

WEST SOUND UTILITY DISTRICT

Board of Commissioners
Regular Board Meeting

December 21, 2022
1:00 PM

Please direct your smart device or computer to www.wsud.us/meetings for information on virtual attendance.

AGENDA

PUBLIC COMMENTS

CONSENT AGENDA

1. Approval of the Regular Board Meeting Minutes of December 7, 2022
2. Approval of Vouchers WSUD #31055 through #31097 in the amount of \$69,723.01
3. Approval of Vouchers SKWRF #17265 through #17283 in the amount of \$45,960.15
4. Approval of December Payroll in the amount of \$194,301.34

BOARD DISCUSSION/ACTION ITEM

1. Board of Commissioners, Recognition of Kevahn Steinke, 35 Years of Service
2. Board of Commissioners, Recognition of Retirement of Michael Ridgeway
3. Board Discussion, GFC Rate Prepayment, Overlook Apartments
4. Board Discussion, Section 9.5 of the Administrative Code, Sewer Rates, Commencement of Service
5. Resolution 1046-22, Establishing a Rate Schedule for Properties Served within the City of Port Orchard to Recover an Imposed Utility Tax

STAFF REPORTS

1. Plant Manager
2. Operations Manager
3. Finance Manager
4. General Manager

COMMISSIONERS' REPORTS

EXECUTIVE SESSION

Executive Sessions may be scheduled or announced for discussions per RCW 42.30.110.

FUTURE MEETINGS

January 4	Regular Board Meeting
January 18	Regular Board Meeting
February 1	Regular Board Meeting
February 15	Regular Board Meeting

Executive Sessions may be scheduled as needed for personnel, legal and other similar matters.

The Board may add and take action on other items not listed on the agenda

WEST SOUND UTILITY DISTRICT
Minutes of Meeting of the Board of Commissioners
2924 SE Lund Avenue, Port Orchard, WA 98366
Wednesday, December 07, 2022 at 1:00 p.m.

Chairperson: Jerry Lundberg
Vice Chairperson: Susan Way
Commissioner: James J. Hart

Attending: Randy Screws, General Manager
John Tapia, Operation Manager
Marty Grabill, Plant Manager
Joy Ramsdell, Finance Manager
Amber Brooks, Accounting/Office Assistant
Ken Bagwell, Attorney (Virtual)

The meeting was called to order by Commissioner Lundberg at 1:00 p.m.

PUBLIC COMMENTS

CONSENT AGENDA

1. Board of Commissioners Proclamation, Michael Ridgeway
2. Resolution 1039-22, Second Reading, Amending Water/Sewer Rates, Charges and Fees
3. Resolution 1040-22, Second Reading, Amending Water/Sewer GFC Charges
4. Resolution 1041-22, Second Reading, Adopting the 2023 SKWRF Annual Budget
5. Resolution 1042-22, Second Reading, Adopting the 2023 WSUD Annual Budget
6. Resolution 1044-22, DEC Acceptance, Richmond American Homes, Emelia Landing
7. Resolution 1045-22, Amending of Water/Sewer Policies, Procedures and Master Schedule of Fees and Charges

Commissioner Hart moved to approve the items in the Consent Agenda. The motion was Seconded by Commissioner Way; motion approved 3-0.

BOARD DISCUSSION/ACTION ITEM

Discussion, Board of Commissioners Proclamation, Michael Ridgeway
Commissioner Lundberg read the Proclamation.

Resolution 1039-22, Second Reading, Amending Water/Sewer Rates, Charges and Fees
Passed 3-0

Resolution 1040-22, Second Reading, Amending Water/Sewer GFC Charges
Passed 3-0

Resolution 1041-22, Second Reading, Adopting the 2023 SKWRF Annual Budget
Passed 3-0

Resolution 1042-22, Second Reading, Adopting the 2023 WSUD Annual Budget
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Resolution 1044-22, DEC Acceptance, Richmond American Homes, Emelia Landing
Passed 3-0

Resolution 1045-22, Amending of Water/Sewer Policies, Procedures and Master Schedule of Fees and Charges
Passed 3-0

STAFF REPORTS

PLANT MANAGER'S REPORT

Plant Manager Marty Grabill Reported:

- Testing and monitoring as required by the NPDES Permit. Still maintaining permit limits.
- In house projects continue. Busy times in the world of SKWRF.
- Outfall inspection has been performed 12/6/2022. Currently awaiting report and video to submit. Initial conversations with divers is that nothing is in need of repairs and flow is consistent through all ports but the last 2.
- Resubmitted Municipal DMR 11/8/2022 and 11/28/2022.
- Storm water sampling still waiting for some flood waters at SKWRF to be able to get a sample.

PSE Conservation Grant Agreement (2021-2023)

- Continuous work with PSE on Conservation Grant Agreement. Year 2 of 3.

Rotary Drum Thickener-ESCO (2022)

- Received 90% drawings from Tran 11/29/2022.
- Submitted drawings to Ecology on 11/29/2022 for review. Awaiting approval on those, word is a minimum of 2 weeks before they will even get to take a look at them. Once we receive comments from Ecology we can get the design finalized.

Nutrient General Permit (2022)

- Ongoing testing and documentation.
- Updates on grant funding- new Grant Project Manager hired for DOE.
- Awaiting some sort of contract.
- Currently collaborating with Jacob who is the engineer through AWC on nutrient optimization planning. I did volunteer for the free assistance through AWC. Meeting and site visit scheduled the next two weeks.

OPERATION MANAGER'S REPORT

Operations Manager John Tapia Reported:

CIP - South Park Main Replacement

- Locate and survey completed for the site.
- WSE is working on the recommended easement.

Powell Booster Station Engineering

- Addendum for project received. This is for offsite pipe abandonment and upsizing, no update.

Sedgwick Water Main/Culvert Project

- We have been notified by WSDOT and Fisheries that the water main is in conflict with a new fish stream crossing culvert.
- Low bid came in at \$1,600,455.00 by Ceccanti.
- Restoring a shoulder portion of the road done and Kitsap County has passed off on the ROW permit.

Eisenhower Main Replacement

- Engineers estimate is \$390,000.00.
- Low bid came in at \$401,455.00 by Pape and Sons.
- Project is complete; L&I has closed it out.

Fircrest/Mile Hill Main Replacement

- 2" galvanized to be replaced.
- Possible development going in, no update.

Olney Sewer Replacement

- Engineering contract has been signed with WSE.
- Project design has started with locate being complete.

