

Kelso City Council Agenda

Regular Meeting, 6:00 pm
October 18, 2016
City Hall, Council Chambers
203 South Pacific
Kelso, WA 98626



**Special accommodations for the handicapped and hearing impaired are available
by special arrangement through the City Clerk's Office at 360-423-0900**

Roll Call to Council Members:

Invocation:

Pastor Chris Davis from Abundant Life Nazarene

1. Approve Minutes:

1.1. October 04, 2016 – Regular Meeting

2. Presentation:

2.1. Adopt a Street Program

3. Consent Item:

3.1. Auditing of Accounts

4. Citizen Business:

5. Council Business:

5.1. Discussion – Anchor Point Feasibility Study

5.2. Discussion – 2017-18 Budget – City Utility Rate Adjustment Discussion

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6. Action/Motion Items:

6.1. Ordinance, 1st Reading

6.1.1. Business & Occupations Utility Tax Amendment

Other Items:

- City Manager Report
- Staff/Dept Head Reports
- Council Reports
- Other Business
- Executive Session

Pastor Mark Schmutz, Northlake Baptist Church, gave the invocation. Mayor David Futcher led the flag salute. Mayor Futcher called the Regular Meeting of the Kelso City Council to order. Councilmembers in attendance were Larry Alexander, Kim Lefebvre, Rick Roberson, David Futcher, Todd McDaniel, and Jim Hill. Councilmember Nancy Malone was absent.

Minutes: Upon motion by Councilmember Lefebvre, seconded by Councilmember Hill, 'Approve the Minutes of the 9/20/16 Regular Meeting,' motion carried, all voting yes.

PROCLAMATIONS:

Mayor Futcher read a proclamation declaring October 20, 2016, as "**Lights On Afterschool Day**" in the City of Kelso. Representatives from Youth and Family Link accepted the proclamation.

Mayor Futcher read a proclamation declaring October, as "**Manufacturing Month**" in the City of Kelso.

Mayor Futcher read a proclamation declaring October, as "**Domestic Violence Action Month**" in the City of Kelso. Emergency Shelter Case Manager Jill Matthews accepted the proclamation.

PRESENTATION:

Cowlitz 2 Fire and Rescue: Cowlitz 2 Fire and Rescue Fire Chief Dave LaFave provided an overview on a proposed Capital Improvement Bond that will be a measure in the November General Election. He handed out fliers that provided information about the proposed bond.

CONSENT AGENDA:

1. **Contract Closeout – 2016 Talley Way Overlay Phase II, Lakeside Industries, Inc.**

Upon motion by Councilmember McDaniel, seconded by Councilmember Roberson, 'Approve the Consent Agenda,' motion carried, all voting yes.

CITIZEN BUSINESS:

Carol Zonich, 300 Oak Street property owner, spoke about amending the zoning code to allow a cannabis retailer in the downtown area. She spoke about donating trash cans and benches to the city.

COUNCIL BUSINESS:

Consultant Agreement – Minor Road Reconstruction Project: Upon motion by Councilmember Roberson, seconded by Councilmember Lefebvre, ‘Authorize the City Manager to enter into the contract with OTAK, Inc. for \$324,189.00.’ Councilmembers Alexander, Lefebvre, Roberson, Futcher, and McDaniel voted yes. Councilmember Hill voted no. Motion passed, 5 to 1.

Collective Bargaining Agreement – Kelso Police Association: Upon motion by Councilmember McDaniel, seconded by Councilmember Hill, ‘Approve the 2017-2019 Collective Bargaining Agreement with the Kelso Police Association.’ City Manager Steve Taylor provided a brief overview of the agreement. Discussion followed. Motion passed, all voting yes.

Southwest Washington Regional Airport (SRWA) Budget: Upon motion by Councilmember McDaniel, seconded by Councilmember Roberson, ‘Approve the SWRA 2017 Budget through Resolution No. 16-1165.’ Councilmembers Alexander, Lefebvre, Roberson, Futcher, and McDaniel voted yes. Councilmember Hill voted no. Motion passed, 5 to 1.

2017-2019 State Legislative Agenda: City Manager Taylor presented the proposed 2017-2019 Legislative Biennium Agenda. Discussion followed. Upon motion by Councilmember Hill, seconded by Councilmember McDaniel, ‘Adopt the 2017-2019 Legislative Agenda.’ Motion passed, all voting yes.

2017-2018 Budget Workshop: Finance Director Brian Butterfield provided an overview of the proposed preliminary budget. Lengthy discussion followed. The consensus of the Council was to move forward with staff’s recommendation relating to Business & Occupations Utility Tax and new police officer positions.

