



Members: Chair Cole, Bitetto, Bowman (Alternate Reinke)

Staff Liaison: Deputy City Administrator Jeff Steffens, Chief Financial Officer Kassandra Raymond

The city is conducting this public meeting using a hybrid model. The public is welcome to attend tonight's meeting in-person at City Hall (Main Conference Room), or virtually by using the meeting access link below. -

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CALL TO ORDER

COMMITTEE BUSINESS

1. Ordinance 2932 - Updating Model Business License Exemption Threshold
2. Ordinance 2933 - Amending SMC 13.20.040 for Sewer Winter Averages
3. Surplus Authorization

REPORTS

1. Recruitment & Negotiation Update
2. Monthly Sales Tax Report

ADJOURNMENT

SUBJECT: Ordinance 2932 - Updating Model Business License Exemption Threshold

CATEGORY: Ordinance

BUDGET IMPACT:

Expenditure Required: None

Within Budget Allocation: N/A

ATTACHMENTS:

1. Ordinance 2932 - Business License Model Threshold update

STAFF CONTACT: Andrea Marquez, City Attorney

SUMMARY BACKGROUND:

In 2018, RCW 35.90 was adopted and required all cities to adopt a model business license ordinance, including adopting a minimum income threshold for when an out-of-city business would need to acquire a Sumner business license. The original threshold value was \$2,000/year. Recently, that model ordinance was updated, increasing the exemption threshold to \$4,000 and including mandatory inflationary language so that the threshold can appropriately increase over the course of the next four years. This ordinance updates Sumner's Business License code (SMC 5.04) to address the new threshold values. The \$4,000 exemption will become effective on January 1, 2026, but staff are proposing that it be adopted promptly as the City is required to provide the state Department of Revenue with no less than 75-days' notice of the adoption of this ordinance prior to its effective date.

COUNCIL COMMITTEE/STUDY SESSION: Finance & Personnel Committee

MEETING/STUDY SESSION DATE: 8/7/2025

COMMITTEE RECOMMENDATION: Do Pass

STAFF RECOMMENDATIONS/MOTION:

Adopt ordinance 2932 increasing the model business license exemption threshold from \$2,000 to \$4,000 as required by RCW 35.90.

**ORDINANCE NO. 2932
CITY OF SUMNER, WASHINGTON**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SUMNER, WASHINGTON, UPDATING SUMNER MUNICIPAL CODE 5.04.070 THE MODEL BUSINESS LICENSE EXEMPTION THRESHOLD.

WHEREAS, RCW 35.90 was adopted in 2018 and required Washington cities to adopt a model business license ordinance, including the mandatory minimum threshold exemption for out-of-city businesses; and

WHEREAS, the model ordinance has now been updated to increase the exemption threshold from \$2,000 per year to \$4,000 per year for out-of-city businesses; and

WHEREAS, the City is required to adopt the increased minimum threshold, together with mandatory inflationary increases, no later than January 1, 2026 – the effective date of the new threshold.

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

Section 1. SMC 5.04.070(A) “Exemptions” is amended as follows:

Upon approval of the director and further provided that all other provisions of this chapter are complied with, including without limitation the requirement to obtain and maintain a current business license, the requirement to pay license fees shall not apply to the following:

A. Beginning January 1, 2026, aAny person or business whose annual value of products, gross proceeds of sales, or gross income of the business in the city is equal to or less than \$24,000 and who does not maintain a place of business within the city shall be exempt from the general business license requirements in this chapter. The threshold amount will be adjusted every forty-eight months on January 1, by an amount equal to the increase in the Consumer Price Index (“CPI”) for “West Urban, All Urban Consumers” (CPI-U) for each 12-month period ending on June 30 as published by the United States Department of Labor Bureau of Labor Statistics or successor agency. To calculate this adjustment, the current rate will be multiplied by one plus the cumulative four-year (forty-eight month) CPI increase using each 12-month period ending on June 30 of each prior year, and rounded to the nearest \$100. However, if any of the annual CPI increases are more than five (5) percent, a five (5) percent increase will be used in computing the annual basis and if any of the annual CPI decreased during the forty-eight-month period, a zero (0) percent increase will be used in computing the annual basis. This exemption does not apply to regulatory license requirements or activities that require a specialized permit;

