

ORDINANCE 1556

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BONNEY LAKE, PIERCE COUNTY, WASHINGTON, AMENDING SECTION 5.04.030 OF THE BONNEY LAKE MUNICIPAL CODE, AND THE CORRESPONDING PORTIONS OF ORDINANCE NO. 1398 RELATING TO UTILITY TAX.

WHEREAS, the Bonney Lake Municipal Code currently imposes taxes on cable television service at a rate of one and one half percent of total gross subscriber revenue; and

WHEREAS, the Code imposes a six percent rate on other utilities such as garbage collection, gas, telephone service, and electricity; and

WHEREAS, the City has determined the cable tax should be imposed at the same rate as these other private utilities.

NOW, THEREFORE, the City Council of the City of Bonney Lake do hereby ordain as follows:

Section 1. Section 5.04.030 and Ordinance No. 1398 is hereby amended to read as follows:

- A. There is levied upon, and there shall be collected from, every person, firm or corporation engaged in furnishing, for a monetary consideration, the city and the inhabitants thereof with electricity and electrical energy for lighting, heating, power, and other public purposes, within or partly within the corporate limits of the city, an annual tax for the privilege of so doing, such tax to be equal to six percent of the total gross subscriber revenues from business and residential electrical power service in the city.
- B. There is levied upon, and there shall be collected from, every person, firm or corporation engaged in carrying on a telephone business for hire, including cellular telephone service, within or partly within the corporate limits of the city an annual tax for the privilege of so doing, such tax to be equal to six percent of the total gross operation revenues within the city. Gross operating revenues for this purpose shall not include charges which are passed on to the subscribers by a telephone company pursuant to tariffs required by regulatory order to compensate for the cost to the company of the tax imposed by this chapter.

“Telephone business” means the business of providing access to local telephone network, local telephone switching service, toll service, or coin telephone services, or providing telephonic, video, data or similar communication or transmission for hire, via a local telephone network, toll line or changes, or

similar communication or transmission system. It includes cooperative or farmer line telephone companies or associations operating an exchange. "Telephone business" does not include the providing of competitive service.

"Cellular telephone service" means a two-way voice and data telephone/telecommunications system based in whole or substantially in part on wireless radio communications, which are not subject to regulation by the Washington State Utilities and Transportation Commission (WUTC). This includes cellular mobile service. The definition of cellular mobile service includes other wireless radio communications services such as specialized mobile radio (SMR), personal communications services (PCS), and any other evolving wireless radio communications technology which accomplishes a purpose similar to cellular mobile service. Cellular telephone service is included within the definition of "telephone business" for the purposes of this chapter.

"Competitive telephone service" means the providing by any person of telecommunications equipment or apparatus, or service related to that equipment or apparatus such as repair or maintenance service, if the equipment or apparatus is of a type which can be provided by persons that are not subject to regulations as telephone companies under RCW Title 80 and for which a separate charge is made.

- C. There is levied upon, and there shall be collected from, every person, firm or corporation engaged in furnishing, for a monetary consideration, natural gas or manufactured gas for lighting, heating, power, and other public purposes, within or partly within the corporate limits of the city, an annual tax for the privilege of so doing, such tax to be equal to six percent of the total gross subscriber revenue from business and residential gas service, both natural and manufactured, in the city.
- D. There is levied upon, and there shall be collected from, every person, firm or corporation engaged in carrying on the business of selling or furnishing water for domestic or industrial consumption, or sewer service, within or partly within the corporate limits of the city, a tax equal to eight percent of the total gross income from such business in the city. Effective January 1, 2015, the tax rate shall be equal to 10 percent of the total gross income from such business in the city. Effective January 1, 2016, the tax rate shall be equal to 12 percent of the total gross income from such business in the city.
- E. There is levied upon, and there shall be collected from, every person, firm or corporation engaged in carrying on the business of selling or furnishing garbage service, including recyclables and yard waste, within or partly within the corporate limits of the city, a tax equal to six percent of the total gross income from such business in the city.
- F. There is levied upon, and there shall be collected from, every person, firm or corporation engaged in carrying on the business of selling or furnishing

cable television service, for domestic or commercial consumption, within or partly within the corporate limits of the city, a tax equal to ~~one and one-half~~ four percent of the total gross subscriber revenue from such service, effective January 1, 2017, and six percent of the total gross subscriber revenue from such service, effective January 1, 2018.


- G. There is levied upon and there shall be collected from every person, firm or corporation engaged in carrying on the business of selling or furnishing stormwater service, within or partly within the corporate limits of the city, a fee or tax equal to eight percent of the total gross revenues from such business in the city. Effective January 1, 2015, the tax rate shall be equal to 10 percent of the total gross income from such business in the city. Effective January 1, 2016, the tax rate shall be equal to 12 percent of the total gross income from such business in the city.

Section 2. This Ordinance shall take effect and be in force 5 days after passage and publication, as required by law.

PASSED by the City Council and approved by the Mayor this 11th day of October 2016.


