

CITY OF MARYSVILLE AGENDA BILL
EXECUTIVE SUMMARY FOR ACTION

CITY COUNCIL MEETING DATE: 2/11/2013

AGENDA ITEM: Ordinance Update to the Marysville Municipal Code, Title 14, Water and Sewers	
PREPARED BY: Kari Chennault, Program Engineer - Surface Water DEPARTMENT: Public Works, Engineering	DIRECTOR APPROVAL:
ATTACHMENTS: Ordinance	
BUDGET CODE: N/A	AMOUNT: \$0.00

SUMMARY:

This ordinance update proposes changes to MMC, Title 14, Water and Sewers. This ordinance language was reviewed and approved by the City Attorney’s office.

This ordinance update will provide clarity on the collection of the surface water capital improvement charge by moving its location within MMC, Title 14. Currently this charge is listed in MMC, Chapter 14.19 with the surface water utility rates. This ordinance will move information that details that capital improvement charge to MMC, Section 14.07.010 as this is the Section where water and sewer capital improvement charges are detailed.

In 2009 the Pollution Control Hearings Board amended the National Pollution Discharge Elimination System (NPDES) Phase II Permit for Western WA. Notably, they required large jurisdictions to “require” Low Impact Development (LID), where feasible. Smaller to mid size jurisdictions such as the City of Marysville were not mandated at the time to require it, but to prepare for such a requirement in future revisions to the Permit. The current Permit expired on February 15, 2012 and the newly proposed Permit language identifies LID as a requirement, where feasible.

The City currently has a utility rate reduction incentive in Code for the use of LID techniques. As these practices will now be a requirement, this ordinance update has proposed to remove this incentive language.

RECOMMENDED ACTION: Staff recommends that Council authorize the Mayor to approve the ordinance updating Title 14 of the Marysville Municipal Code.

CITY OF MARYSVILLE
Marysville, Washington

ORDINANCE _____

**AN ORDINANCE OF THE CITY OF MARYSVILLE, WASHINGTON,
AMENDING MMC 14.07.005 (GENERAL FEE STRUCTURE), MMC 14.07.010
(CAPITAL IMPROVEMENT CHARGES), MMC 14.19.050 (SURFACE WATER
UTILITY RATES) AND MMC 14.19.080 (REDUCTIONS AND APPEALS) AND
PROVIDING FOR SEVERABILITY.**

WHEREAS, the City is authorized under RCW 35.92 to establish and maintain water and sewer systems and establish rates for those services.

WHEREAS, pursuant to ordinances codified in part at Chapter 14.07.060, 14.07.070 and 14.19.050 of the Marysville Municipal code, the City established water, sewer, and surface water rates for properties served by the City of Marysville water, sewer, and surface water utility; and

WHEREAS, pursuant to ordinances codified in part at Chapter 14.07.010 of the Marysville Municipal code, the City of Marysville is authorized to charge and collect capital improvement charges; and

WHEREAS, using generally accepted rate setting techniques, and with the assistance of a qualified consultant, City staff formulated recommended water, sewer, and surface water rates; and

WHEREAS, on January 1, 2011 Ordinance number 2836 approved rate adjustments including establishment of a stormwater capital improvement charge, restructuring of water rate to inclined block volume rate, elimination of overage rate, elimination of summer surcharge, sewer rate increase, and surface water rate increase; and

WHEREAS, in February 2009 the Pollution Control Hearings Board ruled that the Department of Ecology must require Low Impact Development actions of cities in future permits.

WHEREAS, the Western Washington Phase II Municipal Stormwater NPDES Permit language issued on August 1, 2012, to become effective August 1, 2013, mandates that Low Impact Development stormwater techniques will be required at all new development and redevelopment projects within the City, the utility rate incentive for Low Impact Development will be eliminated from Chapter 14.19.080 of the Marysville Municipal Code;

NOW THEREFORE, the City Council of the City of Marysville, Washington do ordain as follows:

Section 1. Section 14.07.005 of the Marysville Municipal Code is hereby amended to read as follows:

14.07.005 General fee structure.

The public works department is authorized to charge and collect the following fees:

Type of Activity	Fee
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Land development review and construction inspection fees	See MMC 22G.030.020
Street closure notice	\$60.00
Install/repair street sign	Materials and expenses
Street code variance	See MMC 22G.030.020
Application for vacation of streets, roads and alleys	\$500.00, plus appraisals, cost of preparing legal descriptions
Vegetation abatement	Cost to abate plus a 10 percent surcharge (see MMC 12.36.020 and 12.36.030)
Construction water	\$3.50/1,000 gallons used
Hydrant water	\$50.00 setup + \$3.50/1,000 gallons used
Sanitary sewer extension inspection charge	See MMC 22G.030.020
Sanitary sewer inspection fee (right-of-way to residence)	\$100.00 per connection
Segregations (local improvement district fees)	\$100.00, plus actual engineering costs incurred by the city
Disconnection charges: Voluntary disconnection of service Involuntary disconnection of service	\$5.00 \$10.00; \$20.00 if the utility department is required to make a special trip for a single account in an involuntary disconnection

	situation
Reconnection charges:	\$5.00
Voluntary reconnection	\$10.00; \$20.00 if the utility department is required to make a special trip for a single account in an involuntary reconnection situation
Involuntary reconnection	
Shut-off/turn-on fee after hours (water)	\$75.00
Unauthorized connection: water or sewer	\$200.00
Variances: water/sewer	See MMC 22G.030.020 (\$250.00)
Water system extension inspection fee	See MMC 22G.030.020
Miscellaneous utility relocation (hydrants, meters, blow-offs)	Time and materials
Water use violation:	\$200.00
Commercial	\$50.00
Residential	
Water and/or sanitary sewer plan review	See MMC 22G.030.020
Water/sewer connection filing fee	\$20.00
Water/sewer system design standard specifications manual	\$10.00 – \$50.00

Account change water meter read	\$15.00
Recovery contract	\$500.00 minimum or one percent of project + \$100.00 collection fee
Emergency locate (after hours)	\$100.00
Late payment fees	Five percent of account for first notice; additional five percent of account for second notice
Bank returned item fee	\$40.00
Photocopies	See MMC 1.16.070
Blueprint copies	See MMC 1.16.070
Staff time	See MMC 1.16.070
Tape duplication	See MMC 1.16.070
Mailing costs	See MMC 1.16.070

(Ord. 2857 § 2, 2011; Ord. 2816 § 1 (Exh. A), 2010; Ord. 2780 § 4, 2009; Ord. 2756 § 1, 2008; Ord. 2554 § 1, 2004; Ord. 2346 § 1, 2000; Ord. 2267 § 1, 1999; Ord. 2106 § 2, 1996).

Section 2. Section 14.07.010 of the Marysville Municipal Code is hereby amended to read as follows:

14.07.010 Capital improvement charges.

(1) Capital improvement charges shall be assessed on all new connections to the water, sewer and stormwater systems. Capital improvement charges shall also be assessed for a remodel or expansion of an existing building or use. For purposes of this section, an “existing building or use” shall mean all commercial or industrial buildings or uses, churches, schools or similar uses, and all residential buildings or uses where a remodel or expansion increases the number of dwelling units. The capital improvement charge constitutes an equity payment by new and existing customers for a portion of the previously existing capital assets of the system. Capital improvement charges also constitute a contribution to a long-term capital improvement program for the utility system which includes acquisition of new or larger water sources, construction of water storage and transmission facilities, and construction of sewer and stormwater trunk lines and treatment facilities. Capital improvement charges shall be paid in full before a new connection or expansion or remodel to an existing building or use shall be approved. All payments shall be deposited in the utility construction fund and shall be made prior to building permit issuance for

residential construction and prior to issuance of a certificate of final occupancy for commercial/industrial construction.

(2) Deferral of Connection Charges Allowed.

(a) Payment of required connection charges may be deferred to final inspection for single-family residential dwelling or multifamily projects with 25 or fewer units.

(b) Payment of required connection charges for a commercial building, industrial building, or a multifamily development exceeding 25 units may be deferred from the time of building permit issuance in accordance with the following:

(i) Fifty percent of the connection charges shall be paid prior to approved occupancy of the structure; and

(ii) The remaining 50 percent of the connection charges shall be paid within 18 months from the date of building occupancy, or when ownership of the property is transferred, whichever is earlier.

(c) The public works department shall allow an applicant to defer payment of the connection charges when, prior to submission of building permit application for subsection (2)(b) of this section or prior to final inspection for subsection (2)(a) of this section, the applicant:

(i) Submits a signed and notarized deferred connection charge application together with a \$200.00 processing fee and acknowledgement form for the development for which the property owner wishes to defer payment of the charges; and

(ii) With regard to payment deferment under subsection (2)(b) of this section, records a lien for connection charges against the property in favor of the city in the total amount of all deferred connection charges for the development. The lien for connection charges shall:

(A) Be in a form approved by the city attorney; and

(B) Include the legal description, tax account number and address of the property.

(d) Upon receipt of final payment of all deferred charges for the development the director of the public works department shall execute a separate lien release for the property in a form approved by the city attorney. The property owner, at their expense, will be responsible for recording each lien release.

(e) In the event that the connection charges are not paid in accordance with subsection (2)(b) of this section, the city shall institute foreclosure proceedings in accordance with state law and as provided herein. In addition to any unpaid collection charges, the city shall be entitled to interest on the unpaid impact fees at the rate provided for in RCW 19.52.020 or as otherwise allowed by law and

the reasonable attorney fees and costs incurred by the city in the foreclosure process. Notwithstanding the foregoing, prior to commencement of foreclosure, the city shall give not less than 30 days' written notice to the person or entity whose name appears on the assessment rolls of the county assessor as owner of the property via certified mail with return receipt requested and regular mail advising of its intent to commence foreclosure proceedings. If the connection charges are paid in full to the city within the 30-day notice period, no attorney fees, costs and interest will be owed.

(f) In the event that the deferred connection charges are not paid in accordance with this section, and in addition to foreclosure proceedings provided in subsection (2)(e) of this section, the city may initiate any other action(s) legally available to collect such connection charges.

(g) Compliance with the requirements of the deferral option shall constitute compliance with the conditions pertaining to the timing of payment of the connection charges.

(h) The deferred payment options set forth in this section shall automatically terminate three years from the effective date of the ordinance codified in this section without further action of the city council.

(3) The following capital improvement charges are established:

Residential Units

Connection Charges

Type of Connection		City Water	Outside Water	City Sewer	Outside Sewer	Stormwater
Residential*						
Effective Date	1/1/2005	\$3,675	\$4,305	\$3,120	\$3,495	
	1/1/2006	\$4,750	\$5,490	\$4,490	\$4,890	
	1/1/2011					\$95.00
Multifamily Residential**						
Effective Date	8/1/2012 through 8/1/2015	\$3,000	\$5,490	\$3,000	\$4,890	

*Residential living units include multi-unit housing and mobile homes for the purpose of water and sewer charges. For the purpose of the storm connection charge, only single-family units will be charged a flat fee, all other land uses will be charged based on the Equivalent Residential Unit (ERU), as described below.

**The connection charges for multifamily residential development shall be in effect for a three-year period from August 1, 2012, through August 1, 2015. Thereafter, the connection charges for multifamily residential development shall be the same as the connection charges for residential development.

Commercial/Industrial

Connection Charges

Water

City	
Effective Date	1/1/2005
0 – 2,000 gpm	\$1.64/sf
2,001 – 4,000 gpm	\$2.40/sf
4,001+ gpm	\$3.16/sf

Outside City	
Effective Date	1/1/2005
0 – 2,000 gpm	\$1.99/sf
2,001 – 4,000 gpm	\$2.87/sf
4,001+ gpm	\$3.80/sf

25% rate reduction for automatic sprinkler system.

Sewer

City	
Effective Date	1/1/2005
Retail Sales/Manufacturing/ Churches/Schools/Day Care	\$1.03/sf
Offices/Medical/Dental/Nursing Homes and all other uses not listed	\$1.67/sf
Warehouses/Storage	\$0.49/sf
Restaurants/Taverns	\$2.38/sf

Outside City	
Effective Date	1/1/2005
Retail Sales/Manufacturing/ Churches/Schools/Day Care	\$1.24/sf
Offices/Medical/Dental/Nursing Homes and all other uses not listed	\$2.00/sf
Warehouses/Storage	\$0.65/sf
Restaurants/Taverns	\$2.86/sf

25% rate reduction for schools without kitchens.

Stormwater

Effective Date	1/1/2011
1 ERU*	\$95.00

* An Equivalent Residential Unit (ERU) equals 3,200 square feet of impervious surface area. Non-residential projects will be charged \$95.00 per ERU. See MMC Chapter 14.19 for definitions.

Water Service Installation Fee

Effective Date	11/1/2006
5/8" x 3/4"	\$1,050
3/4" x 3/4"	\$1,075
1"	\$1,200
1-1/2"	\$1,600
2"	Time and materials costs/ minimum of \$1,900

Drop-in Meter Fee

Effective Date	11/1/2006
5/8" x 3/4"	\$500.00
3/4" x 3/4"	\$525.00
1"	\$560.00
1-1/2"	\$750.00
2"	\$850.00
3" and over	Charge time and material/ \$3,500 minimum

Hotel/Motel Connection Charges

		City Water	Outside Water	City Sewer	Outside Sewer
Effective Date	1/1/2005	\$1,405	\$1,646	\$1,193	\$1,336
	1/1/2006	\$1,816	\$2,099	\$1,717	\$1,870

(4) "Floor space" is defined as the net square footage measured from the interior walls, including interior partitions.

(5) The capital improvement charges for sewer connections shall be reduced by \$50.00 per unit or \$0.045 per square foot when the affected property participated in a utility local improvement for the construction of the sewer main.

(6) Capital improvement charges for sewer connections to commercial and industrial units shall be reduced by 50 percent for any floor space in the premises which is committed to being used as warehouse space for storage purposes only.

(7) If the use of any premises connected to city utilities is converted from a residential occupancy to a commercial or industrial occupancy (as defined in subsection (3) of this section), or from a warehouse use to an active commercial or industrial use, the owner of the premises shall immediately report such conversion to the city and shall pay the extra capital improvement charge which is then required for such an occupancy. Failure to report such a conversion, and pay the extra charge, within 90 days of the new occupancy shall result in the extra charge being doubled as a penalty.

(8) The capital improvement charge for utility connections in recreational vehicle parks shall be calculated as follows:

(a) For each connection to a recreational vehicle pad, the charge shall be 50 percent of the charge provided in subsection (3) of this section relating to residential living units.

(b) For every other connection in a recreational vehicle park, the charge shall be the same as provided in subsection (3) of this section for residential living units.

(9) If a building with a lawful water and/or sewer connection to the city utility system is demolished and replaced with a new building requiring utility connections, the capital improvement charges assessed for the new connections shall be discounted by the amount which would have been paid, under current schedules, for the connections which previously served the demolished building. (Ord. 2905 § 1, 2012; Ord. 2816 § 1 (Exh. A), 2010; Ord. 2775 § 1, 2009; Ord. 2670 § 1, 2006; Ord. 2607 § 1, 2005; Ord. 2557 § 2, 2004; Ord. 2556 §§ 1, 3, 2004; Ord. 2346 § 1, 2000; Ord. 2345 § 1, 2000; Ord. 2305 § 1, 1999; Ord. 2267 § 2, 1999; Ord. 1841 § 1, 1991; Ord. 1509, 1986; Ord. 1496, 1986; Ord. 1492 §§ 1, 2, 1986; Ord. 1480, 1986; Ord. 1434, 1985).

Section 3. Section 14.19.050 of the Marysville Municipal Code, is hereby amended to read as follows:

14.19.050 Surface water utility rates.

Surface water utility rates shall be based on a commonly accepted rate unit for surface water utilities, the equivalent residential unit (ERU). The ERU is used to relate a base rate fee charged to a single-family residential parcel to that which is charged to a nonresidential parcel. The ERU is determined by using the current best available method, which may include analyzing digital photographs, utilizing satellite imagery, performing field checks for verification purposes of a representative sample of single-family residences within the city limits and/or utilizing civil design and construction plans or record drawings. Using this methodology, the director shall determine the amount of impervious area on each nonresidential parcel. The city's standard ERU amount is 3,200 square feet of impervious surface area.

The specific ERU calculation for each parcel will be rounded to the nearest one-hundredth, will be established for each such parcel as the impervious surface information becomes available for such parcel, and will be calculated in accordance with the following table:

Effective January 1, 2013

Customer Class	Rate Calculation (1 ERU = 3,200 sq. ft.)	2013 Monthly Rate
Residential	1 ERU	\$10.61
Nonresidential	(sq. ft. of impervious surface) (1 ERU)	\$10.61

(Ord. 2916 § 3, 2012; Ord. 2881 § 3 (App. A), 2011; Ord. 2836 § 3, 2010; Ord. 2815 § 3, 2010; Ord. 2758 § 3, 2008; Ord. 2654 § 3, 2006; Ord. 2493 § 1, 2003; Ord. 2486 § 1, 2003).