MANAGER’S REPORT:

Steve Taylor: 1) Reported that Kelso received five applications from homeless and housing related programs requesting funding from Kelso’s document recording fees. The approximate amount is \$35,000. **Upon motion by Councilmember McDaniel, seconded by Councilmember Hill, ‘Allocate the document recording fees evenly between the five applicants.’** Discussion followed. Councilmember Hill motioned to table this item until a later date. Motion failed due to lack of a second. **Mayor Futcher reiterated the original motion. Motion passed, all voting yes.** The applicants were as follows:

1. Community House on Broadway
2. Lower Columbia Community Action Program
3. Kelso Housing Authority
4. Housing Opportunities of Southwest Washington
5. Emergency Support Shelter

STAFF REPORTS:

Community Development Director/City Engineer Mike Kardas: Provided an update on the West Main Revitalization Project and upcoming projects.

COUNCIL REPORTS:

Jim Hill: No report.

Todd McDaniel: No report.

Rick Roberson: Commented that it is nice to see that the Yew Street Project has started.

Kim Lefebvre: Commented that she is glad to see West Kelso shaping up.

Larry Alexander: Announced that on October 15th from 12:00 p.m. to 4:00 p.m., there would be a food drive event at Skippers on 7th Avenue in Longview to help stock the VFW Food Closet

David Futcher: No report.

EXECUTIVE SESSION:

At 8:20 p.m., Mayor Futcher announced that the Council would convene into executive session to discuss the performance of a public employee. The executive session is expected to last approximately 15 minutes and no action will be taken. The city attorney was present.

The Council reconvened into regular session at 8:37 p.m.

There being no further business, Mayor Futcher adjourned the meeting at 8:37 p.m.

MAYOR

CITY CLERK

AGENDA SUMMARY SHEET
Business of the City of Kelso
City of Kelso, Washington

SUBJECT TITLE:

Anchor Point Industrial Site Feasibility Study

Agenda Item: _____

Dept. of Origin: City Manager's Office

For Agenda of: October 18th, 2016

PRESENTED BY:

Marc Pudists, David Evans & Assoc

Cost of Item: _____

City Manager: Stephen Taylor

AGENDA ITEM ATTACHMENTS:

Anchor Point Industrial Site Feasibility Study

http://www.kelso.gov/sites/default/files/images/engineering/anchor_point_site_feasibility_study_-_final_rev3_2016-03-11.pdf

SUMMARY STATEMENT:

The City applied for and received a planning grant in 2015 for \$50,000 from the Wa St Community & Economic Revitalization Board (CERB) to conduct a feasibility study of the industrial-zoned Anchor Point (Wasser-Winters) property along the Cowlitz and Columbia Rivers at the south end of Kelso's city limits. The grant was supplemented with matching funds from the City, Cowlitz County, and the Winters Family which owns the subject property.

The City contracted with the consulting firm, David Evans & Associates, last May to perform the feasibility study and economic analysis which included development concepts and planning level cost estimates for vehicle and rail access, provision of utilities, and environmental clearance requirements. Marc Pudists, DEA's lead consultant on the study, will present his findings at the October 18th regular Council meeting and answer questions pertaining to the study.

The plan has been approved by the CERB office, and meets the requirements of the grant. The feasibility study can be used to support future funding requests to CERB, US EDA, and other relevant agencies for developing infrastructure that will support potential industrial development at the site. Staff is requesting formal Council adoption of the study to allow for the inclusion of findings and recommendations within City infrastructure and land use plans.

OPTIONS:

1. Move to adopt the Anchor Point Industrial Site Feasibility Study as presented.
2. Do not approve the agreement.
3. Bring back for consideration at a subsequent meeting.

RECOMMENDED ACTION:

Move to adopt the Anchor Point Industrial Site Feasibility Study.

AGENDA SUMMARY SHEET
Business of the City of Kelso
City of Kelso, Washington

SUBJECT TITLE:

**2017-18 Budget - City Utility Rate Adjustment
Discussion**

Agenda Item: _____

Dept. of Origin: Finance

For Agenda of: October 18th, 2016

Cost of Item: _____

PRESENTED BY:

Steve Taylor, City Manager

City Manager: Stephen Taylor

AGENDA ITEM ATTACHMENTS:

Solid Waste Utility Rate Ordinance 13-3810
Stormwater Utility Rate Ordinance 15-3843
Water & Sewer Utilities Rate Ordinance 15-3855

SUMMARY STATEMENT:

City-owned utilities include water, sewer, solid waste, and stormwater (drainage) services. Funding for the provision of utility services is provided through rates set by the City Council that are charged to users based on customer class and the proportion of services used. The City employs consultants to conduct a periodic review of utility rates to ensure the financial solvency of the utilities and general equity of the charges assessed among the rate classes. Staff reviews these rates annually and makes recommendations on necessary rate adjustments.

