

ORDINANCE No. 115386

Law Department

COUNCIL BILL No. 108276

The City of

AN ORDINANCE relating to the business tax on utilities; amending Seattle Municipal Code (SMC) Section 5.49.050 to change the rates of tax on certain business activities.

15

Honorable President:

Committee on Budget

COMPTROLLER FILE No. _____

to which was referred the within Council report that we have considered the

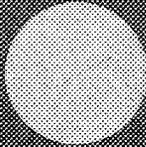
Introduced: SEP 24 1990	By: SIBONGA
Referred: SEP 24 1990	To: Budget
Referred:	To:
Referred:	To:
Reported: OCT 22 1990	Second Reading: OCT 22 1990
Third Reading: OCT 22 1990	Signed: OCT 22 1990
Presented to Mayor: OCT 23 1990	Approved: OCT 25 1990
Returned to City Clerk: OCT 23 1990	Published:
Vetoed by Mayor:	Veto Published:
Passed over Veto:	Veto Sustained:

PA

Full Council Vote 8-0

OK

Department



The City of Seattle--Legislative Department

REPORT OF COMMITTEE

Date Reported
and Adopted

President:

Committee on

BUDGET

was referred the within Council Bill No.

108276

that we have considered the same and respectfully recommend that the same:

PASS AS Amended

7-0

10/17/90

Council Vote 8-0

Committee Chair

115386

ORDINANCE

1 AN ORDINANCE relating to the business tax on utilities;
2 amending Seattle Municipal Code (SMC) Section 5.48.050
3 to change the rates of tax on certain business
4 activities.

5 BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

6 Section 1. Seattle Municipal Code (SMC) Section
7 5.48.050, as amended, is further amended as follows:

8 Section 5.48.050 Occupations Subject to Tax--Amount.

9 There are levied upon, and shall be collected from
10 everyone, including The City of Seattle, on account of
11 certain business activities engaged in or carried on,
12 annual license fees or occupation taxes in the amount to be
13 determined by the application of rates given against gross
14 income as follows:

15 A. Upon everyone engaged in or carrying on a telegraph
16 business, a fee or tax equal to nine percent (9%) of the
17 total gross income from such business in the city;
18 provided, that the minimum fee or tax shall not be less than
19 Fifty Dollars (\$50.00) per tax year.

20 B. Upon everyone engaged in or carrying on a telephone
21 business, a fee or tax equal to (~~seven-and-eight-tenths
percent-(7.8%)~~) seven and three-tenths percent (7.3%) of
the total gross income from such business in the city;
provided, that the minimum fee or tax shall not be less

1 than Fifty Dollars (\$50.00) per year; and provided further,
2 that effective January 1, 1987, the tax liability imposed
3 under this section shall not apply for that portion of
4 gross income derived from charges to another
5 telecommunications company, as defined in RCW 80.04.010,
6 for connecting fees, switching charges, or carrier access
7 charges relating to intrastate toll telephone services, or
8 for access to, or charges for, interstate services, which
shall be taxed under SMC 5.44.

9 C. Upon everyone engaged in or carrying on the
10 business of selling, brokering, or furnishing gas for hire,
11 a fee or tax equal to (~~six-and-three-tenths-percent~~
12 ~~{6-3%}~~) six percent (6%) of the total gross income from
13 such business in the city; provided, that the minimum fee
14 or tax shall not be less than One Thousand Dollars
(\$1,000.00) per tax year.

15 D. Upon everyone, including The City of Seattle,
16 engaged in or carrying on the business of selling or
17 furnishing water for hire, a fee or tax equal to nine
18 percent (9%) of the total gross income from such retail
19 business in the city; provided that the minimum fee or tax
20 shall not be less than One Thousand Dollars (\$1,000.00) per
21 tax year; and provided further that as to The City of
Seattle in the conduct of its municipal water utility, such

1 tax shall be applicable to the business of such utility
2 done without, as well as within the city.

