



KING COUNTY

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

Signature Report

June 25, 2002

Ordinance 14395

Proposed No. 2002-0213.2

Sponsors Phillips

1 AN ORDINANCE determining the monetary requirements
2 for the disposal of sewage for the fiscal year beginning
3 January 1, 2003, and ending December 31, 2003, setting
4 the sewer rate for the fiscal year beginning January 1, 2003,
5 and ending December 31, 2003, and approving the amount
6 of the sewage treatment capacity charge for 2003; and
7 amending Ordinance 12353, Section 2, as amended, and
8 K.C.C. 4.90.010, Ordinance 11398, Section 1, as amended,
9 and K.C.C. 28.84.055.

10
11
12 BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

13 SECTION 1. Ordinance 12353, Section 2, as amended, and K.C.C. 4.90.010 are
14 each hereby amended to read as follows:

15 **Sewer rate.** ((A.)) Having determined the monetary requirements for the
16 disposal of sewage, the council hereby adopts a ((2002)) 2003 sewer rate of twenty-three
17 dollars and forty cents per residential customer equivalent per month. Once a sewer rate

18 ordinance becomes effective, the clerk of the council is directed to deliver a copy of the
19 ordinance to each agency having an agreement for sewage disposal with King County.

20 ~~((B. The King County council approves the application of Statement of Financial~~
21 ~~Accounting Standards No. 71 (FAS 71) to allow deferral to 2002 of unanticipated energy~~
22 ~~costs and associated expenses incurred in 2001 by the wastewater utility. The council~~
23 ~~shall adopt sufficient future sewer rates necessary to recover these unanticipated costs~~
24 ~~over a period not to exceed one year beginning in 2002. The estimated costs deferred and~~
25 ~~the amount of the sewer rate required to recover the costs deferred to 2002 is reported in~~
26 ~~the financial plan attached to this ordinance.~~

27 ~~C. As required for FAS 71 application, eighty one cents of the 2002 sewer rate is~~
28 ~~specified for deferred operating expenses from calendar year 2001.))~~

29 **SECTION 2. Monetary requirements for the disposal of sewage for the fiscal**
30 **year beginning January 1, 2003, and ending December 31, 2003.** The council hereby
31 determines the monetary requirements for the disposal of sewage as follows:

32 Administration, operating, maintenance repair and replace (net of other income):

33 \$66,903,347

34 Establishment and maintenance of necessary working capital reserves: \$10,833,301.

35 Requirements of revenue bond resolutions (not included in above items and net of
36 interest income): \$121,240,198.

37 TOTAL: \$198,976,846.

38 **SECTION 3.** Ordinance 11398, Section 1, as amended, and K.C.C. 28.84.055 are
39 each hereby amended as follows:

40 **Metropolitan sewerage facility charge.** A. The amount of the 1994
41 metropolitan sewage facility capacity charge adopted by K.C.C. 28.84.050.O shall be
42 seven dollars per month per residential customer or residential customer equivalent for
43 fifteen years.

44 B. The amount of the 1995 metropolitan sewage facility capacity charge adopted
45 by K.C.C. 28.84.050.O shall be seven dollars per month per residential customer or
46 residential customer equivalent for fifteen years.

47 C. The sewage treatment capacity charge shall be seven dollars per month per
48 residential customer or equivalent for fifteen years for sewer connections occurring
49 between and including January 1, 1996, and December 31, 1996.

50 D. The amount of the sewage treatment capacity charge adopted by K.C.C.
51 28.84.050.O shall be seven dollars per month per residential customer or equivalent for
52 fifteen years for sewer connections occurring between and including January 1, 1997, and
53 December 31, 1997.

54 E. The amount of the sewage treatment capacity charge adopted by K.C.C.
55 28.84.050.O shall be ten dollars fifty cents per month per residential customer or
56 equivalent for fifteen years for sewer connections occurring between and including
57 January 1, 1998, and December 31, 1998.

58 F. The amount of the sewage treatment capacity charge adopted by
59 K.C.C.28.84.050.O shall be ten dollars fifty cents per month per residential customer or
60 equivalent for fifteen years for sewer connections occurring between and including
61 January 1, 1999, and December 31, 1999.

62 G. The amount of the sewage treatment capacity charge adopted by
63 K.C.C.28.84.050.O shall be ten dollars fifty cents per month per residential customer or
64 equivalent for fifteen years for sewer connections occurring between and including
65 January 1, 2000, and December 31, 2000.

66 H. The amount of the sewage treatment capacity charge adopted by
67 K.C.C.28.84.050.O shall be ten dollars fifty cents per month per residential customer or
68 equivalent for fifteen years for sewer connections occurring between and including
69 January 1, 2001, and December 31, 2001.

70 I. The amount of the sewage treatment capacity charge adopted by
71 K.C.C.28.84.050.O shall be seventeen dollars and twenty cents per month per residential
72 customer or equivalent for fifteen years for sewer connections occurring between and
73 including January 1, 2002, and December 31, 2002.

74 J. The amount of the sewage treatment capacity charge adopted by
75 K.C.C.28.84.050.O shall be seventeen dollars and sixty cents per month per residential

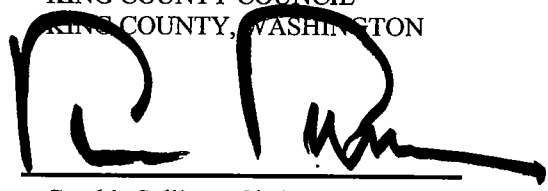
76 customer or equivalent for fifteen years for sewer connections occurring between and
77 including January 1, 2003, and December 31, 2003.