Staff will discuss proposed rate increases across the utilities for 2017 and 2018 and how those adjustments are incorporated into the citywide budget. Rates for water, sewer, and solid waste through 2019 have been previously adopted by ordinance, while solid waste rates were set through 2016. Based on expense and revenue projections for the next biennium, staff will recommend amending the rate ordinances for 2017 & 2018 as follows:

	<u>2017</u>	<u>2018</u>
Water		
Residential	2%	3%
Commercial	2%	1%
Industrial	0%	1%
Sewer		
Residential	2%	2%
Residential standby	7%	7%
Commercial (Fixed)	2%	2%

		2017	2018
Commercial	(Volume)	0.7%	0.7%
Industrial	(Volume)	4%	2%
Stormwater			
Residential		4%	4%
Commercial		4%	4%
Solid Waste			
Residential		4%	2%
Commercial		4%	2%
Recycling		6%	6%

RECOMMENDED ACTION:

Discuss proposed utility rate adjustments and provide staff with direction on amendments to the rate ordinances.

ORDINANCE NO. 13-3810

AN ORDINANCE OF THE CITY OF KELSO REPEALING RESOLUTION NO. 12-1069 AND FIXING THE RATES TO BE CHARGED BY THE CITY OF KELSO FOR FURNISHING GARBAGE SERVICES EFFECTIVE DECEMBER 1, 2013.

WHEREAS, due to the need for additional funding for new landfill development, Cowlitz County will be increasing their solid waste tipping fees by 31% which will result in an 8.4% City Sanitation rate increase; and

WHEREAS, the City has a continued need to adjust rates in consideration of the City's long term plan to bring rates into balance with expenditures and escalating costs of doing business; and

WHEREAS, the City has provided public notices of the proposed rate increases pursuant to RCW 35.21.157 on October 1, 2013 and October 8, 2013;

NOW, THEREFORE,

THE CITY COUNCIL OF THE CITY OF KELSO DO ORDAIN AS FOLLOWS:

SECTION 1. That Resolution No. 12-1069, relating to the City's garbage management utility, is hereby repealed.

SECTION 2. That pursuant to Section 8.04.090(B) of the Kelso Municipal Code, the rates to be charged for garbage collection service effective December 1st of the listed year below shall be as follows:

I. RESIDENTIAL

The rate for once-per-week collection for a single-family dwelling shall be as listed below per month per container.

<u>2013</u>	<u>2014</u>	<u>2015</u>
\$12.92/mo.	\$13.57/mo.	\$14.25/mo.

Any head-of-household who qualifies as a low-income senior citizen pursuant to RCW 74.38.070 may make application to the appropriate City officials and qualify for a single container rate as listed below per month per container, as provided by Ordinance No. 3049.

<u>2013</u>	<u>2014</u>	<u>2015</u>
6.78	7.12	7.48

The rate for once-per-week collection for a two, three, four, or five-family dwelling unit shall be as listed below per month per container times the respective number of units.

<u>2013</u>	<u>2014</u>	<u>2015</u>
\$12.92/mo.	\$13.57/mo.	\$14.25/mo.

Multi-family dwellings with more than five dwelling units or which receive more than once-per-week collection shall be charged under the commercial rate schedule in Section II below.

Special service, (i.e., the picking up of the garbage container of any such dwelling at other than the point established pursuant to Section 8.04.050 of the Kelso Municipal Code).

<u>AMOUNT</u>	<u>SERVICE</u>	<u>DISTANCE FROM CURB TO ALLEY</u>
\$0.06/ft per trip	1 roll-out container	Measured from City's designated placement location to customer's requested pick-up location

(Add an additional \$0.06 per foot per trip for each additional container. In the event the distance is 25 feet or less, the charge shall be \$1.25 per trip).

Where no adult occupants of the dwelling are physically capable of moving the containers to the designated location, this charge shall be waived, if approved by the Solid Waste Division of the Public Works Department and the City's Contract.

II. COMMERCIAL

Commercial shall include other types of occupancies, including other multi-family dwellings, places of business, industrial establishments and institutional and public buildings, and may be charged the following monthly rates multiplied by the number of collections per week:

CONTAINER SIZE

2013			2014		
60 Gallon	<u>\$16.93</u>	Per collection	60 Gallon	<u>\$17.78</u>	Per collection
90 Gallon	\$18.94	Per collection	90 Gallon	\$19.89	Per collection
350 Gallon	\$59.85	Per collection	350 Gallon	\$62.84	Per collection

2015

60 Gallon	\$18.67	Per collection
90 Gallon	\$20.88	Per collection
350 Gallon	\$65.98	Per collection

COMMERCIAL CONTAINER SIZE PER PICK-UP PER MONTH

<u>2013</u>		<u>2014</u>		<u>2015</u>	
1 Yard	\$86.48	1 Yard	\$90.80	1 Yard	\$95.34
2 Yard	\$107.52	2 Yard	\$112.90	2 Yard	\$118.55
3 Yard	\$145.03	3 Yard	\$152.28	3 Yard	\$159.89
4 Yard	\$164.53	4 Yard	\$172.76	4 Yard	\$181.40
5 Yard	\$187.81	5 Yard	\$197.20	5 Yard	\$207.06

The total monthly charge shall be the above rates multiplied by the number of containers collected.