3 E. Upon everyone, including The City of Seattle,
4 engaged in or carrying on the business of selling or
5 furnishing electric light and power, a fee or tax equal to
6 ~~((six-and-three-tenths-percent-(6.3%)))~~ six (6%) of the
7 total gross income from such business in the city;
8 provided, that the minimum fee or tax shall not be less
9 than Two Hundred Fifty Dollars (\$250.00) per tax year;
10 provided, that the tax liability imposed under this section
11 shall not apply to The City of Seattle for that portion of
12 the gross income derived by the imposition of the purchased
13 power surcharge imposed upon the rates for the use of
14 electric light and power pursuant to Section 1 of Ordinance
15 106481.

16 F. Upon everyone conducting or engaged in the business
17 of supplying steam heat or power to the public for hire, a
18 fee or tax equal to ~~((six-and-eight-tenths-percent-(6.8%)))~~
19 six and six-tenths percent (6.6%) of the total gross income
20 from such business in the city.

21 G. Upon The City of Seattle in respect to the conduct,
maintenance, and operation of its municipal drainage and
wastewater system as a public utility a fee or tax equal to
nine percent (9%) of the total gross income from the

1 drainage and wastewater charges provided for under City
2 ordinances.

3 H. Upon everyone, including The City of Seattle,
4 engaged in or carrying on the business of the collection of
5 garbage, rubbish, trash, and other solid waste, including
6 yardwaste and recyclables, a fee of tax equal to nineteen
7 and eight-tenths percent (19.8%) of the total gross income
8 from the business, less income derived from:

- 9 1. Collection and/or sale of recyclable materials;
- 10 2. Collection and/or sale after processing of yardwaste
11 products;
- 12 3. Sale of wheeled containers used for collection of
13 residential solid waste;
- 14 4. Collection and disposal of bulky items and white
15 goods;
- 16 5. Grants and contracts from governmental agencies;
- 17 6. The City of Seattle for collecting or disposing of
18 residential garbage and other solid waste; and,
- 19 7. The portion of the City's solid waste collection
20 receipts expended for collection of recyclable materials
21 and yardwaste.

Income derived from (1) through (7) shall be taxed

1 under SMC 5.44. The rate of tax shall be reviewed by the
2 City Council each time solid waste collection rates are
3 changed.

4 I. Upon everyone engaged in the business of operating
5 or conducting a cable television system (CATV), a fee or
6 tax equal to ((~~six-percent-(6%)~~) ^{SIX-PERCENT (6%) AS 10-11-90} ~~nine percent (9%)~~) of the
7 total gross income from gross subscriber revenues. For
8 purposes of this chapter, "gross subscriber revenues" means
9 and includes those revenues derived from the supplying of
10 subscription service, that is, installation fees,
11 disconnect and reconnect fees, fees for regular cable
12 benefits including the transmission of broadcast signals
13 and access and origination channels and per program or per
14 channel charges; it does not include leased channel
15 revenue, advertising revenues, or any other income derived
16 from the system.

17 Section 2. This ordinance shall take effect and be in
18 force January 1, 1991.

19 JC/rmc
20 8/31/90
21

(To be used for all Ordinances except Emergency.)

Section ³ This ordinance shall take effect and be in force thirty days from and after its passage and approval, if approved by the Mayor; otherwise it shall take effect at the time it shall become a law under the provisions of the city charter.

Passed by the City Council the 22nd day of October, 1990,
and signed by me in open session in authentication of its passage this 22nd day of
October, 1990.

[Signature]
President of the City Council.

Approved by me this 30th day of October, 1990.

[Signature]
Mayor.

Filed by me this 30th day of October, 1990.

Howard J. Brooks
Attest: City Comptroller and City Clerk.

(SEAL)

Published.....

By *Margaret Carter*
Deputy Clerk.