Well 21 Pump and Motor Replacement

- Mitchell Lewis agreed to warranty the pump, saving \$18K.
- Pump & motor installed and pumping at 640 gpm.
- Project is closing out with L&I.

Crew:

1. St. Vincent DePaul project: City contacted about the permit. Reached out to Caseco for time update, estimated date was October 20th. Still pending.
2. Commercial water meter replacements continue, 35 commercial meters remain.
3. Water main flushing of the upper gradient.
4. Fire line survey continues, 4 left of them are schools scheduled on Wednesday.
5. Working on project close outs and end of year assignments.

Water Production

- 2021: 612,070,000
- 2022: 575,638,000
- 1.3 million gallons per day average
- Difference: 36,432,000 gallons less.

Rain Gauge

- 2021: 49.29”
- 2022: 42.02”
- Difference: 7.27” less than last year.

FINANCE MANAGER’S REPORT

Finance Manager Joy Ramsdell Reported:

- Billed consumption 45m gallons, 24% increase compared to Nov 2021.
- November revenues - Water \$358K, 20% up, added 10 new connections; Sewer \$423K, 16% increase, added 1 new connection.
- 1,831 accounts using online pay including 1,567 auto pay, 26 final billings.
- Start year end tasks – PO clean up, review projects, book fixed assets, create new fiscal year and enter 2023 budget in Springbrook.
- Continue auditing. Most are completed and will schedule exit conference soon.
- Final 2022 AP on the 29th. All departments should turn in invoices by the 23rd at noon to count in this year’s budget.

GENERAL MANAGER’S REPORT

General Manager Randy Screws Reported:

- Discussed Michael Ridgeway’s retirement.
- Fire line survey continues. Fire line survey is to account for all connections and to develop fire line and fire suppression service rates. A few accounts remain for physical verification. The information currently compiled has been forwarded to the rate consultants to determine a rate for fire lines and fire suppression rates for review and presentation to the Board.
- Street light survey is complete. Staff are in the process of reviewing the information.
- Continue reviewing ADU Policies.
- Completed the annual Federal Motor Safety Administration Clearinghouse query reports. Employers of CDL drivers must conduct a query in the Drug and Alcohol Clearinghouse at least once per year for each CDL driver they employ (per 49 CFR [382.701](#)).

COMMISSIONERS’ REPORTS

Commissioner Hart attended the WASWD meeting. Commissioner Lundberg and Way had nothing to report.

EXECUTIVE SESSION

No executive session requested.

ADJOURN

Commissioner Lundberg moved to adjourn the meeting at 2:35 p.m. The motion was seconded by Commissioner Way; motion approved 3-0.

Jerry Lundberg
Chairperson

Susan Way
Vice-Chairperson

James Jay Hart
Secretary

**WEST SOUND UTILITY DISTRICT
RESOLUTION 1046-22**

**A RESOLUTION OF THE
WEST SOUND UTILITY DISTRICT
BOARD OF COMMISSIONERS
AMENDING WATER AND SEWER RATES TO DEFINE A RATE
STRUCTURE ON CUSTOMERS WITHIN PORT ORCHARD CITY
LIMITS TO RECOVER THE COST OF AN IMPOSED CITY TAX ON
WATER AND SEWER SERVICES**

WHEREAS, RCW 57.08 authorizes water and sewer districts to establish water and sewer rates; and

WHEREAS, the District Board of Commissioners adopted Resolution 1039-22 on December 7, 2022, which modified water and sewer rates, policies and procedures; and

WHEREAS, on December 13, 2022, the City of Port Orchard (COPO) adopted Ordinance No. 051-22 (Exhibit “A”) amending as part of its Municipal Code 5.84 imposing a water and sewer utility tax effective January 1, 2023 on the District; and

WHEREAS, Any city or town in Washington may impose a utility business and occupation (B&O) tax, also known as a Utility Tax upon the income of public and private utilities providing services within the boundaries of that city; and

WHEREAS, COPO has extended this tax burden to include those gross revenues generated by some water and sewer services provided by the District within the COPO Boundaries; and

WHEREAS, the cost-of-service for water and sewer utility services is determined by equitable cost recovery in proportion to the demands each customer class or entity places on the system based on functions of service and known or assumed cost causation; and

WHEREAS, the District has determined that due to the imposition of a Utility Tax on the District, it is necessary to update the water and sewer rates and associated fees for those customers within the incorporated limits of COPO to include recovery of such cost-of-service; **NOW, THEREFORE**,

THE BOARD OF COMMISSIONERS OF WEST SOUND UTILITY DISTRICT HEREBY RESOLVES:

Section 1. The Board of Commissioners hereby establishes a separate rate schedule Exhibit “B” to address cost recovery of an imposed utility tax on the District for water and sewer services provided within the Incorporated Limits of the COPO as agreed to per Exhibit “C”.

Section 2. The Board of Commissioners hereby adopts a markup calculation in determining the equitable rate for cost recovery for the utility billing markup percentage for water and sewer services provided as follows:

$$\textit{“Equivalent Markup Rate = Stated Rate} \div (1 - \textit{Stated Rate)”}$$

The formula is to ensure the District collects sufficient revenue to maintain its cost of service rate with consideration of the gross revenue imposed tax rate.

APPROVED and ADOPTED by the Board of Commissioners of West Sound Utility District at a Board meeting scheduled on December 21, 2022.

WEST SOUND UTILITY DISTRICT
Kitsap County, Washington

Jerry Lundberg
Chairperson

Susan Way
Vice Chairperson

James J. Hart
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WEST SOUND UTILITY DISTRICT
Kitsap County, Washington

Jerry Lundberg
Chairperson

Susan Way
Vice Chairperson

James J. Hart
Secretary

ORDINANCE NO. ____

AN ORDINANCE OF THE CITY OF PORT ORCHARD, WASHINGTON, REGARDING UTILITY TAXES, AMENDING CHAPTER 5.84 OF THE PORT ORCHARD MUNICIPAL CODE TO RENAME THE CHAPTER "WATER, SEWER, STORM BUSINESS AND OCCUPATION TAX", AND ADOPTING NEW SECTIONS 5.84.005, 5.84.008, 5.84.015, 5.84.020, 5.84.030, 5.84.040, 5.84.050, 5.84.060, 5.84.070, 5.84.080, 5.84.090, 5.84.100, 5.84.110, 5.84.120, 5.84.130, 5.84.140, 5.84.150 TO THE PORT ORCHARD MUNICIPAL CODE TO CREATE PROCEDURES FOR ADMINISTERING THE CHAPTER, AMENDING SECTION 5.84.010 OF THE PORT ORCARD MUNICIPAL CODE EXPAND THE IMPOSITION OF BUSINESS AND OCCUPATION TAXES FOR WATER AND SEWER UTILITIES TO ALL SUCH UTILITIES THAT OPERATE WITHIN THE CITY OF PORT ORCHARD, REDEFINING THE BUSINESSES SUBJECT TO THE FIVE PERCENT TAX TO INCLUDE ALL WATER AND SEWER BUSINESS PROVIDING SERVICE IN PORT ORCHARD; PROVIDING FOR REFERENDUM FOR CERTAIN PORTIONS OF THIS ORDINANCE; PROVIDING FOR IMPLEMENTATION, SEVERABILITY AND CORRECTIONS; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, in accordance with RCW 35A.82.020 the City of Port Orchard has the authority to levy utility taxes; and

