

POULSBO DISTRIBUTION SCHEDULE

ORDINANCE NO. 2025-06

SUBJECT: Utility Rate Increase

CONFORM AS TO DATES & SIGNATURES

- ☒ Filed with the City Clerk: 04/30/2025
- ☒ Passed by the City Council: 05/21/2025
- ☒ Signature of Mayor
- ☒ Signature of City Clerk
- ☒ Publication: 05/27/2025
- ☒ Effective: 07/01/2025
- ☐ Recorded: _____

DISTRIBUTED COPIES AS FOLLOWS:

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Kati Diehl
Deputy City Clerk

05/22/2025
Date

ORDINANCE NO. 2025-06

AN ORDINANCE OF THE CITY OF POULSBO, WASHINGTON, AMENDING POULSBO MUNICIPAL CODE ("PMC") CHAPTERS 3.12 AND 13.70, AND ADDING A NEW PMC SECTION 13.70.530 IN ORDER TO ADJUST UTILITY RATES, CODIFY PLANNED WATER RATE INCREASES, AND INCREASE THE WATER AND STORMWATER GENERAL FACILITY CHARGES TO BE CONSISTENT WITH CITY COMPREHENSIVE PLANS; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, Chapter 3.12 of the Poulsbo Municipal Code ("PMC") establishes a schedule of water, wastewater, and stormwater rates and charges for all utility customers; and

WHEREAS, Chapter 13.70 PMC regulates assessments, rates, fees, and charges related to utility services, including specifying that the rates are adjusted automatically with Consumer Price Index for all urban customers (CPI-U) as of June 30 of the previous year with a minimum increase not less than two percent and a maximum increase not to exceed six percent; and

WHEREAS, it is necessary to raise the utility service rates in Chapter 3.12 PMC to reflect the increasing cost of the delivery of utility services; and

WHEREAS, the costs to provide utility services are based on existing and future capital expenses, City comprehensive plans, operating expenses, and maintenance expenses; and

WHEREAS, the water rate must be increased by 6% in 2025, 2027, and 2029 in accordance with the 2024 Water System Plan; and

WHEREAS, the City imposes a General Facility Charge for new connections to the system to fund the capital improvement program; and

WHEREAS, the Water General Facility Charge needs to be increased by \$800 in 2025 in accordance with the 2024 Water System Plan; and

WHEREAS, the Stormwater General Facility Charge needs to be increased by \$200 in 2025 in accordance with the 2025 Stormwater Functional Plan; and

WHEREAS, the CPI-U for 2025 rates is 3.80% based on the June 30, 2024 index and the rates in PMC Section 3.12.100 are amended to reflect the correct rates as of January 1, 2025; and

WHEREAS, the City desires to codify future planned water rate increases Chapter 13.70 to apply in addition to the annual CPI-U adjustment; and

WHEREAS, the City Council reviewed the Water System Plan financial analysis and recommendations at the City Council Workshop on February 12, 2025; and

WHEREAS, the City Council reviewed the Stormwater Functional Plan financial analysis and recommendations at the City Council Workshop on March 12, 2025; and

WHEREAS, the City Council reviewed the proposed rate increases and recommendations at the City Council Workshop on March 12, 2025; and

WHEREAS, PMC Section 3.12.100 is amended with updated utility rates effective July 1, 2025; and

WHEREAS, PMC Section 13.70.530 is added to make effective the future planned water rate increases effective July 1, 2025; and

WHEREAS, a duly noticed public hearing was held on May 14, 2025 at the City Council meeting and Council APPROVED the proposed amendment; NOW THEREFORE,

**THE CITY COUNCIL OF THE CITY OF POULSBO, WASHINGTON, DO ORDAIN AS
FOLLOWS:**

Section 1. Adoption of Findings. The recitals set forth above are hereby adopted as the Poulsbo City Council's findings justifying the revisions to the chapter of code adopted by this ordinance.

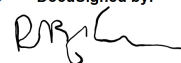
Section 2. Amendment of PMC 3.12 and PMC 13.70. Chapters 3.12 and 13.70 of the Poulsbo Municipal Code are hereby amended to read as shown in Attachment A.

