



ORDINANCE NO. 28736

1 AN ORDINANCE relating to the Department of Public Utilities, Water Division;
2 amending Ordinance No. 28711; and amending Chapter 12.10 of the
3 Tacoma Municipal Code, relating to water regulation and rates, to provide
4 for City of University Place water rate adjustments to become
5 effective April 1, 2021; January 1, 2022; and April 1, 2022.

6 WHEREAS, at its special meeting of November 6, 2020, at the request of the
7 Department of Public Utilities, Water Division (d.b.a. "Tacoma Water"), the Public
8 Utility Board approved two water rate adjustments as specified in Amended
9 Resolution No. U-11213, and

10 WHEREAS, on November 24, 2020, the City Council passed Ordinance
11 No. 28711 ("Ordinance"), which approved and adopted the requested revisions
12 and increases to Tacoma Water's rates, and

13 WHEREAS the Ordinance amended Chapter 12.10 of the Tacoma Municipal
14 Code, as specified in Exhibit "A" attached to that Ordinance, and

15 WHEREAS, on November 2, 2020, the City of University Place ("University
16 Place") approved a utility tax on gross revenue from Tacoma Water customers in
17 that jurisdiction of 3 percent, effective April 1, 2021, through March 31, 2022; and
18 6 percent, effective April 1, 2022, and thereafter, and

19 WHEREAS, in order to ensure that the additional tax is passed through to
20 University Place customers as a cost of service, Tacoma Water is requesting an
21 amendment to the previously approved water rates for University Place customers,
22 which has been calculated to cover the increase in taxes from the new tax imposed
23 by University Place, and
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WHEREAS, in order to align with core rate-making principles, Tacoma Water is proposing that the rate adjustments for University Place customers coincide with the utility tax implementation dates of April 1, 2021, and April 1, 2022, and

WHEREAS, at its special meeting of January 27, 2021, the Public Utility Board approved the proposed rate adjustments for University Place customers as specified in Second Amended Resolution No. U-11213, and

WHEREAS Tacoma Water conducted an audit of University Place accounts to ensure correct rate categorizations, and will communicate any approved rate increases to customers through bill inserts, targeted mailings, the Tacoma Public Utilities website, and social media, and

WHEREAS the proposed rate adjustments were presented to the Government Performance and Finance Committee at its meeting of February 16, 2021, and the Committee has recommended the amendments for consideration by the City Council; Now, Therefore,

BE IT ORDAINED BY THE CITY OF TACOMA:

Section 1. That Exhibit "A" to Ordinance No. 28711 is hereby amended by amending Sections 12.10.301 and 12.10.400 thereof, as set forth in the attached Exhibit "A-1."

Section 2. That Chapter 12.10 of the Tacoma Municipal Code is hereby amended as set forth in the attached Exhibit "A-1," to become effective April 1, 2021; January 1, 2022; and April 1, 2022.



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Section 3. That the City Clerk, in consultation with the City Attorney, is authorized to make necessary corrections to this ordinance, including, but not limited to, the correction of scrivener's/clerical errors, references, ordinance numbering, section/subsection numbers, and any references thereto.

Passed _____

Mayor

Attest:

City Clerk

Approved as to form:

Chief Deputy City Attorney

Requested by Public Utility Board
Second Amended Resolution No. U-11213



EXHIBIT "A-1"

**CHAPTER 12.10
WATER – REGULATIONS AND RATES**

12.10.301 Fire hydrant services fee.

Pursuant to Chapter 70.315 of the Revised Code of Washington, the Water Division will charge and collect all costs associated with providing fire hydrant services from the customers, "Residential Service," "Commercial and Industrial – General Service," and "Commercial and Industrial – Large Volume Service" rate categories, following the rate schedules below:

