



Members: Elfers, Malcolm, Reinke, (Alt.) Wilsey

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 (First Floor Conference Room), or virtually by using the meeting access link below. -

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CALL TO ORDER

COMMITTEE BUSINESS

1. Interlocal Agreement amending and restating the Pierce County Tourism Promotion Area
2. Ordinance No. 2969 Amending the 2025/2026 Biennial Budget

REPORTS

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

ADJOURNMENT

SUBJECT: Interlocal Agreement amending and restating the Pierce County Tourism Promotion Area

CATEGORY: Motion

BUDGET IMPACT:

Expenditure Required: None

Within Budget Allocation: N/A

ATTACHMENTS:

1. Draft ILA for Tourism Promotion Area

STAFF CONTACT: Carmen Palmer, Communications Director

SUMMARY BACKGROUND:

Since 2010, Sumner has participated through Interlocal Agreement with the Pierce County Tourism Promotion Area (TPA). State law gives regions the ability to establish and fund a TPA with a per-room night charge in order to generate revenue for tourism promotion that drives more visits, more overnight stays and thus more revenue. Ultimately for a city, overnight stays are the best way to encourage more visitor support of local restaurants, stores and services. Unlike lodging tax, funding from a TPA is expected to be used for regional destination marketing organizations only. In Pierce County, it is a key funding source for the Tacoma-Pierce County Tourism Authority.

The current TPA is a graduated amount with \$0.50 per room night collected in Sumner, \$1 collected in other areas such as Puyallup/Lakewood and \$1.50 in Tacoma. When passed, the maximum amount the State would allow TPAs to collect was \$2 per room. Since then, the State increased that amount to \$5 per room night through July 2027. The hospitality industry is working with State legislators to extend that deadline or make \$5 the permanent maximum amount. Many other TPAs across the state increased their charges. From the additional revenue, they have been out-promoting the Pierce County area, earning more business and revenue in the process.

The proposed interlocal agreement amends and restates the TPA, increasing Sumner's amount to \$1.50 per room night. It also proposes other areas of Pierce County's TPA go up to \$3 and \$5 per room night, rates that would revert back to \$2 per night if the State law does not change. Through this process, Fife asked to withdraw from the TPA and Ruston asked to be included with the addition of the Silver Cloud in Point Ruston.

Pierce County's hoteliers, including those in Sumner, have discussed and debated this increase for some time and support this rate increase for their own customers. Combined with lodging tax, it's a standard way to capture funding from visitors to encourage more business and stays that benefit Sumner's hotels as well as restaurants, services and stores.

<p>COUNCIL COMMITTEE/STUDY SESSION: MEETING/STUDY SESSION DATE: COMMITTEE RECOMMENDATION:</p>
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STAFF RECOMMENDATIONS/MOTION:

Direct the mayor to approve the interlocal agreement to amend and restate the Pierce County Tourism Promotion Area.

**AMENDED AND RESTATED INTERLOCAL AGREEMENT
FOR ESTABLISHMENT OF
PIERCE COUNTY TOURISM PROMOTION AREA**

This Amended and Restated Interlocal AGREEMENT (“Agreement”) is entered into as of the ___ day of _____, 2026, by and among PIERCE COUNTY, a political subdivision of the State of Washington (“County”); the CITY OF TACOMA, a municipal corporation of the State of Washington (“Tacoma”); the CITY OF PUYALLUP, a municipal corporation of the State of Washington (“Puyallup”); the CITY OF FIFE, a municipal corporation of the State of Washington (“Fife”); the CITY OF GIG HARBOR, a municipal corporation of the State of Washington (“Gig Harbor”); the CITY OF LAKEWOOD, a municipal corporation of the State of Washington (“Lakewood”); the CITY OF DUPONT, a municipal corporation of the State of Washington (“DuPont”); the CITY OF SUMNER, a municipal corporation of the State of Washington (“Sumner”); and the CITY OF RUSTON, a municipal corporation of the State of Washington (herein referred to collectively as the “Cities” or separately as “City”) pursuant to the authority of the Interlocal Cooperation Act, RCW 39.34.010 et seq. and the Tourism Promotion Areas Act, RCW 35.101.010 et seq., for the purpose of restating and amending the parties’ prior Interlocal Agreement regarding the establishment of the Tourism Promotion Area to levy Special Assessments to fund tourism promotion.

WHEREAS, the Pierce County Council, through Resolution R2009-119, authorized the County Executive to enter into an Interlocal Agreement with the cities of DuPont, Fife, Gig Harbor, Lakewood, Puyallup, Sumner and Tacoma for the establishment of a Pierce County Tourism Promotion Area pursuant to RCW 35.101.040; and

WHEREAS, the Pierce County Council, through Ordinance 2009-110s, created the Pierce County Tourism Promotion Area to levy special assessments to fund tourism promotion; and

WHEREAS, the Cities entered into an Interlocal Agreement for the Establishment of Pierce County Tourism Promotion Area (“Original TPA Agreement”) to levy special assessments to fund tourism promotion; and

WHEREAS, the parties subsequently adopted an Amendment to the Original TPA Agreement dated May 25, 2011; and

WHEREAS, the parties acknowledge that the City of Fife is withdrawing from participation in the TPA Agreement effective as of the execution of this Agreement and, as a result, is no longer included in the Pierce County Tourism Promotion Area, and desire to amend the TPA Agreement to reflect the removal of Fife; and

WHEREAS, the parties agree that the City of Ruston desires to join the Pierce County Tourism Promotion Area, and desire to amend the TPA Agreement to add the City of Ruston; and

WHEREAS, the parties agree that the assessment zones, assessment rates, revenue

allocation formula, and permitted uses of TPA funds should be amended as outlined below; and

WHEREAS, the Cities now desire to amend and restate the Original TPA Agreement as amended in 2011.

