

RESOLUTION R-5210

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND TO ELIMINATE CROSS SUBSIDIES BETWEEN CUSTOMER CLASSES OF THE WATER, SEWER, AND SOLID WASTE UTILITIES NO LATER THAN THE END OF THE 2021-2022 BIENNIUM.

1 WHEREAS, recent cost of service studies indicate that there
2 should be a shift in cost recovery from multifamily and commercial
3 customers to residential customers to eliminate existing subsidies
4 between classes; and
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6 WHEREAS, the financial impact to residential customers would
7 be too significant to eliminate such subsidies all at once and a gradual
8 reduction in the subsidy over time is more sustainable; and
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10 WHEREAS, beginning with the 2015-2016 adopted rates, such
11 subsidies have been gradually reduced; and
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13 WHEREAS, such subsidies should continue to be reduced until
14 eliminated as soon as practicable.
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16 NOW, THEREFORE, be it resolved by the City Council of the City
17 of Kirkland as follows:
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19 Section 1. The utility rates for Water, Sewer, and Solid Waste
20 will be set to eliminate the cross subsidies between customer classes on
21 or before the end of 2022, unless such date is determined by the City
22 Council to be impractical due to unforeseen circumstances impacting a
23 utility rate such as a significant wholesale rate increase imposed by a
24 provider. In such circumstances the City Council will identify a
25 subsequent date for eliminating the subsidies within the impacted utility
26 rate or rates.
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28 Passed by majority vote of the Kirkland City Council in open
29 meeting this 4th day of October, 2016.
30

31 Signed in authentication thereof this 4th day of October, 2016.


MAYOR

Attest:


City Clerk