

ORDINANCE NO. 498

AN ORDINANCE of the City of Gig Harbor, Washington, relating to the Municipal Water System: repealing Ordinance #471, fixing rates for water services; repealing sections 10(b) and 10(c), Ordinance 369, providing discontinuance of water service and water shut off for nonpayment of bills; and providing a new rate schedule for water services, special charges, and establishing new delinquency account collection, service termination and penalty provisions.

WHEREAS, the Gig Harbor City Council has determined the present water service rate structure is inequitable and not based on the actual cost of service utilized by the utility customer, and

WHEREAS, the Gig Harbor City Council has determined that a new rate design which provides the consumer with a proper signal of what consumption is costing will be in the best interest of the utility and customer; rates which are based upon consumption levels would be a more equitable method of collection for costs incurred than the present method; and a new cost of service rate schedule should be phased in order to reduce adverse effects on customers, and

WHEREAS, the Gig Harbor City Council has determined that the present special charges for the water utility are also inequitable and not consistent with the actual cost of the special service and such service charges need to be modified to reduce inequity to existing customers, and

WHEREAS, the Gig Harbor City Council has determined that the present method of enforcement of delinquent accounts is not effective and needs to be revised to establish a consistent and fair approach to enforce collection of such accounts,

NOW, THEREFORE, the City Council of the City of Gig Harbor DO ORDAIN as follows:

Section 1. Ordinance #471, codified as chapter 13.04 of the Gig Harbor Municipal Code and sections 10(b) and 10(c), Ordinance #369, codified as 13.02.140 and 13.02.150 of the Gig Harbor Municipal Code are hereby repealed.

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Section 2. A new section 13.04.010 of the Gig Harbor Municipal Code is hereby enacted to read as follows:

13.04.010 Water Rates. The monthly water service rates shall be set at the following amounts:

<u>Customer Class</u>	<u>Customer Base Charge</u>	<u>Commodity Charge</u>
Residential	\$5.00/meter/mo.	All ccf- \$0.76/ccf
Multi-residential		All ccf-
5/8" & 3/4" meter	\$8.50/meter/mo.	0.76/ccf
1"	14.50	0.76 ccf
1-1/2"	28.30	0.76/ccf
2"	45.30	0.76/ccf
3"	85.00	0.76/ccf
4"	141.60	0.76/ccf
Commercial/Schools		All ccf-
5/8" & 3/4" meter	\$6.00/meter/mo.	0.65/ccf
1"	10.00	0.65/ccf
1-1/2"	20.00	0.65/ccf
2"	32.00	0.65/ccf
3"	60.00	0.65/ccf
4"	100.00	0.65/ccf

Section 3. A new section 13.04.020 of the Gig Harbor Municipal Code is hereby enacted to read as follows:

13.04.020 Nonmetered residential uses. Until a water meter has been installed to measure water consumed by a residential unit or a multiple residential building, the water service charge applicable to such unmetered unit shall be fourteen dollars and eighty-eight cents (\$14.88) per month per unit.

Section 4. A new section 13.04.030 of the Gig Harbor Municipal Code is hereby enacted to read as follows:

13.04.030 Outside Water Service. Water service extended outside the city limits shall be charged at 1.5 times the city rates established in sections 2 and 3.

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Section 5. A new section 13.04.040 of the Gig Harbor Municipal Code is hereby enacted to read as follows:

13.04.040 Utility taxes by state and city excluded.
The water use charges listed in sections 2, 3, and 4 above do not include state and city utility taxes.