NOW, THEREFORE, for and in consideration of the promises set forth hereafter, Pierce County and the Cities hereby agree as follows:

1. Purpose. The purpose of this Agreement is to promote tourism in Pierce County by permitting the establishment of a Pierce County Tourism Promotion Area (“TPA”) pursuant to Chapter 35.101 RCW, which when created, will permit collection of Special Assessments from Lodging Businesses located within Pierce County to fund tourism promotion and to memorialize the agreement between the parties relating to this TPA.
2. Definitions. As used in this Agreement, the following terms, unless the context otherwise dictates, shall have the following meanings:
 - 2.1 “Agreement” shall mean this Interlocal Cooperation Agreement entered into among Pierce County and the Cities, for the establishment of a Pierce County Tourism Promotion Area by Pierce County as authorized by RCW 35.101.040(2).
 - 2.2 “Annual Budget” shall mean the Pierce County Tourism Promotion Area budget for a fiscal year, as adopted or amended by the Pierce County Council, after the receipt of a recommendation from the Pierce County Tourism Promotion Area Hotel Commission, identifying all estimated revenue from Special Assessments for the fiscal year, and providing for all proposed uses of Special Assessment revenue for the purpose of providing tourism promotion in Pierce County for the ensuing fiscal year.
 - 2.3 “Lodging Business” means a business which is located within the Pierce County Tourism Promotion Area that furnishes lodging taxable by the state under Chapter 82.08 RCW that has forty (40) or more lodging units.
 - 2.4 “Operator” means the Operator of a Lodging Business, whether in the capacity of owner, general manager, lessee, sub lessee, mortgagee in possession, licensee or any other similar capacity.
 - 2.5 “Pierce County Tourism Promotion Area Hotel Commission” means the Pierce County Tourism Promotion Area Hotel Commission, established by Pierce County, whose members shall be selected by the Pierce County Council from a list of nominees prepared by the TPA Manager, to provide recommendations to the Pierce County Council on proposed uses and projects of the Pierce County Tourism Promotion Area; pursuant to the provisions of RCW 35.101.130(1) as provided in this Agreement.
 - 2.6 “Pierce County Metropolitan Area” means the entire geographic boundary of Pierce County, including the entire areas within the jurisdiction of the Cities and the unincorporated area of Pierce County.

2.7 “Pierce County Tourism Promotion Area” or “TPA” means the Tourism Promotion Area created by the resolution of the Pierce County Council pursuant to the authority of the Tourism Promotion Areas Act, Chapter 35.101 RCW, as authorized or as will be authorized by the resolutions of each of the respective City Councils of the Cities adopting the terms of this Agreement.

2.8 “Room Revenues” means the gross per-night charge (nights of stay) imposed for the rental of a room or combination of rooms for Lodging.

2.9 “Special Assessment” means the levy (charge) imposed by Pierce County on the Operators of a Lodging Business within the Pierce County Tourism Promotion Area and subsequently passed on to the guests of the Lodging Business, under the authority of Chapter 35.101 RCW for the purpose of providing for funding of tourism promotion in Pierce County.

2.10 “TPA Manager” shall mean the Economic Development Department of the County of Pierce, which shall administer the operation of the Tourism Promotion Area.

2.11 “Tourism Promotion” means activities and expenditures designed to increase tourism and convention business, including but not limited to, advertising, publicizing, or otherwise distributing information for the purpose of attracting and welcoming tourists, and operating tourism destination marketing organizations.

2.12 “Transient Basis” means rental of a room or rooms for dwelling, lodging, or sleeping purposes by the Operator of a Lodging Business for a period of thirty (30) consecutive calendar days or less, counting a portion of a day as a full calendar day.

2.13 “Zone” or “Zones” means the distinct geographic subarea or subareas within the Pierce County Tourism Promotion Area as established by resolution of the Pierce County Council and as set forth in Exhibit “B” attached to this Agreement.

3. Tourism Promotion Area Established and Maintained by Pierce County.

- A. It is hereby understood and agreed by Pierce County, and the Cities, that Pierce County, pursuant to the authority of RCW 35.101.040(2), has established and shall continue to maintain a “Tourism Promotion Area” designated as the Pierce County Tourism Promotion Area, which includes the unincorporated area of Pierce County and the entire area within the corporate limits of the participating Cities.
- B. It is hereby understood and agreed by Pierce County, and the Cities, that the purpose of permitting the Pierce County Council to form the Pierce County Tourism Promotion Area under RCW 35.101.040(2) is to provide revenue to fund tourism promotion that will benefit the lodging and tourism industry in unincorporated Pierce County and the Cities.

