



## White Salmon City Council Meeting

### A G E N D A

October 06, 2021 – 6:00 PM

Via Zoom Teleconference

Meeting ID: 821 0521 8461 Passcode: 380285

#### Call in Numbers:

669-900-6833

929-205-6099

301-715-8592

346-248-7799

253-215-8782

312-626-6799

**We ask that the audience call in instead of videoing in or turn off your camera, so video does not show during the meeting to prevent disruption. Thank you.**

**I. Call to Order, Presentation of the Flag and Roll Call**

**II. Changes to the Agenda**

**III. Consent Agenda**

- A. Swimming Pool Demolition, Green Construction - Change Order No. 1 Increase of \$5,140.17
- B. Garfield Water Line Project - Change Order No. 3
- C. Garfield Water Line Improvement - Final Pay Estimate
- D. Approval of Meeting Minutes - September 15, 2021
- E. Approval of Vouchers

**IV. Public Comment**

Public comment will not be taken during the teleconference. Public comment submitted by email to Jan Brending at [janb@ci.white-salmon.wa.us](mailto:janb@ci.white-salmon.wa.us) by 5:00 p.m. on Wednesday, October 6, 2021 will be read during the city council meeting and forwarded to all city council members. Please include in the subject line "Public Comment – October 6, 2021 Council Meeting." ***Please indicate in your comments whether you live in or outside of the city limits of White Salmon.***

**V. Presentations**

- A. KOOBDOOGA, Mary Kapp
- B. Hispanic Heritage Month

**VI. Business Items**

- A. Highway 141 Acquisition
  - 1. Presentation and Discussion
  - 2. Action
- B. Glockenspiel Bells and Clock Evaluation
  - 1. Presentation and Discussion

2. Action

C. Ordinance 2021-10-1086, Repealing WSMC 8.50 Single-Use Carryout Bags

1. Presentation and Discussion

2. Action

D. Lodging Tax Grant Program

1. Presentation and Discussion

2. Action

**VII. Executive Session (if needed)**

**VIII. Reports and Communications**

A. Department Heads

B. Council Members

C. Mayor

**IX. Adjournment**

**File Attachments for Item:**

A. Swimming Pool Demolition, Green Construction - Change Order No. 1 Increase of \$5,140.17



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## CONSENT AGENDA MEMO

Needs Legal Review: No  
Meeting Date: October 6, 2021  
Agenda Item: Pool Demolition, Green Construction Inc. Change Order No. 1  
Presented By: Jan Brending, Clerk Treasurer

### **Action Required**

Authorization for mayor to sign Change Order No.1 increasing the price of the contract by \$5,140.17 and extending the contract date to October 31, 2021.

### **Proposed Motion**

None unless pulled from consent agenda. If pulled from the consent agenda then proposed motion is as follows:

Move to authorize the Mayor to sign Change Order No. 1 increasing the price of the contract by \$5,140.17 and extending the contract date to October 31, 2021.

### **Explanation of Issue**

This project was delayed and scheduled to start after school has started. To accommodate lunch breaks and impacts on Whitson Elementary the contractor has agreed to work weekends and to take longer lunch breaks. These scheduling changes have resulted in increased costs and delay in the completion of the project.

### **Staff Recommendation**

Staff recommends the council authorize the mayor to sign Change Order No. 1 increasing the price of the contract by \$5,140.17 and extending the contract date to October 31, 2021.

**CHANGE ORDER**

**Change Order No. 1**

**Date of Issuance:**       **October 6, 2021**  
**Owner:**                   **City of White Salmon, Washington**  
**Contractor:**           **Green Construction Inc.**  
**Project:**                 **Pool Demolition**

The Contract is modified as follows upon execution of this Change Order:

<b>Description of Changes</b>	<b>Decrease in Contract Price</b>	<b>Increase in Contract Price</b>
Change in working conditions as identified in attached document		\$4,781.55
Sales Taxes		\$358.02
<b>Total Change</b>		<b>\$5,140.17</b>
<b>Justification</b>		
Because this project was delayed and a start date occurred after the school year started, it was necessary to make changes in the working conditions to provide less of an impact on Whitson Elementary School. This includes work stoppage during lunch periods and working weekends.		
The amount of the Contract will be increase for this Change Order by the sum of:		\$5,140.17
Total Contract Price prior to this Change Order:		\$62,907.93
The Contract Price incorporating this Change Order:		\$68,048.10
Contract date prior to this Change Order:		October 15, 2021
Date Ready for Final Payment prior to this Change Order:		October 15, 2021
Revised Contract Date:		October 31, 2021
Revised Date Ready for Final Payment		October 31, 2021

**ACCEPTED:**  
  
**BY:** \_\_\_\_\_  
**Green Construction, Inc. (Contractor)**  
  
**Title:** \_\_\_\_\_  
  
**Date:** \_\_\_\_\_

**ACCEPTED:**  
  
**BY:** \_\_\_\_\_  
**City of White Salmon (Owner)**  
  
**Title:** \_\_\_\_\_  
  
**Date:** \_\_\_\_\_

**GREEN CONSTRUCTION, INC.**  
Mike Green, President



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Post Office Box 142 · Washougal, WA 98671  
Office (360) 817-9948 · Mobile (360) 518-1476 · [Greenconstinc@peoplepc.com](mailto:Greenconstinc@peoplepc.com)

September 14, 2021

To: City Of White Salmon

Re: Swimming Pool Demolition

Green Construction will perform the change order work discussed with city staff as follows:

**Change Work Includes**

Quantity / Pricing Per Attached Breakdown

**Change Order Total Including 7.5% Tax**

**\$5140.17**

Sincerely,

Michael A Green, President

Michael Green Construction Inc.

