



Agenda Sheet for City Council Meeting of:
11/13/2023

Date Rec'd	11/1/2023
Clerk's File #	ORD C36461
Renews #	
Cross Ref #	
Project #	
Bid #	
Requisition #	

Submitting Dept	PUBLIC WORKS
Contact Name/Phone	MARLENE FEIST 6505
Contact E-Mail	MFEIST@SPOKANECITY.ORG
Agenda Item Type	First Reading Ordinance
Agenda Item Name	5200 - GENERAL FACILITY CHARGES (GFCS)

Agenda Wording
Update to Water/Wastewater GFC charges effective March 5, 2024. Changes include clarifying ENR index calculated, adding an additional meter size (5/8"), remove 2 zones for water & create citywide water zone & update sewer rate & clarify master meter.

Summary (Background)
Council adopted and update to Water and Wastewater (GFC) charges on March 27, 2023, along with requiring additional analysis and public outreach. Public Works has updated Council over the last 6 months. Plan Commission held a hearing on 10/25/23 and provided their recommendations. The following is included in the packet to clarify language regarding master meters, the ENR index calculation and dates, and adding an additional meter size.

Lease? NO	Grant related? NO	Public Works? YES
Fiscal Impact		Budget Account
Revenue \$ TBD		# TBD
Select \$		#
Select \$		#
Select \$		#

Approvals		Council Notifications	
Dept Head	MILLER, KATHERINE E	Study Session\Other	PIES 10-23-2023
Division Director	MILLER, KATHERINE E	Council Sponsor	CP Kinnear & CM Bingle
Finance	ALBIN-MOORE, ANGELA	Distribution List	
Legal	SCHOEDEL, ELIZABETH	mfeist@spokanecity.org	
For the Mayor	JONES, GARRETT	kemiller@spokanecity.org	
Additional Approvals		ESchoedel@spokanecity.org	
Purchasing		rgennett@spokanecity.org	
		lsear@spokanecity.org	
		mdavis@spokanecity.org	

FIRST READING OF THE ABOVE
ORDINANCE HELD ON

11/13/2023
AND FURTHER ACTION WAS DEFERRED
[Signature]
CITY CLERK

PASSED BY
SPOKANE CITY COUNCIL
11/20/2023
[Signature]
CITY CLERK

Committee Agenda Sheet

Public Infrastructure, Environment & Sustainability Committee

Submitting Department	Public Works and Utilities
Contact Name	Marlene Feist, Division Director
Contact Email & Phone	mfeist@spokanecity.org
Council Sponsor(s)	Council President Kinnear and Councilmember Bingle
Select Agenda Item Type	<input type="checkbox"/> Consent <input checked="" type="checkbox"/> Discussion Time Requested: 5-10 min
Agenda Item Name	General Facility Charges (GFCs) Monthly Update
Summary (Background) *use the Fiscal Impact box below for relevant financial information	<p>Council adopted an update to Water and Wastewater General Facilities Charges (GFCs) on March 27, 2023, along with a resolution requiring additional analysis and public outreach. Additional options and proposed changes are intended to be brought to City Council prior to March 4, 2024.</p> <p>Public Works has delivered a monthly update on these efforts at the Council's PIES meetings during the review period over the last 6 months.</p> <p>As per City Council's request, the Plan Commission held a hearing on October 25th, 2023 and has provided their recommendations.</p> <p>Based on input from the Mayor's Review Committee, Stakeholder input, public testimony during the Plan Commission Hearing, Plan Commission's input through their recommendations and input from Council sponsors, an ordinance was submitted for Council consideration that changes the following items: The two zones for water was removed and one zone was inserted, updating the sewer rate, clarifying language regarding master meters, clarifying that the ENR index will be calculated each year from Oct to Oct and implemented January 1st of each year starting in 2025 (note: 2024's ENR index will be implemented on March 5th of 2024). 5/8" meters will be included in the ordinance as well to provide options for smaller usage where applicable.</p>
Proposed Council Action	Approve Updated GFC Ordinance
Fiscal Impact Total Cost: Click or tap here to enter text. Approved in current year budget? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A Funding Source <input type="checkbox"/> One-time <input checked="" type="checkbox"/> Recurring Specify funding source: Click or tap here to enter text. Expense Occurrence <input type="checkbox"/> One-time <input checked="" type="checkbox"/> Recurring Other budget impacts: (revenue generating, match requirements, etc.) Revenue	
Operations Impacts (If N/A, please give a brief description as to why)	
What impacts would the proposal have on historically excluded communities?	