Section 3. Severability. If any section, subsection, paragraph, sentence, clause or phrase of this ordinance or its application to any person or situation should be held to be invalid or unconstitutional for any reason by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of the remaining portions of this ordinance or its application to any other person or situation.

Section 4. Corrections. Upon the approval of the city attorney, the city clerk and/or code publisher is authorized to make any necessary technical corrections to this Ordinance, including but not limited to the correction of scrivener's/clerical errors, references, Ordinance numbering, section/subsection numbers, and any reference thereto.

Section 5. Effective Date. This ordinance shall take effect on July 1, 2025, after publication of the attached summary, which is hereby approved.

APPROVED:

DocuSigned by:

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MAYOR REBECCA ERICKSON

ATTEST/AUTHENTICATED:

Signed by:

D21DA14DCC754A8
CITY CLERK RHIANNON FERNANDEZ

APPROVED AS TO FORM
OFFICE OF THE CITY ATTORNEY:

Signed by:

833D0B6C77F3647F...
CITY ATTORNEY, EMILY ROMANENKO

FILED WITH THE CITY CLERK: 04/30/2025
PASSED BY THE CITY COUNCIL: 05/21/2025
PUBLISHED: 05/27/2025
EFFECTIVE DATE: 07/01/2025
ORDINANCE NO. 2025-06

SUMMARY OF ORDINANCE NO. 2025-06
of the City of Poulsbo, Washington

On May 21, 2025 the City Council of the City of Poulsbo, Washington, approved Ordinance No. 2025-06, the main point of which may be summarized by its title as follows:

AN ORDINANCE OF THE CITY OF POULSBO, WASHINGTON, AMENDING POULSBO MUNICIPAL CODE CHAPTERS 3.12 AND 13.70, AND ADDING A NEW PMC SECTION 13.70.530 IN ORDER TO ADJUST UTILITY RATES, CODIFY PLANNED WATER RATE INCREASES, AND INCREASE THE WATER AND STORMWATER GENERAL FACILITY CHARGES TO BE CONSISTENT WITH CITY COMPREHENSIVE PLANS; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

The full text of this ordinance will be mailed upon request.

DATED this 21st day of May, 2025

Signed by:

D21DA14DCC754A8...

CITY CLERK, RHIANNON FERNANDEZ CMC

ATTACHMENT A

The following amendments update the utility rates to the current rates as of January 1, 2025; add a one-time \$800 increase to the Water General Facility Charge, add a one-time \$200 increase to the Stormwater General Facility Charge, and incorporate a 6% water rate increase to be effective June 1, 2025. A new code section 13.70.530 is added to codify future water rate increases.

BOLD RED UNDERLINE indicates text addition

~~BOLD RED STRIKETHROUGH indicates text deletion~~

Chapter 3.12

FEES, COSTS AND OTHER CHARGES

3.12.100 Utilities—Schedule of assessments, rates, fees and charges for certain utility services.

A. General Facility Connection Cost as of ~~January 1, 2023~~ July 1, 2025.

1. Water. The general facility connection cost for water shall be as follows:
 - a. ~~Six thousand six hundred twenty-nine dollars and ninety-six cents~~ Five thousand three hundred sixty-nine dollars and fifty-three cents per equivalent residential unit.
2. Wastewater. The general facility connection cost for wastewater shall be as follows:
 - a. City. Five thousand four hundred forty-four dollars and no cents ~~fourteen dollars and five cents~~ per equivalent residential unit.
 - b. Kitsap County—The most current Central Kitsap Newcomer’s Assessment as of the date of connection.
3. Stormwater. The general facility connection cost for stormwater shall be as follows:
 - a. One thousand eight hundred five dollars and ninety-one cents ~~four hundred seventy-nine dollars and eight cents~~ per impervious surface unit (ISU).

B. Front Footage Fees.

1. Water. The front footage fees for water shall be computed as follows:
 - a. City—Sixteen dollars per foot.
 - b. County—Twenty dollars per foot.
2. Wastewater. The front footage fees for wastewater shall be computed as follows:
 - a. City—Sixteen dollars per foot.
 - b. County—Twenty dollars per foot.