The minimum charge for a multi-family dwelling with once-per-week collection shall be as listed below per month.

<u>2013</u>	<u>2014</u>	<u>2015</u>
\$56.11	\$58.92	\$61.87

III. SPECIAL CONTAINER SERVICE (Including Additional Containers)

Charges shall be as determined by Solid Waste Division of the Public Works Department. Charges are subject to review by the Director of Public Works as may be required. Generally, such rates shall include a service fee plus the landfill charge and a 22% administrative fee.

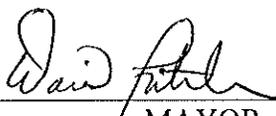
SECTION 3. The rates established herein shall take effect on the customer's first full billing cycle after December 1, 2013.

SECTION 4. This Ordinance shall be in full force and effect five (5) days after its passage and publication of summary as required by law.

ADOPTED by the City Council and **SIGNED** by the Mayor this 19th day of November, 2013.

ATTEST/AUTHENTICATION:

CITY CLERK


MAYOR

ORDINANCE NO. 15-3843

AN ORDINANCE OF THE CITY OF KELSO AMENDING ORDINANCE NO. 14-3834 RELATING TO THE STORMWATER MANAGEMENT UTILITY BY REVISING THE SYSTEM OF CHARGES.

WHEREAS, the City operates a utility for the provision of stormwater management services and has set rates and fees to fund the costs of these services; and

WHEREAS, high-density housing should be assessed by the amount of impervious surface area;

NOW THEREFORE THE CITY COUNCIL OF THE CITY OF KELSO DO ORDAIN AS FOLLOWS:

SECTION 1. That Ordinance No. 14-3834, relating to the City's stormwater management utility, is hereby amended to provide as follows:

System of Charges: The following monthly service charges are hereby established for all parcels of real property within the boundaries of the City of Kelso as they now exist or as they may be hereafter established for the purpose of carrying on the responsibilities of the stormwater management utility:

A. Undeveloped Parcels: Undeveloped parcels shall not be charged. For the purposes of this ordinance, an undeveloped parcel is defined as a parcel that has native vegetation, including second-growth forests, and undisturbed native soils that existed prior to Euro-American settlement.

B. Single-Family Parcels: The monthly service charge for each single-family parcel shall hereafter be referred to as the "base rate." For the purposes of this ordinance, a single-family parcel is defined as a residential parcel with only one residential building that is either a single-family home or a duplex or a triplex. Alternatively, the residential parcel could contain two single-family homes.

	2015	2016	2017	2018	2019
Single-Family (per house)	\$ 8.91	\$ 9.18	\$ 9.45	\$ 9.74	\$ 10.03

~~C. Multiple Family Parcels: Parcels with multiple dwelling units, such as duplexes, apartments, condominiums and mobile home parks, shall be charged the base rate for each dwelling unit address within the parcel.~~

	2015	2016	2017	2018	2019
Multi-family (per unit)	\$ 8.91	\$ 9.18	\$ 9.45	\$ 9.74	\$ 10.03

~~CD.~~ Other Developed Parcels: The monthly service charge for ~~all Other~~ Other Developed parcels shall be determined by multiplying the parcel's impervious area by the parcel's rate found below in the parcel rate schedule table. The parcel's impervious tier is determined by taking dividing the parcel's total measured impervious surface area divided by the parcel's total areagearea. The monthly service charge shall be determined by taking this percentage and using the following rate schedule to see what category any particular parcel falls into:

Table: Parcel Rate Schedule

	2015	2016	2017	2018	2019
<u>Impervious Tiers for Other Developed Parcels (Per Gross Acre)</u>					
Very light – 0% to 9%	\$ 4.26	\$ 4.39	\$ 4.52	\$ 4.65	\$ 4.79
Moderately light – 10% to 24%	\$ 11.22	\$ 11.56	\$ 11.91	\$ 12.26	\$ 12.63
Light – 25% to 39%	\$ 19.53	\$ 20.11	\$ 20.72	\$ 21.34	\$ 21.98
Moderate – 40% to 54%	\$ 27.92	\$ 28.76	\$ 29.62	\$ 30.51	\$ 31.42
Moderately heavy – 55% to 69%	\$ 36.23	\$ 37.31	\$ 38.43	\$ 39.59	\$ 40.77
Heavy – 70% to 84%	\$ 46.03	\$ 47.41	\$ 48.84	\$ 50.30	\$ 51.81
Very heavy – 85% to 100%	\$ 58.68	\$ 60.44	\$ 62.26	\$ 64.12	\$ 66.05
<i>Tiers are based on % of impervious area in the parcel</i>					
Minimum charge <u>Charge (base rate): for non-residential</u>	\$ 8.91	\$ 9.18	\$ 9.45	\$ 9.74	\$ 10.03

~~E.~~ Minimum Charge: Notwithstanding the ~~number amount~~ of impervious surface units area applicable to any individual ~~property parcel~~, the minimum ~~parcel monthly service charge rate~~ for all ~~developed properties~~ “Other Developed Parcels” shall be equal to the base rate.