Public Works services and projects are designed to serve all citizens and businesses. We strive to offer a consistent level of service to all, to distribute public investment throughout the community, and to respond to gaps in services identified in various City plans. We recognize the need to maintain affordability and predictability for utility customers. And we are committed to delivering work that is both financially and environmentally responsible.

How will data be collected, analyzed, and reported concerning the effect of the program/policy by racial, ethnic, gender identity, national origin, income level, disability, sexual orientation, or other existing disparities?

N/A GFCs will be collected city wide when water meters are purchased for use.

How will data be collected regarding the effectiveness of this program, policy or product to ensure it is the right solution?

GFCs will be reviewed every 3-5 years to ensure they are keeping up with the cost to provide capacity for future development.

Describe how this proposal aligns with current City Policies, including the Comprehensive Plan, Sustainability Action Plan, Capital Improvement Program, Neighborhood Master Plans, Council Resolutions, and others?

Having growth pay for new capacity in the City's utility systems is consistent with the Comprehensive Plan. Projects used to develop GFC rates are consistent with the City's Water System Plan, Comprehensive Plan infrastructure chapters, and Capital Improvement Plans. GFCs also are consistent with Growth Management at the state level, and any changes would comply with state laws.

ORDINANCE NO. C36461

AN ORDINANCE relating to General Facilities Charges (GFCs) for public utilities and services; amending SMC sections 13.03.0730, 13.03.0732, and 13.03.0734 to chapter 13.03 of the Spokane Municipal Code; and 13.04.2040, 13.04.2042, and 13.04.2044 to chapter 13.04 of the Spokane Municipal Code; and setting an effective date.

WHEREAS, the Spokane City Council approved Ordinance C-36372 in March 2023 which updated GFC charges for both sewer and water, whereby GFC charges were phased in over a 2 year period; and

WHEREAS, Council requested that staff complete additional education and outreach to gather more feedback and include additional stakeholder groups on the changes that were approved to determine if additional changes were needed; and

WHEREAS, a Mayor's Review Committee was established in spring 2023 and consisted of representatives from a wide range of interests, including developers, non-governmental organizations and neighborhood representatives; and

WHEREAS, this Review Committee did an in depth review and focused on four (4) key topics: (1) Interest – whether interest should be included in the GFC calculations; (2) Zones – whether there should be 2 zones or one single zone for water GFC charges; (3) Methodology (Meter Capacity Equivalent-MCEs or Equivalent Residential Units-ERUs) for calculating GFC charges; and (4) Phase In – whether the newly adopted GFC charges should be phased in over time; and

WHEREAS, while it was not the intent of this Review Committee to reach consensus, the Review Committee did reach full consensus on two (2) topics. Consensus was (1) approval of a 5/8-inch meter option, so long as certain conditions were met, such as low water usage through Spokanescape and a small fixture count; and (2) providing incentives; and

WHEREAS, the Review Committee held six (6) separate meetings over five (5) months. Additional meetings were as follows:

Equity Subcommittee	August 1, 2023
Sustainability Action Subcommittee	June 6, 2023
Housing Action Subcommittee	June 15, 2023
Spokane Low Income Housing Consortium	August 16, 2023
Northeast Public Development Authority	April 14 & May 12, 2023
West Plains Public Development Authority	March 9, 2023
Associated General Contractors (AGC)	May 31, 2023

Council PIES Committee	Monthly starting in April 2023
Plan Commission Workshop 1	September 27, 2023
Plan Commission Workshop 2	October 11, 2023
Plan Commission Hearing	October 25, 2023

WHEREAS, the Spokane City Plan Commission provided another point of community input and feedback and held two (2) workshops and a public hearing as outlined above; and

WHEREAS, following all the stakeholder input, the staff recommendation to Council is to combine the Upper and Lower Zones for the Water GFC and create a city-wide Water GFC charge, which is reflected in SMC 13.04.2044, Appendix A- Water GFC; and