B. Nonprofit organizations as defined in SMC 5.04.020, including but not limited to religious, civic, charitable, benevolent, nonprofit, cultural or youth organizations which has received tax-exempt status under IRC 501(c)(3), 26 USCA 501(c)(3), as adopted or amended; provided, that a nonprofit organization or corporation shall be required to complete the license application form;

C. Any instrumentality of the United States, state of Washington, or any political subdivision thereof, with respect to the exercise of governmental functions;

D. Any farmer or gardener who sells, delivers or peddles any fruit, vegetables, berries, butter, eggs, or any farm produce or edibles raised, gathered, produced or manufactured by such person;

provided, that this exemption shall not apply to any person selling, delivering or peddling any dairy products, meat, poultry, eel, fish, mollusk or shellfish;

E. Persons engaged in irregular, casual activities such as babysitting, delivery of newspapers, casual lawn mowing, casual car washing, and other similar activities or minors engaged in a minimis entrepreneurial venture on private residential property including, but not limited to, a lemonade stand;

F. Persons engaged in commerce using an Internet website, hobbyists, and crafters who engage in sales that do not involve home visits or physical location in the city; and

G. Businesses that do not have a physical location within the city that are selling merchandise or soliciting services as a registered attendee at a permitted special event as described in chapter 12.52 SMC, or a trade show occurring solely on private property. Services rendered outside of the special event or trade show are not exempt from licensing and shall comply with all other sections of this chapter; and

H. Businesses meeting all of the following criteria:

1. Having no salespeople soliciting sales within the city;
2. Having no installers or contractors working within the city;
3. Having no offices, warehouses or other physical location(s) within the city; and
4. Having no inventory located within the city. (Ord. 2657 § 6, 2018; Ord. 2470 § 3 (part), 2014; Ord. 2225 § 1 (part), 2007)

Section 2. Severability. If a section, subsection, paragraph, sentence, clause, or phrase of this ordinance is declared unconstitutional or invalid for any reason by any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this ordinance. If the provisions of this ordinance are found to be inconsistent with other provisions of the Sumner Municipal Code, this ordinance is deemed to control.

Section 3. Effective Date. This threshold increases in this ordinance shall become effective January 1, 2026.

Section 4. Corrections by City Clerk or Code Reviser. Upon approval of the city attorney, the city clerk and the code reviser are authorized to make necessary corrections to this ordinance, including the correction of clerical errors; ordinance, section, or subsection number; or references to other local, state, or federal laws, codes, rules, or regulations.

Section 5. The Mayor is hereby authorized to implement such administrative procedures as may be necessary to carry out the directions of this legislation.

Passed by the City Council and approved by the Mayor of the City of Sumner, Washington, at a regular meeting thereof this _____ day of August, 2025.

Mayor Kathy Hayden

ATTEST:

APPROVED AS TO FORM:

Michelle Converse, CMC, City Clerk

Andrea Marquez, City Attorney

Date Adopted:

XXX XX, 2025

Date of Publication:

XX XX, 2025 Online / XX ZZ, 2025

Effective Date:

XX, XX, 2025

SUBJECT: Ordinance 2933 - Amending SMC 13.20.040 for Sewer Winter Averages

CATEGORY: Ordinance

BUDGET IMPACT:

Expenditure Required: None

Within Budget Allocation: N/A

ATTACHMENTS:

1. Ordinance 2933 - Amending SMC 13.20.040 Sewer Utility Rates

STAFF CONTACT: Jeff Steffens, Deputy City Administrator

SUMMARY BACKGROUND:

Residential sewer bills in Sumner are calculated by using a Winter Average. Typically, in the winter, the water that is being used enters the sewer system as opposed to summer water use for irrigation, washing cars or filling swimming pools. As part of our latest utility rate study, our consultants analyzed residential water consumption, and it was recommended that we adjust the timeframe used in calculating the Winter Average.

This ordinance changes our Winter Average calculation by reducing it from 6 months to 5 months by excluding water used in mid/late April and early May.

Our residential meters are not always read at the same time of the month, so the terminology has also been updated to reference a read month rather than a consumption period.

COUNCIL COMMITTEE/STUDY SESSION: Finance & Personnel Committee

MEETING/STUDY SESSION DATE: 8/7/2025

COMMITTEE RECOMMENDATION:

STAFF RECOMMENDATIONS/MOTION:

Approve Ordinance No. 2933 amending SMC 13.20.040 with regard to winter averages.