Bid Item Description	Unit	Quantity	Unit Price	Total Price
<b>White Salmon Pool Demo - Change Order</b>				
<b>9/14/2021</b>				
Weekend Overtime - 3 Persons	HR	60	\$38.13	\$2,287.80
Daily Work Stoppage - Lunch - 3 Persons	HR	15	\$76.25	\$1,143.75
One Day Loss Of Trucking (Sunday)	HR	10	\$135.00	\$1,350.00
<b>Change Order Sub Total</b>				\$4,781.55
<b>Tax - 7.5%</b>				\$358.62
<b>Total Change Order</b>				\$5,140.17

*M. L.*  
9/14/21

**File Attachments for Item:**

B. Garfield Water Line Project - Change Order No. 3





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## CONSENT AGENDA MEMO

Needs Legal Review: No  
Meeting Date: October 6, 2021  
Agenda Item: Garfield Water Line Improvement – Change Order and Pay Estimate  
Presented By: Jan Brending, Clerk Treasurer

### **Action Required**

Authorization for mayor to sign Change Order No.3 and pay estimate for Garfield Water Line Improvement project.

### **Proposed Motion**

None unless pulled from consent agenda. If pulled from the consent agenda then proposed motion is as follows:

Move to authorize the Mayor to sign Change Order No. 3 and pay estimate for Garfield Water Line improvement project.

### **Explanation of Issue**

Information will be provided next week regarding this Consent Agenda item.

### **Staff Recommendation**

Staff recommends the council authorize the mayor to sign Change Order No. 3 and pay estimate for Garfield Water Line Improvement project.

**File Attachments for Item:**

A. Highway 141 Acquisition

1. Presentation and Discussion

2. Action



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## AGENDA MEMO

Needs Legal Review: Yes  
Committee Meeting Date: October 6, 2021  
Agenda Item: Highway 141 Acquisition and Maintenance  
Presented By: Jan Brending, Clerk Treasurer and Pat Munyan, City Administrator

### Action

Provide direction to staff regarding the possible acquisition of Highway 141.

### Explanation of Issue

The City was presented with the idea of acquiring Highway 141 from Highway 14 to Alternate Highway 141. Washington State Department of Transportation was not interested in the acquisition of only a portion of the city. The city would need to work with the City of Bingen and Klickitat County in order for the right-of-way to be transferred to the City of White Salmon and possibly a portion to the City of Bingen. Staff has spoken with Klickitat County's Public Works Director who has stated they are not interested in taking over any portion of Highway 141. For the area of the right-of-way that is not within the city limits of White Salmon, the city would need to do a "shoe-string" annexation, annexing only the right-of into the city limits.

Additional information regarding the acquisition process may be presented at the meeting on October 6, 2021

### Maintenance

The portion of Highway 141 from Highway 14 to the Alternate is 4.69 miles long. If the city acquires this right-of-way, it will be responsible for all maintenance including snowplowing, striping maintenance, road maintenance, rockfall maintenance, guardrail maintenance, etc.

Staff contacted Klickitat County Public Works to see what the charges for certain types of maintenance would be charged to the city as we would likely have to contract for some of the maintenance as it would be beyond the manpower capabilities the city currently has. We have contracted with the county for chip sealing in the past.

#### Striping:

The current cost to stripe 2-white edge lines and a center strip is \$1,200 per miles. This does not include any plastic stop bars or crosswalks. At 4.69 miles the cost would be \$5,628. This would need to be done annually.

#### Chip Sealing

The current cost to prep (crack seal and patching) and chip seal a road is between \$45,000 to \$55,000 per mile. Per the Klickitat County Public Works Director, main arterials (which this would be) should be chip sealed every 6 to 8 years depending on pavement wear. After chip sealing a major arterial twice, it is advisable to overlay it with hot mix asphalt (HMA) which would cost approximately \$400,000 per mile. A road paved with HMA will last approximately 12 years before having to start chip sealing again.

Based on the information initially provided by WSDOT, they stated that the highway would be paved before it was turned over to the city. If that is the case, then it may be 12 years before the highway would have to be chip sealed.

The costs for chip sealing 4.69 miles at current prices would be \$257,950. The cost to overlay would be \$1,876,000.

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The Klickitat County Public Works Director noted that that is the primary route from State Route 14 to the Husum area and beyond and would likely continue to be so in the future. The state has a high level of service for winter snow and ice removal that would become the responsibility of the city. This level of maintenance commitment in the wintertime may require hiring a contractor for snow removal and deicing.

WSDOT was unable to provide costs to city staff regarding maintenance of this particular portion of the highway. Routine maintenance costs would include rockfall maintenance, guardrail maintenance, signage maintenance, dead animal removal, and tree trimming and tree downfall removal.

Additional information regarding maintenance may be presented at the meeting on October 6, 2021

**Street Budget**

The 2021 Street Fund provides for \$395,565 in revenues. This does not include any grant funds. Expenditures that do not include capital projects (including developing the transportation plan) or engineering costs that would be reimbursed by grant funds are \$420,402. In 2021 the city is using \$24,837 of beginning cash to balance the budget. Forty percent of the city’s property taxes are used to support the street fund (included in the aforementioned revenues). This budget does not provide funds that can be set aside for capital improvements. The city relies on grants such as those from the Transportation Improvement Board (TIB) for many of its road improvements that it has achieved in the past.

