

RESOLUTION NO. 19-1328

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BLACK DIAMOND, KING COUNTY, WASHINGTON, INCREASING RATES FOR CITY SEWER SERVICE BEGINNING IN 2020 AND ANNUALLY THEREAFTER TO PROVIDE NEEDED CASH FLOWS FOR SEWER OPERATIONS.

WHEREAS, the City Council, by Ordinance No. 19-1133, adopted a Utility Rate Schedule wherein all customer rates for City utility services are included in a single document, which may be amended from time to time by the City Council in its discretion, consistent with RCW 35.92.010 and 35.92.020; and

WHEREAS, the City's base charge for sewer utility services has not increased since 2014; and

WHEREAS, the City Council held a public work session on November 14, 2019, to review the adequacy of its sewer utility rates with its consultant, Mr. Ashley Emery of Peninsula Financial Consulting ("Consultant"); and

WHEREAS, the Consultant determined, based on his computer modeling and a detailed analysis of expected conditions over the next six years, that a rate increase is urgently needed to ensure adequate cash flow to cover the cost of sewer operations; and

WHEREAS, based on the recommendations of the Consultant and the City's Finance and Public Works Staff, the City Council finds that the following increases to the City's base sewer service charges are needed to stabilize the City Sewer Fund and provide adequate cash flow for sewer operations: 15% in 2020; 10% in 2021; 5% in 2022; 3% in 2023 and annually thereafter; and

WHEREAS, a public hearing for the Council to receive public input on these proposed multi-year sewer utility rate adjustments was held on November 21, 2019.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BLACK DIAMOND, WASHINGTON, DOES RESOLVE AS FOLLOWS:

Section 1. Effective January 1, 2020, the City's Utility Rate Schedule shall be amended to reflect a fifteen percent (15%) increase in the base sewer service charge over the rate in effect on December 31, 2019.

Section 2. Effective January 1, 2021, the City's Utility Rate Schedule shall be amended to reflect a ten percent (10%) increase in the base sewer service charge over the rates in effect on December 31, 2020.

Section 3. Effective January 1, 2022, the City's Utility Rate Schedule shall be amended to reflect a five percent (5%) increase in the base sewer service charge over the rates in effect on December 31, 2021.

Section 4. Effective January 1, 2023, the City's Utility Rate Schedule shall be amended to reflect a three percent (3%) increase in the base sewer service charge over the rates in effect on December 31, 2022.

Section 5. Effective January 1, 2024, and annually on January 1 of each year thereafter, the City's Utility Rate Schedule shall be amended to reflect a three percent (3%) increase in the base sewer service charge over the rates in effect the previous year, to account for anticipated future inflation.

Section 6. The City Council intends to conduct a further review of the adequacy of utility rates for City sewer services at least once every two years after the date of this resolution to determine if any additional adjustments should be made to ensure adequate funding for sewer operations, maintenance, and capital needs.

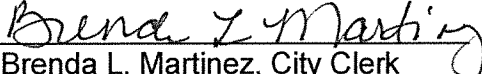
PASSED BY THE CITY COUNCIL OF THE CITY OF BLACK DIAMOND, WASHINGTON, AT A REGULAR MEETING THEREOF, THIS 19TH DAY OF DECEMBER 2019.

CITY OF BLACK DIAMOND:



Carol Benson, Mayor

Attest:


