



# City of Stevenson

## Planning Department

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**TO:** City Council  
**FROM:** Ben Shumaker  
**DATE:** July 17th, 2025  
**SUBJECT:** Sewer/Septic Ordinance – Decision Draft

### Introduction

On June 15, 2023, city staff initiated discussions to change the sewer connection requirement under SMC 13.08.070 and .120. The change was intended to advance the Council's strategic priorities related to Financial Health, Quality Infrastructure, and Internal Processes (Community Look & Feel was not an adopted priority in 2023). That proposal aimed to establish a consistent level of service by having development pay to extend the sewer utility to city limits. It was discussed again on August 24<sup>th</sup> and September 21<sup>st</sup>, 2023, at council workshops where it was referred to a Sewer Ordinance Committee.

The final report from the Committee was presented to Council on January 18<sup>th</sup>, 2024, and discussed on February 15<sup>th</sup>, March 21<sup>st</sup>, and April 18<sup>th</sup>. The ordinance was redrafted to incorporate the recommendations of the committee. At the May 16<sup>th</sup> meeting, the Council authorized a public release draft to enable continued community engagement. At the August 7<sup>th</sup> meeting, the Council requested changes based on legal analysis of the earlier draft. The redrafted ordinance continues to advance the strategic priority related to Quality Infrastructure. Modifications address Community Look & Feel and Governance. The Financial Health receives a lesser benefit as a result of the modifications. The City Council authorized the current draft for public release on September 16<sup>th</sup>, 2024.

City staff held a public information open house on April 10<sup>th</sup>, 2025. The City Council held a public hearing on April 11<sup>th</sup>, 2025 and follow-up discussion on May 15<sup>th</sup>, 2025. The Council held a workshop on June 16<sup>th</sup>, 2025 where all changes suggested by City Council members were reviewed in preparation for a final draft.. At the conclusion of the workshop, the Council requested to see the final draft and a proposal for the amount to be paid by those choosing not to connect to public sewer when available.

Documents, recordings, and minutes from the previous meetings are available online at <https://www.ci.stevenson.wa.us/meetings>.

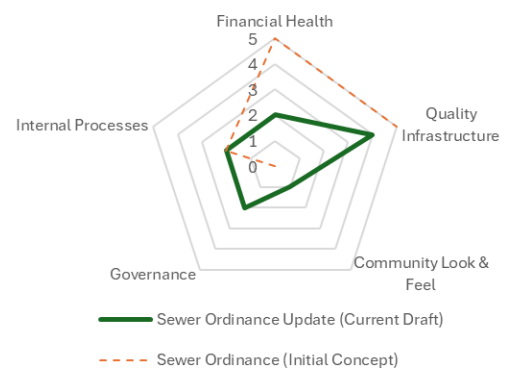
### Changes in Draft

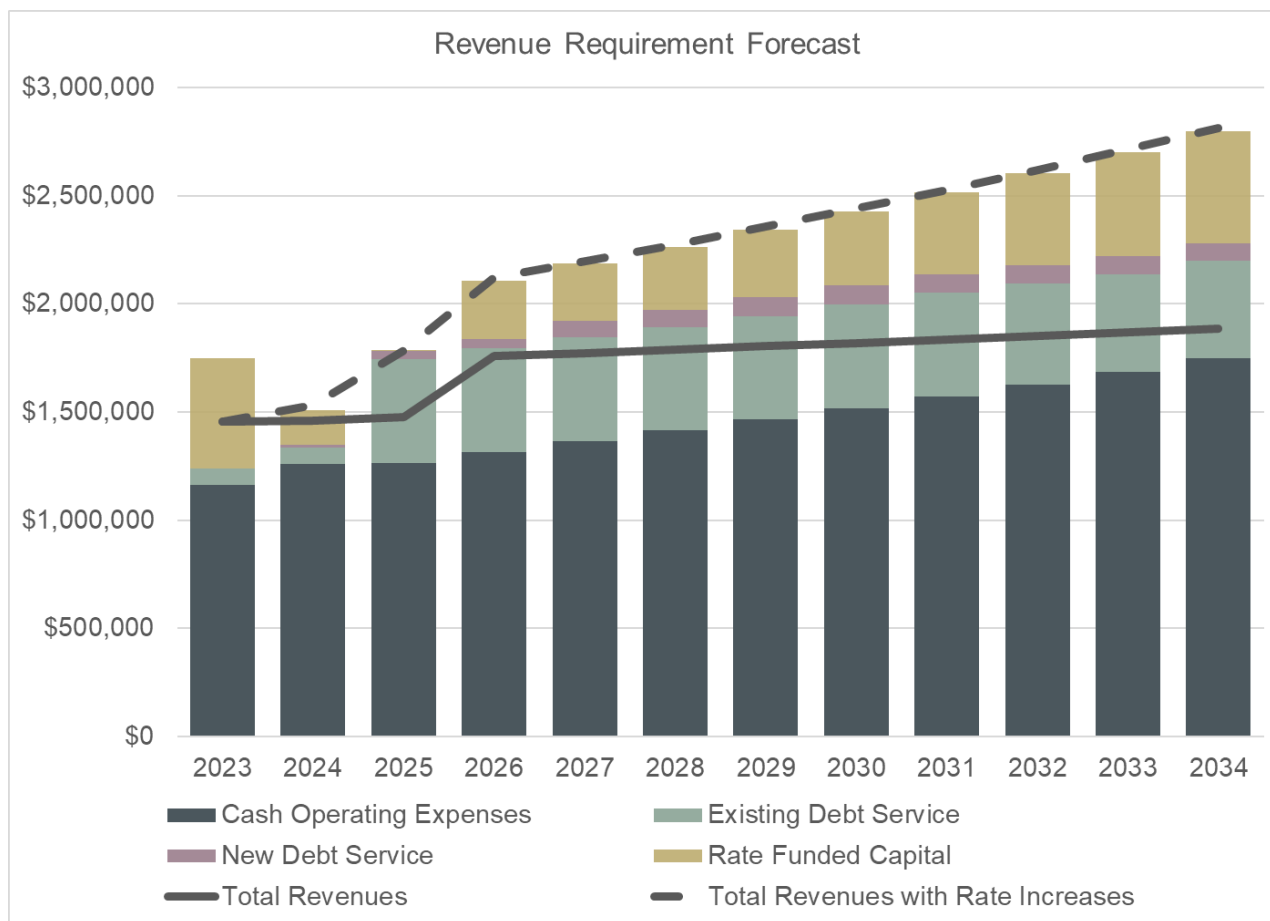
Consensus was reached at the June special meeting on the changes expected for incorporation in the decision draft. Those changes have been made and are tracked with **yellow** highlighting in the Attachment 1. See also Attachment 2.