4. Levy of Special Assessments on Lodging Businesses within the Pierce County Tourism Promotion Area.

- A. The Pierce County Council will impose Special Assessments on the Operators of Lodging Businesses within the Pierce County Tourism Promotion Area in accordance with the zones and levels of Special Assessments as set forth in Resolution No. _____.
- B. Pierce County shall contract with the State Department of Revenue for the administration and collection of such Special Assessments pursuant to RCW 35.101.090.
- C. It is understood and agreed by and between Pierce County and the Cities, that the Pierce County Tourism Promotion Area shall include the following four (4) zones:

Zone A. Zone A encompasses those Lodging Businesses located within the Downtown Area of the incorporated city limits of the city of Tacoma.

The Tacoma Downtown Area comprises the area starting at the intersection of Yakima Avenue and Interstate 5. The boundary heads north on Yakima Avenue, then turns west onto S I Street and continues to S 6th Avenue.

It then proceeds east on S 6th Avenue to S G Street, where it turns north and continues to Division Avenue. From there it heads north-east until running into the Commencement Bay.

It runs along Commencement Bay south-east until reaching E 23rd Street. It wraps around the body of water east until E 21st Street where it heads east and then turns south on E D Street. Upon connecting with Puyallup Avenue until intersecting with E Portland Avenue. It proceeds south on E Portland Avenue, then turns west on E Wiley Avenue and continues west until reconnecting (via E D Street) with Interstate 5 and returning to the starting point.

Zone B. Zone B encompasses all Lodging Businesses in Tacoma outside of the Downtown zone described in Zone A as well as the cities of Lakewood, Ruston, and Puyallup.

Zone C. Zone C encompasses all Lodging Businesses in the cities of DuPont, Gig Harbor, Sumner and the unincorporated area of Pierce County.

Zone D. Zone D encompasses Lodging Businesses located within the TPA, as that term is addressed in WAC 458-20-166 as it presently exists or may be hereinafter amended, other than hotels, motels, and bed and breakfast facilities with forty (40) or more lodging units. Lodging Businesses within this zone, as addressed in WAC 458-20-166, would include only:

- (1) Trailer camps and recreational vehicle parks which charge for the rental of space to transients for locating or parking house trailers, campers, recreational vehicles, mobile homes, and tents;

- (2) Educational institutions which sell overnight lodging to persons other than students;
- (3) Private lodging houses, dormitories and bunkhouses operated by or on behalf of businesses and industrial firms or schools solely for the accommodation of employees of such firms or students which are not held out to the public as a place where sleeping accommodations may be obtained; and
- (4) Guest ranches or summer camps which, in addition to supplying meals and lodging, offer special recreational facilities and instruction in sports, boating, riding and outdoor living.
- (5) Hotels, motels and bed and breakfast facilities with fewer than forty (40) lodging units.

D. It is understood and agreed by and between Pierce County, and the Cities, that the Operators of Lodging Businesses within the Pierce County Tourism Promotion Area operating in the above-described zones will be subject to Special Assessments to be levied as follows:

Beginning January 1, 2027, or as soon as possible thereafter:

ZONE A	Tacoma Downtown Area	\$5.00 per occupied room/day
ZONE B	Tacoma (outside of Downtown Area), Lakewood, Ruston, Puyallup	\$3.00 per occupied room/day
ZONE C	Gig Harbor, DuPont, Sumner, unincorporated Pierce County	\$1.50 per occupied room/day
ZONE D	Zone D	\$0.00 per occupied room/day

Effective upon the expiration of RCW 35.101.057, and if no other Additional Charges are permitted pursuant to Chapter 35.101 RCW, the TPA Special Assessments to be imposed on the operators of lodging businesses, as defined by RCW 35.101.010(3) and the Interlocal Agreement for Establishment of a Tourism Promotion Area, are as follows:

ZONE A	Tacoma Downtown Area	\$2.00 per occupied room/day
ZONE B	Tacoma (outside of Downtown Area), Lakewood, Ruston, Puyallup	\$2.00 per occupied room/day
ZONE C	Gig Harbor, DuPont, Sumner, unincorporated Pierce County	\$1.50 per occupied room/day
ZONE D	Zone D	\$0.00 per occupied room/day

Notwithstanding Section 4(E), if Chapter 35.101 RCW is subsequently amended to authorize a maximum Special Assessment rate greater than \$2.00 per occupied room per day, the Special Assessment rates shall increase to the maximum extent authorized by such amendment up to \$5.00 per occupied room per day for Zone A

and up to \$3.00 per occupied room per day for Zone B, without further action by the Pierce County Council.