C. Meter Fees (Including Sales Tax).

1. Property Owner Installed Services (Contractor). The meter fees for property owner installed services are as follows:

3/4-inch meter	\$205 \$195
1-inch meter	\$320 \$305
1-1/2-inch meter	\$1,175 \$700
2-inch meter	\$1,390 \$980

The city of Poulsbo will install meters up to two inches.

Meters larger than two inches will be provided by the owner. The fees set forth in this subsection are set at the amount necessary to recover actual purchase costs effective ~~January 1, 2025~~ **August 15, 2022**. The fees will be automatically adjusted to recover actual costs as purchase costs increase in the future without the necessity of amending this subsection.

2. Municipal Installed Services. Municipal installed services shall be at the discretion of public works superintendent and costs shall be consistent with schedule of charges established in subsection A of this section.

D. Service Rates—Water.

1. Water Service Rates. Water service rates are established as follows as of ~~January 1, 2023~~ **July 1, 2025**:

WATER

BASE CHARGE								
Customer Class	Meter Size							
	3/4"	1"*	1-1/2"	2"	3"	4"	6"	8"
Single-family residential	\$17.96 <u>\$20.67</u>	\$17.96 <u>\$20.67</u>	N/A	N/A	N/A	N/A	N/A	N/A
Low income senior	\$12.57 <u>\$14.47</u>	\$12.57 <u>\$14.47</u>	N/A	N/A	N/A	N/A	N/A	N/A
Multifamily	\$18.45 <u>\$21.23</u>	\$41.27 <u>\$47.50</u>	\$78.86 <u>\$90.76</u>	\$124.92 <u>\$143.78</u>	\$255.50 <u>\$294.05</u>	\$393.24 <u>\$452.58</u>	\$773.92 <u>\$890.70</u>	\$1,230.10 <u>\$1,415.70</u>
Commercial	\$19.13 <u>\$22.02</u>	\$42.95 <u>\$49.44</u>	\$82.27 <u>\$94.68</u>	\$130.33 <u>\$150.00</u>	\$266.22 <u>\$306.39</u>	\$410.09 <u>\$471.97</u>	\$807.56 <u>\$929.42</u>	\$1,283.90 <u>\$1,477.63</u>
Irrigation	\$14.89 <u>\$17.13</u>	\$32.38 <u>\$37.27</u>	\$70.19 <u>\$80.78</u>	\$96.49 <u>\$111.06</u>	\$198.58 <u>\$228.54</u>	\$304.29 <u>\$350.21</u>	\$596.06 <u>\$686.00</u>	\$945.53 <u>\$1,088.20</u>
Outside city	\$26.93 <u>\$30.99</u>	\$60.01 <u>\$69.07</u>	\$114.52 <u>\$131.80</u>	\$181.33 <u>\$208.69</u>	\$371.12 <u>\$427.12</u>	\$570.95 <u>\$657.09</u>	\$1,123.07 <u>\$1,292.53</u>	\$1,784.66 <u>\$2,053.95</u>

* One-inch base rate applied only for instances in which the residence is utilizing a flow through fire sprinkler system, as installed in construction built in or after 2014. The fire suppression system requires a one-inch service meter to operate properly. Additional information regarding meter size and operation is found in Section [13.70.130](#).

COMMODITY CHARGE			
Customer Class	Winter	Summer Block 1 0—1,000 cf	Summer Block 2 ≥1,001 cf
Single-family residential	\$2.51/hcf <u>\$2.89/hcf</u>	\$2.51/hcf <u>\$2.89/hcf</u>	\$3.92/hcf <u>\$4.52/hcf</u>
Low income senior	\$2.51/hcf <u>\$2.89/hcf</u>	\$2.51/hcf <u>\$2.89/hcf</u>	\$3.92/hcf <u>\$4.52/hcf</u>
Multifamily	\$2.11/hcf <u>\$2.43/hcf</u>	\$3.20/hcf <u>\$3.69/hcf</u>	\$3.20/hcf <u>\$3.69/hcf</u>
Commercial	\$2.11/hcf <u>\$2.43/hcf</u>	\$3.20/hcf <u>\$3.69/hcf</u>	\$3.20/hcf <u>\$3.69/hcf</u>
Irrigation	\$2.11/hcf <u>\$2.43/hcf</u>	\$3.20/hcf <u>\$3.69/hcf</u>	\$3.20/hcf <u>\$3.69/hcf</u>
Outside city	\$3.20/hcf <u>\$3.69/hcf</u>	\$4.67/hcf <u>\$5.37/hcf</u>	\$4.67/hcf <u>\$5.37/hcf</u>

