washington

RESOLUTION 09-10-21A

RESOLUTION AUTHORIZING AN AMENDMENT TO HIGHLINE WATER DISTRICT CODE (SECTION 6.04.020, TABLE 1 – MONTHLY COMMODITY CHARGE AND TABLE 2 – MONTHLY METER BASE RATES) and (SECTION 6.04.40 – STREET LIGHT RATES) TO INCREASE RATES IN 2010 – EFFECTIVE JANUARY 1, 2010

WHEREAS, by passage of Resolution 07-6-6-C, Consultant Services Contract #07-50-10 was awarded to the FCS Group for a Water Utility Rate Study in conjunction with the District's 2008 Comprehensive Water System Plan Update (Project 06-3).

WHEREAS, Resolution 02-6-5A requires the General Manager to report to the Board of Commissioners any wholesale cost increases or decreases imposed upon the District by the City of Seattle for wholesale water rates. The Board shall review and consider the rate increase imposed and whether the water rates will be directly passed through to District ratepayers on a uniform across-the-board basis.

WHEREAS, the District's current rate structure is as follows:

SECTION 6.04.020

| A. TABLE 1 – MONTHLY COMMODITY CHARGES | | | |
|--|-------------------------------------|--|---------------------------------------|
| Variable Rates \$/ccf | | | |
| Customer Type | Winter (> 0 ccf) (October - May) | Summer (0-4 ccf) (June - September) | Summer (5+ ccf) (June - September) |
| SINGLE FAMILY RESIDENTIAL | \$2.98 | \$2.98 | \$3.80 |
| COMMERCIAL & MULTIFAMILY RESIDENTIAL | \$2.98 | \$2.98 | \$3.80 |
| FIRE | Fixed to Commercial Variable Rate | | |
| IRRIGATION | Annual Flat Rate \$3.80 | | |

Per Resolution 08-4-2A - Effective Date - June 8, 2008

| B. TABLE II - MONTHLY METER BASE RATES | | | | | | |
|--|-----------------------|---------------------------|---|--------------------------------------|---------|------------|
| METER SIZE | WATER AVAILABLE (GPM) | CUSTOMER TYPE | | | | |
| | | SINGLE FAMILY RESIDENTIAL | SR. CITIZEN/ DISABLED/LOW INCOME (DISCOUNTED) | COMMERCIAL & MULTIFAMILY RESIDENTIAL | FIRE | IRRIGATION |
| 5/8" | 20 | \$9.75 | \$6.75 | \$14.70 | N/A | \$14.70 |
| 3/4" | 25 | \$9.75 | \$6.75 | \$14.70 | N/A | \$14.70 |
| 1" | 50 | \$17.32 | N/A | \$29.69 | N/A | \$29.69 |
| 1-1/2" | 100 | \$29.41 | N/A | \$54.15 | \$6.85 | \$54.15 |
| 2" | 160 | \$45.16 | N/A | \$84.74 | \$9.06 | \$84.74 |
| 2-1/2" | 300 | N/A | N/A | N/A | \$13.28 | N/A |
| 3" | 450 | N/A | N/A | \$176.70 | \$25.34 | N/A |
| 4" | 600 | N/A | N/A | \$267.88 | \$31.37 | N/A |
| 6" | 1,350 | N/A | N/A | \$518.45 | \$45.44 | N/A |
| 8" | 1,600 | N/A | N/A | \$818.34 | \$61.52 | N/A |
| 10" | N/A | N/A | N/A | N/A | \$79.61 | N/A |

Per Resolution 08-4-2A - Effective Date - June 5, 2008

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SECTION 6.04.040 – STREET LIGHT RATES

| TABLE XI – STREET LIGHTS | |
|--|-------------------|
| MONTHLY AMOUNT | BI-MONTHLY AMOUNT |
| \$2.45 | \$4.90 |
| Street Light Inspection Required by benefiting customer | \$50.00 |
| Over 2" | To be calculated |

WHEREAS, District management reviewed the FCS Group Water Utility Rate Study to reevaluate the existing and future operational and financial needs of the District; and

WHEREAS, at the District's Special Meeting held on October 6, 2009, District staff presented to the Board of Commissioners the following proposed 2010 rate design alternatives (revisions highlighted) for their consideration:

ALTERNATIVE A - SECTION 6.04.020

| A. TABLE 1 – MONTHLY COMMODITY CHARGES | | | |
|---|-------------------------------------|--|---------------------------------------|
| Variable Rates \$/ccf | | | |
| Customer Type | Winter (> 0 ccf) (October – May) | Summer (0-5 ccf) (June – September) | Summer (6+ ccf) (June – September) |
| SINGLE FAMILY RESIDENTIAL | \$3.20 | \$3.20 | \$3.80 |
| COMMERCIAL & MULTIFAMILY RESIDENTIAL | \$3.20 | \$3.20 | \$3.80 |
| FIRE | Fixed to Commercial Variable Rate | | |
| IRRIGATION | Annual Flat Rate \$3.80 | | |