The City’s 2022-2027 Six-Year Transportation Improvement Program includes \$7 million of projects (this does not include the Garfield Street Reconstruction and Highway 141 Roundabout Project). This is not a comprehensive list of road maintenance or reconstruction.

**Levy Rate Information**

The City’s assessed valuation is \$434,932,512 with a 2021 levy rate of \$0.95073438 per 1,000 resulting in a levy amount of \$413,505.29. A home with a \$500,000 valuation results in a City of White Salmon levy amount of \$475. This amount does not include any other taxes – it is only the city’s share of the total tax amount that is incurred each year.

State statutes allow the city to annually increase its total levy amount by 1%. I have provided some different levy lid lift amounts below to provide information on how much (based on current assessed valuation) the city might receive if such a levy lid lift was voted in by the residents of White Salmon.

\$0.20 per 1000	\$86,987	\$100 for a \$500,000 assessed valuation
\$0.30 per 1000	\$130,480	\$150 for a \$500,000 assessed valuation
\$0.50 per 1000	\$217,466	\$250 for a \$500,000 assessed valuation
\$1.00 per 1000	\$434,933	\$500 for a \$500,000 assessed valuation

**Staff Recommendation**

Prior to making a final determination on acquiring Highway 141 and associated right-of-way, the city should make sure that it has the finances in order to maintain the road. This can be accomplished by placing a levy lid lift on a future election ballot for a permanent levy lid lift dedicated to the maintenance and improvement of city streets.

**File Attachments for Item:**

B. Glockenspiel Bells and Clock Evaluation

1. Presentation and Discussion

2. Action



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## AGENDA MEMO

Needs Legal Review: No  
Council Meeting Date: October 6, 2021  
Agenda Item: City Hall Clock and Bells Evaluation  
Presented By: Jan Brending, Clerk Treasurer

### **Action Required**

Authorization for Mayor to sign agreement with Verdin Bells & Clocks for \$13,831 (not including taxes) for an evaluation of the city hall clock and bells.

### **Motion**

Motion to authorize Mayor to sign agreement with Verdin Bells & Clocks for \$13,831 (not including taxes) for an evaluation of the city hall clock and bells.

### **Explanation of Issue**

In 2019, staff contacted Verdin Bells & Clocks (the maker and original installer of the bells in city hall) about determining how the bells and clock could be evaluated and modernizing the equipment and software to ring the bells. Due to COVID19 this project was put on hold. Verdin reached out to us recently to see if we were interested in moving this project forward.

A proposal from Verdin is attached. Please note the proposal includes a provision that if the city moves forward with an agreement to restore the bells Verdin will credit 50 percent of the \$13,831 (\$6,915.50) towards the purchase of new bell ringing equipment. New equipment would allow for a variety of songs to be played through the bells at different times of the year. Verdin's website is <http://www.verdin.com>.

The community loves the bells and many have long-lamented that the bells do not ring. Staff and volunteers have, over the years, tried to piece hardware and software equipment to get the bells to ring. This seems to work for only short periods of time.

### **Staff Recommendation**

Staff recommends the city proceed with the evaluation. Funding would come from the City's Current Expense budget and would require a budget amendment.



This agreement between Verdin and Purchaser is offered September 15, 2021,

BETWEEN The Verdin Company (“Verdin”), a company organized and existing under the laws of the State of Ohio, with its head office located at:

444 Reading Road  
Cincinnati, OH 45202  
800-543-0488 x-1005

AND The City of White Salmon (“Purchaser”), organized and existing under the laws of the State of Washington, with its head office located at:

172 West Jewett Avenue  
White Salmon, WA 98672  
(509)493-1133

In consideration of this agreement, Verdin and Purchaser agree as follows:

1. Verdin will conduct a complete clock & bell evaluation (total of 14 Bells) that are in the tower in the City of White Salmon. The clock, bells, bell ringing equipment and all controls will be looked over, documented (in writing and photographs) and evaluated for any and all potential issues. A Verdin engineer along with a trained Verdin technician will be onsite for three days to conduct the evaluation, and the findings will be presented to the City of White Salmon after being compiled in the Verdin home office. The total cost for this part of the project will be \$13,831.00 (excluding taxes), and shall be paid to Verdin in U.S. Dollars.
2. Upon review of this information, please feel free to contact my office by phone at **1-800-543-0488 x-1005** with any question or if you need any additional information. When you are ready to move forward, please sign, title, and date below and fax to The Verdin Company @ 888-298-0597, or scan and email to my email address. Then mail in the signed original with your payment so we may timely start the production process.
3. If the Purchaser decides to enter into an agreement with Verdin to restore the 14 bells within 6 months of the findings being presented to the Purchaser, Verdin will credit 50% of the \$13,831.00 back to the Purchaser towards the purchase of the new bell ringing equipment.

