



## MEMORANDUM

**DATE:** October 26, 2020

**TO:** Eric Holmes, City Manager

**FROM:** Dan Swensen, Interim Public Works Director

**RE:** **Request for information from Councilor Stober from 10/26 workshop – more details on compared rates for other agencies**

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During the 10/26 workshop relating to the 2021-22 recommended budgets for our utilities, Councilmember Stober asked for a look at the detailed numbers that went into the bar chart in the slide that compared City of Vancouver utility rates to those of our neighboring and larger Washington cities.

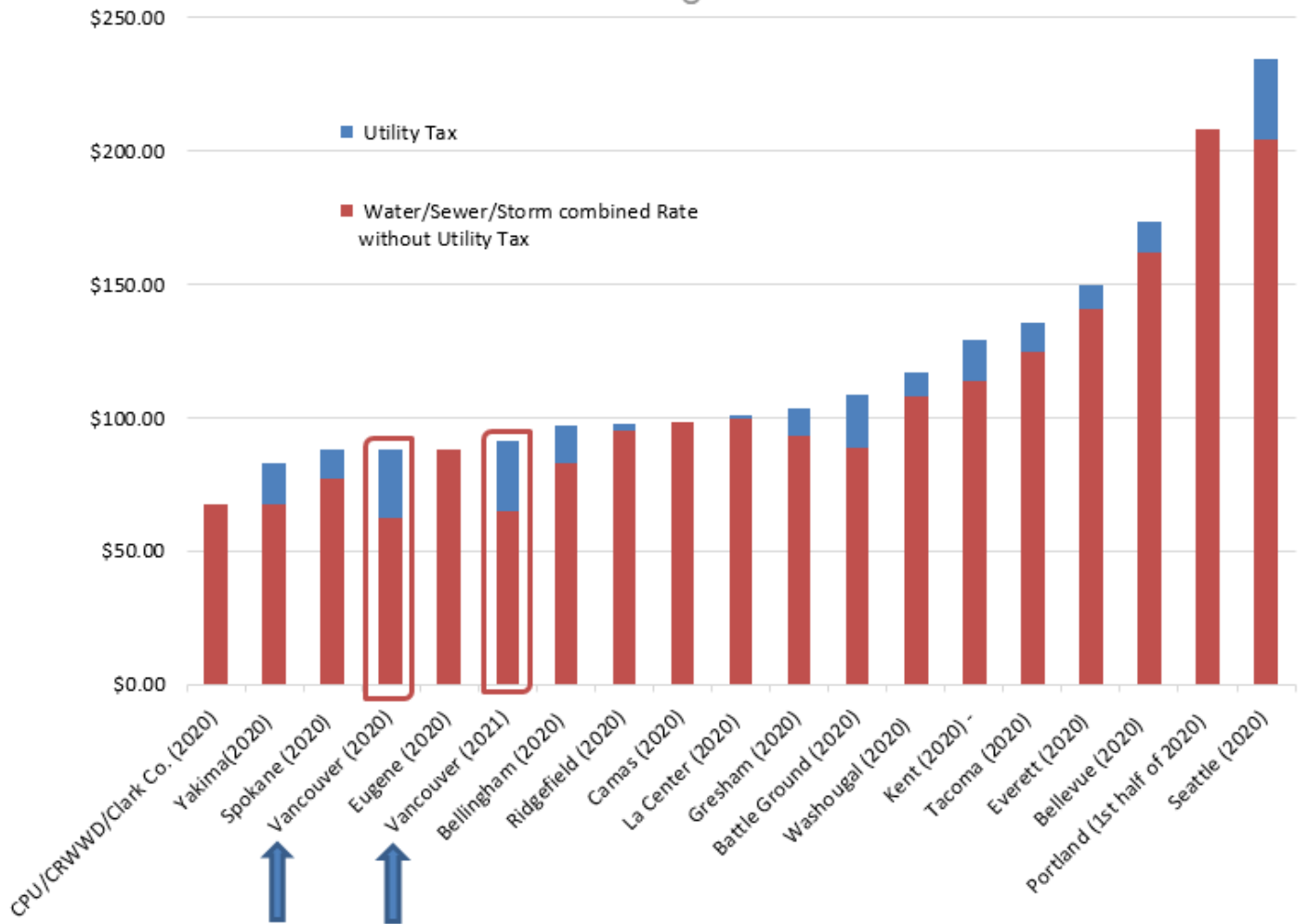
Regarding that request, please find attached the data table from which the slide in the presentation was drawn.