WHEREAS, under Washington law the City may levy utility tax upon Cable TV, electricity, gas, sewer, stormwater, solid waste, steam, telephone services, and water; and

WHEREAS, the City's utility tax on water and sewer was first enacted in 1970 and has not been expanded or increased since that time; and

WHEREAS, POMC 5.84.010 imposes an excise tax on the gross incomes of municipal water and sewer utilities; and

WHEREAS, POMC 5.84.010 has not historically imposed an excise tax on the gross incomes from water services or sewer services provided by other than the municipal utilities operated by Port Orchard which had led to only a portion of the City's residents being subject to this tax; and

WHEREAS, in addition to the City of Port Orchard providing water and sewer services to properties in Port Orchard, Bremerton and West Sound Utility District also serve some customers inside the jurisdictional boundaries of Port Orchard; and

WHEREAS, in order to create equity across the City, all customers who receive water and sewer services inside the Port Orchard jurisdictional boundaries should be subject to the same city taxes; and

WHEREAS, the Washington Supreme Court held in *Lakehaven Water & Sewer Dist. v. City of Fed. Way*, 195 Wn.2d 742, 466 P.3d 213 (2020), that RCW 35A.82.020 gives cities the authority to impose excise taxes on utility districts, and the governmental immunity doctrine does not shield utility districts from excise taxes because the utilities perform a proprietary function by providing utility services to ratepayers; and

WHEREAS, more than 150 cities and towns in Washington impose an excise tax on the gross incomes from water services and/or sewer services provided by public and private utilities; and

WHEREAS, the City Council intends that the business activities of all public and private water services and sewer services in Port Orchard to be subject to an excise tax according to POMC 5.84.010; and

WHEREAS, the City Council finds it necessary to expand the types of excise taxes levied by Port Orchard to create equity across the city and to pay for municipal services and expenses which are enjoyed by all residents in the city; and

WHEREAS, the City Council must balance Port Orchard's need for new revenue sources to pay for basic municipal services with the burden of an excise tax on public and private water and sewer utilities; and

WHEREAS, the City Council has determined that it is in the public's best interest that Port Orchard impose an excise tax on public and private utilities engaged in or carrying on the business of providing water and sewer services in Port Orchard; now, therefore,

THE CITY COUNCIL OF THE CITY OF PORT ORCHARD, WASHINGTON, DOES HEREBY ORDAIN AS FOLLOWS:

Section 1. Findings. The findings and recitals set forth above are hereby adopted and incorporated herein by this reference.

Section 2. Chapter 5.84 of the Port Orchard Municipal Code is hereby retitled "Water, Sewer, Storm Business and Occupation Tax".

Section 3. A new section 5.84.005 is hereby added to the Port Orchard Municipal Code to read as follows:

5.84.005 Power to license for revenue.

The provisions of this chapter shall be deemed to be an exercise of the power of the City to license for revenue.

Section 4. A new section 5.84.008 is hereby added to the Port Orchard Municipal Code to read as follows:

5.84.008 Definitions.

In construing the provisions of this chapter, except when otherwise plainly declared or clearly apparent from the context, the following definitions shall apply:

(1) "Gross income" is the value preceding or accruing from the sale of tangible property or service, and receipts (including all sums earned or charged, whether received or not) by reason of the investment of capital in the business engaged in, including rentals, royalties, fees or other emoluments, however designated (excluding receipts or proceeds from the use or sale of real property or any interest therein, and proceeds from the sale of notes, bonds, mortgages, or other evidences of indebtedness, or stock and the like) and without any deduction on account of the cost of the property sold, the cost of materials used, labor costs, interest or discount paid, or any expense whatsoever, and without any deduction on account of losses, but allowing a deduction for the amount of credit losses sustained by the taxpayer during the period covered.

(2) "Taxpayer" is any person liable to the license fee or tax imposed by this chapter.

(3) "Tax period or taxable period" are the quarters ending on March 31st, June 30th, September 30th, and December 31st.

(4) "Person" or "persons" mean persons of either sex, firms, co-partnerships, corporations and other associations of natural persons, whether acting by themselves or by servants, agents or employees.

(5) "Sewerage system business" means and includes:

(a) Sanitary sewage disposal sewers and facilities, including without limitation on-site or off-site sanitary sewer facilities consisting of an approved septic tank or septic tank systems, or any other means of sewage treatment and disposal;

(b) Combined sanitary sewage disposal and storm or surface water drains and facilities;

(c) Storm or surface water drains, channels and facilities;

(d) Outfalls for storm drainage or sanitary sewage and works, plants, and facilities for storm drainage or sanitary sewage treatment and disposal;

(e) Any combination of or part of any or all of such facilities.

(6) "Water distribution business" means and includes every person engaged in the business of distributing, furnishing, or selling water services for commercial or domestic use or purpose.

Section 5. Section 5.84.010 of the Port Orchard Municipal Code is hereby amended to read as follows:

POMC 5.84.010 Rate – Payment – Purpose.

There is levied upon, and there shall be collected from, every person, firm or corporation engaged in or carrying on the business of furnishing, for a monetary consideration, water distribution or sewerage system services, within or partly within the corporate limits of the City, an annual tax for the privilege of so doing, equal to five percent (5%) of the total gross revenue from such business in Port Orchard during the period for which the tax is due.

~~A business and occupation tax at the rate of five percent per year is imposed against the gross revenues received for charges for current services for customers of the water and sewer utilities, which amounts shall be paid monthly from the water and utility funds to the current expense fund. This tax is imposed to cover the costs of administering the water and sewer utilities which are not directly chargeable thereto.~~

Section 6. A new section 5.84.015 is hereby added to the Port Orchard Municipal Code to read as follows:

5.84.015 Use and accountability of tax proceeds.

All Revenues collected under this chapter shall be deposited into the general fund and shall be used to fund municipal programs, services, or capital projects as the council shall direct through its annual budget process.

