

ORDINANCE NO. 6822

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF AUBURN, WASHINGTON, AMENDING SECTIONS 3.40.010 AND 3.41.010 OF THE AUBURN CITY CODE TO RESTORE AN INADVERTENTLY OMITTED ALLOCATION OF TAX REVENUE TO AN ESTABLISHED CITY FUND

WHEREAS, Auburn City Code (ACC) sections 3.40.010 and 3.41.010 establish a tax to be collected from water, storm drainage, sewer and garbage/solid waste funds and utilities in the City, and call for a portion of the collected tax to be allocated to the City's arterial street fund;

WHEREAS, on November 16, 2020, the City passed Ordinance No. 6801 that increased the tax rates in ACC 3.40.010 and 3.41.010 from 7% to 10%, and otherwise technically revised those code sections;

WHEREAS, the revisions in Ordinance No. 6801 inadvertently removed the tax revenue allocation to the arterial street fund in those code sections. This ordinance is necessary to restore that tax allocation and to further clarify the provisions of ACC 3.40.010 and 3.41.010; and

WHEREAS, Ordinance No. 6801 contained a referendum provision pursuant to RCW 35.21.706. This ordinance revising 6801 is not subject to RCW 35.21.706 because it does not impose or increase a business and occupation tax.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF AUBURN, WASHINGTON, DO ORDAIN as follows:

Section 1. Amendment to City Code. Section 3.40.010 of the Auburn City Code is amended to read as follows:

A. There is created a 10 percent tax to be levied on and after January 1, 2021, against and upon the total annual revenues derived from:

1. The City's water, storm drainage and sewer utility funds; and
2. All water, storm drainage and sewer utilities, business enterprises or other entities engaged in providing such utility services within the city.

B. The finance director is directed to collect this imposed tax and to pay the collected revenue into the City's current general fund, subject to subsection C.

C. On and after January 1, 2021, the finance director shall allocate 1% of the tax revenue received under this section to the City's arterial street preservation fund.

D. The tax rate in subsection A shall automatically revert to 9% if the State of Washington provides the City's arterial street preservation fund with a long-term sustainable funding source that is sufficient to maintain the City's arterial streets stem's Pavement Condition Index (PCI) at an average of 70 PCI out of a score of 100 PCI for the foreseeable future.

Section 2. Amendment to City Code. Section 3.41.010 of the Auburn City

Code is amended to read as follows:

A. There is created a 10 percent tax to be levied on and after January 1, 2021, against and upon the gross receipts and total annual revenues of:

1. The City's garbage fund; and
2. All solid waste utilities and every business enterprise or other entity engaged in handling solid waste.

B. For the purposes of this section "solid waste" means garbage, recyclables and yard debris.

C. The finance director is directed to collect this tax and to pay the collected funds into the City's general expense fund, subject to subsection D.

D. On and after January 1, 2021, the finance director shall allocate 1% of the tax revenue received under this section to the City's arterial street preservation fund.

E. The tax rate in subsection A shall automatically revert to 9% if the State of Washington provides the City's arterial street preservation fund with a long-term sustainable funding source that is sufficient to maintain the City's arterial streets

stem's Pavement Condition Index (PCI) at an average of 70 PCI out of a score of 100 PCI for the foreseeable future.

F. Pursuant to RCW 35.58.560, nothing in this section shall be intended or construed to impose a tax on any county owned or operated solid waste facility.

Section 3. Implementation. The Mayor is authorized to implement those administrative procedures necessary to carry out the directives of this legislation.

Section 4. Severability. The provisions of this ordinance are declared to be separate and severable. The invalidity of any clause, sentence, paragraph, subdivision, section, or portion of this ordinance, or the invalidity of the application of it to any person or circumstance, will not affect the validity of the remainder of this ordinance, or the validity of its application to other persons or circumstances.

Section 5. Effective date. This Ordinance will take effect and be in force five days from and after its passage, approval, and publication as provided by law.

INTRODUCED: _____

PASSED: _____

APPROVED: _____

NANCY BACKUS, MAYOR

ATTEST:

APPROVED AS TO FORM:

Shawn Campbell, MMC, City Clerk

Kendra Comeau, City Attorney

Published: _____