Neil Johnson, Jr., Mayor

AUTHENTICATED:


Harwood T. Edvalson, MMC, City Clerk

APPROVED AS TO FORM:


Kathleen Haggard, City Attorney

City of Bonney Lake
City Council Agenda Bill (AB)

| | | |
|---|--|---|
| Department / Staff Member: Finance/Gibson | Meeting/Workshop Date: 11 October 2016 | Agenda Bill Number: AB16-95 |
| Agenda Item Type: Ordinance | Ordinance/Resolution Number: D16-95 | Councilmember Sponsor: McKibbin |

Agenda Subject: Increased Utility Tax on Cable TV

Full Title/Motion:

An Ordinance Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Amending Section 5.04.030 of the BLMC and the Corresponding Portions of Ordinance 1398 Relating to Utility Tax.

Administrative Recommendation: Approve

Background Summary:

The City approved a Cable Franchise Fee in 2011. At that time, the Council intended to be part of the Rainier Cable Commission and have the revenue remain neutral. As such, that Council reduced the Utility Tax rate to 1.5%. The City has since dropped membership in the Rainier Cable Commission. All other external utility taxes are at 6% currently. This Ordinance would amend the cable utility tax to 4% effective 1/1/17 and raise it up to the level of other cities (6%), effective 1/1/2018. This action (6% 1/1/2018 effective date) would also put the cable utility tax rate in line with the Bonney Lake utility tax rates on other private utilities in the City.

Attachments: Proposed Ordinance Ord D16-95

BUDGET INFORMATION

| Budget Amount | Current Balance | Required Expenditure | Budget Balance | Fund Source |
|---------------|-----------------|----------------------|----------------|---|
| | | | | <input checked="" type="checkbox"/> General |
| | | | | <input type="checkbox"/> Utilities |
| | | | | <input type="checkbox"/> Other |

Budget Explanation:

COMMITTEE, BOARD & COMMISSION REVIEW

| | | | | |
|---|---------------------------------|------------------------------|-------------------------------------|--------------------------|
| Council Committee: Finance Committee | <i>Approvals:</i> | | Yes | No |
| | Chair/Councilmember R. McKibbin | | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Committee Date: August 9, 2016 | Councilmember T. Watson | | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| | Councilmember D. Swatman | | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Forwarded to: Aug. 16 Workshop | Consent Agenda: | <input type="checkbox"/> Yes | <input type="checkbox"/> No | |

Commission/Board Review:

Hearing Examiner Review:

COUNCIL ACTION

| | |
|--|-------------------------|
| Workshop Date(s): 8/16/2016, 9/6/2016 | Public Hearing Date(s): |
| Meeting Date(s): 8/23/2016, 9/13/2016/ 10/4/16 | Tabled to: |

APPROVALS

| | | |
|------------------|---------------|---|
| Director: | Mayor: | Date Reviewed by City Attorney: (if applicable) |
|------------------|---------------|---|

Courier-Herald
1627 Cole St.
Enumclaw, WA 98022
360-825-2555

Affidavit of Publication

STATE OF WASHINGTON }
COUNTY OF KING/ PIERCE } ss

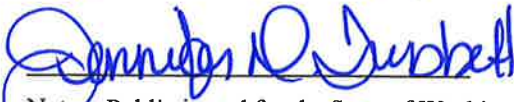
Rudi Alcott being first duly sworn, upon oath deposes and says: that he is the Publisher for Courier Herald Newspapers, a once-weekly newspaper. The said newspaper is a legal newspaper by order of the superior court in the county in which it is published and is now and has been for more than six months prior to the date of the first publication of the Notice hereinafter referred to, published in the English language continually as a once weekly newspaper in Enumclaw & Bonney Lake, King & Pierce Counties, Washington and is and always has been printed in whole or part in the Courier Herald and is of general circulation in said County, and is a legal newspaper, in accordance with the Chapter 99 of the Laws of 1921, as amended by Chapter 213, Laws of 1941, and approved as a legal newspaper by order of the Superior Court of King & Pierce Counties, Washington. and that the annexed is a true copy **ORDINANCE NO. 1556 & 1557, CITY OF BONNEY LAKE** as it was published once a week in the regular and entire issue of said paper and not as a supplement form thereof for a period **1** issue(s), such publication commencing on **10/19/16** and ending on **10/19/16** and that said newspaper was regularly distributed to its subscribers during all of said period.

The amount of the fee for such publication is **\$39.40**



Subscribed and sworn before me on this 28th day of

October 2016.



Notary Public in and for the State of Washington, residing in
Orting.

«Client_Name» «Order_»

**City of Bonney Lake
Notice of Ordinance
Adoption**

Ordinances Adopted October 11, 2016:

AB16-95 – Ordinance 1556 [D16-95] – An Ordinance Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Amending Section 5.04.030 Of The Bonney Lake Municipal Code, And The Corresponding Portions Of Ordinance No. 1398 Relating To

Utility Tax.

AB16-104 – Ordinance 1557 [D16-104] – An Ordinance Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Amending Section 13.02.100 Of The Bonney Lake Municipal Code And Corresponding Sections Of Ordinance No. 1477 Relating To Sewer System Development Charges.

The full text of ordinances is available to view online at www.ci.bonney-lake.wa.us or upon request to the City Clerk.

726576
10/19/16



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