Summer Block Rate = June to October

hcf = hundred cubic feet

2. *Repealed by Ord. 2003-35.*

3. *Repealed by Ord. 2009-02.*

4. Construction Meter Rates. The rate for a construction-related hydrant connection is hereby established as fifty dollars per month rental fee plus commodity charges of **four dollars and forty-two cents** ~~three dollars and eighty-four cents~~ per hundred cubic feet of water used. In addition, a refundable deposit of one thousand two hundred dollars will be required, which will be forfeited if the meter is not returned to public works in good condition. The monthly commodity charge is subject to annual increase by CPI-U per Section [13.70.520](#). The monthly rental fee and deposit are not subject to the CPI-U increase defined in Section [13.70.520](#).

5. Hydrant Backflow Preventer Rate. The rate for a construction-related hydrant connection is hereby established as twenty-five dollars per day. In addition, a refundable deposit of one thousand dollars will be required, which will be forfeited if the backflow preventer is not returned to public works in good condition. The daily rental fee and deposit are not subject to the CPI-U increase defined in Section [13.70.520](#).

E. Service Rates—Wastewater.

1. Wastewater Service Rates. The following monthly wastewater service rates are established as of January 1, **2025 2023**:

WASTEWATER

BASE CHARGE								
Customer Class	Meter Size							
	3/4"	1"	1-1/2"	2"	3"	4"	6"	8"
Single-family residential	\$62.87 \$68.26	\$62.87 \$68.26	N/A	N/A	N/A	N/A	N/A	N/A
Low income senior	\$29.48 \$32.01	\$29.48 \$32.01	N/A	N/A	N/A	N/A	N/A	N/A
Multifamily	\$66.55 \$72.26	\$101.20 \$109.88	\$157.94 \$171.49	\$228.23 \$247.80	\$434.26 \$471.50	\$644.13 \$699.36	\$1,222.25 \$1,327.05	\$1,914.60 \$2,078.77
Commercial	\$66.55 \$72.26	\$101.20 \$109.88	\$157.94 \$171.49	\$228.23 \$247.80	\$434.26 \$471.50	\$644.13 \$699.36	\$1,222.25 \$1,327.05	\$1,914.60 \$2,078.77
Outside city residential	\$93.79 \$101.83	\$93.79 \$101.83	N/A	N/A	N/A	N/A	N/A	N/A
Outside city commercial	\$99.86 \$108.42	\$151.77 \$164.78	\$236.91 \$257.23	\$342.35 \$371.71	\$651.43 \$707.29	\$966.18 \$1,049.02	\$1,833.40 \$1,990.61	\$2,871.88 \$3,118.14

Base charge shall include four hundred cubic feet of consumption.

COMMODITY CHARGE	
Customer Class	
Single-family residential	\$8.96 \$8.25 /hcf
Low income senior	\$8.86 \$8.16 /hcf
Multifamily	\$9.94 \$9.16 /hcf
Commercial	\$9.94 \$9.16 /hcf
Outside city residential	\$13.35 \$12.29 /hcf
Outside city commercial	\$14.94 \$13.76 /hcf

2. Marine Pump-Out Station Rates. The monthly service rate for marine pump-out stations is ~~one hundred three dollars and ninety-one cents~~ ~~ninety-five dollars and seventy-one cents~~.
3. Bulk Transport Rate. The bulk transport rate is established as ~~three hundred forty dollars and ten cents~~ ~~three hundred thirteen dollars and twenty-four cents~~.
4. Wastewater Service Penalty (Nonconnected Services). The monthly wastewater service penalty for nonconnected services as of January 1, ~~2025~~ ~~2023~~, is as follows:

Within 200 feet of system	\$59.44 \$54.74 per month per unit
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- The wastewater service penalty will be waived for those properties that provide documentation to the city that they have had their septic systems inspected and evaluated in accordance with state health rules (Chapter ~~246-272A~~ WAC). State rules currently require that standard gravity systems be inspected at least once every three years, and advanced treatment systems must be inspected at least once per year.
5. Unmetered Sewer Service. The monthly fee for sewer service for residences not connected to city water, but connected to city sewer, will be based on the current sewer charges for the average residential customer, which is established as seven hundred cubic feet per month of water consumption.

