



City of Tacoma

City Council Action Memorandum

TO: Hyun Kim, Interim City Manager
FROM: Christina Curran, Assistant Division Manager, ES Rates & Budget
Ramiro A. Chavez, P.E. PgMP, Director/City Engineer, Environmental Services
COPY: City Council and City Clerk
SUBJECT: Ordinance - Amending Tacoma Municipal Code 12.08B.210 related to Wastewater Residential Rates – July 29, 2025
DATE: July 1, 2025

Initial DS
GMS RC

SUMMARY AND PURPOSE:

An ordinance amending Section 12.08B.210 of the Tacoma Municipal Code related to Wastewater Residential Rates, to change the assumed water usage for customers with incomplete or no winter flow records to 5.0 ccf per month for single-family dwellings and 4.0 ccf per unit per month for multi-family dwellings, from 6.0 ccf and 5.0 ccf respectively.

BACKGROUND:

This Department's Recommendation is Based On: Wastewater rates are a combination of a fixed rate and a variable rate based on water usage during the winter months (December through March) referred to as the Winter Quarter Average (WQA). Currently, customers who do not have flow records during this period or have incomplete records are billed with an assumed flow amount, per the Tacoma Municipal Code (TMC), of 6.0 ccf per month for single-family dwellings and 5.0 ccf per unit per month for multi-family dwellings. Staff researched the average WQA flows for residential Wastewater customers from the last three years and found the average water usage is lower than current assumptions by one hundred cubic feet (one ccf) per month.

COMMUNITY ENGAGEMENT/ CUSTOMER RESEARCH:

WQA data from the last three years was used to evaluate the average flow data for the variable portion of Wastewater bills. Prior data was excluded to avoid COVID-19 impacts that could distort usage data.

2025 STRATEGIC PRIORITIES:

Equity and Accessibility:

This proposed amendment to the TMC will lower the wastewater bills for new residential customers in single- and multi-family dwellings when limited or incomplete water consumption history is available. It also updates the assumed flow to better match the average customer's actual usage.

Economy/Workforce: *Equity Index Score: Low Opportunity*

Increase the percentage of people relocating to the city and affordability of housing compared to neighboring jurisdictions.

Explain how your legislation will affect the selected indicator(s).

For customer bills using the assumed flow rate, this amendment will decrease the wastewater bill for single-family dwellings by \$6.34 per month; for multi-family dwellings, it would decrease by \$6.34 per unit per month in 2026, lowering utility bills for new multi-family construction until actual water consumption is established.



ALTERNATIVES:

Alternative(s)	Positive Impact(s)	Negative Impact(s)
1. Status Quo – No Change	Assumed usage stay consistent with historical averages	Wastewater bills for new customers will be based on above average water usage

EVALUATION AND FOLLOW UP:

Customers counts and flow rates for Wastewater customers will continue to be monitored to ensure the assumed usage rates in the TMC reflect accurate consumption from our customers.

STAFF/SPONSOR RECOMMENDATION:

Environmental Services Department recommends amending Section 12.08B.210 of the TMC to decrease the assumed water usage for customers with incomplete or no winter flow records to 5.0 ccf per month for single-family dwellings and 4.0 ccf per unit per month for multi-family dwellings.

FISCAL IMPACT:

The proposed amendment will decrease revenues for the Wastewater utility due to lower customer bills for those customers with incomplete or no winter flows. This decrease will be less than one half of one percent of projected 2026 total revenues.

Fund Number & Name	COST (CC/WBS/ORDER)	OBJECT	Cost Element	Total Amount
1. ES Wastewater Fund 4300	523900		4343150	\$550,000
TOTAL				\$550,000

What Funding is being used to support the expense?

The decreased revenues can be absorbed by existing cash balances within the Wastewater Fund.

Are the expenditures and revenues planned and budgeted in this biennium's current budget?

NO, PLEASE EXPLAIN BELOW

The revenue decrease is not budgeted in the current biennium, but the utility can absorb the change in revenues.

Are there financial costs or other impacts of not implementing the legislation?

No

Will the legislation have an ongoing/recurring fiscal impact?

YES

Will the legislation change the City's FTE/personnel counts?

No

ATTACHMENTS:

- TMC 12.08B.210 draft language