ORDINANCE 1094

CITY OF LACEY

AN ORDINANCE OF THE CITY OF LACEY, WASHINGTON, RELATING TO THE TIME OF PAYMENT OF LOTT RESERVE CAPACITY CHARGES, LACEY SEWER AND WATER GENERAL FACILITY CHARGES, ACCUMULATED STORM AND SURFACE WATER UTILITY CHARGES AND OTHER UTILITY CONNECTION CHARGES, ENACTING A NEW CHAPTER, 13.02 AND AMENDING SECTIONS 13.16.020, 13.16.025, 13.16.027, 13.16.028, 13.32.005, 13.32.010 AND 13.70.020 ALL OF THE LACEY MUNICIPAL CODE

WHEREAS, the ordinances of the City of Lacey currently provide that the reserve capacity sewer service charge for the LOTT system can only be paid when a structure exists and prior to the connection of such structure to the sewerage system or upon the first billing for sewerage service charges, whichever first occurs, and

WHEREAS, it has been the practice of the City to allow property owners to pay all sewer reserve capacity charges, Lacey sewer and water general facility charges, other water connection charges and accumulated storm and service water utility charges at the time a building permit is issued, and

WHEREAS, there is a need to save the City administrative costs by allowing property owners who so desire, to pay all such utility connection charges at the same time as the property owner pays for a building permit for such property, and

WHEREAS, good utility planning requires that those connecting to the various utility systems pay connection rates

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which are reasonably current with the date of such connection, and

WHEREAS, the arguments of property owners who contend that they should be able to buy utility capacity prior to the issuance of construction permits is contrary to sound utility planning, NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LACEY, WASHINGTON, as follows:

Section 1. There is hereby added to the Lacey Municipal Code a new chapter 13.02. entitled General Utility Provisions to read as follows:

Chapter 13.02

GENERAL UTILITY PROVISIONS

13.02.010 Payment of Utility Connection Charges.

A. The reserve capacity charges, sewer general facility charges, water general facility charges, water connection fees, accrued storm and surface water utility charges and any other utility connection charges provided for in Sections 13.16.020, 13.16.025, 13.16.027, 13.16.028, 13.32.005, 13.32.010, 13.70.020 and any other provisions of Title 13 of this code may be paid no earlier than the date of the issuance of the first building permit for a parcel of property and no later than the actual connection of the first such public utility to a structure located upon said property. At the time of payment of any such connection charge called for in Title 13, all other connection charges levied under

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the terms of Title 13 shall also be required to be paid. The rate of the payment for any such connection charge levied under Title 13 of this code shall be the rate in effect on the date of payment. For those parcels of property lying outside the City, such connection fees may be paid to the City only upon showing proof of the issuance of the first building permit by Thurston County for such parcel of property.

- B. For purposes of this Section, the first building permit in the case of single family or two family residential structures shall be the structural building permit. In the case of commercial, industrial or multifamily buildings exceeding two family units, the first building permit may be the foundation permit issued for such structure.
- C. If a building permit expires under the terms of Section 14.18.020 of this code after all utility connection fees have been paid, the owner shall be required to pay any increase in connection fees at the time a new building permit is issued.
- D. Nothing in this section shall be interpreted to require the payment of increased reserve capacity, general facilities or other connection charges in addition to those charges previously levied on such property as part of a local improvement district or utility local improvement district nor the payment of additional charges for those interim sewerage facilities where

such connection charges have been paid as a condition of approving such interim facility.

Section 2. Section 13.16.020 of the Lacey Municipal Code is hereby amended to read as follows:

13.16.020 Service connection charges--Payment--Delinquency.

Such service connection charge shall be paid at the time application is made for installation of a connecting "tee" and stub, or at such time as the city may bill for the installation of such tee and stub, if not previously paid. If such charges are not paid within thirty days of billing, the city shall have a lien as provided under RCW 35.67.200, and such delinquent charge shall bear interest at eight and one-half percent per year. The proceeds of such charges shall go into the sewer connection account of the sewer system construction fund of the city hereinafter created to defray the actual cost of connecting building sewers to the main or collector sewers and to provide a uniform basis of charge to the property owners regardless of the actual cost of individual connections. The payment of such connection charges shall be in accordance with LMC Chapter 13.02.

