

EXHIBIT B

Chapter 13.25

SELF-FUNDING MUNICIPAL SEWER SYSTEM FEES, RATES, CHARGES

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13.25.005 Definitions.

The definitions presented in Section 13.20.020 are incorporated herein by reference.

13.25.010 Sewer system fees.

(1) Fees for each sewer service connection shall be as follows:

- A. Application/Permit fee: two hundred and fifty dollars (\$250.00);
- B. Modification fee: permit required, twenty-five dollars (\$25.00);
- C. Re-connection fee: permit required, twenty-five dollars (\$25.00);
- D. Repair: permit required, no charge;
- E. Capping: permit required, no charge.

(2) Sewer system fees shall be reviewed annually and adjusted at the discretion of the Town council.

13.25.020 Sewer service rates.

(1) The sewer service rate shall be a monthly charge per ERU for furnishing sewer collection, treatment and disposal services to a premises as follows:

- a. \$39.00 through December 31, 2010,
- b. \$40.00 for calendar year 2011,
- c. \$41.00 for calendar year 2012.

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- (2) For non-residential property, the monthly sewer service rate shall be the number of ERUs multiplied by said rate per ERU.
- (3) No credit will be given for vacant or unoccupied premises or seasonally-occupied premises.
- (4) Sewer service charges shall be reviewed annually and adjusted at the discretion of the Town council.

13.25.030 Responsible customer.

All rates for sewer service shall be billed to the property owner, or tenant at the property owner's discretion, provided however, that the owner shall be the responsible party for payment.

13.25.040 Billing and delinquency.

Customers shall be billed on a monthly basis for the prior month's sewer service. Sewer user charges shall be due starting three months from the date of issue of the first Town sewer service permit to the owner, the first month sewer from the Town sewer service is approved for use, or the month in which an occupancy permit is issued, whichever occurs first, and shall be payable for the whole month. Payment shall be considered late and the account declared delinquent if not received by the Town within 20 days of the billing date and service may be terminated. A late charge of five (5%) percent per month shall accrue on all delinquent accounts from date of delinquency. The Town may elect to use all lawful means to collect delinquent accounts. Delinquent account service shall be shut off 30 days after being declared delinquent and shall be subject to a re-connection fee of \$25.00. Overdraft charges shall be current bank overdraft fees. The Town may shut off water to properties with delinquent sewer service account, regardless of the balance of the water service account.

13.25.050 Dispute resolution.

In the event of any sewer service billing or other dispute, the customer shall first present to the Town Mayor or his/her designee in writing. The Mayor or his/her designee will then provide to the customer a written decision within thirty days of receipt of the written dispute. Any customer shall have the right to appeal the decision of the Mayor or his/her designee to the Town Council. Any appeal must be written and on a complaint form provided by the Town. The Town Council shall notify the customer of its decision by first class mail within 60 days of receipt of the appeal. Any decision by the Town Council shall be final and only subject to appeal in King County Superior Court.

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13.25.060 Connection charge.

- (1) In addition to the application/permit fee and construction costs for a new sewer service or the installation charge per Chapter 13.020.480, the customer shall pay a sewer connection charge. However, the sewer connection charge shall be waived for those eligible structures connecting to the sewer system prior to the initial commitment deadline for the applicable portion of the sewer system, provided however, that the property owner shall have made a complete sewer service application, including easement, bill of sale and other forms and information required herein, and that the Town shall have approved such application. The purpose of this charge is to help defray the costs of past and future system improvements. Once it has been paid by a customer for a property, it will not be collected again if the service is repaired or replaced in the future except in the case where the use of the property is changed.
- (2) In the event a premises is disconnected from the sewer system for more than 365 days, the premises shall be subject to a portion of the connection charge and such shall be paid prior to reconnection to the sewer system. The portion of the connection charge that shall be due shall be the difference between the connection charge applicable at the time of reconnection and the connection charge applicable at the time of original or most recent connection of the premises to the property. Eligible structures connected prior to an initial installation deadline shall be subject to this additional charge even though such was waived at the time of original connection (i.e. even though nothing was paid, the increase will be based on the waived charge as if it had been paid).
- (3) The connection charge shall be \$3,420.00 per ERU connected to the Town's sewer system, in addition to any application, permit, administration or inspection fees otherwise applicable.
- (4) Sewer connection charges shall be reviewed annually and adjusted at the discretion of the Town council.