- E. Any change in the Special Assessment rates for any zone as set forth hereinabove shall be made only by amendment of the resolution by Pierce County Council, with the approval of each of the respective City Councils of the Cities. No change in the Special Assessment rates for any zone or change in the boundaries of any zone shall be made by the Pierce County Council except upon a two-thirds affirmative recommendation of the Pierce County Tourism Promotion Area Hotel Commission.
 - F. It is understood and agreed by the parties, that the Special Assessments imposed under this section are not a tax on the "sale of lodging" for the purposes of RCW 82.14.410 and are not applicable to temporary medical housing exempt under RCW 82.08.997.
 - G. It is understood and agreed by the parties, that the Special Assessments imposed under this Agreement are in addition to the special assessments that may be levied under Chapter 35.87A RCW.
5. Administration and Collection of Special Assessments.
- A. It is understood and agreed that in accordance with RCW 35.101.090, the Washington State Department of Revenue shall administer the Special Assessments authorized under this Agreement and shall deposit the Special Assessments collected into the local tourism promotion account created in the custody of the state treasurer under RCW 35.101.100.
 - B. It is understood and agreed that in accordance with RCW 35.101.100, the state treasurer has the authority to distribute the money from the tourism promotion account to the Pierce County Council on a monthly basis.
6. Use of Special Assessment Revenues For the Promotion of Tourism and Convention Business in Pierce County.
- A. It is understood and agreed that all of the revenues derived from Special Assessments shall be allocated by the Pierce County Council in accordance with the Annual Budget for Pierce County Tourism Promotion Area. The Pierce County Tourism Promotion Area Hotel Commission shall make a recommendation to the Pierce County Council on all Annual Budgets. The Pierce County Council shall have the ultimate authority to set and approve all Annual Budgets.
 - B. The revenues derived from the Special Assessments shall be used only for the following purposes:
 - (1) Activities and expenditures designed to increase tourism within Pierce County as specified in the TPA business plan to be adopted annually; and

- (2) The marketing of conventions, trade shows, and events that benefit local tourism and the Lodging Businesses in the TPA, including associated personnel and administration costs; and
 - (3) The marketing of Pierce County to the travel industry in order to benefit local tourism and the Lodging Businesses in the TPA, including associated personnel and administration costs; and
 - (4) The marketing of Pierce County to recruit sporting events in order to promote local tourism and to benefit the Lodging Businesses and tourism industry within the TPA, including associated personnel and administration costs; and
 - (5) Direct administration costs associated with management and maintenance of the TPA program including but not limited to staff costs, public notice advertising, accounting and auditing, as approved by the TPA Hotel Commission and the Pierce County Council, provided no funds will be used for the general operations of the TPA Manager or other costs not directly related to operation of the TPA.
- C. Revenues derived from TPA Special Assessments imposed under this section shall be allocated as follows:
- (1) At least ninety percent (90%) of the TPA revenue collected annually must be allocated to an organization whose primary mission is year-round, tourism promotion in the County of Pierce.
 - (2) Up to ten percent (10%) of TPA revenue collected annually may be allocated to a grant program supporting activities and expenditures that comply with the proposed uses and projects authorized in Pierce County Code Section 4.18.050, as determined by the Pierce County Tourism Promotion Area Hotel Commission.
7. Establishment of the Pierce County Tourism Promotion Area Hotel Commission.
- A. It is understood and agreed that the Pierce County Council shall, pursuant to the authority of RCW 35.101.130(1) create a Pierce County Tourism Promotion Area Hotel Commission to advise the Pierce County Council on the expenditure of Special Assessment revenues to fund tourism promotion within Pierce County. The Pierce County Tourism Promotion Area Hotel Commission shall have no less than seven voting members.
 - B. The Pierce County Council shall select voting Members of the Pierce County Tourism Promotion Area Hotel Commission from a list of nominees prepared by the TPA Manager. All nominees for membership on the Pierce County Tourism Promotion Area Hotel Commission must be Operators of Lodging Businesses within Pierce County, or employed by the Operator of such a Lodging Business, typically General Managers or Directors of Sales & Marketing.
 - C. The Pierce County Council shall appoint up to four members of the Pierce County Tourism Promotion Area Hotel Commission representing Tacoma and up to one each representing Puyallup, Lakewood, Gig Harbor, Dupont, Sumner, Ruston, and Pierce County. Any vacancy on the Pierce County Tourism Promotion Area Hotel Commission arising from a resignation or other cause, shall be filled by the

appointing agency, from a list of nominees prepared by the TPA Manager, within 30 days from the date the “vacancy occurs.” Appointed members should be from the city in which the vacancy occurs. In the event there are no suitable candidates in a participating city, the seat may be filled by another operator of a Lodging Business within Pierce County through the remainder of the vacated term.

- D. The Pierce County Council may appoint up to one *ex officio* member of the Commission from the members of the Pierce County Council or Pierce County at large. Pierce County Council may appoint up to four *ex officio* members of the Commission from cities located in Pierce County participating in the Interlocal Agreement. The *ex officio* members of the Pierce County Tourism Promotion Area Hotel Commission may participate in all discussions regarding proposed activities and programs that are funded by the Pierce County Tourism Promotion Area for the promotion and marketing of tourism within Pierce County but shall not have voting rights.
- E. It is understood and agreed that the initial members of the Pierce County Tourism Promotion Area Hotel Commission served staggered terms, with three members serving a one-year term, four members serving two-year terms, and four members serving three-year terms, with the length of each initial term determined at the first meeting of the Commission.

Thereafter, all members subsequently appointed to the Pierce County Tourism Promotion Area Hotel Commission shall serve three-year terms. No member may serve more than two consecutive three-year terms. Following completion of two consecutive terms, a former member shall be ineligible for reappointment for a period of not less than twelve (12) months.