Respectfully Offered,

Accepted by,

September 15, 2021

Date: \_\_\_\_\_

\_\_\_\_\_  
By: Don Hartmann  
Regional Manager

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

## ADDITIONAL TERMS AND CONDITIONS OF PURCHASE AGREEMENT

1. **PURCHASE PRICE AND PAYMENT TERMS.** The total purchase price paid by Purchaser under this Agreement shall be the amount shown on the Order Form plus the price of any Options accepted by Purchaser (the Purchase Price). Payment by Purchaser to Verdin for the Products specified on the Order Form (the Products) shall be made in U.S. dollars. Unless otherwise agreed to by the parties, payment terms are 50% down with Order, with the balance due upon delivery or installation in the event that Verdin is responsible for installation. In no event shall Verdin be required to begin performance of its responsibilities under this Agreement until it has received the deposit.
2. **CHANGE ORDERS.** Verdin, in its discretion, may accept any additions, deletions, or changes to this Agreement without invalidating this Agreement, provided that all such changes are authorized by a written amended purchase order signed by Purchaser and Verdin (the "Change Order"). Such Change Order shall specify any additional charges (or credits) to the Purchaser and the payment terms for such charges. The Change Order shall become effective only upon acceptance by an authorized Verdin representative.
3. **FREIGHT.** Unless otherwise specified on the Order Form, the Purchase Price is F.O.B Verdin's manufacturing facility in Cincinnati, Ohio, and does not include freight charges. Purchaser shall be responsible for all freight charges associated with (i) shipment of the Products to Purchaser, or (ii) shipment of any equipment from Purchaser to Verdin's manufacturing facilities. Such charges shall be added to Purchaser's final invoice.
4. **DELIVERY AND STORAGE OF PRODUCTS.** Verdin shall not be liable for delays in delivery, defaults, or breaches resulting directly or indirectly from flood, fire, strikes, labor disputes, or other items beyond the control of Verdin. If the Purchaser, for any reason other than Verdin's failure to supply the Products in accordance with the terms of this Agreement, requests that Verdin postpone delivery of the Products beyond the Delivery Date, Verdin will store the finished Products for the Purchaser at Verdin's facility free of charge for 30 days after the Delivery Date. After such time, Verdin may charge Purchaser a storage fee of \$250.00 per month for storing the Products.
5. **VERDIN INSTALLATION.** If Purchaser elects to have Verdin install the Products, Verdin shall provide the labor and equipment necessary to complete installation; provided, however, that Purchaser shall provide at its own expense the following items and services: (i) off-loading and safe storage of the Products at the Job Site; (ii) sufficient access (exterior or interior) to the area in which the Products will be installed, including safe ladders or lift equipment; (iii) construction of any platforms, bracing, or other support required to safely secure the area in which the Products will be installed; (iv) design, engineering, and construction of a concrete foundation required for a tower, including provision of mounting bolts according to Verdin's specifications; (v) any cranes, lifts, or hoists required to move or install the Products; (vi) all necessary electrical wiring in accordance with specifications furnished by Verdin, including all final connections to terminal strips, striker leads, mounting of electrical panels, or splicing of wires; (vii) any permits, licenses, or stamps of engineering approval, and (viii) any necessary civil, structural, or electrical engineering services.
6. **VERDIN-SUPERVISED INSTALLATION.** If Purchaser elects to have Verdin supervise the installation of the Products, Verdin shall be responsible for providing the following items and services required to perform the installation: (i) general supervision and direction at the job site by one Verdin service technician; (ii) programming for all electronic control Products supplied by Verdin; and (iii) final check-off of all Products to confirm proper working order. Purchaser shall be responsible for providing at its own expense the following items and services required to perform the installation: (i) all items specified in Section 5(i)-(viii) above; (ii) all necessary labor, tools, and equipment to perform the installation; and (iii) all preparatory and clean-up work at the job site.
7. **ADDITIONAL INSTALLATION FEES.** If any of the Products cannot be installed on the Installation Date for any reason other than the failure of Verdin to supply the Products in accordance with the terms of this Agreement, Purchaser shall be responsible for paying any additional costs or expenses incurred by Verdin resulting from such delay, including without limitation, the fees or wages of Verdin's installation representatives, travel and lodging/meal costs, equipment rental costs, storage costs, or mobilization costs at the Job Site. If the delay in installation is such that Verdin's service technician(s) is required to return to the Job Site on a future date, Verdin shall charge the Purchaser an additional fee for installation services, and shall notify the Purchaser of such additional fee prior to performing the installation. Purchaser shall also be charged additional installation fees to the extent Verdin is required to provide any of the items or services specified above in Section 5(i)-(viii).
8. **LIMITED WARRANTY.** Verdin warrants each Product to be free from defects in materials and workmanship for three years following the installation, provided that it is maintained in accordance with instructions provided by Verdin. Purchaser's exclusive remedy for any nonconformities or defects in the Products within the warranty period will be limited to the repair or replacement, at Verdin's discretion, of any nonconforming or defective Products upon examination of such Products by Verdin. Verdin shall have a reasonable time to repair or replace any nonconforming or defective Products, including the time for the manufacture of replacement Products or replacement parts for such Products. This warranty is not applicable to any misuse, neglect, or natural disaster, such as lightning or fire. THIS WARRANTY IS IN LIEU OF ANY AND ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTY WITH RESPECT TO MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.
9. **NO LIABILITY FOR DAMAGES.** VERDIN SHALL NOT BE LIABLE FOR ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES WHATSOEVER, INCLUDING, WITHOUT LIMITATION, DAMAGES FOR ECONOMIC LOSS OR LOSS OF PROFITS INCURRED BY PURCHASER IN CONNECTION WITH ANY BREACH OF THIS AGREEMENT BY VERDIN EVEN IF PURCHASER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.
10. **TAXES.** The Purchase Price does NOT include sales tax or any other tax. Purchaser shall be responsible for paying all sales, use, excise, or other taxes that may apply to the purchase of the Products or other services under this Agreement. Such taxes will be added to Purchaser's final invoice. If Purchaser has a tax exemption certificate, Purchaser will provide it to Verdin upon execution of this Agreement.
11. **LATE FEE.** Verdin reserves the right to charge Purchaser a late payment penalty fee equal to ten percent (10%) of the amount of all invoices that are not paid within thirty (30) days of their due date under this Agreement.
12. **ACCEPTANCE.** This Contract is subject to the approval and acceptance of an authorized representative of the home office of THE VERDIN COMPANY unless otherwise specified.
13. **GOVERNING LAW.** The parties agree that any dispute or default arising from this Agreement shall be governed by the laws of the State of Ohio, and each party agrees to submit to the jurisdiction and venue of the Circuit Court of Hamilton County, Ohio.
14. **ENTIRE AGREEMENT.** This Agreement constitutes the entire understanding between the parties and supersedes all prior negotiations, representations, or agreements, either written or oral, between the parties.
15. **COUNTERPARTS.** This Agreement may be executed in several counterparts, and all counterparts shall constitute one and the same instrument.



