

LAKEHAVEN UTILITY DISTRICT
King County, Washington

Resolution No. 2014-1245

A **RESOLUTION** of the Board of Commissioners of the Lakehaven Utility District, King County, Washington, adopting water, sewer and street lights rates and superseding all prior rate resolutions and rate resolution amendments.

WHEREAS, pursuant to RCW 57.08.005, 57.08.060 and 57.08.081, the Board of Commissioners is empowered to establish periodic rates for the furnishing of water, sanitary sewer and street light services, and

WHEREAS, in order to ensure that the District will be able to meet the financial requirements for providing reliable water, sewer and street lighting services to its customers, the Board regularly reviews and considers such periodic rates, and

WHEREAS, having reviewed such matters, the Board adopted Resolution Nos. 2011-1189, 2012-1200, and 2012-1205 establishing water, sewer and street light rates for years 2012 through 2014, and

WHEREAS, believing that a modification to a category of water rates is appropriate and that the rates established herein are fair and equitable and will enable the District to meet its financial requirements,

NOW THEREFORE, BE IT RESOLVED as follows:

1. Water Rates - The following rates shall be billed on a bi-monthly basis for water furnished by the District.

A. Single Family Residence

(i) For billings transmitted during 2014, the base monthly charge determined by meter size, shall be as follows:

5/8"	\$ 12.14
3/4"	\$ 16.64
1"	\$ 25.63
1 1/2"	\$ 48.12
2"	\$ 75.11

plus \$1.47 per hundred cubic feet (ccf) for the first 16 ccf of water consumed during the bi-monthly period, plus \$2.79 per hundred cubic feet for the next 14 ccf of water consumed, plus \$4.11 per hundred cubic feet for the next 20 ccf of water consumed and \$5.43 for each hundred cubic feet of water consumed thereafter.

- (ii) For billings transmitted during 2015 the base monthly charge determined by meter size, shall be as follows:

5/8"	\$ 12.35
3/4"	\$ 16.93
1"	\$ 26.08
1 1/2"	\$ 48.96
2"	\$ 76.42

plus \$1.49 per hundred cubic feet (ccf) for the first 16 ccf of water consumed during the bi-monthly period, plus \$2.83 per hundred cubic feet for the next 14 ccf of water consumed, plus \$4.18 per hundred cubic feet for the next 20 ccf of water consumed and \$5.52 for each hundred cubic feet of water consumed thereafter.

- (iii) For billings transmitted during 2016 the base monthly charge determined by meter size, shall be as follows:

5/8"	\$ 12.57
3/4"	\$ 17.23
1"	\$ 26.54
1 1/2"	\$ 49.82
2"	\$ 77.76

plus \$1.52 per hundred cubic feet (ccf) for the first 16 ccf of water consumed during the bi-monthly period, plus \$2.88 per hundred cubic feet for the next 14 ccf of water consumed, plus \$4.25 per hundred cubic feet for the next 20 ccf of water consumed and \$5.62 for each hundred cubic feet of water consumed thereafter.

- (iv) For billings transmitted during 2017 the base monthly charge determined by meter size, shall be as follows:

5/8"	\$ 12.79
3/4"	\$ 17.53
1"	\$ 27.00
1 1/2"	\$ 50.69
2"	\$ 79.12

plus \$1.54 per hundred cubic feet (ccf) for the first 16 ccf of water consumed during the bi-monthly period, plus \$2.93 per hundred cubic feet for the next 14 ccf of water consumed, plus \$4.32 per hundred cubic feet for the next 20 ccf of water consumed and \$5.72 for each hundred cubic feet of water consumed thereafter.

- (v) For billings transmitted during 2018 the base monthly charge determined by meter size, shall be as follows:

5/8"	\$ 13.01
3/4"	\$ 17.83
1"	\$ 27.48
1 1/2"	\$ 51.58
2"	\$ 80.51

plus \$1.57 per hundred cubic feet (ccf) for the first 16 ccf of water consumed during the bi-monthly period, plus \$2.99 per hundred cubic feet for the next 14 ccf of water consumed, plus \$4.40 per hundred cubic feet for the next 20 ccf of water consumed and \$5.82 for each hundred cubic feet of water consumed thereafter.