8. Pierce County TPA Manager.

- A. The TPA Manager will be responsible for administering the activities and programs of the Pierce County Tourism Promotion Area and to prepare an Annual Budget for the Pierce County Tourism Promotion Area to be reviewed and approved by the Pierce County Tourism Promotion Area Hotel Commission and submitted to the Pierce County Council on or before July 31st of each year. The TPA Manager shall also act as staff to the Pierce County Tourism Promotion Area Hotel Commission in conjunction with assisting it in determining what activities and programs to recommend for funding from the Special Assessments.
- B. The Annual Budget for the Pierce County Tourism Promotion Area shall consist of:
 - (1) A list of the Lodging Businesses subject to Special Assessments and an estimate of the revenue to be received from all such Lodging Businesses; and
 - (2) A statement of the proposed budget for all Pierce County Tourism Promotion Area activities and programs recommended by the Pierce County Tourism Promotion Area Hotel Commission to be funded from Special Assessments during the ensuing fiscal year.
- C. All Special Assessments that Pierce County has imposed and receives from the

Washington State Treasurer and any interest therein shall be deposited by Pierce County in a special account. Payments to the TPA Manager will be made as provided for in the agreement between the Pierce County Tourism Promotion Area Hotel Commission and the TPA Manager. Provided, however, no Special Assessment shall be dispersed in any fiscal year until after the adoption of that fiscal year's Annual Budget. Provided further that Pierce County shall not expend in any fiscal year Special Assessments in excess of the approved fiscal year's Annual Budget.

- D. The parties hereto acknowledge and agree that funds derived from the TPA Special Assessment are intended to enhance and extend existing tourism marketing efforts for any nonprofit charged with the marketing of tourism in Pierce County or that has the purpose of promoting amateur year-round sports throughout Pierce County, consistent with Section 6 above.

The parties further agree that a reduction in funds to the destination marketing organization by a party to this Agreement may impact that party's ability to receive the benefits intended by participation in this Agreement.

9. Modification or Disestablishment of the Pierce County Tourism Promotion Area.

- A. The Pierce County Council, by appropriate action, may modify the provisions of the ordinance establishing the TPA after adopting a resolution of intention to such effect. Such resolution of intention shall describe the change or changes proposed and shall state the time and place of a public hearing to be held by the Pierce County Council to consider the proposed action.
- B. The Pierce County Council may, by ordinance, disestablish the TPA after conducting a hearing to receive public comment regarding the disestablishment of the TPA. Upon receipt of a petition indicating a desire to disestablish the TPA, with the signatures of the persons who operate lodging businesses in the TPA who pay forty percent (40%) or more of the total special assessments, the Pierce County Council shall adopt a resolution of intention to disestablish the TPA, and shall state the time and place of a public hearing to be held by the Pierce County Council to consider the proposed action, provided the public hearing will be at least fifteen (15) days prior to consideration of the proposed action. If at said hearing a petition objecting to the disestablishment is presented, with the signatures of the persons who operate Lodging Businesses in the TPA who pay fifty-one percent (51%) or more of the total special assessments, the TPA shall not be disestablished. If such petition objecting to the disestablishment is not presented at said hearing, the County Council shall disestablish the TPA.

10. City of Fife Withdrawal from the TPA.

Effective as of the execution date of this Agreement, the City of Fife is hereby withdrawn from the TPA. The boundaries of the TPA are amended accordingly to exclude the City of Fife.

11. Miscellaneous Provisions.

- A. Duration and Termination of this Agreement. This Agreement shall continue in

full force and effect until such time as the Pierce County Tourism Promotion Area is disestablished by action of the Pierce County Council as provided in Section 9 above. Following termination of this Agreement, Pierce County shall be responsible for utilizing any remaining unallocated revenue from Special Assessments for tourism promotion within Pierce County.

- B. Waiver. No officer, employee, or agent of Pierce County, or the Cities, has the power, right or authority to waive any of the conditions or provisions of this Agreement. No waiver of any breach of this Agreement by Pierce County, or the Cities, shall be held to be a waiver of any other or subsequent breach. Failure of Pierce County, or the Cities, to enforce any of the provisions of this Agreement or to require performance of any of the provisions herein, shall in no way be construed to be a waiver of such conditions, nor in any way effect the validity of this Agreement or any part hereof, or the right of Pierce County, and the Cities, to hereafter enforce each and every such provision.
- C. Records. All records prepared, owned, used or retained by the TPA Manager in conjunction with operating or administering the activities and programs of the Pierce County Tourism Promotion Area as provided for under the terms of this Agreement shall be deemed records of Pierce County, and the Cities, and shall be made available by the TPA Manager upon request to Pierce County, or the Cities, State Auditor, or their authorized representatives. Records shall be retained according to Pierce County records retention schedules.
- D. Property and Equipment. Pierce County shall be the owner of all property and equipment purchased by the TPA Manager from Special Assessment Revenues. Provided, however, in the event of the termination of the Agreement with the TPA Manager, Pierce County agrees to make the property and/or equipment available to the successor TPA Manager for its use in conjunction with providing similar services. Provided further, in the event of disestablishment of the Pierce County Tourism Promotion Area, all property and equipment purchased by the TPA Manager from Special Assessment Revenues shall be retained by Pierce County and used for any lawful purposes.
- E. Integration. This Agreement contains all of the terms and conditions agreed upon by Pierce County, and the Cities, concerning the establishment of the Pierce County Tourism Promotion Area by the Pierce County Council and the collection of Special Assessments from Operators of Lodging Businesses within the entire area, including the area within the incorporated city limits of the Cities. No other understandings, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind any of the parties hereto. The parties have read and understand all of this Agreement, and now state that no representation, promise, or agreement not expressed in this Agreement has been made to induce the officials of Pierce County or the officials of the Cities to execute this Agreement.
- F. Severability. In the event any provision of this Agreement shall be declared by a Court of competent jurisdiction to be invalid, illegal, or unenforceable, the

validity, legality and enforceability of the remaining provisions shall have full force and affect.