**ORDINANCE NO. 2933
CITY OF SUMNER, WASHINGTON**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SUMNER,
WASHINGTON, AMENDING SMC 13.20.040 SEWER UTILITY RATES.**

WHEREAS, The City was established a Winter Average program for billing residential sewer accounts; and

WHEREAS, the City desires to amend what monthly water consumption is included in that Water Average calculation.

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

Section 1. Sumner Municipal Code Section 13.30.040 is hereby amended as follows:

The monthly rate for each property/building connected to the city's sewer system, effective January 1, 2011, shall be as follows, unless otherwise required by this chapter:

A. Each single-family residence connected to the sewer system shall pay the minimum monthly rate plus the volume charge for each 100 cubic feet of water used each month above 500 cubic feet as measured by the water meter. Said rates and charges are presented in the Sumner utility rate and fee schedule available at City Hall and the city's website. The monthly sewer consumption rate shall be based on the average winter usage using the **December, January, February, March and April monthly meter readings** ~~months of mid-November through mid-May~~. The June billing will be based on this average winter usage and will remain the amount billed until the following June billing when it will be recalculated based on the previous six-month average.

B. Each multifamily dwelling unit connected to the sewer system shall pay the minimum monthly rate per each dwelling unit plus the volume charge for each 100 cubic feet of water used each month above 400 cubic feet times the number of dwelling units as measured by the water meter. The monthly sewer consumption rate shall be based on the average winter usage using the **December, January, February, March and April monthly meter readings** ~~months of mid-November through mid-May~~. The June billing will be based on this average winter usage and will remain the amount billed until the following June billing when it will be recalculated based on the previous six-month average.

C. All nonresidential customers (commercial, industrial, institutional, etc.) connected to the sewer system shall pay the minimum monthly rate per each equivalent residential unit (ERU), as defined in SMC 13.16.030, assigned to it plus the volume charge for each 100 cubic feet of water used each month above 500 cubic feet times the number of ERUs as measured by the water meter. There will be no winter averaging for these customers.

D. Rates for sewer service outside the city limits shall be set as a flat rate as adopted by the utility billing fee schedule.

E. If a single-family residential customer relocates to a new single-family house inside the city sewer service area, the previously established consumption average will be applied to the new address until the average is recalculated. A residential customer (either single-family or multifamily) who does not have three complete, consecutive bills at the time of recalculation of

the consumption average will be assigned the system average of 700 cubic feet for their classification. Closing or partial bills will not be included in the calculation of the consumption average.

F. There will **typically not** be ~~no~~ adjustments to residential sewer bills using the winter averaging for the intentional use of water such as irrigation, the filling of swimming pools, ponds, hot tubs or similar activities during the ~~winter months of mid-November through mid-May~~ when the averaging is determined. (Ord. 2912 § 1, 2024; Ord. 2529 § 2 (part), 2015; Ord. 2356 § 3 (part), 2011; Ord. 2333 § 1 (part), 2010; Ord. 2234 § 1, 2007; Ord. 2048 § 1, 2003; Ord. 2032 § 1 (part), 2002)

Section 2. Severability. If a section, subsection, paragraph, sentence, clause, or phrase of this ordinance is declared unconstitutional or invalid for any reason by any court of competent jurisdiction, such decision shall not affect the validity off the remaining portions of this ordinance. If the provisions of this ordinance are found to be inconsistent with other provisions of the Sumner Municipal Code, this ordinance is deemed to control.

Section 3. Effective Date. This ordinance shall be effective five (5) days from and after its passage approval and publication as provided by law.

Section 4. Corrections by City Clerk or Code Reviser. Upon approval of the city attorney, the city clerk and the code reviser are authorized to make necessary corrections to this ordinance, including the correction of clerical errors; ordinance, section, or subsection number; or references to other local, state, or federal laws, codes, rules, or regulations.

Section 5. The Mayor is hereby authorized to implement such administrative procedures as may be necessary to carry out the directions of this legislation.

Passed by the City Council and approved by the Mayor the of the City of Sumner, Washington, at a regular meeting thereof this 18th day of August, 2025.

Mayor Kathy Hayden

ATTEST:

APPROVED AS TO FORM:

Michelle Converse, CMC, City Clerk

Andrea Marquez, City Attorney

Date Adopted: XXX XX, 2025
Date of Publication: XX XX, 2025 Online / XX ZZ, 2025
Effective Date: XX, XX, 2025

SUBJECT: Surplus Authorization

CATEGORY: Motion

BUDGET IMPACT:

Expenditure Required: None

Within Budget Allocation: N/A

ATTACHMENTS:

1. August 2025 Surplus

STAFF CONTACT: Jeff Steffens, Deputy City Administrator

SUMMARY BACKGROUND:

The City's Fleet Department and Wastewater Treatment Plant have several items that are no longer needed for daily operations that they would like to surplus. All items fall within the Committee's approval authority.