B. Multiple Residential Unit Structures

- (i) For billings transmitted during 2014 the Base Monthly charge shall be \$6.81 per unit plus \$1.65 per 100 cubic feet of water consumed for Summer Usage and \$1.50 per 100 cubic feet of water consumed for Winter Usage.
- (ii) For billings transmitted during 2015 the Base Monthly charge shall be \$6.93 per unit plus \$1.68 per 100 cubic feet of water consumed for Summer Usage and \$1.53 per 100 cubic feet of water consumed for Winter Usage.
- (iii) For billings transmitted during 2016 the Base Monthly charge shall be \$7.05 per unit plus \$1.71 per 100 cubic feet of water consumed for Summer Usage and \$1.55 per 100 cubic feet of water consumed for Winter Usage.
- (iv) For billings transmitted during 2017 the Base Monthly charge shall be \$7.18 per unit plus \$1.74 per 100 cubic feet of water consumed for Summer Usage and \$1.58 per 100 cubic feet of water consumed for Winter Usage.
- (v) For billings transmitted during 2018 the Base Monthly charge shall be \$7.30 per unit plus \$1.77 per 100 cubic feet of water consumed for Summer Usage and \$1.61 per 100 cubic feet of water consumed for Winter Usage.

C. Non-Residential

- (i) For billings transmitted during 2014 the base monthly charge determined by meter size, shall be as follows:

5/8"	\$12.14	2"	\$ 75.11
3/4"	\$16.64	3"	\$138.08
1"	\$25.63	4"	\$228.03
1 1/2"	\$48.12	6"	\$452.92

plus \$2.98 per 100 cubic feet of water consumed for Summer Usage and \$1.93 per 100 cubic feet of water consumed for Winter Usage.

- (ii) For billings transmitted during 2015 the base monthly charge determined by meter size, shall be as follows:

5/8"	\$12.35	2"	\$ 76.42
3/4"	\$16.93	3"	\$140.49
1"	\$26.08	4"	\$232.02
1 1/2"	\$48.96	6"	\$460.85

plus \$3.03 per 100 cubic feet of water consumed for Summer Usage and \$1.96 per 100 cubic feet of water consumed for Winter Usage.

- (iii) For billings transmitted during 2016 the base monthly charge determined by meter size, shall be as follows:

5/8"	\$12.57	2"	\$ 77.76
3/4"	\$17.23	3"	\$142.95
1"	\$26.54	4"	\$236.08
1 1/2"	\$49.82	6"	\$468.91

plus \$3.08 per 100 cubic feet of water consumed for Summer Usage and \$2.00 per 100 cubic feet of water consumed for Winter Usage.

- (iv) For billings transmitted during 2017 the base monthly charge determined by meter size, shall be as follows:

5/8"	\$12.79	2"	\$ 79.12
3/4"	\$17.53	3"	\$145.45
1"	\$27.00	4"	\$240.22
1 1/2"	\$50.69	6"	\$477.12

plus \$3.13 per 100 cubic feet of water consumed for Summer Usage and \$2.03 per 100 cubic feet of water consumed for Winter Usage.

- (v) For billings transmitted during 2018 the base monthly charge determined by meter size, shall be as follows:

5/8"	\$13.01	2"	\$ 80.51
3/4"	\$17.83	3"	\$148.00
1"	\$27.48	4"	\$244.42
1 1/2"	\$51.58	6"	\$485.47

plus \$3.19 per 100 cubic feet of water consumed for Summer Usage and \$2.07 per 100 cubic feet of water consumed for Winter Usage.

D. Fire Protection

- (i) For billings transmitted during 2014 the base monthly charge determined by meter size, shall be as follows:

5/8"	\$ 6.30	2"	\$ 24.25
3/4"	\$ 7.59	3"	\$ 42.20
1"	\$10.15	4"	\$ 67.83
1 1/2"	\$16.56	6"	\$131.92

plus \$2.98 per 100 cubic feet of water consumed for Summer Usage and \$1.93 per 100 cubic feet of water consumed for Winter Usage.