City of Seattle

Executive Department-Office of Management and Budget
Andrew J. Lofton, Director
Norman B. Rice, Mayor

COPY RECEIVED
90 SEP -5 AM 11:26
SEATTLE CITY ATTORNEY



847013
#13012 #32

MEMORANDUM

DATE: August 28, 1990

TO: Honorable Paul Kraabel, President
City Council

FROM: Andrew Lofton

SUBJECT: Legislation to Reduce Utility Business and Occupation Tax Rates

Enclosed you will find proposed legislation, that we send you annually with the budget, to reduce utility business and occupation tax rates for the electric, gas, telephone, and steam utilities. In 1983, the State Legislature passed a law that mandated that these rates be reduced annually until they reach six percent.

In conformance with Resolution 28040, this year's proposed ordinance also amends Section 5.48.050H to extend the Solid Waste Utility tax to all solid waste collection services.

This year's proposed ordinance also amends Section 5.48.050I to increase the utility tax rate on cable television services from six percent to nine percent.

Although this is budget legislation, it needs to be passed no later than October 31 rather than with the budget. RCW 35.21.870 requires that the gas and telephone utilities be notified of the rate changes by November 1 so they have time to file these changes with the Transportation and Utilities Commission before the changes take effect January 1, 1991.

If you have any questions or require further information, please call Judy Cox at 4-8071.

AL/jc/nc

Enclosure

City of Seattle

Executive Department-Office of Management and Budget

Andrew J. Lofton, Director
Norman B. Rice, Mayor



August 27, 1990

The Honorable Mark Sidran
City Attorney
City of Seattle

#8

Handwritten signatures and initials:
- "E. Soder" (likely E. Soderstrom)
- "Alroy" (likely Alroy Long)

Dear Mr. Sidran:

The Mayor is proposing to the City Council that the enclosed legislation be adopted.

REQUESTING
DEPARTMENT

~~SMC~~ OMB

SUBJECT:

AN ORDINANCE relating to the business tax on utilities; amending Seattle Municipal Code (SMC) Section 5.48.050 to change the rates of tax on certain business activities.

Pursuant to the City Council's S.O.P. 100-014, the Executive Department is forwarding this request for legislation to your office for review and drafting.

After reviewing this request and any necessary redrafting of the enclosed legislation, return the legislation to OMB. Any specific questions regarding the legislation can be directed to Judy Cox at 684-8071.

Sincerely,

Norman B. Rice
Mayor

by

Handwritten signature of Andrew J. Lofton

ANDREW J. LOFTON
Budget Director

AL/jc/rmc

Enclosure

cc: Director, SWU

TIME AND DATE STAMP

SPONSORSHIP

THE ATTACHED DOCUMENT IS SPONSORED FOR FILING WITH THE CITY COUNCIL BY THE MEMBER(S) OF THE CITY COUNCIL WHOSE SIGNATURE(S) ARE SHOWN BELOW:

Adalora Sibongwe

FOR CITY COUNCIL PRESIDENT USE ONLY

COMMITTEE(S) REFERRED TO:

STATE OF WASHINGTON - KING COUNTY

31711
City of Seattle

—ss.

No.

Affidavit of Publication

The undersigned, on oath states that he is an authorized representative of The Daily Journal of Commerce, a daily newspaper, which newspaper is a legal newspaper of general circulation and it is now and has been for more than six months prior to the date of publication hereinafter referred to, published in the English language continuously as a daily newspaper in Seattle, King County, Washington, and it is now and during all of said time was printed in an office maintained at the aforesaid place of publication of this newspaper. The Daily Journal of Commerce was on the 12th day of June, 1941, approved as a legal newspaper by the Superior Court of King County.

The notice in the exact form annexed, was published in regular issues of The Daily Journal of Commerce, which was regularly distributed to its subscribers during the below stated period. The annexed notice, a

ORD# 115386 IN FULL

was published on

11/09/90

The amount of the fee charged for the foregoing publication is the sum of \$ which amount has been paid in full.

M. S. [Signature]
Subscribed and sworn to before me on
[Signature]
Notary Public for the State of Washington,
residing in Seattle

City of Seattle

ORDINANCE 115388

AN ORDINANCE relating to selection of consultants to write Environmental Impact Statements (EISs) and amending Chapter 3.114.