~~DF.~~ Senior Citizens: Senior citizens shall be exempt from the stormwater ~~sewer charge management utility fee~~ provided they apply and qualify for such a reduction per RCW 74.38.070.

For purposes of implementing this section, “low-income senior citizen” shall mean a person who is sixty-one (61) years of age or older and whose total income, including that of his/her spouse or co-tenant, does not exceed the amount specified in RCW 84.36.381(5), as it now exists or is hereafter amended. Further, for purposes of implementing this section, the definitions of “combined disposable income,” “disposable income,” and “co-tenant” shall be as defined in RCW 84.36.383(5), (6), and (7), as they now exist or are hereafter amended.

EG. Capital Recovery Fees – Stormwater Connections:

Base Equivalent Service Charge

	2015	2016	2017	2018	2019
	\$ 143.00	\$ 176.00	\$ 217.00	\$ 267.00	\$ 329.00

SECTION 2. The rates established herein shall take effect on the ~~customer's~~ parcel owner's first billing cycle after May 1, 2015.

SECTION 3. Payment of Stormwater Management Utility fees and Capital Recovery fees shall be the responsibility of the parcel owner. Non-payment of these fees can result in a lien against the parcel or discontinuation of water service.

SECTION 34. This Ordinance shall be in full force and effect five (5) days after its passage and publication of summary as required by law.

ADOPTED by the City Council and **SIGNED** by the Mayor this 7th day of April, 2015.



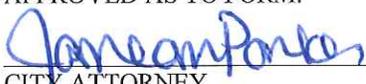
MAYOR

ATTEST/AUTHENTICATION:



CITY CLERK

APPROVED AS TO FORM:



CITY ATTORNEY

Published: April 11, 2015

ORDINANCE NO. 15-3855

AN ORDINANCE OF THE CITY OF KELSO AMENDING
ORDINANCE NO. 14-3832 UPDATING WATER AND SEWER
RATES.

WHEREAS, the City operates utilities for the provision of water and sewer services and has set rates and fees to fund the costs of these services; and

WHEREAS, the regular review and adjustment of rates and fees are necessary to maintain the fiscal sustainability of the sewer and water utilities, and the City commissioned a study to provide rate adjustment recommendations for the utilities; and

WHEREAS, the rate study conducted by FCS Group and presented to the City Council on July 15, 2014 recommended adjustments to water and sewer rates and capital recovery fees; and

WHEREAS, the City Council accepts the recommendations of the rate study to adjust rates and fees in amounts necessary to fund the operations and capital improvements of the utilities; and

WHEREAS, the City Council desires to review the financial condition of the water and sewer utilities no later than November 30th of each year to consider potential adjustments to the rates established within this ordinance;

NOW THEREFORE THE CITY COUNCIL OF THE CITY OF KELSO DO
ORDAIN AS FOLLOWS:

SECTION 1. That Ordinance No. 14-3832 is hereby amended to provide as follows:

1. Water Rates for All Residential and Commercial Users within the Corporate Limits:

BI-MONTHLY CHARGES:

		2015	2016	2017	2018	2019
	3/4" & 5/8"	\$22.64	\$23.09	\$24.82	\$26.68	\$28.68
Meter Size (In Inches)	1"	\$46.78	\$47.72	\$51.30	\$55.15	\$59.29
	1.5"	\$87.61	\$89.36	\$96.06	\$103.26	\$111.00
	2"	\$136.16	\$138.88	\$149.30	\$160.50	\$172.54
	3"	\$265.90	\$271.22	\$291.56	\$313.43	\$336.94
	4"	\$412.24	\$420.48	\$452.02	\$485.92	\$522.36
	6"	\$1,305.76	\$1,331.88	\$1,431.77	\$1,539.15	\$1,654.59
	8"	\$1,815.11	\$1,851.41	\$1,990.27	\$2,139.54	\$2,300.01
10"	\$2,609.19	\$2,661.37	\$2,860.97	\$3,075.54	\$3,306.21	

In addition to the fixed charge set forth above, each residential and commercial water customer of the utility shall pay an additional sum for every 100 cubic feet of water consumed.

