

1 Sponsored by: Councilmember Terry Lee  
2 Requested by: County Executive/Public Works and Utilities Department – Environmental Services  
3 Division

4  
5 ORDINANCE NO. 2009-88s

6  
7 **An Ordinance of the Pierce County Council Amending Section 13.13.085 of**  
8 **the Pierce County Code, "Rates and Charges" by**  
9 **Establishing New Rates and Charges for the Availability and**  
10 **Furnishing of Sanitary Sewer Service; Indicating the Need**  
11 **for Increases in Sanitary Sewer Service Rates and**  
12 **Connection Charges; Establishing a Process to Monitor and**  
13 **Evaluate Future Rate Increases; Requesting Information**  
14 **Regarding Economic Development Programs; and Setting an**  
15 **Effective Date.**

16  
17 **Whereas**, Pierce County has full authority to establish, alter, regulate, and  
18 control rates and charges it imposes for the availability of sanitary sewer service  
19 pursuant to Chapter 36.94 of the Revised Code of Washington (RCW); and

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21 **Whereas**, Pierce County recognizes a need for proactive infrastructure planning  
22 and target investments through approval of the "Pierce County Government Economic  
23 Action Agenda" pursuant to Resolution No. R2007-13; and

24  
25 **Whereas**, the Pierce County Sewer Utility became operational in 1984 and  
26 provides sanitary sewer services to approximately 57,000 homes and businesses and  
27 serves approximately 252,000 persons in unincorporated Pierce County, the Cities of  
28 Lakewood, University Place, DuPont, and Milton, the Town of Steilacoom, and portions  
29 of the Cities of Tacoma, Fife and Edgewood; and

30  
31 **Whereas**, the sanitary sewer system is comprised of the Chambers Creek  
32 Regional Wastewater Treatment Plant, approximately 663 miles of sewage collection  
33 pipe, 95 lifts stations, 825 residential grinder pump stations, and other components  
34 having an estimated asset replacement value of \$1.3 billion; and

35  
36 **Whereas**, demand for sanitary sewer treatment services has increased steadily  
37 as a result of population growth since the establishment of the Pierce County Sewer  
38 Utility with historic monthly average peak sewage wastewater flows increasing from  
39 approximately 5 million gallons per day in 1984 to more than 20 million gallons per day  
40 in 2009, and has experienced individual daily peak months in excess of 25 million  
41 gallons per day; and



1           **Whereas**, the Chambers Creek Regional Wastewater Treatment Plant currently  
2 has a maximum rated capacity of 28.7 million gallons per day and a net operational  
3 capacity of 24.4 million gallons per day; and  
4

5           **Whereas**, based upon population growth forecasts produced by the Washington  
6 State Office of Financial Management, the demand for wastewater treatment services is  
7 expected to exceed the available treatment capacity within the next 6 to 10 years  
8 necessitating the expansion of the Chambers Creek Regional Wastewater Treatment  
9 Plant; and  
10

11           **Whereas**, in addition to the expansion of the capacity in the Chambers Creek  
12 Regional Wastewater Treatment Plant, improvements to the system of pipes and pumps  
13 which collect and transport wastewater to the treatment plant as delineated in the  
14 Unified Sewer Plan, adopted by Ordinance No. 2001-51s, will also be necessary to  
15 meet growth demands; and  
16

17           **Whereas**, on-going improvements and repairs to the sanitary sewer system are  
18 also needed to ensure that the system continues to function properly and maintains  
19 compliance with state and federal laws; and  
20

21           **Whereas**, it is estimated that the cost of improvements to the sanitary sewer  
22 system, based upon Chambers Creek Regional Wastewater Treatment Plant facility  
23 planning documents and the Unified Sewer Plan, for the six-year period from 2010  
24 through 2015 will be approximately \$280 million and will be \$384 million for the 15 year  
25 time period from 2016 through 2030; and  
26

27           **Whereas**, it is anticipated that Pierce County will need to sell bonds beginning in  
28 2010 to fund the sanitary sewer system improvements; and  
29

30           **Whereas**, current sewer rates and connection charges will not generate sufficient  
31 revenue to fund the estimated capital improvement needs of the Pierce County Sewer  
32 Utility, including the anticipated debt service associated with the bonds; and  
33

34           **Whereas**, the Pierce County Sewer Utility is a self-supporting enterprise  
35 requiring that the costs incurred by the Utility be paid by the revenues generated by the  
36 Utility; and  
37

38           **Whereas**, it has been determined that increases in sewer rates and connection  
39 charges are necessary to meet the financial requirements of the Pierce County Sewer  
40 Utility; and  
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1           **Whereas**, it is anticipated that such increases will occur over a multi-year period  
2 with the first increases occurring on January 1, 2010; and