| Monthly Hydrant Service Fee | | | | | | | |
|------------------------------------|-----------------|-------------------------------|-----------------|---------------------------------|-----------------|-----------------|-----------------|
| | | Rate Effective Dates | | | | | |
| | | 1/1/2021 | 1/1/2022 | | | | |
| Inside City of Tacoma | | \$2.94 | \$3.00 | | | | |
| Outside City of Tacoma | | \$3.81 | \$3.88 | | | | |
| Hydrant Service Fee | | | | | | | |
| Inside City of Tacoma | | Outside City of Tacoma | | City of University Place | | | |
| Rate Effective Dates | | | | | | | |
| 1/1/2021 | 1/1/2022 | 1/1/2021 | 1/1/2022 | 1/1/2021 | 4/1/2021 | 1/1/2022 | 4/1/2022 |
| <u>\$2.94</u> | <u>\$3.00</u> | <u>\$3.81</u> | <u>\$3.88</u> | <u>\$3.81</u> | <u>\$3.94</u> | <u>\$4.02</u> | <u>\$4.17</u> |

The customer portion of the fire hydrant service fee shall be calculated on a monthly basis, included in the Ready to Serve charge, invoiced and collected pursuant to the applicable customer service policies.

12.10.400 Rates – Inside and outside City limits.

A. Standard charges:

1. The monthly ready to serve charge shall be calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies in accordance with the following schedule for residential, commercial/industrial, and commercial/industrial large volume.



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| Residential, Commercial & Large Volume – Ready to Serve Charge | | | | | | | | |
|--|-----------------------|------------|------------------------|------------|---------------------------------|-------------------|-------------------|-------------------|
| Meter Size (Inches) | Inside City of Tacoma | | Outside City of Tacoma | | <u>City of University Place</u> | | | |
| | Rate Effective Dates | | | | | | | |
| | 1/1/2021 | 1/1/2022 | 1/1/2021 | 1/1/2022 | <u>1/1/2021</u> | <u>4/1/2021</u> | <u>1/1/2022</u> | <u>4/1/2022</u> |
| 5/8 | \$25.32 | \$25.83 | \$30.67 | \$31.28 | <u>\$30.67</u> | <u>\$31.76</u> | <u>\$32.40</u> | <u>\$33.60</u> |
| 3/4 | \$36.51 | \$37.25 | \$44.09 | \$44.98 | <u>\$44.09</u> | <u>\$45.66</u> | <u>\$46.59</u> | <u>\$48.32</u> |
| 1 | \$58.89 | \$60.08 | \$70.95 | \$72.38 | <u>\$70.95</u> | <u>\$73.48</u> | <u>\$74.97</u> | <u>\$77.75</u> |
| 1.5 | \$114.84 | \$117.15 | \$138.09 | \$140.86 | <u>\$138.09</u> | <u>\$143.02</u> | <u>\$145.89</u> | <u>\$151.30</u> |
| 2 | \$181.98 | \$185.64 | \$218.66 | \$223.05 | <u>\$218.66</u> | <u>\$226.47</u> | <u>\$231.02</u> | <u>\$239.58</u> |
| 3 | \$338.64 | \$345.45 | \$406.65 | \$414.82 | <u>\$406.65</u> | <u>\$421.17</u> | <u>\$429.64</u> | <u>\$445.56</u> |
| 4 | \$562.44 | \$573.75 | \$675.21 | \$688.78 | <u>\$675.21</u> | <u>\$699.33</u> | <u>\$713.39</u> | <u>\$739.82</u> |
| 6 | \$1,121.94 | \$1,144.50 | \$1,346.61 | \$1,373.68 | <u>\$1,346.61</u> | <u>\$1,394.72</u> | <u>\$1,422.76</u> | <u>\$1,475.47</u> |
| 8 | \$1,793.34 | \$1,829.40 | \$2,152.29 | \$2,195.56 | <u>\$2,152.29</u> | <u>\$2,229.18</u> | <u>\$2,274.00</u> | <u>\$2,358.25</u> |
| 10 | \$2,576.64 | \$2,628.45 | \$3,092.25 | \$3,154.42 | <u>\$3,092.25</u> | <u>\$3,202.72</u> | <u>\$3,267.12</u> | <u>\$3,388.17</u> |
| 12 | \$3,779.57 | \$3,855.56 | \$4,535.77 | \$4,626.95 | <u>\$4,535.77</u> | <u>\$4,697.81</u> | <u>\$4,792.26</u> | <u>\$4,969.81</u> |

