

# **ORDINANCE NO. 28490**

AN ORDINANCE relating to City's Department of Public Utilities, Water Division, d.b.a. Tacoma Water; approving proposed modifications to the Customer Service Policies, which expressly authorize and support the proration of fixed charges applicable to utility services provided by Tacoma Water; and amending Chapter 12.10 of the Tacoma Municipal Code to provide for said modifications to Tacoma Water utility services.

WHEREAS the City of Tacoma, Department of Public Utilities, Water Division (d.b.a "Tacoma Water"), has requested amendments to the Tacoma Municipal Code ("TMC") and Customer Service Policies applicable to the Light and Customer Service Divisions, respectively, that support the proration of fixed charges applicable to utility services provided by Tacoma Water, and

WHEREAS, under current billing practices, customers pay the following fixed rates in full, even if they receive service for only a portion of a month: Hydrant Service Fee, Franchise Hydrant Service Fee, and Ready to Serve Charge, and

WHEREAS Tacoma Water is recommending amendments to Sections 12.10.303 and 12.10.400 of the TMC to allow for the proration of the fixed charges set forth above, and

WHEREAS Tacoma Water's Customer Service Policies already include provisions consistent with proration of fixed charges and concurs with Tacoma Power's desire to include similar fixed charge proration provisions in the Customer Service Policies documents applicable to the Light and Customer Service Divisions, respectively, and

WHEREAS, pursuant to Tacoma City Charter Section 4.11, revisions to Tacoma Water rates and regulations require approval by the Public Utility Board and City Council, and



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WHEREAS, by adoption of Public Utility Board Resolution U-10979 on December 13, 2017, the proposed amendments to the TMC and Customer Services Policies were approved, pending confirmation by the City Council, and

WHEREAS the recommended changes are just, fair, and reasonable, and are in the best interest of the citizens of Tacoma and the customers of Tacoma Water; Now, Therefore,

## BE IT ORDAINED BY THE CITY OF TACOMA:

Section 1. That Chapter 12.10 of the Tacoma Municipal Code is hereby amended by amending Sections 12.10.303 and 12.10.400 thereof, as set forth in the attached Exhibit "A."

Section 2. That the proposed modifications to the Customer Service Policies, as on file in the office of the City Clerk, which expressly authorize and support the proration of fixed charges applicable to utility services provided by Tacoma Water, are hereby approved.

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Attest:	Mayor
City Clerk	
Approved as to form:	
Deputy City Attorney	

Resolution No. U-10979

Requested by Public Utility Board



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#### **EXHIBIT "A"**

### **Chapter 12.10**

#### WATER - REGULATIONS AND RATES

12.10.303 Franchise hydrant service fee.

Pursuant to the Washington State Supreme Court decision in City of Tacoma v. City of Bonney Lake, 173 Wn.2d 584 (2012) and Chapter 70.315 of the Revised Code of Washington, all costs associated with providing fire hydrant services in areas served through franchise agreements or other contract shall be charged and collected from ratepayers in these areas as a cost of doing business. Only those customers in the "Residential Service," "Commercial and Industrial – General Service," and "Commercial and Industrial – Large Volume Service" rate categories will be charged for these services. The total costs owed shall be calculated on a biennial basis as part of the Water Division's approved budget and distributed to customers via a monthly service fee. The service fee is composed of two components calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies:

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### 12.10.400 Rates – Inside and outside City limits.

The standard charge for water supplied inside and outside the City for residential, and commercial/industrial use shall consist of a customer charge, also termed a "monthly ready to serve charge," based on the meter size together with the rate for the quantity of water used.

For water supplied to a single premises which contains multiple dwelling units, i.e., two or more houses under the same ownership, duplexes, apartment buildings, condominiums, mobile home parks, trailer courts, industrial buildings, etc., the monthly charges will be the same as indicated above.

When water is being supplied to an existing multiple premises, i.e., two or more separate premises being served by one service and meter, the "monthly ready to serve charge" will be based on either the existing meter size or on a 5/8-inch meter size for each premises served, whichever is the greater charge.

When more than one service supplies a premises, the consumption of water for each meter shall be computed separately.



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## A. Standard charges:

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

Ready to Serve Charge					
Meter Size (Inches)	Inside Commencing		Outside Commencing		
	4/1/2017	1/1/2018	4/1/2017	1/1/2018	
5/8	\$21.20	\$22.05	\$25.44	\$26.46	
3/4	\$31.80	\$33.08	\$38.16	\$39.70	
1	\$53.00	\$55.13	\$63.60	\$66.16	
1.5	\$106.00	\$110.25	\$127.20	\$132.30	
2	\$169.60	\$176.40	\$203.52	\$211.68	
3	\$318.00	\$330.75	\$381.60	\$396.90	
4	\$530.00	\$551.25	\$636.00	\$661.50	
6	\$1,060.00	\$1,102.50	\$1,272.00	\$1,323.00	
8	\$1,696.00	\$1,764.00	\$2,035.20	\$2,116.80	
10	\$2,438.00	\$2,535.75	\$2,925.60	\$3,042.90	
12	\$3,577.50	\$3,720.94	\$4,293.00	\$4,465.13	

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

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