78

Ordinance 14395 was introduced on 5/13/2002 and passed by the Metropolitan King County Council on 6/24/2002, by the following vote:

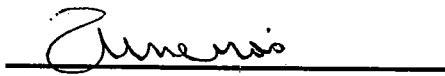
Yes: 13 - Ms. Sullivan, Ms. Edmonds, Mr. von Reichbauer, Ms. Lambert, Mr. Phillips, Mr. Pelz, Mr. McKenna, Mr. Constantine, Mr. Pullen, Mr. Gossett, Ms. Hague, Mr. Irons and Ms. Patterson
No: 0
Excused: 0

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON



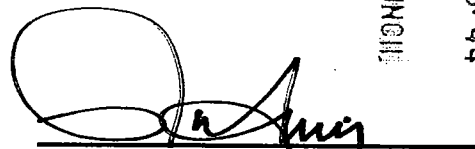
Cynthia Sullivan, Chair

ATTEST:



Anne Noris, Clerk of the Council

APPROVED this 3 day of July, 2002.



Ron Sims, County Executive

RECEIVED
2002 JUL -5 AM 10:44
CLERK
KING COUNTY COUNCIL

Attachments A. Wastewater Treatment Enterprise 2003 Rate Forecast

(\$000's)	2001		2002		2003		2004		2005		2006		2007	
	Unaudited	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
CUSTOMER EQUIVALENTS (RCEs)	705.01	702.58	706.79	712.45	719.57	726.77	734.04							
MONTHLY RATE	\$19.75	\$23.40	\$23.40	\$23.40	\$25.39	\$27.00	\$28.82							
BEGINNING OPERATING FUND	15,378	4,138	8,248	7,939	7,944	8,310	8,730							
OPERATING REVENUE:														
Customer Charges	167,361	197,284	198,467	200,036	219,251	235,430	253,841							
Investment Income	7,091	5,751	3,745	6,123	6,188	6,985	7,923							
Capacity Charge	11,848	10,602	12,099	13,655	14,712	15,802	16,950							
Other Income	7,865	7,012	6,425	6,213	6,399	6,591	6,789							
TOTAL OPERATING REVENUES	194,165	220,650	220,736	226,027	246,550	264,808	285,502							
OPERATING EXPENSE	(89,073)	(87,943)	(85,427)	(86,731)	(89,741)	(92,434)	(95,207)							
DEBT SERVICE REQUIREMENT	(77,545)	(92,329)	(96,759)	(108,236)	(122,961)	(135,273)	(149,623)							
DEBT SERVICE COVERAGE RATIO	1.36	1.44	1.40	1.29	1.28	1.27	1.27							
PARITY DEBT COVERAGE RATIO	1.20	1.26	1.24	1.15	1.15	1.15	1.15							
OPERATING BOND & LIQUIDITY RESERVE CONTRIBUTIONS	11,240	(4,109)	308	(5)	(366)	(420)	(412)							
SUBORDINATED DEBT SERVICE TRANSFERS TO CAPITAL	(8,880)	(8,270)	(7,286)	(8,031)	(8,309)	(8,973)	(9,713)							
	(29,907)	(27,999)	(31,572)	(23,025)	(25,172)	(27,709)	(30,548)							
OPERATING BOND RESERVE	4,138	4,453	4,397	4,271	4,336	4,487	4,621							
OPERATING LIQUIDITY RESERVE	0	3,794	3,543	3,673	3,974	4,243	4,521							
OPERATING FUND ENDING BALANCE	4,138	8,248	7,939	7,944	8,310	8,730	9,142							

CONSTRUCTION FUND

BEGINNING FUND BALANCE	9,107	100,448	49,345	5,015	5,001	5,003	5,002							
REVENUES:														
Parity Bonds	120,000	75,000	86,000	195,194	167,690	193,509	227,752							
Variable Debt Bonds	85,000	6,000	10,000	10,000	10,000	25,156	29,608							
Grants	25,720	42,853	38,113	7,240	537	37	0							
Other	5,705	2,100	2,065	2,100	2,100	2,000	2,000							
Transfers From Operating Fund	29,907	27,999	31,572	23,025	25,172	27,709	30,548							
TOTAL REVENUES	266,332	153,952	167,750	237,559	205,499	248,411	289,907							
CAPITAL EXPENDITURES	(160,565)	(156,277)	(206,541)	(217,922)	(188,255)	(228,945)	(270,734)							
DEBT ISSUANCE COSTS	(2,448)	(1,530)	(1,770)	(3,954)	(3,404)	(3,996)	(4,703)							
BOND RESERVE TRANSACTIONS	(4,800)	(4,888)	(5,538)	(12,430)	(10,566)	(12,193)	(14,351)							
AMOUNTS TO ASSET MANAGEMENT RESERVE ADJUSTMENTS	(7,177)	(39,360)	4,770	(267)	(272)	(278)	(118)							
ENDING FUND BALANCE	100,448	49,345	5,015	5,001	5,003	5,002	5,003							
CONSTRUCTION FUND RESERVES														
Bond & SRF Reserves	68,839	69,441	75,145	87,741	98,472	110,831	125,182							
Policy Reserves	6,639	9,971	8,035	11,137	14,244	17,356	17,474							
TOTAL FUND RESERVES	75,477	79,412	83,181	98,878	112,716	128,187	142,656							
CONSTRUCTION FUND BALANCE	175,926	128,757	88,196	103,879	117,719	133,189	147,659							