WHEREAS, as provided for in SMC 13.04.2042, a comprehensive review and update of GFC charges should be conducted at least every (5) years, but no more frequently than three (3) years. At that time, it is the intent for there to be a reevaluation of single zone versus two zones for the Water GFC; and

WHEREAS, Chapter 13.03 SMC and Chapter 13.04 SMC, as amended by this Ordinance, is consistent with the City's Comprehensive Plan, which recognizes GFC charges as a mechanism to fund growth-related capital improvements so new growth and development activity that has an impact upon utility facilities pays a proportionate share of the cost of facilities that reasonably benefit the development; and

WHEREAS, without appropriate GFCs, the cost of constructing new water and sewer capacity for growth would result in a higher burden on customers and ratepayers already connected to these utility systems; and

NOW, THEREFORE,

The City of Spokane does ordain:

Section 1: That SMC section 13.03.0730 is amended to read as follows:

13.03.0730 Wastewater General Facilities Charge General Provision – Long Connections

- A. There is hereby imposed a wastewater General Facilities Charge (GFC). The GFC is a utility rate surcharge assessed at the time of connection or service upgrade. Its purpose is to defray costs to the general utility system as a result of new system demand, such as costs of providing increased system capacity for new or increased demand and other capital costs. The GFC program is separate from local improvement districts, latecomer charges or other special connection charges.

B. The GFC charge is collected at the time of connection, time of application for a building permit, or other time as deemed most administratively convenient by the director and shall be considered a contribution to capital and not a cost of providing service.

1. The amount of the wastewater GFC for wastewater (sewer) utility connections will be based on water meter size for domestic water service to the premises, since water meter size provides a measure of domestic water use and, correspondingly, wastewater generated.
2. In case of a planned unit development, binding site plan, or other circumstance where a new direct customer connection is not made to the sewer system, but where there is the effect of a new dwelling unit or customer demand increase, as where new dwelling units are added to a master meter account, a GFC shall be assessed in like manner as if the demand upgrade were through a direct new customer connection unless the applicable GFC charge was previously included in the purchase of the master meter. New dwelling units shall include without limitation, accessory dwelling units (ADU) and other residential units co-located on a property as these additions have a direct impact on the utility system. ~~((Any existing connection shall be counted toward the GFC such that the charge is only for the differential between existing and new meter sizes. A customer demand increase or addition of new units that does not require an increase in meter size does not incur a GFC.))~~
3. For water service connections not included in a master meter account, any existing connection should be counted toward the GFC such that the charge is only for the differential between existing and new meter sizes. A customer demand increase or addition of new units that does not require an increase in meter size does not incur a GFC.
4. For those situations where an existing customer requests an increase or larger meter size, the GFC will be assessed based on the current cost difference between the existing meter size and the new size requested.
5. If there is an existing water service or new water service installed to serve a parcel and more than one City meter is installed to serve units on the parcel, a GFC will be assessed for each additional City meter based on size and current GFC costs.

C. Long Connection Option.

1. When a customer near an area with existing utility service desires to connect to such utility service where lines have not yet been extended for direct service to the customer's area or property (a "long connection"), the director may allow a long connection to existing facilities. The decision to allow a long connection

is discretionary, considering the needs of the existing customers, the limits of the current system or any other appropriate factors.

2. As a condition of a long connection, the customer must satisfy any conditions imposed by the director, including obtaining any necessary easements, payment of all costs of additional installations, and payment of a non-refundable charge determined by the director based on engineering principles estimated to be what the customer would be required to pay if connection were deferred until direct service became available.
 - a. Such charge may be accepted as a nonrefundable prepayment for the size of the connection furnished.
 - b. This option may also be applied to upgrades.