3  
4           **Whereas**, the Council desires that a reporting mechanism be established to  
5 monitor the on-going expenses and revenues of the Pierce County Sewer Utility to  
6 serve as a foundation for future rate increase considerations; and

7  
8           **Whereas**, the County Council, through Ordinance No. 2008-79s, has  
9 acknowledged and supports the Sewer Utility's capital plans, over the next six years, for  
10 maintenance, operations, preservation, improvement and administration of the Utility's  
11 facilities and services; and that the Utility will need to secure general obligation bonds to  
12 achieve these goals; and

13  
14           **Whereas**, the County deems it necessary to revise the rates and charges it  
15 imposes for the availability and furnishing of sanitary sewer services in order to fairly,  
16 effectively and efficiently operate, maintain and preserve its sanitary sewer system, and  
17 construct necessary wastewater treatment and collections facilities to support economic  
18 growth in the County; and

19  
20           **Whereas**, the Council is aware of on-going contract negotiations between the  
21 Town of Steilacoom and the Sewer Utility regarding sewer services and it is the intent of  
22 the Council for the rate increase to not take effect within the Town of Steilacoom prior to  
23 the completion of negotiations, but no later than June 30, 2010; and

24  
25           **Whereas**, the passage of this Ordinance is in the best interest of the County and  
26 its citizens; **Now Therefore, BE IT ORDAINED by the Council of Pierce County:**

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28           Section 1. The Pierce County Council finds that increases in sanitary sewer  
29 rates and connection charges are needed to meet the capital improvement and on-  
30 going administration, operation, and maintenance needs of the Pierce County Sewer  
31 Utility.

32  
33           Section 2. The Pierce County Council hereby requests that the Public Works  
34 and Utilities Department provide a quarterly monitoring report to the Economic and  
35 Infrastructure Development Committee. This report shall document the on-going status  
36 of sanitary sewer system capital improvements and improvements to the Chambers  
37 Creek Properties and provide continuing assurance that sewer revenues are not used to  
38 subsidize the Chambers Bay Golf Course. This report shall provide the current status of  
39 all active capital projects, estimated design completion date, estimated construction  
40 start and end dates, any changes in estimated costs relative to the six-year capital  
41 program including any increases or decreases in cost with an explanation for each



1 change, estimated bid advertisement date, bid results, and summary of the winning bid.  
2 The monitoring report shall also document overall progress in completion of the six-year  
3 sewer capital program, any unanticipated costs or savings, any changes in the sewer  
4 rate and connection charge schedule that may be warranted based upon such changes,  
5 the status of the bond financing schedule, and other information that the Department  
6 deems relevant to the Council's monitoring of the sewer capital program. The first  
7 quarterly monitoring report shall be provided no later than August 1, 2010.

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9 Section 3. The Executive is requested to present a plan for the implementation of  
10 a sewer rate surcharge for the financing of sewer related economic development  
11 initiatives to the Economic and Infrastructure Development Committee of the Council on  
12 or before July 1, 2010. The plan shall include the annual estimated revenues from the  
13 surcharge, the type of implementing legislation required, proposed parameters on how  
14 and when expenditures can be made from the fund, how the surcharge complies with  
15 current law, opportunities to utilize the surcharge in conjunction with Build America  
16 Bonds and other economic development tools and opportunities, and any other  
17 information that the Executive deems relevant to a Council decision on whether to  
18 impose the surcharge in 2011.

19  
20 Section 4. Section 13.13.085 of the Pierce County Code, "Rates and Charges,"  
21 is hereby amended as shown in Exhibit A which is attached hereto and incorporated  
22 herein by this reference.

23  
24 Section 5. This Ordinance shall become effective on January 1, 2010.

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26 **PASSED this \_\_\_\_\_ day of \_\_\_\_\_, 2009.**

27  
28 ATTEST:

**PIERCE COUNTY COUNCIL**  
Pierce County, Washington

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31  
32 \_\_\_\_\_  
33 **Denise D. Johnson**  
34 Clerk of the Council

35  
36 \_\_\_\_\_  
37 **Roger Bush**  
38 Council Chair

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40 \_\_\_\_\_  
41 **Pat McCarthy**  
42 Pierce County Executive  
Approved \_\_\_\_\_ Vetoed \_\_\_\_\_, this  
\_\_\_\_\_ day of \_\_\_\_\_,  
2009.

41 Date of Publication of Notice of Public Hearing: \_\_\_\_\_

42 Effective Date of Ordinance: \_\_\_\_\_