<p>COUNCIL COMMITTEE/STUDY SESSION: Finance & Personnel Committee MEETING/STUDY SESSION DATE: 8/7/2025 COMMITTEE RECOMMENDATION:</p>

STAFF RECOMMENDATIONS/MOTION:

Approve surplus as listed.



DATE: August, 2025
TO: Finance and Personnel Committee
FROM: Jeff Steffens, Deputy City Administrator

RE: Surplus Authorization

2000 Ford F250 Animal Control Truck

Unit 22-112

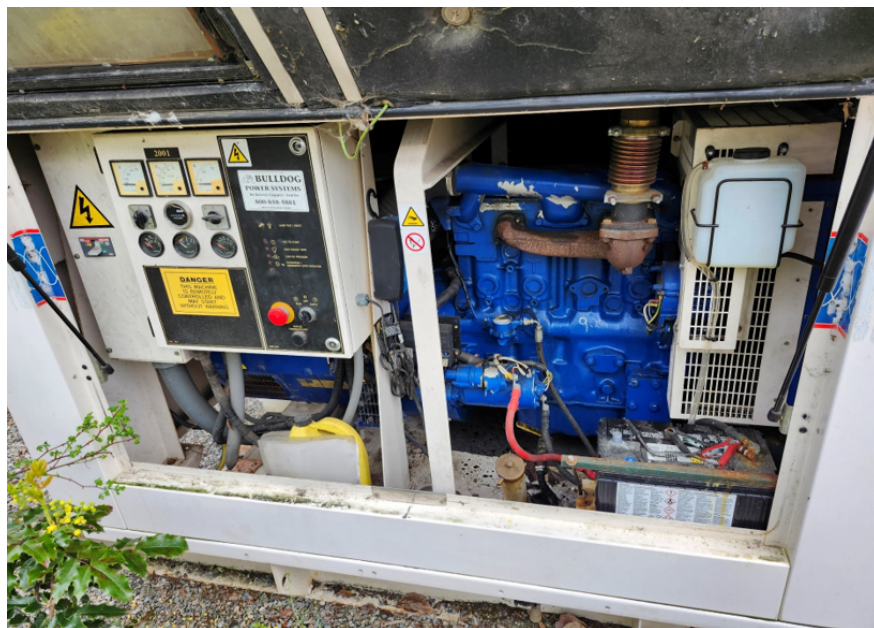
Estimated Value \$7,000

Item is beyond its useful life and has been replaced.



2001 FG Wilson 40kw 3phase Generator

Estimated Value \$1,000



Stainless Steel Electrical Control Cabinet

Estimated Value \$2,000



3 Ton Electric Trolley and Electric Chain Hoist

Kito Corp.

Estimated Value \$1,500





SUBJECT: Recruitment & Negotiation Update

CATEGORY: Information Only

BUDGET IMPACT: N/A

ATTACHMENTS:

STAFF CONTACT: Jeff Steffens, Deputy City Administrator

SUMMARY BACKGROUND:

Staff will provide a verbal update on recruitment and negotiation activity.

COUNCIL COMMITTEE/STUDY SESSION: Finance & Personnel Committee

MEETING/STUDY SESSION DATE: 8/7/2025

COMMITTEE RECOMMENDATION: Informational only; no Committee action required.

STAFF RECOMMENDATIONS/MOTION:

Informational only; no Committee action required.



SUBJECT: Monthly Sales Tax Report

CATEGORY: Information Only

BUDGET IMPACT: N/A

ATTACHMENTS:

STAFF CONTACT: Kassandra Raymond, Chief Financial Officer

SUMMARY BACKGROUND:

Staff will review monthly sales tax reporting. This is a regular reporting item. Please note, this report is provided only to those who have a WA State Department of Revenue Secrecy Affidavit Confidential Affidavit on file.

COUNCIL COMMITTEE/STUDY SESSION: Finance & Personnel Committee

MEETING/STUDY SESSION DATE: 8/7/2025

COMMITTEE RECOMMENDATION: Informational only; no Committee action required.

STAFF RECOMMENDATIONS/MOTION:

Informational only; no further action required.