Section 2: That SMC section 13.03.0732 is amended to read as follows:

13.03.0732 Wastewater General Facilities Charge (GFC) – Schedule of Charges

A. Findings – General Facilities Charge.

The City Council finds:

1. General facilities charges are intended to defray costs created by new system demand, such as costs of providing increased system capacity for new or increased demand and other capital costs associated with new connections and equitable share of the cost of the system.
2. There is a system-wide benefit, served by a uniform, adjustable GFC, in encouraging system growth considering that expanding the overall customer rate base and customer densities will reduce fixed costs which must otherwise be spread over all classes of ratepayers.
3. It is in the public interest that those adding additional costs or burdens to the City sewer system by creating need and demand for new system growth and infill needs in the City sewer system should pay uniform GFC for all new or upgraded utility service.
- ~~((4. Furthermore, it is not in the public interest to ((continue to)) waive GFCs, because without adequate GFCs, the City's current utility customers bear the burden of paying for new capacity to serve growth and a fund should be established to cover the cost of all or a portion of GFCs for certain development projects, including permanent affordable housing.))~~
4. The City's policy is to not waive GFCs. However, offset of the developer's cost of the GFC will be identified from non-utility revenue sources, such as grant

dollars or other general fund revenues. Such offset must be clearly identified and paid by the other source at time of application for connection, application for a building permit, or as otherwise ordered by the Director of Public Works.

B. Charge for new service or new upgrades

1. For new service or new upgrades to existing service from the City sewer system, a wastewater GFC is assessed as provided based on the schedules in [SMC 13.03.0734](#). The charge will be based on the water meter size that would otherwise be required for the facility without fire flow and/or irrigation flow.
 - a. Upgrades are charged at the current difference between the old and new connection size charges.
2. The GFC is to be used to finance improvements to address impacts to the system created by new system growth and infill needs created by new or upgraded customers.
3. Annual Increase: The GFC Charges in [SMC 13.03.0734](#) are generated from an analytical analysis, one copy which shall be kept on file with the office of the city clerk and which was adopted and incorporated herein by reference. GFC charges in [SMC 13.03.0734](#) will increase annually based on ~~((a five-year rolling average of))~~ the ~~((Engineering News Record Construction Cost Index))~~ Engineering News-Record Index (ENR) calculated by City Staff, from October to October for the previous year. This annual increase will start ~~((January 1))~~ March 5, 2024, and occur each January 1 thereafter. The City will publish a public rule update with the new GFC charge by January 1st of each year. Comprehensive review and update of GFC charges should be conducted at least every (5) years, but no more frequently than three (3) years.
4. Adjustments.

Prior Payment of Similar Charges: The charge for a wastewater connection can be adjusted for facilities with water tap sizes two inches and greater when the tap size also accounts for fire flow and/or irrigation flow upon a showing of prior payment of similar charges, or for other sound considerations of fairness, as determined by the Wastewater Management Director.

- a. To be eligible for such adjustment, a party required to pay a wastewater GFC must submit a written application to the Wastewater Management Director, together with any supporting materials and explanation. The Wastewater Management Director must receive such materials at the time of application for connection of the subject premises.
- b. No adjustment may exceed the amount of the GFC applicable to the connection requested.

5. The wastewater GFC applies in addition to all other connection, permit or other fees required by this code or elsewhere, to parties seeking to connect premises who have not paid an equitable share of the cost of the City's sewer system as determined by the Wastewater Management Director.
6. The charge is due and payable in full at the time of application for connection or as otherwise ordered by the Director of Public Works.
7. The Wastewater Management Director may record appropriate notice with the county auditor concerning areas subject to the wastewater GFC in accord with RCW 65.08.170 and RCW 65.08.180, as applicable.
8. Any offset of GFC Charges shall be through non-utility revenue sources such as grant dollars or general fund dollars. The qualifications for such offset are established in ~~((In response to the ongoing local and national housing crisis, the City Council has decided to provide relief to residents and businesses by ((waiving)) offsetting all applicable fees within this section ((13.04.2042)) which are associated with the construction of ADUs on lots located at least partially within ½ mile of a Center or Corridor, Context Area, or Downtown zone or CC3 zoning overlay. Distances are measured in a straight line between the zone/overlay boundary to the lot line of the site containing the development))~~ Public Rule 5200-23-01.
9. ~~((In response to the ongoing local and national housing crisis, the City shall defer or waive all applicable fees in this section for the construction of affordable housing.~~
 - a. ~~For a project that qualifies for the twelve-year exemption under the Multiple family Housing Property Tax Exemption as described in SMC 08.15.090, fees under this section shall be deferred for the life of the property tax exemption. Projects that maintain qualifying status for the entire twelve-year period shall have fees under this section waived at the end of the twelve-year period.~~
 - b. ~~For a project that qualifies for the twenty-year exemption under the Multiple family Housing Property Tax Exemption as described in SMC 08.15.090, fees under this section shall be deferred for the life of the property tax exemption. Projects that maintain qualifying status for the entire twenty-year period shall have fees under this section waived at the end of the twenty-year period.~~
 - c. ~~For a project that qualifies for the sales and use tax exemption under the Sales and Use Tax Deferral Program for Affordable Housing as described in SMC 08.07D, fees under this section shall be deferred for the life of the sales and use tax exemption. Projects that maintain~~

