

HIGHLINE WATER DISTRICT KING COUNTY, WASHINGTON

RESOLUTION 18-5-16A

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF HIGHLINE WATER DISTRICT, KING COUNTY, WASHINGTON, MODIFYING AND INCREASING CERTAIN DISTRICT FEES AND CHARGES TO PASS THROUGH FEDERAL WAY EXCISE TAX AND RELATED FEES AND CHARGES.

WHEREAS, Highline Water District ("District") is a special purpose water district authorized and existing pursuant to Title 57 Revised Code of Washington ("RCW"); the District owns and operates a water utility system and provides retail water service to customers located within the District's corporate and approved water service area boundaries; and

WHEREAS, the City of Federal Way ("City"), enacted Ordinance No. 18-847 on March 20, 2018 ("Ordinance") levying an excise tax ("Excise Tax") in the amount of 7.75% on the District's gross income from the provision of water utility services within the City; and

WHEREAS, it is necessary to modify and increase certain District fees and charges applicable within the District's water service area located within the City's boundaries to collect such Excise Tax; now, therefore,

BE IT RESOLVED, by the Board of Commissioners of Highline Water District, King County, Washington, as follows:

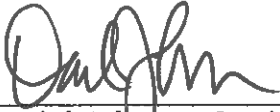
1. The recitals set forth above are incorporated herein in full by this reference.
2. All District fees and charges, including the District's water service rates and general facility connection charges ("GFCs") as set forth in Resolution No. 16-8-23A subject to the Excise Tax are hereby modified and increased by an amount necessary to cover the full cost of such Excise Tax, including any Washington State public utility tax on such fees and charges.
3. In determining the District fee or charge subject to the Excise Tax, revenue derived from any governmental function performed by the District, such as the provision of fire suppression facilities and fire hydrants, shall be subtracted from and not included in the calculation of District fees and charges subject to the Excise Tax.
4. District staff are authorized and directed to amend the District's Code to incorporate the provisions of this Resolution therein.
5. This resolution shall be effective the date set forth below.

**HIGHLINE WATER DISTRICT
KING COUNTY, WASHINGTON**

RESOLUTION 18-5-16A

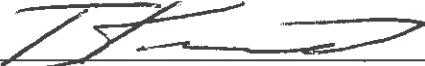
ADOPTED BY THE BOARD OF COMMISSIONERS of Highline Water District, King County, Washington, at an open public meeting held on the **16th** day of **May 2018**.

BOARD OF COMMISSIONERS



Daniel Johnson, President

Kathleen Quong-Vermeire, Secretary



Todd Fultz, Commissioner



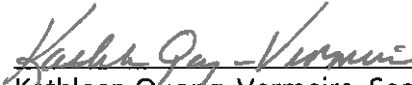
Vince Koester, Commissioner



George Landon, Commissioner

ATTEST

I, the undersigned Secretary of the Board of Commissioners of Highline Water District, King County, Washington, do hereby certify that the within and foregoing is a true and correct copy of Resolution No. 18-5-16A adopted at a regular open public meeting thereof held on the 16th day of May, 2018.



Kathleen Quong-Vermeire, Secretary
Board of Commissioners

Agenda Item No.: 5.1
Agenda Date: 05/16/18
Reviewed By: M.E.

SUBJECT: Resolution authorizing modifying and increasing certain District fees and charges to pass through Federal Way excise tax and related fees and charges.

CATEGORY	
<i>Executive</i>	<input type="checkbox"/>
<i>Administrative</i>	<input checked="" type="checkbox"/>
<i>Engineering/Operations</i>	<input type="checkbox"/>

FINANCIAL					
<i>Expenditures?</i>	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	N/A <input checked="" type="checkbox"/>
<i>Budgeted?</i>	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	N/A <input checked="" type="checkbox"/>
<i>Amount:</i> \$ _____					

ATTACHMENTS:

1. Resolution 18-5-16A

COMMENTS:

The City of Federal Way enacted Ordinance No. 18-847 on March 20, 2018 levying an Excise Tax in the amount of 7.75% on the District’s gross income from the provision of water utility services within the City.

It is necessary to modify and increase certain District fees and charges applicable within the District’s water service area located within the City’s boundaries to collect such Excise Tax.