Sewage Disposal Contracts Overview

Metropolitan Water Pollution Abatement Advisory Committee

June 22, 2022



Background

- 1957 Legislature approves enabling legislation for metropolitan municipal corporations (Chapter 35.58 Revised Code of Washington [RCW])
- 1958 Voters approve creation of Municipality of Metropolitan Seattle ("Metro") for water pollution abatement
- 1961 Initial sewage disposal contracts executed between Metro and local sewer agencies
- 1994 Metro merger with King County
- Better than promised: an informal history of the municipality of metropolitan Seattle - King County (1995)
- King County adopts Regional Wastewater Services Plan (1999)



Sewage Disposal Contracts

- 34 Local Sewer Agencies contract with King County for sewage treatment and disposal – "Basic Sewage Disposal Agreement"
- Agencies include 18 cities, 15 sewer districts, and the Muckleshoot Tribe
- 25 contracts run thru July 1, 2036
- 9 contracts run thru July 1, 2056



Core Contract Provision: Delivery/Acceptance of Sewage

- Local Sewer Agency to deliver all sewage and industrial waste it collects to the County.
- County to accept sewage and industrial waste for treatment and disposal, subject to reasonable rules and regulations.
- County will not accept direct connections to regional facilities without the local agency's consent.
- Local Sewer Agency will not send wastewater to any other entity for treatment without the County's consent.
- Local Sewer Agency to construct, maintain, and operate the local system at no expense or risk to the County. King County



Core Contract Provision: Construction of Regional Facilities

- County to construct, acquire, or otherwise secure the right to use facilities to perform sewage disposal responsibilities.
- County to perform all maintenance, operations, repair, replacement, repair, or improvements to the regional system.
- County determines the nature, location, and timing for constructing regional facilities.



Core Contract Provision: Connecting Local Facilities to Regional Infrastructure

- Local Sewer Agency to connect to the regional sewer system when the regional facility can accept sewage at a location determined by the County.
- Local Sewer Agency responsible for costs to connect to the regional system at the location(s) determined by the County.
- Local Sewer Agency to pay for the use of another entity's infrastructure, if needed to deliver sewage to the County.
- Additional charge for sewage or wastes of unusual quality or composition requiring special treatment – industrial waste.
- Additional charge may be made for quantities of storm or ground waters entering those Local Sewerage Facilities that are constructed after January 1, 1961, in excess of the minimum standard.



Core Contract Provision: Quarterly Payment (Reporting and Billing)

- Local Sewer Agency submits quarterly report to County with number of residential customers, total number of all customers, and total water consumption for all customers other than residential.
- Total water consumption in cubic feet divided by 2,250 (or 750 cubic feet per month) to determine the number of residential customer equivalents (RCEs).
- County bills the local agency for the monthly wholesale sewer rate.



Core Contract Provision: Monthly Wholesale Sewer Rate

- County to set the monthly sewer rate by July 1 for the following year.
- Sewer rate to cover administration, operations, maintenance, repair and replacement, necessary working capital and reserves, debt service, and some general administrative overhead costs.
- Local Sewer Agency to collect sufficient revenues to pay for operations and maintenance of local system and the wholesale monthly sewer rate to the County.
- Local Sewer Agency to fix its own schedule of rates and charges for sewer service to collect sufficient revenues.

Department of Natural Resources and Parks Wastewater Treatment Division

King County

Core Contract Provision: Capacity Charge

- County authorized to bill customers directly for new connections to sewer – capacity charge.
- Capacity charge revenues to be used for capital expenditures to provide sewer capacity.
- Local agencies provide information on new connections to sewer to the County.
- Governed by RCW 35.58.570 and King County Code 28.84.050 O.



Core Contract Provisions: Other

- Assignment
- Definition of Terms
- Insurance and Liability for Damages
- Infiltration/Inflow provision in some contracts, but not enforced as it is not included in all 34
- Effective Date and Term of Contract
- Notice
- Records
- Remedies
- Waiver



Contracts Extended thru 2056: Additional Provisions

- Authorized by <u>Ordinance 15666</u> (2006).
- Out-of-cycle emergency rate increase, if certain requirements are met, to be incorporated into the next rate setting cycle.
- Capacity charge shall be set at level to cover 95% of costs to serve new connections.
- Contract may be amended if agreed to by local agencies representing 90% of RCEs and 90% of the local agencies (i.e., 31 agencies).
- Contract extension thru July 1, 2056.



Other Relevant Provisions/Documents

- Provisions specific to a Local Sewer Agency as part of the Basic Sewage Disposal Contract
- Project specific agreements between King County and a Local Sewer Agency
- Robinswood Agreement (1998)
- Ordinance 15757 (2007)



Questions

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