~~qualifying status for the entire ten-year period shall have fees under this section waived at the end of the ten-year period.~~

- ~~d. For projects receiving funding through state, or federal programs for affordable housing, fees under this section shall be offset with non-utility funds to pay for the projects GFC obligation waived.~~
- ~~e. For projects on property with a covenant to limit sales to low income households earning no more than 80 percent of the area median income or deferrals as listed above, fees under this section shall be waived, so long as affordability is retained for a minimum of 50 years))~~

10. Any future incentives, waivers, offsets, or deferral of GFC charges ((~~should~~)) will be funded through payments from other funding sources. Incentives, waivers, and deferral ((~~should~~)) will not result in lost revenue to the Utility for new system capacity.

Section 3. That SMC section 13.03.0734 is amended to read as follows:

13.03.0734 Appendix A – General Facilities Charge Schedule

Appendix A – Wastewater General Facilities Charge Schedule

Section 4: That SMC section 13.04.2040 is amended to read as follows:

13.04.2040 Water General Facilities Charge General Provision – Long Connections

- A. There is hereby imposed a water general facilities charge (GFC). The GFC is a utility rate surcharge assessed at the time of connection or service upgrade. Its purpose is to defray costs to the general utility system created by new system demand, such as costs of providing increased system capacity for new or increased demand and other capital costs. The GFC program is separate from local improvement districts, latecomer charges or other special connection charges.
- B. The GFC is collected at the time of connection, application for a building permit or other time as deemed most administratively convenient by the director and shall be considered a contribution to capital and not a cost of providing service.
 - 1. The amount of the GFC for water utility connections will be based on water meter size for domestic and irrigation water service to the premises, not ~~including fire flow.~~
 - 2. In case of a planned unit development, binding site plan, or other circumstance where a new direct customer connection is not made to the water system, but where there is the effect of a new dwelling unit or customer demand increase, as where new dwelling units are added to a master meter account, a GFC shall

be assessed in like manner as if the demand upgrade were through a direct new customer connection unless the applicable GFC charge was previously included in the purchase of the master meter. New dwelling unit shall include without limitation accessory dwelling units (ADU) and other residential units co-located on a property as these additions have a direct impact on the utility system. ~~((Any existing connection shall be counted toward the GFC such that the charge is only for the differential between existing and new meter sizes. A customer demand increase or addition of new units that does not require an increase in meter size does not incur a GFC.))~~

3. For water service connections not included in a master meter account, any existing connection shall be counted toward the GFC such that the charge is only for the differential between existing and new meter sizes. A customer demand increase or addition of new units that does not require an increase in meter size does not incur a GFC.

~~((3))~~ 4. For those situations where an existing customer requests an increase or larger meter size, the GFC will be assessed based on the current cost difference between the existing meter size and the new size requested.

5. If there is an existing water service or new water service constructed to serve a parcel and more than one City meter is installed to serve units on the parcel, a GFC will be assessed for each additional City meter based on size and current GFC costs.

C. Long Connection Option.

1. Where a customer near an area with existing utility service desires to connect to such utility service where lines have not yet been extended for direct service to the customer's area or property (a "long connection"), the director may allow a long connection to existing facilities. The decision to allow a long connection is discretionary, considering the needs of the existing customers, the limits of the current system or any other appropriate factors.
2. As a condition of a long connection, the customer must satisfy any conditions imposed by the director, including obtaining any necessary easements, payment of all costs of additional installations and payment of a non-refundable charge determined by the director based on engineering principles estimated to be what the customer would be required to pay if connection were deferred until direct service became available. Such charge may be accepted as a nonrefundable prepayment for the size of the connection furnished. This option may also be applied to upgrades.