- G. Execution of Agreement. This Agreement shall become effective immediately after it is duly adopted by the Pierce County Council, the City Council of the City of Tacoma, the City Council of the City of Puyallup, the City Council of the City of Fife, the City Council of the City of Lakewood, the City Council of the City of Dupont, the City Council of Gig Harbor, the City Council of the City of Ruston, and the City Council of the City of Sumner and shall be filed with the County Auditor of Pierce County, the City Clerks of Tacoma, Puyallup, Fife, Lakewood, Gig Harbor, Ruston, Dupont and Sumner, and the Secretary of State of the State of Washington.
- H. Indemnification and Defense. The County shall defend, indemnify, and save harmless each City, its officers, employees, and agents from any and all costs, claims, judgments, or awards of damages, arising out of this Agreement and resulting from the acts or omissions of the County, its officers, employees, or agents associated with this Agreement. In executing this Agreement, the County does not assume liability or responsibility for or in any way release each City from any liability or responsibility which arises in whole or in part from the existence or effect of the respective City's ordinances, rules, regulations, resolutions, customs, policies, or practices. If any cause, claim, suit, action or administrative proceeding is commenced in which the enforceability and/or validity of any such City ordinance, rule, regulation, resolution, custom, policy or practices is at issue, each City shall defend the same at its sole expense, and if judgment is entered or damages are awarded against such City, the County, or both, the City shall satisfy the same including all chargeable cost and attorney's service fees.

Each City shall defend, indemnify, and save harmless the County, its officers, employees, and agents from any and all costs, claims, judgments, or awards of damages, arising out of this Agreement and resulting from the acts or omissions of the City, its officers, employees, or agents associated with this Agreement. In executing this Agreement, none of the Cities assumes any liability or responsibility for or in any way releases the County from any liability or responsibility which arises in whole or in part from the existence or effect of County ordinances, rules, regulations, resolutions, customs, policies, or practices. If any cause, claim, suit, action or administrative proceeding is commenced in which the enforceability and/or validity of any such County ordinance, rule, regulation, resolution, custom, policy or practices is at issue, the County shall defend the same at its sole expense, and if judgment is entered or damages are awarded against the County, such City, or both the County and the City in question, the County shall satisfy the same including all chargeable costs and attorney's service fees.

- I. No real Property Acquisition. This Interlocal Agreement does not provide for the acquisition, holding, or disposal of real property.
- J. Notice. Any formal notice or communication to be given among the County and the Cities under this Agreement shall be deemed properly given, if delivered, or if

mailed postage prepaid and addressed to:

City of DuPont 1700 Civic Drive DuPont, WA 98327 ATTN: City Administrator	City of Puyallup 333 S. Meridian Street Puyallup, WA 98371 ATTN: City Manager	City of Lakewood. 6000 Main Street SW Lakewood, WA 98499-5027 ATTN: City Manager
City of Sumner 1104 Maple Street Sumner, WA 98390 ATTN: City Administrator	Pierce County Economic Development Division 1501 Market St. Tacoma, WA 98402 ATTN: Economic Development Manager	City of Gig Harbor 3510 Grandview Street Gig Harbor, WA 98335 ATTN: City Administrator
City of Tacoma 747 Market Street Tacoma, WA 98402 ATTN: City Manager	City of Ruston 5219 N Shirley Street Ruston, WA 98407 ATTN: City Clerk	City of Fife 5411 23rd Street East Fife, WA 98424 ATTN: City Manager

- K. Filing. Copies of this Interlocal Agreement, together with the resolution of the Pierce County Council and the Councils of each City approving and ratifying this Agreement, shall be filed with the Clerk for each City, the Pierce County Auditor, and the Secretary of State of Washington after execution of the Agreement by each party. Provided as an alternative, this Agreement may be listed by subject on the County's website or the Cities' websites or other electronically retrievable public source.
- L. Non-Discrimination. The County and the Cities certify that they are Equal Opportunity Employers.
- M. Amendment. Provisions within this Agreement may be amended with the mutual consent of the parties hereto. No additions to or alteration of, the terms of this Agreement shall be valid unless made in writing, formally approved and executed by duly authorized agents of all parties.

IN WITNESS WHEREOF, Pierce County and the Cities of DuPont, Fife, Gig Harbor, Lakewood, Puyallup, Sumner, Ruston, and Tacoma have executed this Agreement by their duly authorized officials pursuant to all requirements of law.

