

CODE

CITY OF REDMOND
ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF REDMOND,
WASHINGTON AMENDING REDMOND MUNICIPAL CODE
CHAPTER 5.44 IN ORDER TO ADD PROVISIONS
REGARDING TAXATION OF WATER, SEWER, AND
STORMWATER UTILITY SERVICE; PROVIDING FOR
SEVERABILITY; AND ESTABLISHING AN EFFECTIVE
DATE

WHEREAS, Chapter 5.44 of the Redmond Municipal Code (RMC)
imposes an occupation tax on telephone business, electric light
and power, natural or manufactured gas, and cable service; and

WHEREAS, implementation of one-percent (1.0%) tax on the City
of Redmond Public water, sewer, and stormwater utility services
measured by income derived from the sale of utility services is
expected to generate additional revenue to help maintain current
levels of City services; and

WHEREAS, the Redmond City Council has determined the public
interest is best served by the implementation of a tax on City of
Redmond Public water, sewer, and stormwater utilities in the amount
of one-percent (1.0%) of the total income derived from the sale of
utility services.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF REDMOND,
WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. Classification. This ordinance is of a general and permanent nature and shall become a part of the City Code.

Section 2. Amendment of Section. RMC 5.44.020 is hereby amended by the addition of new sub sections 5.44.020(I)-(J):

I. "Sanitary sewer service" means the collection, transportation, and/or treatment of sanitary sewage.

J. "Stormwater and surface water service" means the furnishing of services in the management and control of stormwater or furnishing of stormwater facilities.

K. "Water service" means the business of operating a plant or system for the distribution of water, of any kind for domestic, commercial, governmental, or industrial use or consumption.

Section 3. Amendment of Section. RMC 5.44.050 is amended by the addition of new Sections 5.44.050(A)(5)-(7):

5. Sanitary Sewer Service. Upon the City of Redmond Public Sanitary Sewer Utility, which engages in and carries on the provision of sanitary sewer service, a tax equal to one percent of the total income derived from the sale of sanitary sewer service in the City during the current calendar year in which service is furnished. The taxable income derived

from the sale of sanitary sewer services to properties located

within the Redmond service area includes revenues generated from all monthly charges for service and reportable to the Washington state department of revenue under RCW 82.16.020 including sales revenue collected for King County Wastewater Treatment. The taxable income does not include revenue derived from connection fees, accrued interest, or other sources not directly attributable to services during the monthly period described in section 5.44.040.]

6. Stormwater and Surface Water Service. Upon the City of Redmond Public Stormwater and Surface Water Utility, which engages in and carries on the provision of stormwater and surface water service, a tax equal to one percent of the total income derived from the sale of stormwater and surface water services in the City during the current calendar year in which service is furnished.

The taxable income derived from the sale of stormwater and surface water services to properties located within the Redmond service area includes revenues generated from all monthly charges for service and reportable to the Washington state department of revenue under RCW 82.16.020. The taxable income does not include revenue derived from connection fees, accrued interest, or other sources not directly attributable to services during the monthly period described in section 5.44.040.]

7. Water Service. Upon the City of Redmond Public Water Utility, which engages in and carries on the provision

of water service, a tax equal to one percent of the total income derived from the sale of water services in the City during the current calendar year in which service is furnished.—The taxable income derived from the sale of water

to properties located within the Redmond service area includes revenues generated from all monthly charges reportable to the Washington state department of revenue under RCW 82.16.020. The taxable income does not include revenue derived from the sale of water for irrigation purposes, connection fees, accrued interest, or other sources not directly attributable to services during the monthly period described in section 5.44.040.]

Section 4. Severability. If any section, sentence, clause or phrase of this ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity of any other section, sentence, clause or phrase of this ordinance.

Section 5. Effective Date. This ordinance shall become on and after the 1st day January, 2025, and after publication of a summary thereof, in the City's official newspaper, or as otherwise provided by law. In the event that a referendum petition is submitted to the City Clerk within seven days of the adoption of this ordinance, the ordinance shall become effective after completion of the procedure required under RCW 35.21.706.

ADOPTED by the Redmond City Council this ____ day of
_____, 2024.

CITY OF REDMOND

ANGELA BIRNEY, MAYOR

ATTEST:

CHERYL XANTHOS, MMC, CITY CLERK (SEAL)

APPROVED AS TO FORM:

DANIEL KENNY, CITY ATTORNEY

FILED WITH THE CITY CLERK:
PASSED BY THE CITY COUNCIL:
SIGNED BY THE MAYOR:
PUBLISHED:
EFFECTIVE DATE:
ORDINANCE NO.