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. That Section 3.114.030 of the Seattle Municipal Code, as last amended by ordinance 112334, is further amended to read as follows:

3.114.030 Consultants statements of interest and qualifications.

* * *

C. Whenever a City department desires consultant services estimated to cost a total of Fifteen Thousand Dollars (\$15,000.00) or more, as adjusted pursuant to Section 3.114.140, except as provided in Section 3.114.170 or to establish a certified roster for selection of consultants, the department shall review the consultant reference file maintained pursuant to this section and shall specifically inform every consultant that has expressed an interest in, or has documented qualifications for, performing work or providing services of the type or nature contemplated by such department, of such department's desire or need for such consultant services and the date by which such consultant must request further information from the department in order to be eligible for a contract for such work or placement upon a roster. Upon receipt of a consultant's timely request for further information, said department shall provide to the consultant all information to be made available to consultants pursuant to Section 3.114.030 together with any other information made available to potential consultants in connection with such work or placement on a consultant's roster.

Section 2. That Section 3.114.030 of the Seattle Municipal Code, as last amended by Ordinance 112334, is further amended to read as follows:

3.114.030 Advertising of need for consultant services.

A. Any proposed contract for consultant services estimated to cost Fifteen Thousand Dollars (\$15,000.00) or more as adjusted pursuant to Section 3.114.140, other than contracts to consultants on a certified roster or contracts to consultants on an EIS roster, shall be advertised in the City's official newspaper for at least two (2) days (which need not be consecutive). Such advertisements shall include in general terms at least a description of the services sought; the name of the concerned department; the name and telephone number of a representative of the department from whom additional information may be obtained;

2. In applying for and accepting placement on an EIS roster, a consultant agrees to maintain a readiness to contract with the City to provide the services contemplated by the solicitation, when and if offered; and, if awarded a contract, the consultant agrees to complete the assignment in a timely and professional manner in accordance with the contract's standard and/or special terms and conditions.

C. Standard Contracts.

1. A department may require that all consultants placed on an EIS roster agree to contract on a standard contract which contains terms and conditions generally controlling the work or services to be performed; if so, the department's contracts with a consultant for a particular project may adopt the standard form and supply the scope of work; the time for performance; the hours of work and consideration to be paid; and other special terms and conditions specific to the particular assignment or project.

2. A standard contract may quote an hourly or piece rate for the consultant, which shall remain a firm offer for a stated period.

D. Duration.

After notice to the consultants on an EIS roster, a roster may be dissolved when it is deemed in the best interests of the City for causes stated in the notice.

E. Deletion From a Roster.

1. A consultant shall be deleted from an EIS roster under any of the following circumstances:

a. The consultant requests deletion. The deletion shall take effect ten (10) business days after notice to the departments;

b. The consultant is found to be in default in the performance of a city contract or is disqualified from city contracting, or the consultant has failed to file applicable business and occupation tax reports; or

c. The consultant has made a material misrepresentation in its response to a solicitation. (A misrepresentation is material if the consultant's rating in the evaluation scores would probably have been reduced if the facts were fully known.)

2. After allowing the consultant an opportunity to be heard, a department may delete a consultant from an EIS roster, if:

a. The consultant discontinues business within the Puget Sound area of Western Washington; or

b. The consultant changes its organization or operations so that its response to the department's solicitation, although correct when made, is no longer descriptive of its current status, and the changes make the consultant less qualified or otherwise less suitable for EIS contracting work.

F. Human Rights Review. A department's solicitation and selection process and a standard contract shall be subject to review by the Director of Human Rights for compliance with the Women's and Minority Business Utilization Ordinance, Chapter 20.46 of this Code.

G. Disclaimer. Placement on an EIS roster makes a consultant eligible for consideration for contracting with the soliciting department to provide services as described or limited in the department's solicitation, and subject to the terms of this section and the need of the department for the service. Placement on an EIS roster does not guarantee anyone any contract