Section 7. A new section 5.84.020 is hereby added to the Port Orchard Municipal Code to read as follows:

5.84.020 Occupation license required.

(1) No person shall engage in or carry on any business, occupation, pursuit or privilege for which a license fee or tax is imposed by this chapter without having first obtained, and being the holder of, a valid and subsisting license known as an occupation license.

(2) Any taxpayer who engages in or carries on any business subject to the tax imposed by this chapter without having a valid occupation license is guilty of a violation of this chapter for each day during which the business is engaged in or carried on, and any taxpayer who fails or refuses to pay the license fee or tax on any part thereof on or before the due date shall be deemed to be operating without a license.

Section 8. A new section 5.84.030 is hereby added to the Port Orchard Municipal Code to read as follows:

5.84.030 License period.

All occupation licenses shall be for the calendar year for which issued and shall expire at the end of that year.

Section 9. A new section 5.84.040 is hereby added to the Port Orchard Municipal Code to read as follows:

5.84.040 Payment of tax.

Effective January 1, 2023, the tax due under this chapter shall be paid quarterly during the year, to be based upon gross income received during each quarter ending March 31st, June 30th, September 30th and December 31st. The tax shall be an amount equal to the percent of the gross income from the business of the taxpayer in the city during the previous quarter as set forth in POMC 5.84.010, and shall be due within 45 days after the end of the quarter.

Section 10. A new section 5.84.050 is hereby added to the Port Orchard Municipal Code to read as follows:

5.84.050 Exceptions and deductions.

(1) In computing the annual tax there shall be deducted from the gross operating revenues the following items:

(a) The amount of credit losses and uncollectibles actually sustained by the taxpayer whose regular books are kept on an accrual basis, provided, that to be eligible for said deduction the taxpayer must provide proof of such credit losses and uncollectibles;

(b) Amounts derived from transactions in interstate or foreign commerce or from any business which the City is prohibited from taxing under the Constitution of the United States or the Constitution of the State of Washington.

(c) Charges by a taxpayer engaging in any water or sewer occupation activity subject to this chapter for sales of water or sewer services to any purchaser engaged in the same utility occupation activity that the purchaser buys for the purpose of resale.

(2) Any person subject to the payment of a license fee or tax under the provisions of any ordinance of the City, other than this chapter, on account of engaging in any activity for which such person is liable to tax under this chapter may deduct the amount of such fee or tax imposed by this chapter on account of

such activity, but such person shall nevertheless, in the manner herein provided for, apply for and procure an occupation license.

(3) Nothing in this chapter shall be construed as requiring a license, or the payment of a license fee or tax, or the doing of any act which would constitute an unlawful burden or interference in violation of the Constitution or laws of the United States or which would not be consistent with the Constitution or laws of the State of Washington.

Section 11. A new section 5.84.060 is hereby added to the Port Orchard Municipal Code to read as follows:

5.84.060 Application or return for license.

(1) On or before the first day of each year, every taxpayer shall apply to the city finance director for an occupation license upon blanks or forms of returns to be prepared and provided by him, requesting such information as may be necessary to enable him to arrive at the lawful amount of the fee or tax. The taxpayer shall write in a legible manner in such blank or form of return the information required and shall sign the same, and by affidavit at the foot thereof shall swear or affirm that the information given is full and true and that he or she knows the same to be so.

(2) Every such application or return shall be filed not later than 45 days after the last day of each year.

(3) If the applicant is a partnership, the application or return must be made by one of the partners; if a corporation, by one of the officers thereof; if a foreign corporation, co-partnership or nonresident individual by the resident agent or local manager of said corporation, co-partnership or individual.

Section 12. A new section 5.84.070 is hereby added to the Port Orchard Municipal Code to read as follows:

5.84.070 Sale or transfer of business.

Upon the sale or transfer during any tax year of a business on account of which a fee or tax is hereby required, the purchaser or transferee shall, if the fee or tax has not been paid in full for the year, be responsible for its payment for that portion of the year during which such purchaser or transferee carried on such business.

Section 13. A new section 5.84.080 is hereby added to the Port Orchard Municipal Code to read as follows:

5.84.080 Income records – Returns.

(1) It shall be the duty of each taxpayer taxed upon the taxpayer's gross income to keep and enter in a proper book or set of books or records an account accurately reflecting the amount of the taxpayer's gross income, which account shall always be open to the inspection of the city finance director or duly authorized agent, and from which the officer or agent may verify the return made by the taxpayer.

(2) To the extent permitted by Chapter 42.56 RCW and other applicable statutes, the applications, statements or returns made to the finance director according to this chapter shall not be made public, nor shall they be subject to the inspection of any person except the mayor, the city attorney, the finance director, and anyone working on the finance director's behalf.

Section 14. A new section 5.84.090 is hereby added to the Port Orchard Municipal Code to read as follows:

5.84.090 Investigation of returns.

If any taxpayer fails to apply for license or make the return, or if the city finance director is dissatisfied with the correctness of the statements made in the application or return of any taxpayer, the finance director or authorized agent may enter the premises of such taxpayer at any reasonable time for the purpose of inspecting the taxpayer's books or records of account in order to ascertain the amount of the fee or tax or to determine the correctness of such statements, as the case may be. The finance director or authorized agent may examine any person under oath, addressing the matters inquired into, or may fix a time for an investigation of the correctness of the return and may issue a subpoena to the taxpayer or any other person, to attend upon such investigation and there testify under oath administered by the finance director or agent, in regard to the matters inquired into and may, by subpoena, require the taxpayer or any person to bring such books, records and papers as may be necessary.

Section 15. A new section 5.84.100 is hereby added to the Port Orchard Municipal Code to read as follows:

5.84.100 Over or Under payment of tax.

(1) Overpayment. If the city finance director upon investigation or upon checking returns finds that the fee or tax paid on any of them is more than the amount required of the taxpayer, the finance director shall refund the amount overpaid upon the written request of the taxpayer. Any refund request not submitted within three years of an alleged overpayment shall be forever barred.