Below is a revised version of the chart in that slide that hopefully provides more clarification regarding utility tax.

# Utilities Comparative Rates

10/26/20

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To request other formats, please contact:  
Public Works/Solid Waste  
(360) 487-7160 | WA Relay: 711  
[solidwaste@cityofvancouver.us](mailto:solidwaste@cityofvancouver.us)

City of Vancouver - 2020  
 Combined Water, Sewer, Stormwater Utility Bill Comparison  
 Based on Typical Single Family Inside City Residential Customer - 8 ccf/month  
 (Jan 13 2020)

**Exhibit A**

Agency	Water	Sewer	Stormwater	Utility Tax added after rates	Total	Agency Utility Tax Rate		Rate with Utility Tax	Utility Tax	Water/Sewer/Storm combined Rate without Utility Tax
CPU/CRWWD/Clark Co. (2020)	\$23.80	\$40.00	\$3.92	\$0.00	\$67.72	0.0%	c	\$67.72	\$0.00	\$67.72
Yakima(2020)	\$26.50	\$50.32	\$6.28	\$0.00	\$83.10	Varies	a	\$83.10	\$15.74	\$67.36
Spokane (2020)	\$20.58	\$62.76	\$4.55	\$0.00	\$87.89	Varies	a	\$87.89	\$10.59	\$77.30
<b>Vancouver (2020)</b>	\$29.87	\$46.40	\$11.80	\$0.00	\$88.07	28.9%	a	\$88.07	\$25.45	\$62.62
Eugene (2020)	\$28.84	\$44.30	\$15.00	\$0.00	\$88.15	0.0%	c	\$88.15	\$0.00	\$88.15
<b>Vancouver (2021)</b>	\$31.36	\$47.79	\$12.39	\$0.00	\$91.55	28.9%	a	\$91.55	\$26.46	\$65.09
Bellingham (2020)	\$39.32	\$45.93	\$11.66	\$0.00	\$96.91	varies	a, h	\$96.91	\$13.80	\$83.11
Ridgefield (2020)	\$26.77	\$61.16	\$9.53	\$0.00	\$97.45	8.0%	a	\$97.45	\$2.14	\$95.31
Camas (2020)	\$27.47	\$58.55	\$12.40	\$0.00	\$98.42	0.0%	c	\$98.42	\$0.00	\$98.42
La Center (2020)	\$23.80	\$66.00	\$10.00	\$1.43	\$99.80	Varies	b	\$101.23	\$1.43	\$99.80
Gresham (2020)	\$55.03	\$35.80	\$12.97	\$0.00	\$103.80	varies	a, i	\$103.80	\$10.38	\$93.42
Battle Ground (2020)	\$26.27	\$50.60	\$12.08	\$19.57	\$88.95	22.0%	b	\$108.52	\$19.57	\$88.95
Washougal (2020)	\$36.73	\$63.68	\$16.83	\$0.00	\$117.24	Varies	a	\$117.24	\$9.22	\$108.02
Kent (2020) -	\$45.17	\$70.77	\$13.03	\$0.00	\$128.97	varies	a	\$128.97	\$15.14	\$113.83
Tacoma (2020)	\$41.71	\$67.47	\$26.40	\$0.00	\$135.58	8.0%	a, g	\$135.58	\$10.85	\$124.73
Everett (2020)	\$37.95	\$77.12	\$25.95	\$8.46	\$141.02	6.0%	b, f	\$149.48	\$8.46	\$141.02
Bellevue (2020)	\$56.94	\$83.41	\$21.74	\$11.18	\$162.09	Varies	b	\$173.27	\$11.18	\$162.09
Portland (1st half of 2020)	\$89.67	\$88.64	\$29.66	\$0.00	\$207.97	5.0%	a, j	\$207.97	\$0.00	\$207.97
Seattle (2020)	\$63.36	\$124.40	\$46.52	\$0.00	\$234.28	Varies	a, e	\$234.28	\$30.12	\$204.16