| B. TABLE II - MONTHLY METER BASE RATES | | | | | | |
|---|-----------------------|---------------------------|---|--------------------------------------|---------|------------|
| METER SIZE | WATER AVAILABLE (GPM) | CUSTOMER TYPE | | | | |
| | | SINGLE FAMILY RESIDENTIAL | SR. CITIZEN/ DISABLED/LOW INCOME (DISCOUNTED) | COMMERCIAL & MULTIFAMILY RESIDENTIAL | FIRE | IRRIGATION |
| 5/8" | 20 | \$11.25 | \$8.25 | \$17.10 | N/A | \$17.10 |
| 3/4" | 25 | \$11.25 | \$8.25 | \$17.10 | N/A | \$17.10 |
| 1" | 50 | \$20.00 | N/A | \$34.55 | N/A | \$34.55 |
| 1-1/2" | 100 | \$33.95 | N/A | \$63.00 | \$7.25 | \$63.00 |
| 2" | 160 | \$52.10 | N/A | \$98.60 | \$9.60 | \$98.60 |
| 2-1/2" | 300 | N/A | N/A | N/A | \$14.10 | N/A |
| 3" | 450 | N/A | N/A | \$205.60 | \$26.90 | N/A |
| 4" | 600 | N/A | N/A | \$311.70 | \$33.35 | N/A |
| 6" | 1,350 | N/A | N/A | \$603.25 | \$48.30 | N/A |
| 8" | 1,600 | N/A | N/A | \$952.15 | \$65.40 | N/A |
| 10" | N/A | N/A | N/A | N/A | \$84.60 | N/A |

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ALTERNATIVE B - SECTION 6.04.020

| A. TABLE 1 – MONTHLY COMMODITY CHARGES | | | |
|---|--|--|---|
| Variable Rates \$/ccf | | | |
| Customer Type | Winter (> 0 ccf) (October – May) | Summer (0-4 ccf) (June – September) | Summer (5+ ccf) (June – September) |
| SINGLE FAMILY RESIDENTIAL | \$3.18 | \$3.18 | \$3.80 |
| COMMERCIAL & MULTIFAMILY RESIDENTIAL | \$3.18 | \$3.18 | \$3.80 |
| FIRE | Fixed to Commercial Variable Rate | | |
| IRRIGATION | Annual Flat Rate \$3.80 | | |

| B. TABLE II - MONTHLY METER BASE RATES | | | | | | |
|---|------------------------------|----------------------------------|---|---|-------------|-------------------|
| METER SIZE | WATER AVAILABLE (GPM) | CUSTOMER TYPE | | | | |
| | | SINGLE FAMILY RESIDENTIAL | SR. CITIZEN/ DISABLED/ LOW INCOME (DISCOUNTED) | COMMERCIAL & MULTIFAMILY RESIDENTIAL | FIRE | IRRIGATION |
| 5/8" | 20 | \$11.25 | \$8.25 | \$17.10 | N/A | \$17.10 |
| 3/4" | 25 | \$11.25 | \$8.25 | \$17.10 | N/A | \$17.10 |
| 1" | 50 | \$19.99 | N/A | \$34.55 | N/A | \$34.55 |
| 1-1/2" | 100 | \$33.94 | N/A | \$63.00 | \$7.27 | \$63.00 |
| 2" | 160 | \$52.11 | N/A | \$98.59 | \$9.62 | \$98.59 |
| 2-1/2" | 300 | N/A | N/A | N/A | \$14.11 | N/A |
| 3" | 450 | N/A | N/A | \$205.60 | \$26.92 | N/A |
| 4" | 600 | N/A | N/A | \$311.68 | \$33.33 | N/A |
| 6" | 1,350 | N/A | N/A | \$603.23 | \$48.28 | N/A |
| 8" | 1,600 | N/A | N/A | \$952.15 | \$65.37 | N/A |
| 10" | N/A | N/A | N/A | N/A | \$84.59 | N/A |

The proposed Street Light Rates are as follows:

SECTION 6.04.040 – STREET LIGHT RATES

| TABLE XI – STREET LIGHTS | |
|---------------------------------|--------------------------|
| MONTHLY AMOUNT | BI-MONTHLY AMOUNT |
| \$2.90 | \$5.80 |
| Street Light Inspection | \$50.00 |
| Required by benefiting customer | |
| Over 2" | To be calculated |

WHEREAS, the District conducted a public hearing at the Regular Board meeting held on October 21, 2009 to receive public comment regarding the proposed 2010 rates. The notice for the public hearing was published in the Seattle Times on October 15, 2009.

WHEREAS, the Board of Commissioners and District management reviewed and discussed the pros and cons of each rate increase alternative and public comments received and agree that Alternative A is the more equitable alternative.

**Highline Water District
King County, Washington**

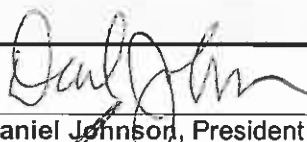
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NOW THEREFORE BE IT RESOLVED:

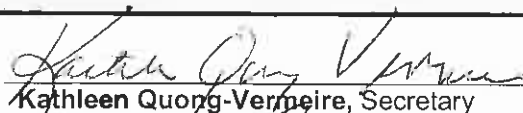
The Board of Commissioners authorizes the General Manager to amend Highline Water District Code (HWDC) Section 6.04.020, Table(s) 1 and 2 to increase the District's rates using Alternative A as referenced hereto and incorporated herein and amend HWDC Section 6.04.040, Table XI, to increase the Street Light Rates as referenced hereto and incorporated herein. The rate increases will become effective January 1, 2010.

ADOPTED BY THE BOARD OF COMMISSIONERS of Highline Water District, King County, Washington, at a Regular Open Public Meeting held this **21st** day of **October 2009**.


BOARD OF COMMISSIONERS



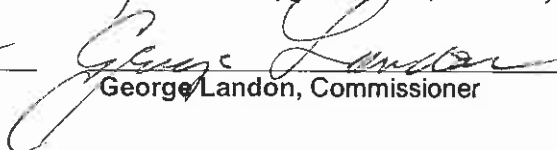
Daniel Johnson, President



Kathleen Quong-Vermeire, Secretary



Gerald R. Guite, Commissioner



George Landon, Commissioner



Vince Koester, Commissioner