(2) Underpayment. If the city finance director finds that the fee or tax paid is less than required, the finance director shall send a statement to the taxpayer showing the balance due, together with a penalty of 10 percent of the amount

due, and the taxpayer shall, within 30 days, pay the amount shown thereon. If payment is not received by the finance director by the due date specified in the notice, the finance director shall add a penalty of an additional 25 percent of the amount of the additional tax found due. If the balance due, including all penalties, is not paid in full within 30 calendar days from the date specified, the penalty shall be increased by 15 percent of the amount due and the total amount due shall accrue interest at the rate of 12 percent per annum. If the finance director finds that all, or any part of, the deficiency resulted from an intent to evade the tax payable hereunder, a penalty of 50 percent of the additional tax found to be due shall be added and the amounts due, including penalties, shall accrue interest at the rate of 12 percent per annum from the date the tax became due and the date payment is actually made.

Section 16. A new section 5.84.110 is hereby added to the Port Orchard Municipal Code to read as follows:

5.84.110 Failure to pay tax; liability and penalties

(1) If any taxpayer fails to apply for license, or to make the return or to pay the fee or tax or any part thereof within 30 days after the tax is due, the city finance director shall ascertain the amount of the fee or tax or installment due and shall notify the taxpayer who shall be liable therefor in any suit or action by the city for the collection of the tax. The city finance director shall also notify the city attorney in writing of the name of the delinquent taxpayer and the amount due from such taxpayer and the city attorney shall, with the assistance of the city finance director, collect the same by any appropriate means or by suit or action in the name of the city.

(2) If a person subject to this tax fails to pay any tax required by this chapter within 15 calendar days after the due date thereof a penalty of 10 percent of the amount of such tax shall be added to the tax, and any tax due under this chapter that is unpaid and all penalties thereon shall constitute a debt to the city and may be collected by a collection agency or court proceedings, which remedy shall be in addition to all other remedies. If the City of Port Orchard prevails on any claim that a taxpayer is in noncompliance with the terms of this chapter, Port Orchard shall be entitled to an award of its attorneys' fees, court costs and fees, and other professional expenses associated with prosecuting the action.

Section 17. A new section 5.84.120 is hereby added to the Port Orchard Municipal Code to read as follows:

5.84.120 Appeals to city council.

(1) Any taxpayer aggrieved by the amount of the fee or tax found by the city finance director to be required under the provisions of this chapter, may appeal to the city council from such finding by filing a written notice of appeal

with the city clerk within 30 days from the time the taxpayer was given notice of the amount. If the determination being appealed is the amount of the tax or fee due, the amount determined by the finance director must be paid to Port Orchard under protest before filing an appeal. The clerk shall, as soon as practicable, fix a time and place for the hearing of the appeal, which time shall be not more than 30 days after the filing of the notice of appeal, and shall cause a notice of the time and place thereof to be delivered or mailed to the appellant. At such hearing the taxpayer shall be entitled to be heard and to introduce evidence in his or her own behalf. The city council shall thereupon ascertain the correct amount of the fee or tax by resolution and the city clerk shall immediately notify the appellant. The amount of the tax, together with costs of the appeal if appellant is unsuccessful therein, must be paid within 30 days after such notice is given.

(2) The mayor may, by subpoena, require the attendance of any person at the hearing of the appeal and may also require the production of any pertinent books and records. Any person served with such subpoena shall appear at the time and place stated therein and produce the books and records required, if any, and shall testify truthfully under oath administered by the mayor as to any matter required of such person pertinent to the appeal, and it shall be unlawful for such person to fail or refuse to do so.

Section 18. A new section 5.84.130 is hereby added to the Port Orchard Municipal Code to read as follows:

5.84.130 Finance director to make rules.

The city finance director shall have the power and the duty, from time to time, to adopt, publish and enforce rules and regulations not inconsistent with this chapter or with law for the purpose of carrying out the provisions thereof. It shall be unlawful to violate or fail to comply with any such rule or regulation.

Section 19. A new section 5.84.140 is hereby added to the Port Orchard Municipal Code to read as follows:

5.84.140 Licenses posted – Nontransferable.

(1) All licenses issued pursuant to the provisions of this chapter shall be kept posted by the licensee in a conspicuous place in the licensee's principal place of business.

(2) No persons to whom a license has been issued pursuant to this chapter shall allow any other person chargeable with a separate license to operate under or display his or her license, nor shall such other person operate under or display such license.

Section 20. A new section 5.84.150 is hereby added to the Port Orchard Municipal Code to read as follows:

5.84.150 False returns, etc.

It shall be unlawful for any person liable for taxes hereunder to fail or refuse to make application or return for a license or to pay the fee or tax or installment when due, or for any person to make any false or fraudulent application or return or any false statement of representation in, or in connection with, any such application or return. It shall be unlawful for any person to aid or abet another in any attempt to evade payment of the fee or tax, or any part thereof, or for any person to fail to appear and/or testify in response to subpoena issued pursuant hereto, or to testify falsely upon any investigation of the correctness of a return, or upon the hearing of any appeal, or in any manner to hinder or delay the city or any of its officers in carrying out the provisions of this chapter.

Section 21. Portion of Ordinance Subject to Referendum. The provision of this Ordinance which imposes taxes, namely Section 5, is subject to the referendum procedure as follows:

1. A referendum petition seeking to repeal this ordinance shall be filed with the City Clerk who shall be designated the person to receive petitions of all types within seven (7) days of the passage by the City Council of this ordinance or publication thereof whichever is later.
2. Within ten days the City Clerk shall confer with the petitioner concerning the form and style of the petition issue an identification number for the petition and cause to be written a ballot title for the measure.
3. The ballot title shall be posed as a question so that an affirmative answer to the question and an affirmative vote on the measure results in the tax or tax rate increase being imposed and a negative answer to the question and a negative vote on the measure results in the tax or tax rate increase not being imposed. The petitioner shall be notified of the identification number and ballot title within this ten (10) day period.
4. After notification of the identification number and ballot title the petitioner shall have 30 days in which to secure on petition forms the signatures of not less than 15 percent of the registered voters of the City and to file the signed petitions with the City Clerk.
5. Each petition form shall contain the ballot title and the full text of the measure to be referred. The City Clerk shall verify the sufficiency of the signatures on the petitions. If sufficient valid signatures are properly submitted the City Clerk shall cause the referendum measure to be submitted to the City voters at the next election within the City or at a special election as provided pursuant to RCW 35.17.260(2).