- (ii) For billings transmitted during 2015 the base monthly charge determined by meter size, shall be as follows:

5/8"	\$ 6.41	2"	\$ 24.67
3/4"	\$ 7.72	3"	\$ 42.93
1"	\$10.33	4"	\$ 69.02
1 1/2"	\$16.85	6"	\$134.23

plus \$3.03 per 100 cubic feet of water consumed for Summer Usage and \$1.96 per 100 cubic feet of water consumed for Winter Usage.

- (iii) For billings transmitted during 2016 the base monthly charge determined by meter size, shall be as follows:

5/8"	\$ 6.53	2"	\$ 25.11
3/4"	\$ 7.85	3"	\$ 43.69
1"	\$10.51	4"	\$ 70.23
1 1/2"	\$17.14	6"	\$136.58

plus \$3.08 per 100 cubic feet of water consumed for Summer Usage and \$2.00 per 100 cubic feet of water consumed for Winter Usage.

- (iv) For billings transmitted during 2017 the base monthly charge determined by meter size, shall be as follows:

5/8"	\$ 6.64	2"	\$ 25.55
3/4"	\$ 7.99	3"	\$ 44.45
1"	\$10.69	4"	\$ 71.46
1 1/2"	\$17.44	6"	\$138.97

plus \$3.13 per 100 cubic feet of water consumed for Summer Usage and \$2.03 per 100 cubic feet of water consumed for Winter Usage.

- (v) For billings transmitted during 2018 the base monthly charge determined by meter size, shall be as follows:

5/8"	\$ 6.76	2"	\$ 25.99
3/4"	\$ 8.13	3"	\$ 45.23
1"	\$10.88	4"	\$ 72.71
1 1/2"	\$17.75	6"	\$141.40

plus \$3.19 per 100 cubic feet of water consumed for Summer Usage and \$2.07 per 100 cubic feet of water consumed for Winter Usage.

- E. Definitions - the following definitions shall apply to the establishment of water rates.

- (i) Summer Usage: Water usage billed from July through October (4 months).
- (ii) Winter Usage: All water usage other than Summer Usage as defined herein (8 months).
- (iii) Multiple Residential Unit Structures: Structure containing two or more separate units of residential living space served by a single water meter.

- F. Public Fire Protection Charge - The charge for public fire protection within the District's Water System Service Area shall be \$170.85 per fire hydrant per year during 2014 through 2018.

- G. Commencement of Charges - Monthly charges for water service shall commence pursuant to Resolution No. 2013-1226 or any amendment thereto.

- 2. Sewer rates - The following monthly rates shall be billed on a bi-monthly basis for sewer service furnished by the District.

- A. For billings transmitted during 2014 the monthly charge shall be as follows:

	<u>MONTHLY BASE RATE</u>	<u>VOLUME SERVICE CHARGE PER CCF</u>
(i) Single Family Residential	\$ 12.08	\$ 2.53
(ii) Multi-Family Residential	\$ 12.08	\$ 2.53
(iii) CDC #1	\$ 12.08	\$ 2.53
(iv) CDC #2	\$ 12.08	\$ 3.94
(v) CDC #3	\$ 12.08	\$ 5.35
(vi) CDC #4	\$ 12.08	\$ 6.76
(vii) CDC #5	\$ 12.08	\$ 8.17
Add	\$.60/lb. for B.O.D.and Suspended Solids in excess of 1,000mg/l	

B. For billings transmitted during 2015 the monthly charge shall be as follows:

	<u>MONTHLY BASE RATE</u>	<u>VOLUME SERVICE CHARGE PER CCF</u>
(i) Single Family Residential	\$ 12.41	\$ 2.60
(ii) Multi-Family Residential	\$ 12.41	\$ 2.60
(iii) CDC #1	\$ 12.41	\$ 2.60
(iv) CDC #2	\$ 12.41	\$ 4.05
(v) CDC #3	\$ 12.41	\$ 5.50
(vi) CDC #4	\$ 12.41	\$ 6.94
(vii) CDC #5	\$ 12.41	\$ 8.39
Add \$.62/lb. for B.O.D.and Suspended Solids in excess of 1,000mg/l		