Section 5: That SMC section 13.04.2042 is amended to read as follows:

13.04.2042 Water General Facilities Charge – Schedule of Charges

A. Findings – General Facilities Charge (GFC).

The City Council finds:

1. The purpose of GFC charges is to defray costs created by new system demand, such as costs of providing increased system capacity for new or increased demand and other capital costs associated with new system ~~((connections to the water system such that the property owners bear their equitable share of the cost of the system))~~ capacity.
2. There is a system-wide benefit, served by a uniform, adjustable GFC, in encouraging system growth through infilling certain unserved areas and considering that expanding the overall customer rate base and customer densities will reduce fixed costs which must otherwise be spread over all classes of ratepayers.
3. It is in the public interest to provide for a GFC rate structure to cover costs associated with new or increased system demand. GFC charges ~~((have))~~ had not been updated in over 20 years and new growth proposals are stressing current system capacity and will require investment in infrastructure for water service.
4. It is further in the public interest that those adding ~~((additional))~~ costs or burdens to the City water system by creating need and demand for a new system growth and infill needs in the City water system should pay a GFC therefore. Furthermore, it is not in the public interest ~~((to continue))~~ to waive GFCs, because without adequate GFCs, the City's current utility customers bear the burden of paying for new capacity to serve growth and a fund ~~((should))~~ will be established to cover the cost of all or a portion of GFCs for certain development projects, including permanent affordable housing.

~~((5. Generally, there are increased costs associated with the needed booster stations, pipes and tanks which provide service to the Upper Zone. More facilities are needed to move water further out into the system. Evaluation analysis shows costs should be divided between two zones, an upper and lower zone, based on needed booster stations, pipes and tanks to deliver water outside the central pumping area. Furthermore, there are identified areas within the City's water system which currently lack capacity and require new infrastructure prior to availability of future service and are included within the Upper Zone.))~~

5. The City's policy is to not waive GFCs. However, offset of the developer's cost of the GFC may be identified from non-utility revenue sources, such as grant dollars or other general fund revenues. Such offset must be clearly identified and paid by the other source at time of application for connection, application for a building permit, or as otherwise ordered by the Director of Public Works.

~~((6. There is an ongoing local and national housing crisis justifying a waiver of GFCs for permanent affordable housing as defined in [SMC 8.15.020.A.](#)))~~

~~((B. Water GFCs shall be assessed based on location within either the Lower Zone or Upper Zone defined as follows:~~

- ~~1. The Lower Zone is generally defined as all parcels with water connection within the City of Spokane's water service area and have current capacity for water service. This definition includes the entire Intermediate Pressure Zone, the Low Pressure Zone north of 16th Avenue, and the North Hill Pressure Zone, but excludes area and connections located north of West Excell Avenue and West Tiffany Avenue West.~~
- ~~2. The Upper Zone is defined as all parcels not included in the geographic area of the Lower Zone and/or require additional capacity to safely serve water.~~
- ~~3. The Director of Public Works shall maintain a copy of the map of the Lower and Upper Water Zones ([Attachment A to this ordinance](#)) for public inspection.))~~

~~((C.))~~ B. Charge for new service or new upgrades.

1. For new service or new upgrades of existing service to the City water system, a GFC is assessed as provided hereafter. The charge will be based upon the meter size(s) required for domestic and irrigation water service to the facility and location of the property within the Upper or Lower Zone. If the size of a previous connection is upgraded to a larger connection, upgrades are charged at the current difference between the old and new connection size charges.
2. The GFC is to be used to finance impacts to the system created by new system growth and infill needs created by new or upgraded customers.
3. Meters used solely for fire protection purposes would not incur GFC charges, unless needed flow rate exceeds the current largest fire flow rate in that pressure zone.
4. Annual Increase: The GFC Charges in [SMC 13.04.2044](#) are generated from an analytical analysis, one copy which shall be kept on file with the office of the city clerk and incorporated herein by reference. GFC charges in [SMC 13.04.2044](#) will increase annually based on ~~((a five-year rolling average of))~~ the ~~((Engineering News Record Construction Cost Index))~~ Engineering News-Record Index (ENR) calculated by City Staff, from October to October for the previous year. This annual increase will start ((January 1)) March 5, 2024, and occur each January 1 thereafter. The City will publish a public rule update with the new GFC charge by January 1st of each year. Comprehensive review and update of GFC charges should be conducted at least every (5) years, but no more frequently than three (3) years.