Section 22. Implementation and Authority. The Mayor, Finance Director, City Clerk, and City Attorney are directed and authorized to take such actions as necessary to implement this Ordinance consistent with state and local laws. The Finance Director is authorized to adopt administrative policies/rules to implement this Ordinance. In addition, during the first year of implementation of this Ordinance, the Finance Director has the authority to provide, at a taxpayer's request, up to a one-quarter year delay in applicability of the taxes contained herein if that taxpayer was not previously included as a taxpayer under Chapter 5.84 POMC as it existed prior to this Ordinance's adoption.

Section 23. 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 constitutionality of any other section, sentence, clause, or phrase of this ordinance.

Section 24. Corrections. Upon the approval of the city attorney, the city clerk is authorized to make any necessary technical corrections to this ordinance, including but not limited to the correction of scrivener's/clerical errors, references, ordinance numbering, section/subsection numbers, and any reference thereto.

Section 25. Effective Date. This ordinance shall be in full force and effect five (5) days after publication as provided by law. However, Section 5 of this ordinance shall not be in full force and effect until 12:01 AM on January 1, 2023. A summary of this ordinance in the form of the ordinance title may be published in lieu of publishing the ordinance in its entirety.

PASSED by the City Council of the City of Port Orchard, APPROVED by the Mayor and attested by the City Clerk in authentication of such passage this 13th day December 2022.

Robert Putaansuu, Mayor

ATTEST:

Brandy Wallace, MMC, City Clerk

APPROVED AS TO FORM:

SPONSOR:

Charlotte A. Archer, City Attorney

John Clauson, Council Member

PUBLISHED:

EFFECTIVE DATE:

Randy Screws

From: Noah Crocker <ncrocker@portorchardwa.gov>
Sent: Wednesday, November 2, 2022 4:40 PM
To: Randy Screws
Cc: Rebecca Zick; Jennifer S. Robertson
Subject: WSUD City of port Orchard Utility Tax
Attachments: 20220927095624.pdf; 1659726v3_DRAFT Ordinance Updating Water and Sewer Utility Tax 11-2-2022.DOCX

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Randy,

We discussed with our attorney, and we agree with the table, comments, and assessment you included. Attached is the draft Ordinance going to council in December.

Let me know if you have any concerns or questions,

Thank you,
Noah

Noah Crocker

Finance Director

City of Port Orchard

360-876-7023

ncrocker@portorchardwa.gov

www.portorchardwa.gov

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Please be aware that e-mails which pertain to City business may be considered public records and may be subject to public disclosure laws. If you think that you have received this e-mail message in error, please notify the sender via e-mail or telephone at 360.876.4407.

From: Noah Crocker
Sent: Tuesday, September 27, 2022 9:59 AM
To: Jennifer S. Robertson <jrobertson@insleebest.com>; Rebecca Zick <rzick@portorchardwa.gov>
Cc: Charlotte A. Archer <CArcher@insleebest.com>
Subject: RE: attorney client privileged communication

Jennifer,

We had a meeting with WSUD regarding the attached letter.

They shared they are going through a process to identify revenues to be included in the rate and thus subject to the B&O tax.

Currently their rate is made up based on a myriad of cost factors. Some of which they do not believe should be subject to the B&O tax.

We can discuss at your convenience, but I wanted to give you a chance to read this over and review their proposed items. They are still working towards a January 1st date.

Thanks,
Noah

Noah Crocker

Finance Director

City of Port Orchard

360-876-7023

ncrocker@portorchardwa.gov

www.portorchardwa.gov

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From: Jennifer S. Robertson <jrobertson@insleebest.com>

Sent: Tuesday, August 9, 2022 11:58 AM

To: Nick Bond <nbond@cityofportorchard.us>; Noah Crocker <ncrocker@portorchardwa.gov>; Rebecca Zick <rzick@portorchardwa.gov>

Cc: Charlotte A. Archer <CArcher@insleebest.com>

Subject: attorney client privileged communication

RE: Water and Sewer Tax Expansion and Increase

Dear Team,

Attached to this email is the draft water/sewer tax ordinance. Since you had no administrative provisions in this chapter, I've created those. This are very similar to the administrative provisions you have in Ch. 5.04 POMC but I've made some changes for clarity or updating. So please read them carefully to verify that these are consistent with you current procedures and can be implemented seamlessly. In addition, per your direction, I've created a new section that would direct all of the increase into the street fund.

Finally, I would recommend that the Council introduce and pass this in early December. That will make it less likely that anyone will bring a referendum on the increase as people are busy with the holidays.

Let me know when you're ready to discuss and we can schedule a meeting.

Note, I will be on vacation from 8/11-8/18. Thanks!

Sincerely,
Jennifer

INSLEE **Jennifer S. Robertson** | Attorney
Skyline Tower, Suite 1500 | 10900 NE 4th Street | Bellevue, WA 98004
BEST : 425.450.4204 | F: 425.635.7720
[vCard](#) | [website](#) | jrobertson@insleebest.com

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RECEIVED

AUG 26 2022

**CITY OF PORT ORCHARD
CITY CLERKS OFFICE**

August 22, 2022

Honorable Rob Putaansuu, Mayor
216 Prospect Street
Port Orchard, WA 98366

RE: 180 Days' Notice for Imposition of Utility Taxes on West Sound Customers in Port Orchard

Dear Mayor Putaansuu,

This letter is to acknowledge receipt of your letter notifying West Sound Utility District (District) of the imposition of a Utility Tax based on City of Port Orchard Municipal Code Section 5.84.010 as it now exists or may be amended

Contained within your letter, you had acknowledged the administrative implications on the District and extended an opportunity to discuss implementation timeline. The District appreciates the City's understanding and reserves the ability to discuss this once we have had a clear understanding of the timeline needed as we continue to navigate through modification of our accounting and billing systems. We have been in the process of a financial software upgrade process, which began in June and completed in the early part of August.

To ensure proper application of the imposed Utility Tax to the services within the incorporated limits of the City. The District will need to have an understanding of services subject to the Utility Tax in order to identify the time needed for segregation of currently bundled charges/fees and help define a time line for implementation of the Utility Tax into our Utility Financial and Billing systems.

Attached, I have identified the charges/fees that customers of the District typically incur relating to District business activities and the providing of services for water and or sewer. You will note that the attachment provides for what the District has identified as Revenue Sources and interpretation of applicability as to what is subject to the Utility Tax.

I would recommend with consideration of the historical working relationship between the City and District, that discussions regarding applicability could be accomplished by informal meetings/discussions unless otherwise warranted as this process has served both the City and the District well in the past.

I look forward to your review of the attached and providing notification of agreement or counter position for discussion.

Sincerely,

A handwritten signature in black ink, appearing to read "Randy Screws", written over a light blue circular stamp.

Randy Screws
General Manager

Cc: Board of Commissioners
Joy Ramsdell, Finance Manager
Attachment: Water/Sewer Revenue Sources



Item	Revenue Sources	General Description	Subject to COPO Utility Tax	WSUD's Interpretation of Applicability
1	Water & Sewer Charges	Charges for water and sewer services provided to all customer classes.	Yes	This is taxable revenue from charges billed to customers for District provided water and/or sewer collection and conveyance services.
2	Streetlights	Charges for Streetlights.	No	The provision of streetlights is a non-taxable governmental function and not part of the business of providing water or sewer services to customers.
3	Penalties	Penalties, including fees and assessments, on water/sewer accounts for late payment.	Yes	This is taxable revenue from charges billed to customers related to the Districts' business of providing water/sewer services.
4	Lien Charges and Interest	Charges passed on to customers when liens filed/released or on their property as part of attempt to collect delinquent bills.	Yes	This is taxable revenue from charges billed to customers related to the Districts' business of providing water/sewer services.
5	Attorney's Fees and Costs	Attorney's fees and costs, including court costs, charged to customers to recover cost of collection of overdue bills.	No	Attorney's fees and costs paid by customers are an offset of costs incurred by the District and are not revenue from providing water/sewer services.
6	Shutoff or Suspension of Services Charges	Additional charge to customer when water is shutoff for non-payment or services are suspended by customer.	Yes	This is taxable revenue from charges billed to customers related to the Districts' business of providing water/sewer services.

7	Turn On Reinstatement of Services Charges	Additional charge to customer when water service is restored after shutoff for non-payment or reinstated.	Yes	This is taxable revenue from charges billed to customers related to the Districts' business of providing water/sewer services.
8	Tampering Charges and Penalties	Additional charges and penalties to customers who have tampered with District facilities (e.g., cutting locks off, unlawful connections, etc.).	Yes	This is taxable income from charges billed to customers related to the Districts' business of providing water/sewer services.
9	Permit Charges	The District constructs projects and needs to secure permits and pay for those permits. The District may then pass that cost along to its customers and receive revenue. The District also issues refundable permits.	Yes and No	To the extent permit charges are paid to the District to compensate the District for the cost of permits it obtained to build or add to the Districts' water/sewer projects, then this would be taxable revenue from charges to customers related to the Districts' business of providing water/sewer services. Excludes any refundable permitting fees, charges.
10	Hydrant Rental Fees	Charges to Contractors/developers for temporary construction site water service.	Yes	To the extent Hydrant Rental Charges are directly related to the Districts' business of providing water services for commercial purposes.
11	Hydrant Rental Penalty Fees	Penalty charged to Contractor for late payment of rental fees. Contractors are usually Developers who need temporary water during construction activities.	Yes	This is taxable revenue from charges to Contractors/Developers related to the Districts' business of providing water services for commercial purposes.

12	Hydrant Rental Deposit Fees	Fees charged as a deposit against lost or damaged Hydrant Meter assemblies.	No	Fees are collected and returned if assembly is not lost or damaged. Fees retained to replace or repair the equipment do not provide revenue.
13	Inspection Fees	Inspection charges paid by Property Owners/Developers seeking to extend or improve facilities to serve their properties. Paid as condition of project acceptance. Inspections conducted by District staff.	No	These fees are not revenue from the Districts' water/sewer business; instead, the charges relate to the Districts' inspection/permitting authority, which is a non-taxable governmental function. In addition, these charges serve to offset costs incurred in performing a governmental function.
14	Interest Income	Interest earned on District funds invested.	No	Derived revenue is not from the Districts' business of providing water/sewer services.
15	General Facility Charges	Charges paid by Property Owners/Developers to connect to District water/sewer systems.	No	General Facility Charges are costs paid to reimburse the District for the cost of existing and future facilities. This is not taxable revenue related to the Districts' business of providing water/sewer services.
16	Meter Installation Charges	Charges paid by Property Owners/Developers for water meter and installation.	Yes	This is taxable revenue from charges related to the Districts' business of providing water/sewer services.

17	Judgments & Settlements	Amounts collected from customers after commencement of collection suit.	Yes and No	Yes, so long as the judgments and settlements relate to collection of amounts that are otherwise taxable.
18	Metal Recycling, surplus materials or equipment	Payment for misc. recycled metals such as broken meters, pipe, etc. or surplus equipment.	No	This revenue is not income from the Districts' business of providing water/sewer services.
19	Grant Funds for District Projects and Facilities	Grant funds received by the Districts in support of miscellaneous District projects or facilities.	No	Grant Funds received are not from the Districts' business of providing water/sewer services to billed customers. (Note: grant funds if used to pay water/sewer service charges would be taxable)
20	Donations/Pledges	Amounts received from city customers or third parties within the city as donations to customer assistance programs. The money would be applied to delinquent water and sewer bills. The District does not currently have an established program.	No	Donations/Pledges are not "gross revenue" because they are merely pass-through monies collected and then applied to delinquent accounts. However, payments made to delinquent accounts within the City are taxable.
21	Hydrant/Fire Suppression Services	Charges relating to hydrants/fire suppression services.	No	This revenue is a non-taxable. The provision of Fire Suppression and supporting systems are an essential governmental function.

22	ULID Assessments	Charges assessed to and paid by property owners located within a ULID to pay for the cost of water/sewer facilities.	No	ULID assessment payments are costs paid to reimburse the District for the cost of facilities constructed. This is not taxable gross revenue related to the Districts' business of providing water/sewer services.
23	Joint Projects and Pass-through Charges	Payments or charges received in connection with a joint project where payments are made by a contracting party for a share of the project costs.	No	Payments or charges made in connection with joint projects are costs paid to reimburse the District for the cost of facilities constructed that benefit another entity. This is not taxable revenue related to the Districts' business of providing water/sewer services.
24	Treatment Charges	Payments or charges received for Wastewater Treatment	No	Treatment charges paid by customers are merely pass-through and offset of costs incurred by the District and are not taxable revenue.
25	Taxes and charges collected for other Entities or Government Agencies	The District may collect taxes, fees or other charges from their customers that are then remitted to the applicable entity or government agency.	No	Taxes or charges collected by the District for other entities or government agencies are merely pass-through amounts collected on behalf of the applicable government agency or entity.

26	Reimbursement/Late Comer Charges/Fees	The District may collect reimbursement/late Comer charges/fees	No	Charges/Fees received to reimburse the District or Developer for the cost of facilities constructed or administration of collection. This is not taxable gross revenue related to the Districts' business of providing water/sewer services.
27	Account Setup Charges/Fees	The District collects a fee for account setup when establishing a new customer for the service.	No	The Charges/Fees collected for setup of a new account are administrative costs incurred by the District. This is not taxable gross revenue related to the Districts' business of providing water/sewer services.
28	Developer Extension Contract Charges/Fees	The District may collect charges/fees from Contractors/Developers for extension facilitates and infrastructure.	No	The Charges/Fees collected for Extension Contracts are for administrative costs, plan review, copying, project tracking, recording fees, inspections, etc. This is not taxable gross revenue related to the Districts' business of providing water/sewer services.

2023 West Sound Utility District Water Rates and Charges

Within Port Orchard City Limits

Meter Size	Base Rate	Street Lights	Fire Flow	Charge
5/8, 3/4"	\$22.21	\$0.00	\$0.00	Plus Commodity
1"	\$41.40	\$0.00	\$0.00	Plus Commodity
1-1/2"	\$73.93	\$0.00	\$0.00	Plus Commodity
2"	\$113.86	\$0.00	\$0.00	Plus Commodity
3"	\$224.73	\$0.00	\$0.00	Plus Commodity
4"	\$347.43	\$0.00	\$0.00	Plus Commodity
6"	\$678.62	\$0.00	\$0.00	Plus Commodity

Within Port Orchard City Limits

Description	Rate	Notes:
Ready to Serve	\$10.71	Monthly. Applies only to properties that have been issued a Binding Letter of water availability or have paid GFC's and have not taken on water service.
Unit Charge	\$22.21	Monthly for each Residential Dwelling Unit, Guest House or accessory building with a kitchen, served shall be assessed monthly for the multi-family class.

Meters and Services Within Port Orchard City Limits

Description	Rate	Notes:
Full Service Meter Connection" 5/8' X 3/4"	Pre-Installed Rate Plus Time and Materials	Full Service Meter: For Meters and related appurtenances installed by the District. Charges shall be levied and collected at the completion of service. The District will supply an estimate of cost for individual service installations based on construction requirements, traffic control, permitting and the Authority Having Jurisdiction road restoration requirements. A deposit in the amount of 50% based on estimated cost will be required prior to service installation.
Full Service Meter Connection 1"	Pre-Installed Rate Plus Time and Materials	
Full Service Meter Connection >1"	Pre-Installed Rate Plus Time and Materials	
Pre-Installed Meter 5/8' x 3/4"	\$522	Pre-Installed Service (Meter Only): Fees for the installation of a meter only apply when the service connection and all associated valves, fittings, meter setters, and necessary appurtenances have already been installed in accordance with the District's standards and specifications at the property owners expense.
Pre-Installed Meter 1"	\$758	
Pre-Installed Meter 1-1/2"	\$1,558	
Pre-Installed Meter 2"	\$1,938	
Pre-Installed Meter 3"	\$3,156	
Pre-Installed Meter 4"	\$4,436	
Pre-Installed Meter 6"	\$8,121	

Commodity Charge (COM) per 100 hundred cubic feet/(ccf). ccf = 748 gallons.

Single Family Residential - Billed Bimonthly Within Port Orchard City Limits

Meter Size	Block 1	Block 2	Block 3	Rate Code
	Rate - \$/ccf	Rate - \$/ccf	Rate - \$/ccf	
	\$2.64	\$3.05	\$3.55	
5/8, 3/4"	0-11	>11-21	>21	109, 110
1"	0-11	>11-21	>21	111

Multi-Family Residential - Billed Monthly Within Port Orchard City Limits

Meter Size	Block 1	Block 2	Block 3	Rate Code
	Rate - \$/ccf	Rate - \$/ccf	Rate - \$/ccf	
	\$3.52	\$4.07	\$4.71	
5/8, 3/4"	0 - 77	>77 - 146	>146	130
1"	0 -102	>102 - 194	>194	131
1-1/2"	0 - 167	>167 - 316	>316	
2"	0 - 244	>244 - 463	>463	
3"	0 - 424	>424 - 803	>803	
4"	0 - 680	>680 - 1,289	>1,289	
6"	0 - 1,360	>1,360 - 2,578	>2,578	

Commercial - Billed Monthly Within Port Orchard City Limits

Meter Size	Block 1	Block 2	Block 3	Rate Code
	Rate - \$/ccf	Rate - \$/ccf	Rate - \$/ccf	
	\$3.03	\$3.53	\$4.07	
5/8, 3/4"	0 - 12	>12 - 24	>24	100
1"	0 -16	>16 - 32	>32	101
1-1/2"	0 - 26	>26 - 52	>52	102
2"	0 - 38	>38 - 75	>75	103
3"	0 - 65	>65 - 131	>131	104
4"	0 - 106	>106 - 211	>211	115, 116
6"	0 - 212	>212 - 424	>424	106

Agricultural/Irrigation - Billed Monthly Within Port Orchard City Limits

Meter Size	Block 1	Block 2	Block 3	Rate Code
	Rate - \$/ccf	Rate - \$/ccf	Rate - \$/ccf	
	\$4.08	\$4.73	\$5.46	
5/8, 3/4"	0 - 66	>66 - 246	>246	100
1"	0 -88	>88 - 327	>327	101
1-1/2"	0 - 143	>143 - 369	>369	102
2"	0 - 209	>209 - 780	>780	103
3"	0 - 363	>363 - 1,353	>1,353	104
4"	0 - 583	>583 - 2,172	>2,172	115, 116
6"	0 - 1,166	>1,166 - 4,344	>4,344	106

2023 West Sound Utility District Sewer Rates and Charges

Classification	Outside City Limits	Inside City Limits	Billing Cycle	Notes:
Residential	\$67.68	\$71.24	Bi-Monthly	Per ERU
Multifamily up to Tri-Plex	\$67.52	\$71.07	Bi-Monthly	Per ERU
Non-Residential	\$49.81	\$52.43	Monthly	Base Rate
	\$8.23	\$8.66		For each additional 100 cubic foot of water consumed.
Public Parks - Veterans Memorial Park		\$68.34	Monthly	One Public Restroom.
Public Parks - South Kitsap Community Park	\$133.43		Monthly	Two public restrooms and one office space.
Golf Course - Village Greens	\$133.43		Monthly	Two public restrooms and one office space.
Ready to Serve	\$10.17	\$10.71	Monthly	Applies only to properties that have paid GFC's and do not have a physical connection to the sewer.