C. For billings transmitted during 2016 the monthly charge shall be as follows:

	<u>MONTHLY BASE RATE</u>	<u>VOLUME SERVICE CHARGE PER CCF</u>
(i) Single Family Residential	\$ 12.75	\$ 2.67
(ii) Multi-Family Residential	\$ 12.75	\$ 2.67
(iii) CDC #1	\$ 12.75	\$ 2.67
(iv) CDC #2	\$ 12.75	\$ 4.16
(v) CDC #3	\$ 12.75	\$ 5.65
(vi) CDC #4	\$ 12.75	\$ 7.14
(vii) CDC #5	\$ 12.75	\$ 8.62
Add \$.64/lb. for B.O.D.and Suspended Solids in excess of 1,000mg/l		

D. For billings transmitted during 2017 the monthly charge shall be as follows:

	<u>MONTHLY BASE RATE</u>	<u>VOLUME SERVICE CHARGE PER CCF</u>
(i) Single Family Residential	\$ 13.10	\$ 2.75
(ii) Multi-Family Residential	\$ 13.10	\$ 2.75
(iii) CDC #1	\$ 13.10	\$ 2.75
(iv) CDC #2	\$ 13.10	\$ 4.28
(v) CDC #3	\$ 13.10	\$ 5.80
(vi) CDC #4	\$ 13.10	\$ 7.33
(vii) CDC #5	\$ 13.10	\$ 8.86
Add \$.66/lb. for B.O.D.and Suspended Solids in excess of 1,000mg/l		

E. For billings transmitted during 2018 the monthly charge shall be as follows:

	<u>MONTHLY BASE RATE</u>	<u>VOLUME SERVICE CHARGE PER CCF</u>
(i) Single Family Residential	\$ 13.46	\$ 2.82
(ii) Multi-Family Residential	\$ 13.46	\$ 2.82
(iii) CDC #1	\$ 13.46	\$ 2.82
(iv) CDC #2	\$ 13.46	\$ 4.39
(v) CDC #3	\$ 13.46	\$ 5.96
(vi) CDC #4	\$ 13.46	\$ 7.53
(vii) CDC #5	\$ 13.46	\$ 9.10
Add	\$.68/lb. for B.O.D.and Suspended Solids in excess of 1,000mg/l	

F. Commencing with billings transmitted during 2014, the monthly sewer service charge for property within the District with sewage flows treated by the King County Metro system shall include an additional \$1.77 per hundred cubic feet above the District's rates to reflect charges imposed by King County Metro. Commencing with billings transmitted during 2015, the additional monthly charge shall be \$2.00 per hundred cubic feet. Commencing with billings transmitted during 2016, the additional monthly charge shall be \$2.05 per hundred cubic feet. Commencing with billings transmitted during 2017, the additional monthly charge shall be \$2.10 per hundred cubic feet. Commencing with billings transmitted during 2018, the additional monthly charge shall be \$2.16 per hundred cubic feet. Commencing with billings transmitted during 2019, the monthly sewer service charge for such properties shall increase by such amount necessary to fully collect the charge imposed by King County Metro for sewer service to the property.

G. Commencing with billings transmitted during 2014, the monthly sewer service charge for property within the District with sewage flows treated by the Pierce County/Tacoma system, shall include an additional \$1.49 per hundred cubic feet above the District's rates to reflect charges imposed by Pierce County. Commencing with billings transmitted during 2015, the additional monthly charge shall be \$1.53 per hundred cubic feet. Commencing with billings transmitted during 2016, the additional monthly charge shall be \$1.57 per hundred cubic feet. Commencing with billings transmitted during 2017, the additional monthly charge shall be \$1.62 per hundred cubic feet. Commencing with billings transmitted during 2018, the additional monthly charge shall be \$1.66 per hundred cubic feet. Commencing with billings transmitted during 2019, the monthly sewer service charge for such properties shall increase by such amount necessary to fully collect the charge imposed by Pierce County for sewer service to the property.