2015	2016	2017	2018	2019
\$ 3.33	\$ 3.40	\$ 3.66	\$ 3.93	\$ 4.22

2. Water Rates for all Industrial Users within the Corporate Limits:

BI-MONTHLY CHARGES

	2015	2016	2017	2018	2019
Meter Size (Inches)					
2"	\$3,630.93	\$3,703.55	\$3,981.32	\$4,279.92	\$4,600.91
3"	\$7,263.62	\$7,408.89	\$7,964.56	\$8,561.90	\$9,204.04
4"	\$11,351.91	\$11,578.95	\$12,447.37	\$13,380.92	\$14,384.49
6"	\$22,719.68	\$23,174.07	\$24,912.13	\$26,780.54	\$28,789.08
8"	\$36,318.01	\$37,044.37	\$39,822.70	\$42,809.40	\$46,020.11
10"	\$52,203.28	\$53,247.35	\$57,240.90	\$61,533.97	\$66,149.02

In addition to the fixed charge above, each industrial water customer of the utility shall pay an additional sum for every 100 cubic feet of water consumed.

2015	2016	2017	2018	2019
\$ 2.27	\$ 2.32	\$ 2.49	\$ 2.68	\$ 2.88

Customers must consume a minimum of 25,000 cubic feet per day of water to qualify as an industrial user.

3. Youth Athletic Leagues:

Water consumed for irrigation purposes by youth athletic leagues utilizing a current Facility Use Agreement shall be charged at twenty-five percent (25%) of the rates set forth in this Ordinance. In order to qualify for this reduced rate, the youth athletic league facilities must be the account customer and must be metered to determine actual usage. Penalties, turn on charges, and other related charges shall be billed at one hundred percent (100%) of the amounts as set forth in the Master Fee Schedule.

4. Private Fire System Connections (including sprinklers) shall be as follows:

“Connection” shall mean individual line size (not size of water appurtenance).

BI-MONTHLY CHARGES

	2015	2016	2017	2018	2019
Line Size (Inches)					
1"	\$3.49	\$3.56	\$3.83	\$4.12	\$4.43
2"	\$13.97	\$14.25	\$15.32	\$16.47	\$17.71

3"	\$31.43	\$32.06	\$34.46	\$37.04	\$39.82
4"	\$55.87	\$56.99	\$61.26	\$65.85	\$70.79
6"	\$111.63	\$113.86	\$122.40	\$131.58	\$141.45
8"	\$192.10	\$195.94	\$210.64	\$226.44	\$243.42
10"	\$267.18	\$272.52	\$292.96	\$314.93	\$338.55

These charges also apply to references regarding fire services, fire standby fees, and fire monthly service charge.

5. Service Outside City Limits:

The normal rates for water and sewer service to individual accounts located outside the City boundaries shall be 1.5 times the in-City rate.

6. Wholesale or Bulk Rates:

Water rates charged for wholesale or bulk use purposes shall be at a rate for every 100 cubic feet of water delivered as follows:

2015	2016	2017	2018	2019
\$ 3.33	\$ 3.40	\$ 3.66	\$ 3.93	\$ 4.22

A Fire Hydrant Use Permit is required to obtain water from hydrants connected to the City of Kelso water supply. The permit shall be on site at any time water is to be withdrawn from the hydrant and shall be subject to examination on request of employees of the City. The Public Works Director or his/her designee shall have the authority to limit the amount of water used, or temporarily suspend hydrant meter service, in order to maintain system capacity and continuity of service to customers. Permit fees and use deposits will be assessed as set forth in the Master Fee Schedule.

7. Sewer Rates for All Residential and Commercial Users within the Corporate Limits

BI-MONTHLY CHARGES

SERVICE TYPE

A. Residential standby only (use less than 200 cf/ Bi-monthly)

2015	2016	2017	2018	2019
\$ 17.93	\$ 19.19	\$ 20.53	\$ 21.97	\$ 23.51

B. All other residential dwellings

2015	2016	2017	2018	2019
\$ 111.14	\$ 114.47	\$ 116.76	\$ 119.10	\$ 121.48

C. (1) All Commercial Users

2015	2016	2017	2018	2019
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\$ 111.14 \$ 114.47 \$ 116.76 \$ 119.10 \$ 121.48

(2) In addition, all commercial users consuming a quantity of water greater than 1100 cubic feet per Bi-month shall be charged for every 100 cubic feet of water consumed in excess of 1100 cubic feet per Bi-month.

2015	2016	2017	2018	2019
\$ 6.75	\$ 6.82	\$ 6.87	\$ 6.92	\$ 6.97

8. Sewer Rates for All industrial Users within the Corporate Limits:

All industrial customers shall pay the following sewer rates based on water consumption:

BI-MONTHLY FIXED CHARGE

2015	2016	2017	2018	2019
\$ 194.19	\$ 379.76	\$ 565.33	\$ 750.90	\$ 936.74

VOLUME CHARGE

2015	2016	2017	2018	2019
\$ 3.50	\$ 3.71	\$ 3.93	\$ 4.16	\$ 4.41

Customer must consume a minimum of 25,000 cubic feet per day of water to qualify as an industrial customer.