**File Attachments for Item:**

C. Ordinance 2021-10-1086, Repealing WSMC 8.50 Single-Use Carryout Bags

1. Presentation and Discussion

2. Action



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## AGENDA MEMO

Needs Legal Review: Yes  
Council Meeting Date: October 6, 2021  
Agenda Item: Ordinance 2021-10-1086, Repealing WSMC 8.50 Single-Use Carryout Bags  
Presented By: Jan Brending, Clerk Treasurer

### **Action Required**

Adoption of Ordinance 2021-10-1086, Repealing WSMC 8.50 Single-Use Carryout Bags.

### **Motion**

Motion to Ordinance 2021-10-1086, Repealing WSMC 8.50 Single-Use Carryout Bags upon first reading.

### **Explanation of Issue**

In 2019, the City of white Salmon adopted White Salmon Municipal Code 8.50 Single-Use Carryout Bags. A copy of the code is attached.

The 2020 Washington State Legislature passed Engrossed Substitute Senate Bill (ESSB) 5323, enacting a statewide ban on single-use plastic bags now codified at Chapter 70A.530 RCW. RCW 70A.530 preempts White Salmon Municipal Code Chapter 8.50 Single-Use Carryout Bags.

Chapter 70A.530 was to go into effect starting January 1, 2021 but on December 18, 2020 Governor Inslee issued Proclamation 20-82 delaying implementation of RCW 70A.530 until January 30, 2021 due to the COVID-19 pandemic. The legislature with Senate Concurrent Resolution 8402 extended the proclamation until the termination of COVID19 state or emergency or until the proclamation was rescinded by gubernatorial or legislative action, whichever occurred first. In July 2021, the Governor established September 30, 2021 at 11:59 p.m. as the expiration date for Proclamation 20-82. The statewide ban on single-use plastic bags is set to get into effect on October 1, 2021.

Ordinance 2021-10-1086 will repeal WSMC Chapter 8.50 in its entirety. This will ensure there is no confusion as to the applicable law regarding single-use plastic bags.

### **Staff Recommendation**

Staff recommends the adopt Ordinance 2021-10-1086, Repealing WSMC 8.50 Single-Use Carryout Bags.

**CITY OF WHITE SALMON  
ORDINANCE 2021-10-1086**

**AN ORDINANCE REPEALING WSMC 8.50 SINGLE-USE CARRYOUT BAGS**

**WHEREAS**, the city council adopted White Salmon Municipal Code 8.50 – Single-Use Carryout Bags on October 2, 2019; and

**WHEREAS**, in 2020, the Washington State Legislature adopted Engrossed Substitute Senate Bill 5323, now codified as RCW Chapter 70A.530 Carryout Bags, establishing a state-wide ban on single-use plastic bags effective January 1, 2021; and

**WHEREAS**, due to the COVID-19 pandemic on December 18, 2020, the Washington State Governor issued Proclamation 20-82, delaying implementation of RCW 70A.530 until January 30, 2021. The Washington State Legislature, with Senate Concurrent Resolution 8402, subsequently extended Proclamation 20-82 until the termination of the COVID-19 state of emergency or until rescinded by gubernatorial or legislative action, whichever occurred first. In July 2021, the Governor established September 30, 2021 at 11:59 pm as the expiration date for Proclamation 20-82. Therefore, the statewide ban on single-use plastic bags set forth in RCW 70A.530 will go into effect on October 1, 2021; and

**WHEREAS**, with the enactment of RCW Chapter 70A.530, the State preempted any local government from implementing a local carryout bag ordinance such as WSMC Chapter 8.50; and

**WHEREAS**, the City Council discussed the repeal of WSMC Chapter 8.50 at its October 6, 2021 regular meeting; and

**WHEREAS**, the city council has determined that the repeal of WSMC Chapter 8.50 in its entirety is warranted due to the State’s express preemption set forth in RCW 70A.530 and is in the best interests of the City of White Salmon so as to prevent confusion as to the applicable regulations; and

**NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF WHITE  
SALMON DO ORDAIN AS FOLLOWS:**

**SECTION 1. Repealer – WSMC 8.50 Single-Use Carryout Bags.** WSMC 8.50 is repealed in its entirety.

**SECTION 2 – SEVERABILITY:** If any section, sentence, or phrase of this Chapter is held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence or phrase of this Chapter.