### Failure to Connect

Sewer rates and charges ensure revenues are sufficient to cover cost forecasts for 1) the operations and maintenance of the utility, 2) repayment of debts incurred to build the utility, and 3) repairs, upgrades and expansions of the utility.

City Council Strategic Priorities





The revenue required is then spread across several customer classes in the form of monthly rates and spread over time in the form of system development charges applicable to new development. Currently 578 homes are subject to the adopted monthly base rates shown below:

	2025	2026	2027	2028
<b>Monthly Base Rate</b>	\$140.92	\$145.15	\$149.50	\$153.99

The draft sewer ordinance requires existing development to connect to the public sewer system when available. Instead of demanding physical connection, the draft ordinance offers owners of such development a choice to physically connect or incur monthly bills if they do not connect. These bills are authorized by a state statute<sup>1</sup> which enables Council discretion to establish the amount. The statute contemplates an amount equal to the above established monthly billing rate. Instead of imposing that amount, the draft ordinance puts bookends on the statutory discretion. The maximum amount for a single home would equal the applicable monthly rate above. The minimum amount would exclude the cost forecasts for operating and maintaining the utility.

The cost to operate and maintain the utility is forecast based on 42 separate cost centers. In the sewer rate model, these 42 cost centers range from 68-71% of the adopted monthly base rates. The table below shows the minimum and maximum amount authorized by the draft ordinance for 2025-2028. The minimum amount excludes 70% of the adopted rate.

	2025	2026	2027	2028
<b>Minimum</b>	\$42.28	\$43.55	\$44.85	\$46.20
<b>Maximum</b>	\$140.92	\$145.15	\$149.50	\$153.99

<sup>1</sup> [RCW 35.67.190\(3\)](#) as specifically enabled via [RCW 35A.21.150](#).

Among the 42 cost centers removed above are those related to the wastewater division's share of 1) customer service salaries and benefits<sup>2</sup>, 2) billing supplies & postage, 3) fees incurred for electronic bill payments, 4) auditing financial transactions, and 5) operating City Hall. Together, these costs range between 11-12% of the monthly base rate. The table below shows possible amounts if 11% of the adopted base rate is added back onto the minimum amount.

	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>
<b>Minimum</b>	\$42.28	\$43.55	\$44.85	\$46.20
<b>Recommended</b>	\$57.78	\$59.51	\$61.29	\$63.13
<b>Maximum</b>	\$140.92	\$145.15	\$149.50	\$153.99

Staff recommends inclusion of the billing-related costs within the monthly amount charged to those choosing not to physically connect to the public sewer system. Doing so ensures that the connected customer base is not subsidizing activities associated with those choosing not to connect. The recommendation is included within Attachment 3.

Whatever the amount established by the Council. Property owners availing themselves<sup>3</sup> of the phase-in allowance drafted in the ordinance would halve that amount during their phase-in period (5 to 9 years). The halved amounts appear in the table below.

	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>
<b>Minimum</b>	\$21.14	\$21.78	\$22.43	\$23.10
<b>Recommended</b>	\$28.89	\$29.78	\$30.65	\$31.57
<b>Maximum</b>	\$70.46	\$72.58	\$74.75	\$77.00

### **Next Steps**

The City Council may decide to adopt or modify and adopt the ordinance and fee schedule at tonight's meeting. If adopted, staff will incorporate all requested changes, remove the highlighting, circulate for signatures, and prepare for implementation.

Prepared by,

Ben Shumaker  
Community Development Director

### **Attachment**

- 1- Modified Draft Ordinance
- 2- Change Log
- 3- Draft Fee Schedule Resolution

<sup>2</sup> The customer service cost centers include salaries and benefits for the Utilities Clerk and Deputy Clerk Treasurer. These cost centers do not include salaries or benefits for the City Administrator, Community Development Director, Planning & Public Works Assistant, or Public Works Director.

<sup>3</sup> At this time, the owners of approximately 25 homes would have the opportunity to make this choice.