F. Service Rates—Stormwater. The following monthly stormwater service rates are established as of January 1, ~~2025~~ ~~2023~~:

Single-family residential	\$22.67 \$20.88 /month
Low income senior	\$13.62 \$12.54 /month

All other accounts	\$22.67 \$20.88 /billable ISU/month
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G. Miscellaneous Fees and Charges.

1. Service Fee—Utility Billing. The service fee for account maintenance performed in the city’s utility billing department offices is established as follows:

Account maintenance	\$20.00 per transaction
Recording fees	Actual current charges as established by the county auditor

2. Water and Wastewater System—Shut-Off Charges. The shut-off charge shall be twenty dollars and turn-on charge shall be twenty dollars. The total charge for shut-off and turn-on shall be due and payable at the time of shut-off. The door hanging notice charge shall be twenty dollars.
3. Stormwater Plan Check Fees. Plan check fees for stormwater shall be applied to the building permit as follows: one-tenth of one percent of valuation as computed by the building department.
4. Stormwater Inspection Fees. Stormwater inspection fees shall be seventy-five dollars as part of the building permit fees.
5. Stormwater Building Permit Fee. A stormwater building permit fee is established in the amount of three cents per square foot of impervious area developed under current building permit.
6. Service Charges—Field. The fees for service calls to the served premises are established as follows:

Cross-Connection Control Inspections	\$50.00
Service Fee After Hours	\$75.00
Hydrant Installation	\$3,000.00
Hydrant Service Rate (Private Hydrant)	\$10.00/month
Inspection	\$36.00/inspection/ connection

7. Utility Extension Agreement Processing Fee. Any outside utility extension application determined to be necessary by city council shall be submitted with a processing fee of five hundred dollars.

8. Miscellaneous Fees and Charges. The fees for controlled dumping allowed under Section [13.06.390](#) shall be one and one-half cents per gallon, with a minimum charge of fifty cents per time of discharge.

9. Appeal Fee. The appeal fee for notice and orders of violation of illicit discharges and assessment of abatement costs of illicit discharges shall be two hundred fifty dollars. In addition to the appeal fee, the city may require a consultant deposit pursuant to Section [13.18.150](#).

10. Appeal Fee. The appeal fee for notice and orders of a stormwater facility operations and maintenance violation shall be two hundred fifty dollars. In addition to the appeal fee, the city may require a consultant deposit pursuant to Section [13.18.150](#). (Ord. 2022-16 § 2 (Att. A), 2022; Ord. 2019-21 § 2 (Att. A (part)), 2019; Ord. 2018-17 § 1, 2018; Ord. 2018-15 § 2 (Att. A (part)), 2018; Ord. 2018-02 § 1, 2018; Ord. 2017-23 § 1, 2017; Ord. 2016-14 § 1 (part), 2016; Ord. 2015-09 § 1 (part), 2015; Ord. 2015-03 § 2, 2015; Ord. 2015-02 § 1 (part), 2015; Ord. 2013-08(a) § 1, 2013; Ord. 2010-10 § 1 (part), 2010; Ord. 2010-03 § 1, 2010; Ord. 2009-04 § 1, 2009; Ord. 2009-02 § 1, 2009; Ord. 2003-35 § 1 (part), 2003; Ord. 2003-33 § 15, 2003; Ord. 2003-16 § 49 (part), 2003)

Chapter 13.70

ASSESSMENTS, RATES, FEES AND CHARGES

Article IV. Service Rates—Water

13.70.530 Future Rate Adjustments

In addition to the CPI adjustment described in Section 13.70.520, the fees, rates, and charges in Section 3.12.100(D) shall automatically be adjusted according to the following schedule:

<u>July 1, 2025</u>	<u>Six percent</u>
<u>January 1, 2027</u>	<u>Six percent</u>
<u>January 1, 2029</u>	<u>Six percent</u>