Section 3. Section 13.16.025 of the Lacey Municipal Code is hereby amended to read as follows:

13.16.025 Reserve capacity sewer service charge. Unless there has been assessed against a particular parcel of real property a reserve capacity charge as part of the assessment under a city

utility local improvement district, such a charge shall be paid for every structure, prior to the connection of such structure to the sewerage system or upon the first billing for sewerage service charges, whichever occurs first. The reserve capacity charge rate during the calendar month of December, 1992 shall be \$570.00 for each ERU. The charge for each ERU after December, 1992 shall be computed by increasing said charge by the amount of \$4.00 per ERU for each whole calendar month which has expired between the last day of December, 1992 and the date of first billing or connection as set forth above. The reserve capacity charge for residential uses shall be computed on the basis of one ERU for single-family structures, including mobile homes, two ERUs for two-family structures and seven-tenths of an ERU for each living unit for those residential structures containing more than two living units. The reserve capacity charge for nonresidential structures shall be determined in accordance with an ERU value established by the joint sewerage facilities advisory committee. If the use of any structure changes subsequent to March 1, 1977, resulting in a significant increase of sewage discharge therefrom, there shall be a reserve capacity charge paid upon the first billing subsequent to the change for the increased monthly ERUs determined in accordance with an ERU value established by the advisory committee and at the rates set out in this section. Notwithstanding anything in this section to the contrary, the provisions for payment of such reserve capacity sewer service charges shall be consistent with the provisions of Chapter 13.02.

<u>Section 4</u>. Section 13.16.027 of the Lacey Municipal Code is hereby amended to read as follows:

13.16.027 General facilities charge.

- A. There is levied a general facilities charge on all properties proposed to be connected for service by the Lacey sewerage system. The amount of the sewerage general facilities charge levied on a particular piece of property shall be equal to the number of equivalent residential units estimated to be used by said property multiplied by the rate per equivalent residential unit determined as set forth in 13.16.027(B). The term "equivalent residential unit" or "ERU" for purposes of this section shall be as follows:
- Single-family residence, including mobile homes: one
 ERU per living unit;
 - 2. Duplex (two-family residence): two ERUs;
- 3. Residential buildings containing more than two living units: 7/10 of an ERU per living unit;
- 4. Commercial, industrial or other customers not readily identified as a residential customer, including but not limited to, hotels, motels, boarding or rooming houses, nursing homes and

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transient (overnight) trailer parks: one ERU for each estimated 900 cubic feet of water to be consumed per month.

- B. The general facilities charge for each equivalent residential unit during 1989 shall be \$800.00. The rate of said charge shall be increased annually on January 1st of each calendar year by an amount equal to the increase in the Engineering News Record Construction Cost Index or by six percent, whichever rate of increase is higher.
- C. The general facilities charge levied herein shall be due and payable for each individual service prior to the connection of such service to the Lacey sewerage system unless such general facilities charge is included as part of the assessment levied against a parcel of property as part of a local improvement district or utility local improvement district.
- D. If the land use of a property is proposed to be changed to a use which will increase the equivalent residential unit use of sewerage capacity and said proposed change in use is after charges levied herein have been computed and paid, a condition of allowing said increased use shall be that the owner of said property will pay to the city an additional general facilities charge in accordance with this section equal to the increase in the contemplated equivalent residential unit use.
- E. The charges established and levied by this section shall be in addition to any and all charges for reserve capacity of joint

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sewerage facilities under Section 13.16.025 and any and all charges for sewerage collection system or other sewerage facilities not covered by the reserve capacity charge or the general facilities charge whether such charges are by latecomers agreement or otherwise.

F. The payment of such connection charges shall be in accordance with LMC Chapter 13.02.

Section 5. Section 13.02.028 of the Lacey Municipal Code is hereby amended to read as follows:

13.16.028 Special connection charge. There is levied a special connection charge on all properties proposed to be connected directly to a sewer interceptor. The amount of such charge during 1989 shall be equal to the number of front feet abutting such interceptor times \$19.00. On January 1st of each subsequent year, the rate per front foot shall be increased by the increase in the Engineering News Record Construction Cost Index, or six percent, whichever is higher. The payment of such connection charges shall be in accordance with LMC Chapter 13.02.

<u>Section 6</u>. Section 13.32.005 of the Lacey Municipal Code is hereby amended to read as follows:

13.32.005 General facilities charge for new connections. There is established a general facilities charge to be paid prior to the connection to the city's water system for all connections made on or after April 1, 1987. The rate during the calendar year

1996 shall be in accordance with the schedule set forth below for each service connection. The rate of said charge shall be increased on January 1 of each calendar year subsequent to 1996 by an amount equal to the increase in the Engineering News Record Construction Cost Index or by six percent per annum, whichever rate of increase is higher. No water connection shall be made until the charge together with all other fees and charges have been paid. The payment of such connection charges shall be in accordance with LMC Chapter 13.02. The initial rates pursuant to this section shall be as follows:

Meter Size	GFC			
5/8" to 3/4"	\$1,200			
1"	2,000			
1 1/2"	4,000			
2"	6,000			
3	12,000			
4	20,000			
6	40,000			

Section 7. Section 13.32.010 of the Lacey Municipal Code is hereby amended to read as follows:

13.32.010 Standard service connection.

A. The construction of a standard new service connection by the city for water shall include all labor, pipe and fittings up to the property line. The charges for the labor and materials,

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including the meter and its installation, shall be established by resolution of the city council.