SUBJECT: Ordinance No. 2969 Amending the 2025/2026 Biennial Budget

CATEGORY: Ordinance

BUDGET IMPACT:

Expenditure Required: None

Within Budget Allocation: N/A

ATTACHMENTS:

1. 20260706_2025_2026_BA_2969_Q2

STAFF CONTACT: Cassandra Raymond, Chief Financial Officer

SUMMARY BACKGROUND: The 2025/2026 Biennial Budget was adopted on December 9, 2024 with Ordinance No. 2905. Staff regularly reviews the budget progress as well as any programmatic changes. Based on this review, staff presents the 2nd quarter 2026 budget amendment for consideration. This budget amendment includes:

General Fund (001):

- Adds \$30,000 for completion of the Fleet Replacement Study;
- Adds \$20,000 for completion of the Community Budget Survey;
- Adds \$140,000 for the Axon Body Worn Camera Program (through 2027);
- Adds \$50,000 for third party plan review;
- Adds \$5,000 for replacement of pressure seal equipment;
- Adds \$3,300 for Pierce County trail maintenance;
- Programs \$77,000 for repairs incurred by telecommunications franchisee, and associated insurance reimbursement;
- Adds \$25,000 for guardrail repair;
- Moves \$25,000 for Traffic Calming from 2025 to 2026;
- Programs \$56,000 in Street Administration for professional service.

Sidewalk Capital Fund (302)

- Programs \$347,016 for Puyallup River Trail Crossing, with \$300,169 grant revenue and \$46,847 transfer in from Traffic Impact Fees

REET Fund (305)

- Program transfer of \$214,913 to Parks Capital for Heritage Park Phase 3/4 Design.

Parks Capital (310)

- Programs transfer in from REET (\$214,913) and Parks Impact Fees (\$429,826) and associated expenditure of \$644,739 for Heritage Park Phase 3/4 Design.

Street Capital Fund (320)

- Programs \$236,605 design expenditures for the Tacoma/Puyallup Roundabout, with an associated transfer in from Traffic Impact Fees
- Reduces \$56,000 from Town Center: Maple & Cherry Utilities (project deferred).

Water Fund (401)

- Programs \$56,250 for vehicle acquisition;

- Programs \$151,134 for utility work on Washington St. Improvement

Sewer Fund (402)

- Programs \$56,250 for vehicle acquisition;
- Programs \$151,134 for utility work on Washington St. Improvement
- Programs additional \$30,000 for filter media replacement at Central Well.

Stormwater Fund (408):

- Programs \$112,500 for (2) vehicle acquisitions;
- Programs \$1,355,000 for Emergency Storm Pipe Repair (December 2025 flooding; may be eligible for FEMA participation).

Fleet Operations Fund (550)

- Program \$40,000 for increased fuel costs.

Fleet Replacement Fund (555)

- Recognizes assessment revenues from Water, Sewer, and Storm programs and \$225,000 for (4) vehicle acquisitions;
- Programs \$60,000 to replace Utility Locate Truck 33-111 (deferred replacement from 2025).

Impact Fee Fund

- Transfers Out \$429,826 to support Heritage Park Phase 3/4 Design;
- Transfers Out \$46,847 to support Puyallup River Trail Crossing;
- Transfers Out \$236,605 to support Tacoma/Puyallup roundabout design.

Ord No. 2969

BA 07/06/2026

	<i>Revenues</i>	<i>Expenditures</i>
General Fund	\$ 77,000	406,300
Reserve Funds	-	-
Special Revenue Funds	-	-
Debt Service Funds	-	-
Capital Funds	1,228,360	1,387,273
Utility Funds	-	1,863,625
Other Enterprise Funds	-	-
Internal Service Funds	225,000	316,930
Fiduciary Funds	-	713,278
	\$ 1,530,360	\$ 4,687,406

COUNCIL COMMITTEE/STUDY SESSION: Finance & Personnel Committee
MEETING/STUDY SESSION DATE: 6/10/2026
COMMITTEE RECOMMENDATION:

STAFF RECOMMENDATIONS/MOTION:

**ORDINANCE NO. 2969
CITY OF SUMNER, WASHINGTON**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SUMNER, WASHINGTON, AMENDING THE 2025/2026 BIENNIAL BUDGET AS ORIGINALLY ADOPTED IN ORDINANCE NO. 2905, APPROVED DECEMBER 9, 2024, AND PREVIOUSLY AMENDED IN ORDINANCE 2920, APPROVED FEBRUARY 18, 2025, ORDINANCE 2921, APPROVED MARCH 3, 2025, ORDINANCE 2929, APPROVED JULY 21, 2025, ORDINANCE 2945, APPROVED DECEMBER 1, 2025, AND ORDINANCE 2955, APPROVED MARCH 16, 2026.