**SECTION 3 – EFFECTIVE DATE.** This ordinance shall take effect following the date of its publication by summary.

**PASSED** by the City Council of the City of White Salmon at a regular meeting this 6<sup>th</sup> day of October 2021.

\_\_\_\_\_  
Marla Keethler, Mayor

ATTEST:

\_\_\_\_\_  
Jan Brending, Clerk/Treasurer

APPROVED AS TO FORM:

\_\_\_\_\_  
Kenneth B. Woodrich, City Attorney

## Chapter 8.50 SINGLE-USE CARRYOUT BAGS

### Sections:

#### **8.50.010 Purpose.**

The purpose of this chapter is to reduce the number of single-use carryout bags in the City of White Salmon waste stream and encourage the use of reusable bags.

(Ord. No. 2019-10-1053, § 1, 10-2-2019)

#### **8.50.020 Definitions.**

- A. "ASTM Standard" means the current American Society of Testing and Materials (ASTM)'s International D-6400.
- B. "Barrel size paper bag" means a paper carryout bag with approximate dimensions of twelve inches wide by seven inches by thirteen to eighteen inches tall or having a capacity of one thousand one hundred to one thousand six hundred cubic inches.
- C. "Carryout bag" means any bag that is provided by a retail establishment at home delivery, the check stand, cash register, point of sale, or other point of departure to a customer for use to transport or carry away purchases. Carryout bags do not include:
  - 1. Bags used by consumers inside stores to:
    - a. Package bulk items, such as fruit, vegetables, nuts, grains, candy, greeting cards, or small hardware items such as nails, bolts, or screws;
    - b. Contain or wrap items where dampness or sanitation might be a problem including, but not limited to:
      - i. Frozen foods;
      - ii. Meat;
      - iii. Fish;
      - iv. Flowers; and
      - v. Potted plants;
    - c. Contain unwrapped foods or bakery goods;
    - d. Contain prescription drugs; or
    - e. Protect a purchased item from damaging or contaminating other purchased items when placed in a recycled content paper carryout bag or reusable carryout bag; or
  - 2. Newspaper bags, door hanger bags, laundry/dry cleaning bags, or bags sold in packages containing multiple bags for uses such as food storage, garbage or pet waste.
- D. "City" the City of White Salmon, Washington.
- E. "Recycled content paper carryout bag" means;

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1. The paper carryout bag contains at least forty percent post-consumer content.
  2. The paper carryout bag is one hundred percent recyclable and accepted for recycling in curbside programs in the city.
  3. The paper carryout bag is capable of composting, consistent with the timeline and specifications of the American Society of Testing and Material (ASTM) Standard.
  4. The bag does not contain old growth fiber.
  5. Printed on the paper carryout bag is the name of the manufacture, the location (country) of the manufacturer, and the minimum percentage of post-consumer content.
- F. "Retail establishment" means any store, shop, vendor, corporation, business, government agency, organization or individual that sells or provides merchandise, goods or materials including without limitation, clothing, food or personal items of any kind directly to the customer. "Retail establishment" includes without limitation, grocery stores, hardware stores, restaurants, home delivery, catering trucks, and street vendors or vendors at public events or festivals or organizations that sell or provide merchandise, goods or materials.
- G. "Reusable carryout bag" means a bag made of durable material with handles that is specifically designed and manufactured for long-term multiple reuse and meets the following requirements:
1. Has a minimum lifetime of one hundred twenty-five uses, which for purposes of this subsection, means the capacity of carrying a minimum of twenty-two pounds one hundred twenty-five times over a distance of at least one hundred seventy-five feet, and
  2. Is machine washable or made from a durable material that may be cleaned or disinfected.
  3. If made of film plastic:
    - a. Be made from a minimum of forty percent post-consumer recycled material;
    - b. Display the minimum percentage of post-consumer content in print on the exterior of the plastic bag;
    - c. Have a minimum thickness of not less than 2.25 mils; and
    - d. Display wording that the bag is reusable.
- H. "Single-use plastic carryout bag" means any carryout bag under 2.25 mil in thickness and that is made predominately of plastic derived from petroleum or from bio-based sources. A single-use plastic carryout bag is designed and suitable only to be used once as a carryout bag and disposed of. This includes plastic bags labeled "compostable", "biodegradable", or similar wording.

(Ord. No. 2019-10-1053, § 1, 10-2-2019)

### **8.50.030 Regulations.**

- A. Requirements for Paper Bags. When a retail establishment makes a barrel sized paper bag or larger available to a customer at the point of sale, the bag shall meet the definition of a "recycled content paper carryout bag." For barrel size paper bags or larger, retail establishments shall charge the customer a reasonable pass-through charge of not less than ten cents per bag.
1. No retail establishment shall rebate or otherwise reimburse a customer any portion of the ten-cent pass through charge.
  2. All retail establishments must indicate on the customer receipt the number of recycled content paper carryout bags provided and the total amount charged for the bags.