5. Adjustments.

Prior Payment of Similar Charges: The charge for a water connection can be adjusted upon a showing of prior payment of similar charges, or for other sound considerations of fairness, as determined by the Director of Public Works.

- a. To be eligible for such adjustment, a party required to pay a water GFC must submit a written application to the Director of Public Works, together with any supporting materials and explanation.
 - b. The Director of Public Works must receive such materials no later than the time of connection of the subject premises.
 - c. No adjustment may exceed the amount of the water GFC applicable to the connection requested.
6. The water GFC applies, in addition to all other connection, permit or other fees required by this code or elsewhere.
7. The Director of Public Works may record appropriate notice with the county auditor concerning areas subject to the water GFC pursuant to the requirements of RCW 65.08.170 and RCW 65.08.180, as applicable, reserving the possibility of upgrade charges.
8. Any offset of applicable GFC charges shall be through non-utility revenue sources such as grant dollars or general fund dollars. The qualifications for such offset are established in Public Rule 5200-23-01. ((All applicable fees within this Section 13.04.2042 for the construction of ADUs on lots located at least partially within ½ mile of a Center or Corridor, Context Area, or Downtown zone or CC3 zoning overlay shall be waived. Distances are measured in a straight line between the zone/overlay boundary to the lot line of the site containing the development.))
9. ~~((GFCs under this section shall be deferred or waived for the construction of affordable housing.~~
- a. ~~For a project that qualifies for the twelve-year exemption under the Multiple family Housing Property Tax Exemption as described in SMC 08.15.090, fees under this section shall be deferred for the life of the property tax exemption. Projects that maintain qualifying status for the entire twelve-year period shall have fees under this section waived at the end of the twelve-year period.~~
 - b. ~~For a project that qualifies for the twenty-year exemption under the Multiple family Housing Property Tax Exemption as described in SMC~~

~~08.15.090, fees under this section shall be deferred for the life of the property tax exemption. Projects that maintain qualifying status for the entire twenty-year period shall have fees under this section waived at the end of the twenty-year period.~~

- ~~c. For a project that qualifies for the sales and use tax exemption under the Sales and Use Tax Deferral Program for Affordable Housing as described in SMC 08.07D, fees under this section shall be deferred for the life of the sales and use tax exemption. Projects that maintain qualifying status for the entire ten-year period shall have fees under this section waived at the end of the ten-year period.~~
- ~~d. For projects receiving funding through state or federal programs for affordable housing, fees under this section shall be waived.~~
- ~~e. For projects on property with a covenant to limit sales to low-income households earning no more than 80 percent of the area median income, fees under this section shall be waived, so long as affordability is retained for a minimum of 50 years.)~~

~~((D-)) C. Any future incentives, waivers, offsets, or deferral of GFC charges should be funded through payments from other funding sources. Incentives, ((waivers)) offsets, and deferrals should not result in lost revenue for new system capacity.~~

Section 6: That SMC section 13.04.2044 is amended to read as follows:

13.04.2044 Appendix A – General Facilities Charge Schedule

Appendix A – Water General Facilities Charge Schedule

Section 7: Effective Date.

This Ordinance shall take effect and be in force on March 5, 2024.

PASSED BY THE CITY COUNCIL ON November 20, 2023



Council President

Attest:



City Clerk

Approved as to form:



Assistant City Attorney

City Clerk

Yvonne Anderson

Mayor

Assistant City Attorney

11/28/2023

Date
March 5, 2024

Effective Date



Section 13.04.2044

Appendix A
Water GFC Fee Schedule

Appendix A

Water General Facility Charge Schedule – Lower Zone
 Effective through 3-4-24

Meter Size	2023	2024
3/4"	\$2,045	(\$2,823)
1"	\$2,045	(\$4,705)
1.5"	\$5,785	(\$9,409)
2"	\$5,785	(\$15,055)
3"	\$10,627	(\$32,932)
4"	\$16,363	(\$56,455)
6"	\$30,059	(\$127,025)
8"		
10"	Based on needed flow rates	Will be calculated

~~((Each year after year 1, will be annually adjusted based on a five year rolling average of the Engineering News Record Construction Costs Index pursuant to SMC 13.04.2044.~~

Numbers above are representative of phase in only. Actual numbers will be based on the ENRCCI indexed for inflation.)