H. The volume portion of the service charge for single-family residential accounts and multi-family properties, excluding mobile home parks, not served by an irrigation meter, shall be based upon the water meter readings for the months of

January, February, March and April (“wet months”), and is recalculated each year. New customers subject to wet-month averaging are assigned a usage amount of 800 cubic feet per month (1,600 per 2-month cycle), which is an average usage for a typical household. This figure is adjusted once actual wet months water usage can be determined. New customers wishing not to be assigned this average consumption value shall be entitled to provide verifiable water consumption records from their last prior residence for consideration in establishing the initial volume portion of the service charge. In order to be considered, such information shall be submitted to the District within ten (10) days of establishment of a new sewer account. Existing customers relocating their residence within the District shall automatically retain their existing consumption average for purposes of the volume portion of the service charge.

- I. Commencement of Charges – Billing of water rates shall commence on the earlier of the installation date of the water meter to serve the property or the date eighteen (18) months following payment of the Water System Capital Facilities Charge. Billing of sewer rates shall commence on the earlier of the issuance date of the sewer service connection permit for the property or the date eighteen (18) months following payment of the Sewer System Capital Facilities Charge.
3. Street Light Rates - In order that the District shall recover the \$12.00 per month cost of street lights, all properties within a standard street lighting system established by the Lakehaven Utility District shall pay a monthly charge for such service of \$2.00 per month. In circumstances where the street lights serve more, or less, than six lots, then the amount of the monthly charge shall be adjusted such that the District receives an equivalent \$12.00 cost from the properties served thereby. Properties included within a street light system shall continue to be subject to the monthly charge herein until such time as the property shall be determined to be “non-buildable” by the District. In addition to providing proof of the designation of a parcel as “non-buildable” by the land use authority with jurisdiction over the parcel, property owners may submit as such proof the certification from a licensed soils engineer or licensed septic tank design professional that the parcel will not be suitable for service by a septic system.
4. Duplicate Billing - Where a property owner requests that a copy of the water, sewer and/or street light billing be sent to any address other than the account address, a 0.50 dollars charge shall be added to the bill for each such duplicate billing sent.
5. Capital Facilities Charge Capacity Rental - Beginning with billings transmitted after December 31, 2013, the District shall collect capacity rent from property owners using more capacity in the water and/or sewer facilities of general benefit than was acquired for the property served. The rent shall be billed as a rate under authority of applicable law and shall, for each bi-monthly period, equal one percent (1%) of the current Capital Facilities Charge (“CFC”) for each Equivalent Residential Unit (“ERU”), or portion thereof, of capacity used in the water and/or sewer systems in excess of the amount established by the District as the level of CFC credit owned at the property (measured in ERU’s). The amount of the CFC and volume of service associated with an ERU of capacity shall be as set forth in

the current fees and charges resolution. Each property served by the water and/or sewer systems shall be allocated a CFC credit based upon the level of CFC capacity acquired for the property. Any excess capacity used in the water and/or sewer systems for which capacity rent shall be collected will be allocated in increments of hundredths (.01) of an ERU. The credit level shall be increased by a factor of twenty (20) percent for each ERU credit allocated in the system (e.g. 6 actual credits equals 7.2 credits for rent calculation purposes). In addition, no rent shall be collected for the first full ERU of excess capacity used after the credit adjustment (e.g. a property with a credit of 2 ERU's would begin paying rent for capacity used in excess of 3.4 ERU's). The amount of excess capacity used shall be further based upon the average of use for the prior twelve (12) month period as determined by the volume of water used at the property. Water determined by the District to have been leaked shall not be included in the calculation of water or sewer system capacity rent. For purposes of determining sewer capacity used, the consumption of water through irrigation meters will not be included in the calculation of sewer system use.