WHEREAS, The Sumner City Council approved Ordinance No. 2905 which adopted a biennial budget for fiscal years 2025-2026; and

WHEREAS, The Sumner City Council approved Ordinance No. 2920 which amended the 2025-2026 biennial budget for fiscal years 2025-2026; and

WHEREAS, The Sumner City Council approved Ordinance No. 2921 which amended the 2025-2026 biennial budget for fiscal years 2025-2026; and

WHEREAS, The Sumner City Council approved Ordinance No. 2929 which amended the 2025-2026 biennial budget for fiscal years 2025-2026; and

WHEREAS, The Sumner City Council approved Ordinance No. 2945 which amended the 2025-2026 biennial budget for fiscal years 2025-2026; and

WHEREAS, The Sumner City Council approved Ordinance No. 2955 which amended the 2025-2026 biennial budget for fiscal years 2025-2026; and

WHEREAS, RCW 35A.34 provides procedures for adopting, managing, and amending a biennial budget; and

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

Section 1. Amendment. The biennial budget for the City of Sumner for the period January 1, 2025 through December 31, 2026 as contained in the adopted 2025-2026 Biennial Budget for total revenue/sources and expenditures/uses as approved by the City Council, is hereby amended by Total Revenue and Expenditures for each fund as shown on the attached Exhibit A.

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 6th day of July, 2026.

Mayor Carla S. Bowman

ATTEST:

APPROVED AS TO FORM:

Michelle Converse, CMC, City Clerk

Andrea Marquez, City Attorney

Date Adopted: XXX XX, 2026
Date of Publication: XX XX, 2026 Online / XX ZZ, 2026
Effective Date: XX, XX, 2026

Funds	Beginning Fund Balance		Revenues			Expenditures			Ending Fund Balance
	<i>Adopted</i>	<i>Adopted</i>	<i>Previous</i>	<i>07/06/26</i>	<i>Adopted</i>	<i>Previous</i>	<i>07/06/26</i>	<i>Revised</i>	
001 General	15,063,770	\$ 45,331,653	\$ 573,363	\$ 77,000	\$ 46,636,320	\$ 1,826,593	\$ 406,300	\$ 12,176,573	
002 General Fund Reserves	980,824	-	-	-	-	-	-	980,824	
003 Building Reserves	345,756	200,000	-	-	340,000	-	-	205,756	
004 Capital Fund Reserves	46,792,851	600,000	-	-	-	27,414,048	-	19,978,803	
103 Complete Streets	-	-	1,195,389	-	-	1,195,389	-	-	
105 Drug Enforcement	67,062	-	-	-	5,000	1,700	-	60,362	
106 Hotel/Motel	337,632	320,000	-	-	11,000	350,000	-	296,632	
115 ARPA Funding	258,293	-	-	-	50,000	6,000	-	202,293	
120 Transportation Benefit District	-	-	850,000	-	-	400,000	-	450,000	
200 Debt Service	2,050,121	1,576,840	4,300,330	-	1,618,400	4,438,232	-	1,870,659	
221 LID Guarantee	691,569	-	-	-	-	-	-	691,569	
302 Sidewalk	779,515	1,383,682	35,789	347,016	1,843,682	86,339	347,016	268,965	
305 Real Estate Excise Tax	1,933,007	1,600,000	560,000	-	-	-	214,913	3,878,094	
310 Parks & Trails Capital Fund	1,772,306	7,458,910	273,806	644,739	7,949,410	273,806	644,739	1,281,806	
320 Street Capital Fund	10,609,786	24,308,166	704,678	236,605	25,808,846	704,678	180,605	9,165,106	
325 Facilities Capital Fund	589,173	1,353,000	51,320,726	-	1,020,000	51,333,226	-	909,673	
401 Water	19,482,216	12,782,361	-	-	26,281,363	2,229,970	237,384	3,515,860	
402 Wastewater	16,680,743	37,096,804	135,810	-	45,031,513	(107,504)	158,741	8,830,607	
403 Utility Bond Reserves	1,731,342	-	-	-	-	-	-	1,731,342	
408 Stormwater	27,371,780	39,997,724	250,000	-	56,185,434	290,106	1,467,500	9,676,465	
410 Cemetery Operations	72,310	1,603,200	184,625	-	1,664,149	191,724	-	4,262	
415 Cemetery Development	693,091	-	202,350	-	490,000	202,350	-	203,091	
440 Animal Control	12,783	2,492,544	73,922	-	2,401,161	97,254	-	80,834	
501 Unemployment Insurance	7,326	-	-	-	-	-	-	7,326	
550 Fleet Management	71,035	1,624,162	142,336	-	1,669,886	142,336	40,000	(14,689)	
551 Information Technology	504,808	3,827,680	203,350	-	4,141,430	335,347	(8,070)	67,131	
555 Equipment Reserve	1,106,983	1,902,440	303,675	225,000	615,000	1,138,610	285,000	1,499,488	
601 Cemetery Endowment	1,590,876	37,000	-	-	-	-	-	1,627,876	
605 Development Impact Fees	6,522,175	500,000	-	-	440,302	332,359	713,278	5,536,236	
611 Firemen's Pension	32,855	173,000	-	-	180,000	20,000	-	5,855	
Total All Funds	\$ 158,151,988	\$ 186,169,166	\$ 61,310,149	\$ 1,530,360	\$ 224,382,896	\$ 92,902,563	\$ 4,687,406	\$ 85,188,799	



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.

<p>COUNCIL COMMITTEE/STUDY SESSION: Finance & Personnel Committee MEETING/STUDY SESSION DATE: 6/10/2026 COMMITTEE RECOMMENDATION: Informational only; no Committee action required.</p>
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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: 6/10/2026

COMMITTEE RECOMMENDATION: Informational only; no Committee action required.

STAFF RECOMMENDATIONS/MOTION:

Informational only; no further action required.