- 
3. All monies collected by a retail establishment under this chapter will be retained by the retail establishment. The pass-through charge is a taxable retail sale.
- B. Requirements for Plastic Bags. A retail establishment may provide to any customer at the point-of-sale a plastic reusable carryout bag as defined in Section 8.20.010.G. For each plastic reusable carryout bag provided by the retail establishment, it shall collect a pass-through charge of not less than ten cents.
1. No retail establishment shall rebate or otherwise reimburse a customer any portion of the ten-cent pass-through charge.
  2. All retail establishments must indicate on the customer receipt the number of plastic reusable carryout bags provided and the total amount charged for the bags.
  3. All monies collected by a retail establishment under this chapter will be retained by the retail establishment. The pass-through charge is a taxable retail sale.
  4. No retail establishment in the city shall provide or make available single-use plastic carryout bags.
- C. Exceptions. No retail establishment may collect a pass-through charge from anyone using a voucher or electronic benefits card issued under programs including, but not limited to, Women Infants and Children (WIC); Temporary Assistance to Needy Families (TANF); Federal Supplemental Nutrition Assistance Program (SNAP), also known as Basic Food; and the Washington State Food Assistance Program (FAP).

(Ord. No. 2019-10-1053, § 1, 10-2-2019)

#### **8.50.040 Violations and Enforcement.**

- A. Any retail establishment that violates or fails to comply with any of the requirements of this chapter after a one-time written warning notice has been issued for that violation shall be guilty of an infraction.
- B. Violations of this chapter shall be deemed a civil infraction and subject to a civil penalty of no more than two hundred fifty dollars per day.
- C. A person who is in charge or in control of a retail establishment or who exercises authority over a retail establishment that is not in compliance shall be liable for any violations.

(Ord. No. 2019-10-1053, § 1, 10-2-2019)

#### **8.50.050 Exemptions.**

- A. The city council may exempt a retail establishment from the requirements of this chapter upon a showing by the retail establishment that the conditions of this chapter would cause undue hardship. An "undue hardship" shall only be found in circumstances of situations unique to the particular retail establishment such that:
  1. There are no reasonable alternatives to single-use plastic carryout bags; or
  2. Compliance with the requirements of this chapter would deprive a person of a legally protected right.

(Ord. No. 2019-10-1053, § 1, 10-2-2019)

## Chapter Listing

### Chapter 70A.530 RCW

## CARRYOUT BAGS

### Sections

- 70A.530.005** Intent.
- 70A.530.010** Definitions.
- 70A.530.020** Retail establishments—Limitations on carryout bags.
- 70A.530.030** Payment for any portion of pass-through charge—Violation of RCW **70A.530.020**.
- 70A.530.040** Pulp and paper mill expansion or reconfiguration—Adoption of rules—Enforcement of chapter—Education—Civil penalty.
- 70A.530.050** Preemption of local ordinances.
- 70A.530.060** Report to the legislature.

### RCW 70A.530.005

#### Intent.

(1) State policy has long placed waste reduction as the highest priority in the collection, handling, and management of solid waste. Reducing plastic bag waste holds particular importance among state waste reduction efforts for a number of reasons:

(a) Single-use plastic carryout bags are made of nonrenewable resources and never biodegrade; instead, over time, they break down into tiny particles. Single-use plastic carryout bags, and the particles they break into, are carried into rivers, lakes, Puget Sound, and the world's oceans, posing a threat to animal life and the food chain;

(b) Plastic bags are one of the most commonly found items that litter state roads, beaches, and other public spaces; and

(c) Even when plastic bags avoid the common fate of becoming litter, they are a drain on public resources and a burden on environment and resource conservation goals. For example, if plastic bags are disposed of in commingled recycling systems rather than as garbage or in retailer drop-off programs, they clog processing and sorting machinery, resulting in missorted materials and costly inefficiencies that are ultimately borne by utility ratepayers. Likewise, when green or brown-tinted plastic bags confuse consumers into attempting to dispose of them as compost, the resultant plastic contamination undercuts the ability to use the compost in gardens, farms, landscaping, and surface water and transportation projects.

(2) Alternatives to single-use plastic carryout bags are convenient, functional, widely available, and measure as superior across most environmental performance metrics. Alternatives to single-use plastic carryout bags feature especially superior environmental performance with respect to litter and marine debris, since plastic bags do not biodegrade.

(3) As of 2020, many local governments in Washington have shown leadership in regulating the use of single-use plastic carryout bags. This local leadership has shown the value of establishing state standards that will streamline regulatory inconsistency and reduce burdens on covered retailers caused by a patchwork of inconsistent local requirements across the state.

(4) Data provided from grocery retailers has shown that requests for paper bags have skyrocketed where plastic bag bans have been implemented. To accommodate the anticipated consequences of a statewide plastic bag ban, it is rational to expect additional capacity will be needed in



Washington state for manufacturing paper bags. The legislature intends to provide that capacity by prioritizing and expediting siting and permitting of expansions or reconfiguring for paper manufacturing.

(5) Therefore, in order to reduce waste, litter, and marine pollution, conserve resources, and protect fish and wildlife, it is the intent of the legislature to:

- (a) Prohibit the use of single-use plastic carryout bags;
- (b) Require a pass-through charge on compliant paper carryout bags and reusable carryout bags made of film plastic, to encourage shoppers to bring their own reusable carryout bags;
- (c) Require that bags provided by a retail establishment contain recycled content or derive from nonwood renewable fiber; and
- (d) Encourage the provision of reusable and compliant paper carryout bags by retail establishments.

[ **2021 c 33 § 3**; **2020 c 138 § 1**.]

## NOTES:

**Application of RCW 82.32.805 and 82.32.808—2020 c 138:** "RCW 82.32.805 and 82.32.808 do not apply to this act." [ **2020 c 138 § 9**.]