9. Treatment of “High Strength Waste” – Surcharge:

In the event that “high strength waste” is accepted for treatment by the Facilities, a surcharge shall be imposed and paid to the TRRWA in addition to any other charges for sewage treatment as follows:

BOD:	\$ 0.40 per pound
Suspended Solids (SS):	\$ 0.55 per pound

Such surcharge shall be assessed to “high strength waste” which is hereby defined to be waste that is in excess of a baseline concentration of 250 mg/l.

Such surcharge shall be calculated as follows:

BOD: (concentration [mg/l] – 250 mg/l) x 8.34 x flow (mgd) x \$0.40
 SS: (concentration [mg/l] – 250 mg/l) x 8.34 x flow (mgd) x \$0.55

10. Miscellaneous

A. Irrigation meter: Standard bi-monthly water use rates as listed in this ordinance shall apply.

11. Capital Recovery Fees – Water Connections:

	2015	2016	2017	2018	2019
Meter Size (In Inches)					
3/4" & 5/8"	\$ 2,644.00	\$ 2,930.00	\$ 3,217.00	\$ 3,504.00	\$ 3,791.00
1"	\$ 6,610.00	\$ 7,325.00	\$ 8,042.50	\$ 8,760.00	\$ 9,477.50
1.5"	\$ 13,220.00	\$ 14,650.00	\$ 16,085.00	\$ 17,520.00	\$ 18,955.00
2"	\$ 21,152.00	\$ 23,440.00	\$ 25,736.00	\$ 28,032.00	\$ 30,328.00
3"	\$ 42,304.00	\$ 46,880.00	\$ 51,472.00	\$ 56,064.00	\$ 60,656.00
4"	\$ 66,100.00	\$ 73,250.00	\$ 80,425.00	\$ 87,600.00	\$ 94,775.00
6"	\$ 132,200.00	\$ 146,500.00	\$ 160,850.00	\$ 175,200.00	\$ 189,550.00
8"	\$ 211,520.00	\$ 234,400.00	\$ 257,360.00	\$ 280,320.00	\$ 303,280.00
10"	\$ 304,060.00	\$ 336,950.00	\$ 369,955.00	\$ 402,960.00	\$ 435,965.00

12. Capital Recovery Fees – Sewer Connections:

	2015	2016	2017	2018	2019
Meter Size (In Inches)					
3/4" & 5/8"	\$ 1,721.00	\$ 1,721.00	\$ 1,721.00	\$ 1,721.00	\$ 1,721.00
1"	\$ 4,302.00	\$ 4,302.00	\$ 4,302.00	\$ 4,302.00	\$ 4,302.00
1.5"	\$ 8,605.00	\$ 8,605.00	\$ 8,605.00	\$ 8,605.00	\$ 8,605.00
2"	\$ 13,768.00	\$ 13,768.00	\$ 13,768.00	\$ 13,768.00	\$ 13,768.00
3"	\$ 27,536.00	\$ 27,536.00	\$ 27,536.00	\$ 27,536.00	\$ 27,536.00
4"	\$ 43,025.00	\$ 43,025.00	\$ 43,025.00	\$ 43,025.00	\$ 43,025.00
6"	\$ 86,050.00	\$ 86,050.00	\$ 86,050.00	\$ 86,050.00	\$ 86,050.00
8"	\$ 137,680.00	\$ 137,680.00	\$ 137,680.00	\$ 137,680.00	\$ 137,680.00
10"	\$ 197,915.00	\$ 197,915.00	\$ 197,915.00	\$ 197,915.00	\$ 197,915.00

In addition to all “hook-up” charges, sanitary sewer service charges and other existing charge and fees imposed by a member entity or by the TRRWA, a System Development Charge (SDC) for waste water treatment in the sum of \$1,957.00 will be charged for each new Equivalent Residential Unit (ERU) hereafter connected to the facilities of the TRRWA through the sanitary sewer lines of the member entities in accordance with the following conversion tables:

RESIDENTIAL

COMMERCIAL

INDUSTRIAL

<u>Dwelling</u>	<u>ERU's per Dwelling Unit</u>	<u>Water Meter Size (Inches)</u>	<u>ERU's Per Meter</u>	
Single family	1.00	5/8	1.00	1 ERU per each
Duplex, 3 or 4-plex	0.86	3/4	1.50	300 gallons /day flow
Apartment (5 or more)	0.67	1	2.50	

1.5	5.00
2	8.00
3	16.00
4	25.00
6	50.00
8	80.00

13. Senior Citizens Reduction:

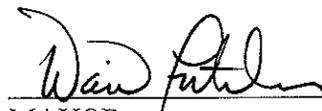
Senior Citizens occupying residential dwellings shall be eligible for a reduction of the water/sewer portion of their utility bill of four dollars (\$4.00) per billing period, provided they apply and are qualified for such a reduction pursuant to the authority contained in RCW 74.38.070 as a low-income senior citizen. Further, for purposes of implementing this section, the rate reduction will be applied at \$2.00 for water service and \$2.00 for sewer service per billing period. Those customers receiving either water service or sewer service will only receive a \$2.00 reduction per billing period.