The monthly ready to serve charge shall be in accordance with the following schedule for parks and irrigation.

| Parks and Irrigation – Ready to Serve Charge | | | | | | | | |
|--|-----------------------|----------|------------------------|----------|---------------------------------|-----------------|-----------------|-----------------|
| Meter Size (Inches) | Inside City of Tacoma | | Outside City of Tacoma | | <u>City of University Place</u> | | | |
| | Rate Effective Dates | | | | | | | |
| | 1/1/2021 | 1/1/2022 | 1/1/2021 | 1/1/2022 | <u>1/1/2021</u> | <u>4/1/2021</u> | <u>1/1/2022</u> | <u>4/1/2022</u> |
| 5/8 | \$3.68 | \$0.00 | \$4.42 | \$0.00 | <u>\$4.42</u> | <u>\$4.57</u> | <u>\$0.00</u> | <u>\$0.00</u> |
| 3/4 | \$5.51 | \$0.00 | \$6.61 | \$0.00 | <u>\$6.61</u> | <u>\$6.85</u> | <u>\$0.00</u> | <u>\$0.00</u> |
| 1 | \$9.19 | \$0.00 | \$11.03 | \$0.00 | <u>\$11.03</u> | <u>\$11.42</u> | <u>\$0.00</u> | <u>\$0.00</u> |
| 1.5 | \$18.38 | \$0.00 | \$22.06 | \$0.00 | <u>\$22.06</u> | <u>\$22.84</u> | <u>\$0.00</u> | <u>\$0.00</u> |
| 2 | \$29.40 | \$0.00 | \$35.28 | \$0.00 | <u>\$35.28</u> | <u>\$36.54</u> | <u>\$0.00</u> | <u>\$0.00</u> |
| 3 | \$55.13 | \$0.00 | \$66.16 | \$0.00 | <u>\$66.16</u> | <u>\$68.52</u> | <u>\$0.00</u> | <u>\$0.00</u> |
| 4 | \$91.88 | \$0.00 | \$110.26 | \$0.00 | <u>\$110.26</u> | <u>\$114.20</u> | <u>\$0.00</u> | <u>\$0.00</u> |
| 6 | \$183.75 | \$0.00 | \$220.50 | \$0.00 | <u>\$220.50</u> | <u>\$228.38</u> | <u>\$0.00</u> | <u>\$0.00</u> |
| 8 | \$294.00 | \$0.00 | \$352.80 | \$0.00 | <u>\$352.80</u> | <u>\$365.40</u> | <u>\$0.00</u> | <u>\$0.00</u> |
| 10 | \$422.63 | \$0.00 | \$507.16 | \$0.00 | <u>\$507.16</u> | <u>\$525.27</u> | <u>\$0.00</u> | <u>\$0.00</u> |
| 12 | \$620.16 | \$0.00 | \$744.19 | \$0.00 | <u>\$744.19</u> | <u>\$770.78</u> | <u>\$0.00</u> | <u>\$0.00</u> |



The monthly ready to serve charge shall be in accordance with a wholesale customer's contracted peak capacity in MGD times the monthly rate.