Section 4. Section 14.19.080 of the Marysville Municipal Code, is hereby amended to read as follows:

14.19.080 Reductions and appeals.

(1) Reductions. Any surface water utility customer making a timely payment of the city’s total utilities bill may apply to the department of public works surface water division for a reduction in their rate. All reductions are applicable from the date the city approves the reduction and are not retroactive. Reductions shall only be allowed pursuant to the criteria set forth in subsections (1)(a) through (f) of this section. The director shall make a written decision on a written request for a reduction within 30 days after receipt of the information, except when additional information is needed, in which case the decision shall be made within 90 days after receipt of the request. The applicant shall be notified in writing of the director’s decision. The burden of proof is on the customer to provide the appropriate documentation to request the utility reduction. If at any time the reduction may not be applicable, the reduction may be reevaluated and removed by the director.

(a) Senior Citizen Low-Income and/or Disabled Low-Income. Senior citizen low-income and/or disabled low-income customers may receive a rate reduction pursuant to Chapter 3.63 MMC.

(b) Public Education Institutions. Publicly funded primary and secondary educational institutions that educate and inform their students about the importance of our surface and ground water resources may be eligible for a reduction in their storm and surface water utility rates in an amount of up to 100 percent. The goal is to reach all students within a school with this information at least once during their time at any one school. The rationale behind this credit is that the information

provided by the school will translate into appreciation and stewardship of water resources and thereby reduce negative impacts on local streams, ponds and lakes that can result from uninformed citizens. The curriculum requirements shall be set forth in a contract provided by the education institution and shall include, at a minimum, information on the cause and effects of storm water pollution. The educational institution is responsible for providing all documentation that demonstrates the environmental education curriculum taught is above and beyond state requirements. In order to qualify for the reduction, the educational institution must submit a curriculum plan to the city council, which shall determine the amount of the reduction based on the scope, cost, and anticipated effectiveness of the plan. The reduction will be applicable for five years but may be extended by the city council based on submittal of an updated curriculum plan and documentation of the effectiveness of the preceding plan.

(c) State Highway. State highways shall be eligible for a reduction in the surface water utility rate pursuant to RCW 90.03.525.

(d) Rainwater Harvesting System. Pursuant to RCW 35.92.020(3), the surface water utility rate shall be reduced by a minimum of 10 percent for any new or remodeled commercial building that utilizes a permissive rainwater harvesting system. Rainwater harvesting systems shall be properly sized to utilize the available roof surface of the building. The director shall consider rate reductions in excess of 10 percent dependent upon the amount of rainwater harvested divided by the mean annual runoff volume generated by the total impervious surface area at the parcel.

(e) City-Owned Property. Property that is owned by the city of Marysville as identified by the Snohomish County assessor's office shall be eligible for a 100 percent reduction in the surface water utility rate.

(2) Appeals. Any surface water utility customer making a timely payment of the city's total utilities bill who considers the city's surface water utility rate charge applied to their parcel to be inaccurate or who otherwise disagrees with the utility rate determination, may request an appeals form and apply to the director for a rate adjustment. The appeal shall be filed with the director no later than 20 days after initial billing. The burden of proof shall be on the applicant to show that any adjustment in their surface water rate should be granted. The director will review the case file and determine whether an adjustment to the charge is necessary to provide for reasonable and accurate application of the utility fees. The director shall also make a written decision on a request for rate adjustment within 30 days after receipt of the information, except when additional information is needed, in which case the decision shall be made within 90 days after receipt of the request. The applicant shall be notified in writing of the director's decision. (Ord. 2706 § 1, 2007; Ord. 2654 § 3, 2006).

Section 5. Severability. If any section, subsection, sentence, clause, phrase or word of this ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality thereof shall not affect the validity or constitutionality of any other section, subsection, sentence, clause, phrase or word of this ordinance.

Section 6. Effective Date. This ordinance shall become effective five days after the date of its adoption and publication by summary.

PASSED by the City Council and APPROVED by the Mayor this _____ day of _____, 2013.

CITY OF MARYSVILLE

By _____
Jon Nehring, Mayor

ATTEST:

By _____
April O'Brien, Deputy City Clerk

Approved as to form:

By _____
Grant Weed, City Attorney

Date of Publication: _____

Effective Date (5 days after publication): _____