For purposes of implementing this section, "low-income senior citizen" means a person who is sixty-one(61) years of age or older and whose total income, including that of his or her spouse or co-tenant, does not exceed the amount specified in RCW 84.36.381(5) as it now exists or is hereafter amended. Further, for purposes of implementing this section, the definitions of "combined disposable income," "disposable income" and "co-tenant" shall be as defined in RCW 84.36.383(5), (6), and (7), as they now exist or are hereafter amended.

SECTION 2. Beginning in the year 2015, the rates and fees established within Section 1 of this ordinance shall be annually reviewed by the City Council no later than November 30th of each year this ordinance to evaluate the effectiveness of the rate structure and determine if adjustments to the ordinance are necessary.

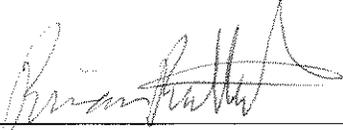
SECTION 3. This Ordinance shall be in full force and effect forty-three days after its passage and publication of summary as required by law.

ADOPTED by the City Council and **SIGNED** by the Mayor this 17th day of November, 2015.



 MAYOR

ATTEST/AUTHENTICATION:



CITY CLERK

APPROVED AS TO FORM:



CITY ATTORNEY

PUBLISHED: 11-21-2015

AGENDA SUMMARY SHEET

AGENDA ITEM: 1st reading of an
Ordinance of the City of Kelso amending
Kelso Municipal Code 5.05.120 to
increase tax rates for water, sewer and
garbage providers.

SUBMITTED BY: Brian Butterfield

AGENDA ITEM # _____
FOR AGENDA OF: 10/18/2016
ORIGINATING DEPT: Finance
DATE SUBMITTED: 10/14/2016
COST OF ITEM: _____
AMT. BUDGETED _____
CITY ATTY. APPROVAL _____
CITY MGR. APPROVAL _____

AGENDA ITEM PAPERWORK:

See attached ordinance.

SUMMARY STATEMENT:

During the budget discussion at the October 4, 2016, City Council meeting, Council directed staff to add two positions to the proposed preliminary budget. The two positions include two police patrol officers. To defray the costs of the two new positions Council further directed staff to increase the utility tax on providers of water, sewer, and garbage services by 2%.

OPTIONS:

- 1) Move to approve ordinance on second reading.
- 2) Do not approve ordinance.
- 3) Provide direction to staff regarding desired changes.

ORDINANCE NO.

AN ORDINANCE OF THE CITY OF KELSO AMENDING KMC 5.05.120 TO INCREASE UTILITY BUSINESS TAX RATES FROM EIGHTEEN PERCENT TO TWENTY PERCENT FOR WATER SEWER AND GARBAGE PROVIDERS

WHEREAS, the City has suffered from decreased or flat tax revenues combined with increased operating expenditures, and

WHEREAS, the City Council would like to enhance the services provided to the residents of the City of Kelso for the 2017/2018 biennium, and

WHEREAS, without additional revenue sources, these enhanced services to the residents of the City of Kelso would have a negative effect on the City's financial position and

WHEREAS, effective January 1, 2017, the utility business tax rates for water sewer and garbage will revert back to eighteen percent;

NOW, THEREFORE,

THE CITY COUNCIL OF THE CITY OF KELSO DO ORDAIN AS FOLLOWS:

SECTION 1. AMENDMENT OF KMC 5.05.120. That Kelso Municipal Code Section 5.05.120—Imposition of the tax—Tax levied, Subsections E, F, and G are hereby amended to provide as follows:

5.05.120 Imposition of the tax—Tax levied.

Upon every person engaging within the city in any one or more of the businesses hereinafter mentioned, as to such person the license fee shall be equal to the gross operating revenue of the business multiplied by the rate set forth after the business, as follows:

[...]

E. The business of selling or furnishing water for hire, ~~twenty eighteen~~ percent of the total gross revenue.

F. The business of selling or furnishing sanitary sewer service, ~~twenty eighteen~~ percent of the total gross revenue.

G. The business of selling or furnishing garbage or refuse service, ~~twenty eighteen~~ percent of the total gross revenue.

SECTION 2. SEVERABILITY. The provisions of this Ordinance are declared to be severable. If any provision, clause, sentence, or paragraph of this Ordinance or the application thereof to any person, establishment, or circumstances shall be held invalid, such invalidity shall not affect the other provisions or application of this Ordinance.

SECTION 3. EFFECTIVE DATE. This Ordinance shall be in full force and effect January 1, 2017.

ADOPTED by the City Council and **SIGNED** by the Mayor this 1st day of November, 2016.

ATTEST/AUTHENTICATION:

MAYOR

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY

PUBLISHED: