

CITY ADMINISTRATOR
ROBERT OMANS

ASSISTANT CITY
ADMINISTRATOR
ERICA KRUM

CITY CLERK
DEBBIE LEE

FINANCE DIRECTOR
ROBIN NEWCOMB

PUBLIC WORKS DIRECTOR
MATHEW BAILEY

POLICE CHIEF
RICH ALBO

FIRE CHIEF
ED MILLS

PLANNING DIRECTOR
SHANNON JOHNSON

General Government Committee
Agenda
March 25, 2026
8:30 AM



119 W FIRST STREET
CLE ELUM, WA 98922

MAYOR
MATTHEW LUNDH

DEPUTY MAYOR
CASSIDY BUECHLE - CURTIS

**GENERAL GOVERNMENT
COMMITTEE**
CASSIDY BUECHLE - CURTIS
STEVEN HARPER - CHAIR
AUDREY MALEK

CITY ATTORNEY
CURTIS CHAMBERS

Join Virtually via Zoom: <https://zoom.us/j/7573184018?pwd=dERndjBJVC9GdVQ1d2ISRExwZFhXZz09>
Meeting ID: 757 318 4018 Passcode: 98922

Join by Phone: 1-(253)215-8782, Meeting ID: 757 318 4018, Passcode:98922

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DISCLAIMER: The City does not guarantee that virtual or telephonic access to the City Council meeting will be available, and the City does not warrant audio quality. Attendees are encouraged to attend in person.

1. **Call to Order and Pledge of Allegiance**
2. **Unfinished Business**
3. **New Business**
 - a. General Government Meeting Minutes — February 25, 2026
 - b. Water/Sewer Utility Tax
4. **Other Committee Comments**
5. **Adjournment**

Upcoming Meetings:

Public Works & Community Development Committee Meeting — April 7, 2026, at 1:00 p.m.

Coal Mines Trail Commission Meeting — April 6, 2026, at 4:00 p.m.

Planning Commission Meeting — April 7, 2026, at 6:00 p.m.

Lodging Tax & Events Committee Meeting — April 8, 2026, at 8:30 a.m.

Public Safety & Health Committee Meeting — April 9, 2026, at 9:00 a.m.

Regular Council Meeting — April 14, 2026, at 6:00 p.m.

Civil Service Commission Meeting — April 15, 2026, at 5:15 p.m.

Historic Preservation Commission Meeting — April 21, 2026, at 3:00 p.m.

General Government Committee Meeting — April 22, 2026, at 8:30 a.m.

CLE ELUM GENERAL GOVERNMENT COMMITTEE
MINUTES
FEBRUARY 25, 2026
8:30 AM
119 W FIRST STREET
CLE ELUM, WA 98922

1. **Call to Order and Pledge of Allegiance**

Committee Members Present:

Cassidy Buechle-Curtis
Steven Harper
Jon Cornelius

Staff Present:

Rob Omans - City Administrator
Debbie Lee - Clerk
Robin Newcomb - Finance Director

2. **Unfinished Business**

3. **New Business**

a. [General Government Meeting Minutes — January 28, 2026](#)

MOTION: Committee Member Malek made a motion to approve the meeting minutes dated January 28, 2026; seconded by Committee Member Buechle-Curtis.
MOTION CARRIED: 3 yes 0 no.

b. [Hearing Examiner Contract — Update](#)

Rob Omans, City Administrator, provided an update regarding the Hearing Examiner Contract, indicating that the matter is currently under review by the attorney.

c. [Forte —Third Party Billing — Building Permits, Planning, Code Enforcement](#)

Rob Omans, City Administrator, presented information referencing the new building permitting software, indicating that customers can make payments through this software, which is a different vendor from the city's utility billing.

Robin Newcomb, Finance Director, noted that there are fees associated with this payment method and questioned whether the city would pass the fee to the customer. Currently, fees related to utility billing are not passed on to the customer. It was mentioned that the industry standard typically involves passing such fees onto the customer, which could be categorized

General Government Committee Agenda

February 25, 2026

119 W FIRST STREET
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as a convenience fee. There were no objections to implementing this practice, and customers would still have the option to pay with check or cash. The attorney has reviewed the contract, confirming it as a boilerplate contract.

A question arose regarding whether the committee could make the decision or if it should be escalated to the council concerning the service fee option.

Recommendation: When this goes into effect, conduct public outreach to ensure customers are aware that a fee will be associated with paying by credit card.

MOTION: Committee Member Malek made a motion to recommend the Forte third party billing contract to the Council for consideration; seconded by Committee Member Buechle-Curtis.

MOTION CARRIED: 3 yes 0 no.

4. **Other Committee Comments**

5. **Adjournment**

The meeting was adjourned at 8:40 a.m.

Steven Harper, Chair

Debbie Lee, Clerk



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> [Utility Taxes: Are You Assessing Them Correctly?](#)

Utility Taxes: Are You Assessing Them Correctly?

February 18, 2026 by [Cheryl Grant](#)

Category: [Revenues](#), [Utilities - Billing and Collection](#)



Any city or town may impose a business and occupation (B&O) tax on the income (as defined by local ordinance) of public and private utilities providing services within its boundaries. A city or town may also apply a tax on the revenue generated by utilities that it owns and operates (known as a utility tax)

In both cases, these are typically “gross receipts” taxes, or percentages applied to a utility’s total revenues. Cities and towns may calculate these taxes incorrectly, so it is important to assess if your agency is doing it as authorized under your local code.

This blog will look at how some jurisdictions across the state are calculating these taxes.

Are You Assessing Utility Taxes As Authorized?

One method a city or town may use for determining if utility taxes are being correctly calculated would be by comparing the revenue that is actually being taxed to what is authorized to be taxed by the local government's own code. In other words,

- Is the tax being calculated on the revenues that are authorized in the local code?
- Is the tax rate of the calculation the same as that in the code?

To start this type of review, your entity needs to know what types of revenues are being receipted into your enterprise (utility) funds. There are generally only a handful to consider, the most common being:

- User charges/charges for services
- Late fees
- Turn on/off and property transfer (name change) fees
- Connection fees (for GFC, hook-up, system development)
- Investment interest

Depending on how your utility tax levy is written, your entity may assess taxes on one or more of these revenues. A review of your code then needs to include the language of the assessment itself, any exemptions, any deductions, and what the tax rate is. Other reviews may include definitions, such as "gross proceeds of sales," "gross income of the business," and "value proceeding or accruing," if those terms are used in the assessment of the tax.

If you have never reviewed the utility tax section of your code, it is typically found either in *Title 3-Revenue and Finance* or *Title 5- Business Taxes, Licenses and Regulations*, and there are several types of utilities listed. For purposes of this review, only those that are internally taxed are relevant.

How Are Cities and Towns Calculating Utility Tax?

The following are examples of language taken from existing utility tax levies from cities and towns across the state. For simplicity, only language providing for taxes on water revenues has been included.

Airway Heights (no special deductions)

There is levied a tax on the sale of water and for the privilege of carrying on said business, such tax to be equal to 19 percent of gross

operating revenues from such sales. Notwithstanding any other provision herein, and whether or not the City shall provide the water, this tax shall apply and may be collected by the provider and from each person, firm and corporation paying for water at the time of payment.

Algona (no special deductions)

There is levied a tax on the sale and distribution of water for residential, commercial, or industrial consumption and for the privilege of carrying on the business, such tax to be equal to six percent of gross income from such business in the city; provided, however, that there shall be no tax levied for the installation charges or turn-on fees of water services.

Ephrata (includes installation fees in its definition of 'gross operating income')

Upon every person engaged in or carrying on the business of selling or furnishing water for domestic or industrial consumption within the city, there shall be levied a tax equal to twenty percent of the total gross operating income; (Ord. 05-21, 2005; Ord. 09-14, 2009)

Sultan

There shall be levied upon the city of Sultan a tax equal to six percent of the gross revenue derived from each customer's monthly service charge for water service within or without the city but provided by the city.

Yelm

Upon the sale, delivery, distribution or furnishing of water for domestic, business, or industrial consumption, a tax equal to six percent of the total gross income from such sales; provided that there shall not be a tax levied upon installation charges for individual consumer water service lines and meters.

As you have seen, each of these levies is slightly different. One city wrote their exemption directly into the levy while another wrote their exemption in their income definition. Although not shown here, there were also examples of exemptions for the tax on investment interest and recycling fees (for sanitation services).

(To find out how a specific city or town calculates their utility tax, see our webpage on [Washington City & Town Codes](#), which offers links to any municipal codes and city charters that have been published online.)

Finalizing the Review

Once you have completed your review, you will compare what is in your local code to whatever was used to calculate the tax, whether that be your software system or a spreadsheet. As you are performing your review, ask yourself the following questions:

- Do the tax rates match?
- Are you taxing what is authorized in the code and nothing more or less?
- If there is a certain distribution of the taxes in the code (80% to general fund, 18% to streets, 2% to capital, for example), are those the distribution rates that are actually being used?
- If the tax is listed separately on the utility bill, what is it being calculated on (i.e., sales; sales and fees; all revenue), and does that match the code?

My hope is that 100% of the people who read this and performed the review were able to answer “yes”, “yes”, “yes”, and “all the right things” to the questions above.

Conclusion

Municipalities that rely on gross receipts–based utility taxes must take special care to ensure the tax is administered in a way that matches what their code authorizes. For more information, see the following MRSC resources:

- [Utility Taxes](#)
- [Revenue Guide for Washington Cities and Towns](#) (see Utility Taxes)

Good luck in reviewing your agency’s calculations, and if you need assistance, we are here to help—just [Ask MRSC](#).

MRSC is a private nonprofit organization serving local governments in Washington State. Eligible government agencies in Washington State may use our free, one-on-one [Ask MRSC service](#) to get answers to legal, policy, or financial questions.



About Cheryl Grant

Cheryl joined MRSC in August 2023 as a finance consultant. Born and raised in Washington State, Cheryl has many years of experience working in local government finance, particularly with small cities. Prior to coming to MRSC, Cheryl spent 13 years as the finance director for the City of Chelan, as well as consulting on a variety of finance-related topics for small cities.

[VIEW ALL POSTS BY CHERYL GRANT](#)

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ORDINANCE NO. 1203

An Ordinance of the City of Cle Elum, Washington, amending the utility tax rate on the privilege to use City of Cle Elum water and sewer systems amending the Cle Elum Municipal Code, Section 3.72.010, Section 3.72.020, and repealing Ordinance Number 847.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CLE ELUM DO ORDAIN AS FOLLOWS:

Section 1. Section 3.72.010 of the Cle Elum Municipal Code is hereby Amended to read as follows:


There is hereby imposed upon any firm, person or corporation connected to or using the water and sewer utilities of the City of Cle Elum a utility tax which shall be six (6%) percent of the monthly bill of any person, firm or corporation connected to or utilizing the water and/or sewer utility systems of the City of Cle Elum.

Section 2. Section 3.72.020 of the Cle Elum Municipal Code is hereby Amended to read as follows:

The City Clerk of the City of Cle Elum is hereby authorized and directed to bill and collect utility tax hereinabove set forth for the period commencing with the month of December, 2003 and each month thereafter.

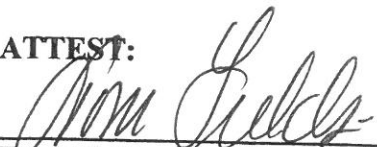
Section 3. The funds generated by this utility tax shall be deposited to and expended from the funds under the City of Cle Elum budget heading "Current Fund".

PASSED BY THE MAYOR AND APPROVED BY THE CITY COUNCIL THIS 9TH DAY OF DECEMBER, 2003.



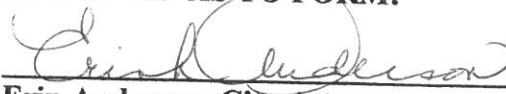
Gary Berndt, Mayor

ATTEST:



Toni Fields, City Clerk

APPROVED AS TO FORM:



Erin Anderson, City Attorney