13.25.070 Equivalent residential units.

- (1) The number of equivalent residential units (ERU's) for sewer service per premises shall be as follows:
 - A. The minimum number of ERU's for any premises shall be one ERU;
 - B. Single-family residence. For each single-family residence, one ERU; except that single-family residences served by a water meter greater than 5/8-inch in size shall be the greater of one ERU or the number of ERU's established pursuant to the calculation method for non-residential uses;

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- C. Accessory living units. For each accessory living unit, one additional ERU;
 - D. Non-residential uses. For each non-residential use, the number of ERU's shall be the greater of one or the number established based on water use during winter months compared to average water use by all single-family, in-Town water customers for the same period.
- (2) At time of initial connection to the sewer system, non-residential ERU's shall be determined as follows:
- A. For existing non-residential uses with water service and history of water usage for the prior November thru April period, the actual water use for that non-residential use shall be used as the basis for determining ERU's, as described below for the annual update of ERU's;
 - B. For new non-residential uses or those without water service or a history of water usage for the prior November thru April period, the clerk and sewer superintendent shall estimate the initial sewer ERU count based on a comparison to existing similar non-residential uses in the Town. The initial sewer ERU count shall only be applicable until the next annual ERU evaluation described below. The following list shall be used for guidance in the absence of more specific references:
 - a. Multi-family residence or condominium, one ERU per residential living unit;
 - b. Motel or hotel, one ERU per each two rooms or units, with a minimum of one ERU;
 - c. Churches, one ERU;
 - d. Mobile home park or trailer court, one ERU per each space, regardless of full- or part-time use;
 - e. Camping mobile home park or camping trailer park (not intended for year-round use), one-half ERU per space, with a minimum of one ERU for the park;
 - f. Campground (with water and sewer service to individual sites), one-third ERU per space, with a minimum of one ERU for the campground;
 - g. Campground (without water and sewer service to individual sites), one-quarter ERU per space, with a minimum of one ERU for the campground;
 - h. Combined Uses: Where multiple uses are present and connected to the sewer on one premises using a single water meter for multiple uses and the multiple uses include residential living units, the applicable number of ERU's shall be as described in subsections (2) and (3) plus one ERU for each residential living unit.
- (3) The number of sewer ERU's for each non-residential use shall be evaluated annually in June, and adjusted as necessary for the following July thru June billing periods as follows:

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- A. The clerk shall determine the average water use per in-Town single family residential water customer for the prior November thru April period to determine the average volume of winter water use per ERU.
- B. For each non-residential use connected to the sewer system, the clerk shall determine the number of ERU's for that customer based on their water use for the same November thru April period, by dividing the total water use by the customer for that period, by the average volume of in-Town single family residential customer water use per ERU. The result shall be rounded down to the nearest one-half ERU, but in no case shall the total number of ERU's be less than one.

13.25.080 Change of use.

- (1) Changes made to a premises connected to the sewer system may change the number of ERU's. As a result of any changes in premises, the number of ERU's shall increase, decrease or remain the same, in accordance with the standards set forth in this section. Within thirty days of making any change in the premises resulting a higher number of ERU's, the customer shall pay additional sewer connection charges for the increased amount of ERU's. Upon making any change in the premises resulting in a lower number of ERU's, subject to compliance with other requirements of this section, the customer shall be eligible for a credit in sewer connection charges for the decreased number of ERU's, which credit shall remain with the premises until used.
- (2) The obligation for additional sewer connection charges shall be the difference between the connection charge applicable at the time of the change and the connection charge applicable at the time of original or most recent connection of the premises to the property. Eligible structures connected prior to an initial installation deadline shall be subject to this additional charge even though such was waived at the time of original connection (i.e. even though nothing was paid the increase will be based on the waived charge as if it had been paid).
- (3) Upon completion of any change in premises resulting in an increase or decrease in the number of ERU's, the customer shall pay sewer service charges in accordance with this chapter, commensurate with the new number of ERU's for the premises. Non-residential customers shall pay sewer service rates based on the new number of ERU's until the next annual non-residential customer ERU evaluation.
- (4) The annual evaluation of non-residential water use, in the absence of a change of use of the premises (e.g. type of business, development, function or physical expansion or modification), shall not be cause for an increase in ERU's resulting in the requirement to pay an additional sewer connection charge.

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13.25.090 Notice

The notice provisions presented in Section 13.20.780 are incorporated herein by reference.