**Water General Facility Charge Schedule - Upper Zone
Effective through 3-4-24**

Meter Size			2023	((2024))
3/4"			\$3,320	(((\$10,407))
1"			\$4,150	(((\$17,345))
1.5"			\$7,470	(((\$34,690))
2"			\$8,300	(((\$55,503))
3"			\$16,600	(((\$121,413))
4"			\$33,200	(((\$208,137))
6"			\$66,400	(((\$468,309))
8"				
10"	Based on needed flow rates	Will be calculated		

((Each year after year 1, will be annually adjusted based on a five year rolling average of the Engineering News-Record Construction Costs Index Engineering News-Record Index pursuant to SMC 13.04.2044.

Numbers above are representative ((of phase in)) only. Actual numbers will be based on the ENRCCI indexed for inflation.))

Water General Facility Charge Schedule – EFFECTIVE MARCH 5, 2024

Meter Size		City-Wide Calculated Charge 2024	City-Wide Calculated Charge 2025	City-Wide Calculated Charge 2026
5/8"		\$814	\$1,627	\$3,254
3/4"		\$2,754	\$3,463	\$4,881
1"		\$3,568	\$5,090	\$8,135
1.5"		\$8,406	\$11,027	\$16,269
2"		\$10,847	\$15,909	\$26,031
3"		\$22,206	\$33,785	\$56,943
4"		\$36,677	\$56,990	\$97,617
6"		\$77,454	\$124,849	\$219,638
8"		To be calc.	To be calc.	To be calc.
10"	Based on needed flow rates	To be calc.	To be calc.	To be calc.

City-Wide Calculated Charge is in effect March 5, 2024. Each subsequent year thereafter is effective January 1 through December 31. Each year after year 1, will be annually adjusted based on the Engineering News-Record Index pursuant to SMC 13.04.2042.

Numbers above are representative only. Actual numbers will be based on the ENR indexed for inflation annually.

Section 13.03.0734

Appendix A

Wastewater GFC Fee Schedule

Appendix A

Wastewater General Facility Charge Schedule

Meter Size	2023	2024
5/8"		
3/4"	\$3,984	(\$7,461)
1"	\$3,984	(\$12,435)
1.5"	\$11,266	(\$24,870)
2"	\$11,266	(\$30,792)
3"	\$20,697	(\$87,046)
4"	\$31,862	(\$140,221)
6"	\$58,540	(\$335,747)
8"	Based flow rates that	Will be calculated
10"	utilizes sewer capacity	

((Each year after year 1, will be annually adjusted based on a five year rolling average of the Engineering News-Record Construction Costs Index pursuant to SMC 13.03.0732.))

((Numbers above are representative of phase in only. Actual numbers will be based on the ENRCCI indexed for inflation.))

**Wastewater General Facility Charge Schedule
- EFFECTIVE MARCH 5, 2024**

Meter Size	City-Wide Calculated Charge 2024	City-Wide Calculated Charge 2025	City-Wide Calculated Charge 2026
5/8"	\$1,144	\$2,288	\$4,575
3/4"	\$4,704	\$5,424	\$6,863
1"	\$5,848	\$7,711	\$11,438
1.5"	\$14,169	\$17,072	\$22,877
2"	\$17,600	\$23,935	\$36,603
3"	\$35,540	\$50,383	\$80,069
4"	\$58,212	\$84,562	\$137,262
6"	\$121,115	\$183,690	\$308,839
8"	To be calc.	To be calc.	To be calc.
10"	Based flow rates that utilizes sewer capacity	To be calc.	To be calc.

City-Wide Calculated Charge is in effect March 5, 2024.

Each subsequent year thereafter is effective January 1 through December 31.

Each year after year 1, will be annually adjusted based on the Engineering News-Record Index pursuant to SMC 13.03.0732.

Numbers above are representative only. Actual numbers will be based on the ENR indexed for inflation.