Brenda L. Martinez, City Clerk

City of Black Diamond, Washington

2019 Budget worksheet

A. Estimated Expenditures by Fund

Fund #	Fund Title	Ordinance	C/O Capt Prj	Ordinance	Total Adj. Budget
		18-1114	RCW 35A.150	Budget Adjustment	
		Budget			
		2019			2019
Fund 001	General Fund	8,454,859		112,100	8,566,959
Fund 101	Street Fund	355,495			355,495
Fund 107	Fire Impact Fee Fund	780,993			780,993
Fund 108	Trans. Benefit District Fund	125,228			125,228
Fund 109	Traffic Mitigation Fees Fund	198,005			198,005
Fund 401	Water Fund	5,516,086	288,519	50,000	5,854,605
Fund 407	Sewer Fund	1,646,962	8,749	9,000	1,664,711
Fund 410	Stormwater Fund	1,625,064	40,055		1,665,119
Fund 310	Gen Govt Captial Fund	1,492,472	132,173	50,000	1,674,645
Fund 320	Street & PW Fund	1,227,516	113,623	449,100	1,790,239
Fund 510	Internal Service Fund	410,913	66,035		476,948
		\$ 21,833,593	\$ 649,154	\$ 670,200	23,152,947

Budget Change Detail Worksheet -December 2019

		REVENUE	EXPENSES	Approved Resolution
		Rev Bud Change	Exp Bud Change	
1	General Fund			
2	Sales & Utility Tax Excess Revenue	71,100		
3	Police- Transfer for Police Vehicle replacement		60,000	
5	Police Fuel & Oth Sup. & Equip		8,000	
6	Technology-Anti virus S/W		3,100	
7	Police Multi Task force Rev & Costs	6,000	6,000	
8	Police Marine VRF costs/ Rev Carry over	25,000	25,000	
9	K/C Recycling Grants from 10,000 to \$20,000	10,000		19-1290
10	Recycling Expense		10,000	19-1290
11	Total Street Fund Budget Adj.	112,100	112,100	
12				
13	Street Fund			
14	Trf from Excess REET II	35,000		
15	Reduce Street Gas Tax & TBD Rev to est.	(35,000)		
16	Total Gen Gov't Capt. Bud Adj	0		
17				
18	General Government Capital Projects			
19				
20	REET I Excess Revenue	25,000		
21	Transfer to Campus Imp Project		25,000	
22				
23	Campus Prj trf in from Excess REET I	25,000		
24	Campus Project additional Exp.		25,000	
25				
26	Total Gen Govt Capt Projects Budget Adj.	50,000	50,000	
27				
28	Public Works Capital Projects			
29	REET II Excess Revenue	60,000		
30	Trf to Street Mtc Fund to cover Rev S/F		35,000	
31	Trf to Robert Drive Prj to cover St Light		25,000	
32				
33	Tr in from Excess REET for Roberts Drive	25,000		
34	Roberts Drive St. Lights & Installation cost		25,000	
35				
36	TIB Grant 232 Ave SE Asph OL	140,101		19-XXXX
37	Grant matching Funds	49,499		19-XXXX
38	TIB PW Street 232 Ave Se Asph O/L		189,600	19-XXXX

39				
40	TIB Grant Lawson St-Chip Seal	103,084		19-XXXX
41	Grant matching Funds	36,416		19-XXXX
42	TIB PW Street 232 Ave Se Asph OL		139,500	19-XXXX
43				
44	REET II Excess Revenue	35,000		
45	Trf to Sewer Fund for Cedarbrook Pj.		35,000	
46	Total Public Works Capital Budget Adj.	449,100	449,100	
33				
34	Water Fund			
35	Water Excess sales from Irrigation fees	50,000		
36	Irrigation & Water Meter Exp		50,000	
37	Total Water Fund Bud adj	50,000	50,000	
38				
39	Sewer Fund			
40	Trf In from Excess Reet II-Cedarbrook Prj	35,000		
41	Reduce Sewer Rev trf to Cedarbrook Prj	(35,000)		
42	Excess Sewer Revenue	9,000		
50	Unanticipated State and City Util Tax		6,000	
51	Unanticipated Sewer Supplies & Exp		3,000	
52	Total Sewer Capt & Res Fund Bud Adj	9,000	9,000	
54				
55	Dept Ecology 2019-2020 Storm Operating Grant	50,000		19-1318
56	DOE & Misc Stormwtr Exp		50,000	19-1318
57	Total Stormwtr Op Fund Budget Adj	50,000	50,000	
58				
59	Total 2019 Budget Change	670,200	670,200	