**notes:**

CPU-0%, County -0%, CRWWD-0%  
 Gross 20% utility tax Water & Sewer; Surface Water-6%  
 Gross W/S/SW tax rates of 20%/20%/0% (bill includes Sewer Capital charges of \$27.89/mc)  
 Gross Utility tax of 28.9%  
 Sewer billing rate per 1 kgal = (\$2.641+\$2.351)/ (EWEB 2018 rate decrease for volume cha  
 Gross Utility tax of 28.9%  
 Gross W/S/SW utility taxes are 18.25%, 11.5% and 11.5% (drainage charges shown for Me  
 Water utility tax of 8%-CRWWD sewer service includes 10% city operating fee, no drainag  
 no utility taxes  
 6% Excise tax on CPU Water, no utility tax on sewer, SW Rate eff. June 1st, 2019  
 10% gross for Utility License Fee- (water bill incl public safety charge of \$7.50)  
 22%/22%/22% W/S/SW Utility tax  
 Gross W/S/SW taxes are 10%/8.71%/ 0% (Rates eff. March 1 2019 due to bi-monthly bil  
 Gross W/S/SW taxes of 13%/ 9.5%/19.5% (KMC 3.18.020)  
 Gross W/S/SW taxes are 8%/8%/8%  
 W/S/SW rates have added 6%/6%/6% PILOT (Payment In Lieu of Taxes) (Everett bill includ  
 W/S/SW added utility taxes of 10.4%/5.0%/5.0% (where applicable Cap. Recovery charges  
 W/S/SW Utility License Tax of 5%/5%/5%  
 Gross W/S/SW taxes are water 15.44%, Sewer 12%, Drainage 11.5%

Average for 2020 rates (18 cities shown above)

\$38.48      \$62.37      \$15.93      \$116.79      \$118.93      \$107.85

Federal Way	\$26.17	\$38.84	\$8.75		\$73.76	7.75%	a	\$73.76		\$68.04
Kirkland	\$42.25	\$89.25	\$18.44		\$149.94	varies	a	\$149.94		\$135.32
Renton	\$41.34	\$75.84	\$15.15		\$132.33	varies	a	\$132.33		\$123.94
City of Spokane Valley -	\$17.00	\$48.51	\$3.33		\$68.84	0.0%	c	\$68.84		\$68.84
<b>Average for all listed cities 2020</b>	<b>\$37.30</b>	<b>\$62.50</b>	<b>\$15.15</b>		<b>\$114.95</b>			<b>\$116.72</b>		<b>\$106.31</b>

rates also incl. Lakehaven Water & Sewer 3.6% franchise fee  
 City water utility tax = 11.5%, WW Utility tax = 9.5%; SW = 6.98%  
 Gross W/S/SW taxes are 6.8%, 6.0% and 6.8%  
 no W/S/SW tax, Single Utility tax of 6% on telecommunications

Assumes usage of 8 ccf per month

All city rates and tax information updated and checked as of Jan 2020

Kirkland/Renton/Federal Way and City of Spokane Valley added 1/26/2017- EJJ

**Footnotes:**

- a - Utility tax embedded in rates (applied to gross revenues of utility)
- b - Utility tax added to bill
- c - City of Spokane Valley - assume Vera Water customer -No agency utility taxes charged for any utility
- d - Per City of Bellevue Finance staff -multiplier for utility bills are 12.27% for water, 5.485% for sewer, and 5.365% stormwater
- e- Seattle Pub. Utilities Utility tax incl. in rates (applied to gross revenues of utility) 15.54% for water, 12% for sewer and 11.5% for stormwater
- f - Everett Sewer rate includes storm drainage rate, with separate surface water rate only charged to non-sewered customers.
- g - Tacoma - 8% Tacoma Gross Earnings Tax embedded in W/S/D rates., along with additional for water - 5.029% State Pub. Utility Tax, for Surface Water - 1.5% B&O, for wastewater - 1.5% B&O and 3.852% State Sewer Collection Tax.
- h - Bellingham's gross utility taxes: drinking water = 18.25%, Lk Whatcom Watershed = 11.5%, Sewer =11.50%, Storm = 11.50%
- i- Gresham includes \$7.50/mo. Fire protection charge;
- j - City of Portland annual rate change occurs July 1st

**2020 Overview:**

1. Three cities kept 2019 rates in place for 2020 -Battle Ground, Kent, Federal Way and LaCenter water & sewer (L.C. added a new \$10/mo. Surface Water fee).
2. CPU and Clark County Surface water rates remain unchanged
3. Average bill increase for all cities equals 4%
4. Cities with inside/outside rate multipliers similar to Vancouver's are: Bellingham, Camas, Everett, Spokane, Tacoma (20%), and Washougal.