- B. No water connection shall be made until the person desiring the same has signed an application at the office of the city water department, and paid the charges imposed. The payment of such connection charges shall be in accordance with LMC Chapter 13.02.
- C. As a condition of service, all service lines from the building to the water meter shall be inspected by the city building department to insure compliance with all the requirements of the Uniform Plumbing Code as adopted in Chapter 14.08 of this code. No part of the water piping shall be covered, concealed or water meter installed until it has been tested, inspected and accepted.

<u>Section 8</u>. Section 13.70.020 of the Lacey Municipal code is hereby amended to read as follows:

13.70.020 Storm and surface water utility charge. There is imposed on every parcel of land within the city a storm and surface water utility charge in the amount set forth in Section 13.70.030. All charges for developed parcels shall be billed and become due as provided in Section 13.44.030 of this code. Charges levied upon undeveloped parcels shall not be currently billed but shall accumulate from the effective date of the ordinance codified in this chapter until such parcels are developed. The

accumulated charges for such parcels shall be paid prior to the issuance of any construction permits, business licenses or other approvals by the city. For those parcels requiring construction permits, the accumulated charges for such parcels shall be paid in accordance with the provisions of LMC Chapter 13.02. For those occupancies not requiring construction permits, such accumulated charges shall be paid prior to the issuance of a business license or other permits by the City.

<u>Section 9</u>. The summary of this Ordinance, which is attached hereto, is approved for publication.

PASSED BY THE CITY COUNCIL OF THE CITY OF LACEY, WASHINGTON, this _/7 74 day of December, 1998.

SUMMARY FOR PUBLICATION

ORDINANCE 1094

CITY OF LACEY

The City Council of the City of Lacey, Washington, passed on December _______, 1998, Ordinance No. ________ entitled "AN ORDINANCE OF THE CITY OF LACEY, WASHINGTON, RELATING TO THE TIME OF PAYMENT OF LOTT RESERVE CAPACITY CHARGES, LACEY SEWER AND WATER GENERAL FACILITY CHARGES, ACCUMULATED STORM AND SURFACE WATER UTILITY CHARGES AND OTHER UTILITY CONNECTION CHARGES, ENACTING A NEW CHAPTER, 13.02 AND AMENDING SECTIONS 13.16.020, 13.16.025, 13.16.027, 13.16.028, 13.32.005, 13.32.010 AND 13.70.020 ALL OF THE LACEY MUNICIPAL CODE"

The main points of the ordinance are described as follows:

Section 1 of the ordinance provides:

Chapter 13.02 -- GENERAL UTILITY PROVISIONS --

13.02.010 Payment of Utility Connection Charges.

The reserve capacity charges, sewer general facility charges, water general facility charges, water connection fees, accrued storm and surface water utility charges and any other utility connection charges provided for in Sections 13.16.020, 13.16.025, 13.16.027, 13.16.028, 13.32.005, 13.32.010, 13.70.020 and any other provisions of Title 13 of this code may be paid no earlier than the date of the issuance of the first building permit for a parcel of property and no later than the actual connection of the first such public utility to a structure located upon said property. At the time of payment of any such connection charge called for in Title 13, all other connection charges levied under the terms of Title 13 shall also be required to be paid. rate of the payment for any such connection charge levied under Title 13 of this code shall be the rate in effect on the date of payment. For those parcels of property lying outside the City, such connection fees may be paid to the City only upon showing proof of the issuance of the first building permit by Thurston County for such parcel of property.

B. For purposes of this Section, the first building permit in the case of single family or two family residential structures shall be the structural building permit. In the case of commercial, industrial or multifamily buildings exceeding two family units, the first building permit may be the foundation permit issued for such structure.

C. If a building permit expires under the terms of Section 14.18.020 of this code after all utility connection fees have been paid, the owner shall be required to pay any increase in connection fees at the time a new building permit is issued.

D. Nothing in this section shall be interpreted to require the payment of increased reserve capacity, general facilities or other connection charges in addition to those charges previously levied on such property as part of a local improvement district or utility local improvement district nor the payment of additional charges for those interim sewerage facilities where such connection charges have been paid as a condition of approving such interim facility.

Sections 2, 3, 4, 5, 6, 7 and 8 amend sections 13.16.020, 13.16.025, 13.16.027, 13.16.028, 13.32.005, 13.32.010 and 13.70.020 in a manner which references the provisions of the new Chapter 13.02 which is fully set forth above.

A copy of the full text of this Ordinance will be mailed without charge to any person requesting the same from the City of Lacey.

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