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| Wholesale – Ready to Serve Charge | | |
|--|-----------------------------|-----------------|
| Range in MGD (million gallons per day) | Rate Effective Dates | |
| | 1/1/2021 | 1/1/2022 |
| For each MGD of contracted peak capacity | \$2,584.40 | \$2,636.09 |

2. The schedule of rates for water used shall be as follows and billed to the nearest CCF (100 cubic feet or approximately 748 gallons):



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| Residential Service – Rate per CCF | | | | | | | | |
|--|--------------------------|----------|---------------------------|----------|---------------------------------|-----------------|-----------------|-----------------|
| Range in CCF (100 cubic feet) | Inside City of Tacoma | | Outside City of Tacoma | | <u>City of University Place</u> | | | |
| | Rate Effective Dates | | | | | | | |
| | 1/1/2021 | 1/1/2022 | 1/1/2021 | 1/1/2022 | <u>1/1/2021</u> | <u>4/1/2021</u> | <u>1/1/2022</u> | <u>4/1/2022</u> |
| Winter Tier: For each CCF of water consumption during the winter months of October through and including May | \$2.164 | \$2.207 | \$2.597 | \$2.648 | <u>\$2.597</u> | <u>\$2.690</u> | <u>\$2.743</u> | <u>\$2.844</u> |
| Summer Tier 1: For the first five CCF of water consumption per month during the summer months of June through and including September | \$2.164 | \$2.207 | \$2.597 | \$2.648 | <u>N/A</u> | <u>\$2.690</u> | <u>N/A</u> | <u>\$2.844</u> |
| Summer Tier 2: For each CCF of water consumption over five CCF during the summer months of June through and including September | \$2.705 | \$2.759 | \$3.246 | \$3.310 | <u>N/A</u> | <u>\$3.362</u> | <u>N/A</u> | <u>\$3.555</u> |



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| Commercial and Industrial – General Service – Rate per CCF | | | | | | | | |
|--|-----------------------|----------|------------------------|----------|---------------------------------|-----------------|-----------------|-----------------|
| Range in CCF (100 cubic feet) | Inside City of Tacoma | | Outside City of Tacoma | | <u>City of University Place</u> | | | |
| | Rate Effective Dates | | | | | | | |
| | 1/1/2021 | 1/1/2022 | 1/1/2021 | 1/1/2022 | <u>1/1/2021</u> | <u>4/1/2021</u> | <u>1/1/2022</u> | <u>4/1/2022</u> |
| For each CCF of water consumption | \$2.333 | \$2.379 | \$2.800 | \$2.855 | <u>\$2.800</u> | <u>\$2.900</u> | <u>\$2.957</u> | <u>\$3.067</u> |

| Commercial and Industrial – Large Volume Service – Rate per CCF * | | | | | | | | |
|---|-----------------------|----------|------------------------|----------|---------------------------------|-----------------|-----------------|-----------------|
| Range in CCF (100 cubic feet) | Inside City of Tacoma | | Outside City of Tacoma | | <u>City of University Place</u> | | | |
| | Rate Effective Dates | | | | | | | |
| | 1/1/2021 | 1/1/2022 | 1/1/2021 | 1/1/2022 | <u>1/1/2021</u> | <u>4/1/2021</u> | <u>1/1/2022</u> | <u>4/1/2022</u> |
| For each CCF of water consumption | \$1.814 | \$1.850 | \$2.177 | \$2.220 | <u>\$2.177</u> | <u>\$2.255</u> | <u>\$2.299</u> | <u>\$2.385</u> |
| Customers may qualify for this rate based on an established consumption history greater than 65,000 CCF annually. | | | | | | | | |

| Parks and Irrigation Service – Rate per CCF | | | | | | | | |
|---|-----------------------|----------|------------------------|----------|---------------------------------|-----------------|-----------------|-----------------|
| Range in CCF (100 cubic feet) | Inside City of Tacoma | | Outside City of Tacoma | | <u>City of University Place</u> | | | |
| | Rate Effective Dates | | | | | | | |
| | 1/1/2021 | 1/1/2022 | 1/1/2021 | 1/1/2022 | <u>1/1/2021</u> | <u>4/1/2021</u> | <u>1/1/2022</u> | <u>4/1/2022</u> |
| For each CCF of water consumption | \$4.296 | \$4.628 | \$5.155 | \$5.554 | <u>\$5.155</u> | <u>\$5.339</u> | <u>\$5.752</u> | <u>\$5.966</u> |