Section 6. A new section 13.04.050 of the Gig Harbor Municipal Code is hereby enacted to read as follows:

13.04.050 Billings-Delinquencies-Liens. A. Billing shall commence on the first available date, which date shall be the same as the sewer billing date. Billings shall be issued thereafter on a bi-monthly basis and sent to the record owner of the premises. New users shall pay a pro rata charge on the first available billing date.
B. Water service charges shall be deemed delinquent if not paid within thirty days following the billing date. Interest at the rate of eight percent (8%) per annum shall be charged on all delinquent service charges. In the event any billing for water service or other service charge has not been paid within sixty (60) days of billing, the city utility department shall mail a first delinquency/shut off notice to the property owner and occupant if the record owner does not reside at the premises. The delinquency/shut off notice shall provide the following: 1) Payment for service is overdue and the total amount due and a statutory lien will be imposed; 2) service will be suspended unless payment in full is made to the city within ten (10) days; 3) address and telephone number of the utility department, stating that the owner or occupant may contact the department if a dispute exists as to liability for the billing or the validity of the lien; and 4) the city will charge a turn-on fee before service is resumed. The customer shall be charged ten dollars (\$10.00) for this first notice. If the customer has not settled the account within the time provided in the notice, a second notice which indicates service shall be discontinued by the city the next day shall be posted by the city utility department at a reasonably visible location at the property site. The customer shall be charged fifteen dollars (\$15.00) for this second notice. If the property owner has not settled the account within the time provided under the second notice,

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the city utility department shall shut off service. C. The city, as provided by law, shall have a lien against the premises to which water service was furnished and may enforce such lien by shutting off service until all charges and interest thereon then due are paid. Additionally, the city shall have the option to enforce the delinquent utility charges pursuant to other methods allowable by law. If the water service is shut off, it may be turned on again by the city after full payment is made for all charges to date, plus notice charges, interest and turn on charge.

Section 7. A new section 13.04.060 of the Gig Harbor Municipal Code is hereby enacted to read as follows:

13.04.060 Discontinuance of water service. Should the owner of any premises desire to discontinue the use of water supplied any premises, he shall give the city notice in writing and pay in full all outstanding water charges on his account at the utility department. The water shall then be shut off. Upon proper application and payment of \$15.00 turn-on charge, water service shall be turned on again. Future water charges shall not cease without the notice prescribed in this section.

Section 8. A new section 13.04.070 of the Gig Harbor Municipal Code is hereby enacted to read as follows:

13.04.070 Special Charges. The city shall impose the following special service charges:

<u>Service</u>	<u>Charge</u>
Meter installation:	
3/4" meter	\$300.00
1" meter	350.00
Over 1" meter	(Time & materials, plus (10% administrative fee
Street crossings:	
improved streets	\$10.00 per foot
unimproved streets	1.00 per foot
Unauthorized use	\$500.00
Water Main Extension	(
Street repairs	(Time & materials, plus
Fire hydrant installation	(10% administrative fee
Tap-in service	(

Section 9. A new section 13.04.080 of the Gig Harbor Municipal Code is hereby enacted to read as follows:

13.04.080 Water System Hook-Up Charge. The city shall charge the following fees to connect to the water utility system:

<u>Meter Size</u>	<u>Capacity Factor(s)</u>	<u>Hook-up Fee</u>
3/4"	1.0	\$ 970.00
1"	1.67	1,620.00
1-1/2"	3.33	3,230.00
2"	5.33	5,179.00
Over 2"		Negotiable

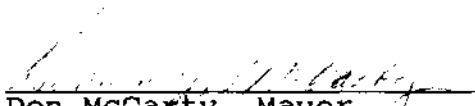
Any remodel and/or use change shall pay the difference between the new use and/or size of the previous use and/or size. No refund shall be allowed for use and/or size reduction.

Water system hook-up outside the city limits shall be charged at 1.5 times the city rates.

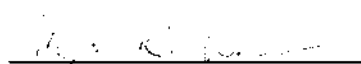
There shall be an automatic hook-up charge adjustment each year based on the Engineering News Index construction costs factor.

Section 10. Effective date. This ordinance shall take effect and be in full force on January 1, 1987.

PASSED by the City Council of the City of Gig Harbor, Washington, and approved by its Mayor at a regular meeting of the council held on this 24th day of November, 1986.


Don McCarty, Mayor

ATTEST:


Michael R. Wilson
City Administrator/Clerk

Filed with city clerk: 11/5/86
Passed by city council: 11/24/86
Date published: 12/17/86
Date effective: 1/1/87