Where multiple water and/or sewer connections exist on a single non-single family residential parcel, capacity rent shall be based on any excess service capacity used for the entire parcel. The capacity rent owing for the period shall be allocated to the service connections based on the service connection's pro rata share of the total consumption at the parcel. Where two or more non-single family residential parcels with a common boundary are held under common ownership, as shall be determined at the discretion of the District, the District will aggregate the credits from all such parcels and levy any capacity rental on the basis of the credits and consumption associated with all such parcels. The capacity rental charge to each service connection on such parcel shall be based on the service connection's pro rata share of the total consumption of the parcel for the period. To avoid the stranding of credits in parcels within a common commercial or multi-family development that are allocated credits (typically where the CFC was paid as an area charge) and are not served by water and/or sewer facilities, the capacity credits for parcels within commercial or multi-family residential developments that do not use water and/or sewer service will be allocated to the other connections within the development in proportion to their pro rata share of the total consumption of capacity within the development.

6. Leak Adjustment Program

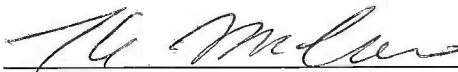

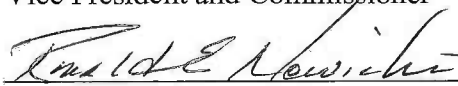
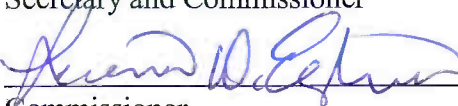
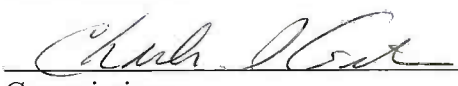

- i) Subject to the discretion of the District, customers repairing a water system leak within 60 days of the discovery of the leak will be eligible to have an adjustment made in their water and/or sewer accounts under the terms of subsection ii) below.
- ii) For water customers, the reduction in the volume of water charged to the water account will equal 50% of the water lost due to the leak. The volume of water lost due to the leak will be determined by subtracting the volume of water used during the corresponding billing period from the prior year, from the volume of water use registered on the meter during the period of the leak. Following the reduction, the remaining volume of water lost due to the leak

will be priced no higher than the second block rate applicable to single-family residential customers during the period of the leak. For single-family and multi-family residential customers, the volume of any water leaked shall not be used in determining the wet month average for sewer charges. For commercial customers, any water leaked that does not flow to the District's sewer system shall be excluded from the volume charge for sewer service. In circumstances where the commercial customer's leaked water enters the sewer system, such as through a leaking toilet, the District shall consider the impact of the leaked water on the waste strength and adjust the customer's CDC classification during the period of the leak to reflect dilution of the waste stream. Leak adjustments may be granted for up to, but not more than, three (3) billing periods for any single leak. In no case shall water leaked under subsection i) be included in the calculation of water and/or sewer system capacity rent under the Capital Facilities Charges Capacity Rental Program established pursuant to resolution of the Board of Commissioners.

7. This Resolution shall supersede Resolution all prior rate resolutions and rate resolution amendments for billings transmitted after December 31, 2014 and shall become effective on the date of adoption below. The Board reserves its authority to amend this resolution and the rates established herein at any time it deems such amendment to be in the best interests of the District.

ADOPTED by the Board of Commissioners of Lakehaven Utility District, King County, Washington, at an open public meeting thereof held this 11th day of December, 2014.

ATTEST:

 _____ President and Commissioner	<input checked="" type="checkbox"/> Yea	<input type="checkbox"/> Nay	<input type="checkbox"/> Abstain
 _____ Vice President and Commissioner	<input checked="" type="checkbox"/> Yea	<input type="checkbox"/> Nay	<input type="checkbox"/> Abstain
 _____ Secretary and Commissioner	<input checked="" type="checkbox"/> Yea	<input type="checkbox"/> Nay	<input type="checkbox"/> Abstain
 _____ Commissioner	<input checked="" type="checkbox"/> Yea	<input type="checkbox"/> Nay	<input type="checkbox"/> Abstain
 _____ Commissioner	<input checked="" type="checkbox"/> Yea	<input type="checkbox"/> Nay	<input type="checkbox"/> Abstain
Approved as to form:  _____ General Counsel			