D. Fire Protection Service.

When a customer does not receive domestic water from the Division and requests a fire service from the Division the appropriate regular domestic service rates shall apply as detailed above. In addition all regular construction fees, main charges and SDC shall apply. Where City water is used for domestic purposes, such customers are entitled to a separate fire service at the regular fire service rate, payable monthly as follows:



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| Fire Protection Service – Ready to Serve Charge | | | | | | | | | |
|---|-----------------------|----------|------------------------|----------|---------------------------------|-----------------|-----------------|-----------------|--|
| Meter Size (Inches) | Inside City of Tacoma | | Outside City of Tacoma | | <u>City of University Place</u> | | | | Maximum Allowable Monthly Water Usage for Testing and Leakage, CCF |
| | Rate Effective Dates | | | | | | | | |
| | 1/1/2021 | 1/1/2022 | 1/1/2021 | 1/1/2022 | <u>1/1/2021</u> | <u>4/1/2021</u> | <u>1/1/2022</u> | <u>4/1/2022</u> | |
| 2 | \$29.21 | \$29.79 | \$35.05 | \$35.75 | <u>\$35.05</u> | <u>\$36.30</u> | <u>\$37.03</u> | <u>\$38.40</u> | 2.99 |
| 3 | \$42.54 | \$43.39 | \$51.05 | \$52.07 | <u>\$51.05</u> | <u>\$52.87</u> | <u>\$53.93</u> | <u>\$55.93</u> | 2.99 |
| 4 | \$71.06 | \$72.48 | \$85.27 | \$86.98 | <u>\$85.27</u> | <u>\$88.32</u> | <u>\$90.09</u> | <u>\$93.43</u> | 2.99 |
| 6 | \$159.40 | \$162.59 | \$191.28 | \$195.11 | <u>\$191.28</u> | <u>\$198.11</u> | <u>\$202.08</u> | <u>\$209.57</u> | 2.99 |
| 8 | \$283.76 | \$289.44 | \$340.51 | \$347.33 | <u>\$340.51</u> | <u>\$352.68</u> | <u>\$359.74</u> | <u>\$373.07</u> | 2.99 |
| 10 | \$443.84 | \$452.72 | \$532.61 | \$543.26 | <u>\$532.61</u> | <u>\$551.64</u> | <u>\$562.67</u> | <u>\$583.52</u> | 2.99 |
| 12 | \$709.92 | \$724.12 | \$851.90 | \$868.94 | <u>\$851.90</u> | <u>\$882.34</u> | <u>\$899.98</u> | <u>\$933.33</u> | 2.99 |

Where such fire service is provided, the monthly rate shall include usage of up to a maximum of 2.99 units of water per month. The 2.99 units of allowable water use is for incidental water use for monthly leakage and system testing and is the maximum amount allowed in a single month. In any month where the total consumption is in excess of the amount shown above, the rate for water consumed shall be as noted below.

| Fire Protection Service – Rate per CCF | | | | | | | | | |
|--|-----------------------|----------|------------------------|----------|---------------------------------|-----------------|-----------------|-----------------|--|
| Range in CCF (100 cubic feet) | Inside City of Tacoma | | Outside City of Tacoma | | <u>City of University Place</u> | | | | |
| | Rate Effective Dates | | | | | | | | |
| | 1/1/2021 | 1/1/2022 | 1/1/2021 | 1/1/2022 | <u>1/1/2021</u> | <u>4/1/2021</u> | <u>1/1/2022</u> | <u>4/1/2022</u> | |
| For each CCF of water consumption | \$3.960 | \$3.960 | \$4.752 | \$4.752 | <u>\$4.752</u> | <u>\$4.922</u> | <u>\$4.922</u> | <u>\$5.104</u> | |