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## RCW 70A.530.010

### Definitions.

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Carryout bag" means any bag that is provided by a retail establishment at home delivery, the check stand, cash register, point of sale, or other point of departure to a customer for use to transport or carry away purchases.

(2) "Compliant paper carryout bag" means a paper carryout bag provided by a retail establishment to a customer that meets the requirements in RCW **70A.530.020**(6)(a).

(3) "Department" means the department of ecology.

(4) "Nonwood renewable fiber" means plant-based fiber derived from wheat straw grown in North America.

(5) "Pass-through charge" means a charge to be collected and retained by retail establishments from their customers when providing compliant paper carryout bags and reusable carryout bags made of film plastic.

(6) "Retail establishment" means any person, corporation, partnership, business, facility, vendor, organization, or individual that sells or provides food, merchandise, goods, or materials directly to a customer including home delivery, temporary stores, or vendors at farmers markets, street fairs, and festivals.

(7) "Reusable carryout bag" means a carryout bag made of cloth or other durable material with handles that is specifically designed and manufactured for long-term multiple reuse and meets the requirements of RCW **70A.530.020**(6)(b).

(8) "Single-use plastic carryout bag" means any carryout bag that is made from plastic that is designed and suitable only to be used once and disposed.

[ **2021 c 33 § 1**; **2020 c 138 § 2**.]

**NOTES:**

**Reviser's note:** The definitions in this section have been alphabetized pursuant to RCW **1.08.015(2)(k)**.

**Application of RCW 82.32.805 and 82.32.808—2020 c 138:** See note following RCW **70A.530.005**.

**RCW 70A.530.020****Retail establishments—Limitations on carryout bags.**

(1) Beginning January 1, 2021, except as provided in this section and RCW **70A.530.030**, a retail establishment may not provide to a customer or a person at an event:

- (a) A single-use plastic carryout bag;
- (b) A paper carryout bag that does not meet the requirements of subsection (6)(a) of this section or a reusable carryout bag made of film plastic that does not meet recycled content requirements; or
- (c) Beginning January 1, 2026, a reusable carryout bag made of film plastic with a thickness of less than four mils, in the event that the 2025 legislature does not amend this section to reflect the recommendations to the legislature made consistent with RCW **70A.530.060**.

(2)(a) A retail establishment may provide a reusable carryout bag or a compliant paper carryout bag of any size to a customer at the point of sale. A retail establishment may make reusable carryout bags available to customers through sale.

(b)(i) Until December 31, 2025, a retail establishment must collect a pass-through charge of eight cents for every compliant paper carryout bag with a manufacturer's stated capacity of one-eighth barrel (eight hundred eighty-two cubic inches) or greater or reusable carryout bag made of film plastic it provides, except as provided in subsection (5) of this section and RCW **70A.530.030**.

(ii) Beginning January 1, 2026, a retail establishment must collect a pass-through charge of twelve cents for reusable carryout bags made of film plastic and eight cents for compliant paper carryout bags, in the event that the 2025 legislature does not amend this section to reflect the recommendations to the legislature made consistent with RCW **70A.530.060**. It is the intent of the legislature for the 2025 legislature to reassess the amount of the pass-through charge authorized under this subsection (2)(b), taking into consideration the content of the report to the legislature under RCW **70A.530.060**.

(c) A retail establishment must keep all revenue from pass-through charges. The pass-through charge is a taxable retail sale. A retail establishment must show all pass-through charges on a receipt provided to the customer.

(3) Carryout bags provided by a retail establishment do not include:

- (a) Bags used by consumers inside stores to:
  - (i) Package bulk items, such as fruit, vegetables, nuts, grains, candy, greeting cards, or small hardware items such as nails, bolts, or screws;
  - (ii) Contain or wrap items where dampness or sanitation might be a problem including, but not limited to:
    - (A) Frozen foods;
    - (B) Meat;
    - (C) Fish;
    - (D) Flowers; and
    - (E) Potted plants;
  - (iii) Contain unwrapped prepared foods or bakery goods;

- (iv) Contain prescription drugs; or
  - (v) Protect a purchased item from damaging or contaminating other purchased items when placed in a compliant paper carryout bag or reusable carryout bag; or
  - (b) Newspaper bags, mailing pouches, sealed envelopes, door hanger bags, laundry/dry cleaning bags, or bags sold in packages containing multiple bags for uses such as food storage, garbage, or pet waste.
- (4)(a) Any compostable film bag that a retail establishment provides to customers for products, including for products bagged in stores prior to checkout, must meet the requirements for compostable products and film bags in chapter **70A.455** RCW.
- (b) A retail establishment may not use or provide polyethylene or other noncompostable plastic bags for bagging of customer products in stores, as carryout bags, or for home delivery that do not meet the requirements for noncompostable products and film bags in chapter **70A.455** RCW.
- (5) Except as provided by local regulations enacted as of April 1, 2020, a retail establishment may provide a bag restricted under subsection (1) of this section from existing inventory until one year after June 11, 2020. The retail establishment, upon request by the department, must provide purchase invoices, distribution receipts, or other information documenting that the bag was acquired prior to June 11, 2020.
- (6) For the purposes of this section:
- (a) A compliant paper carryout bag must:
    - (i) Contain a minimum of forty percent postconsumer recycled materials, a minimum of 40 percent nonwood renewable fiber, or a combination of postconsumer recycled materials and nonwood renewable fiber that totals at least 40 percent;
    - (ii) Be capable of composting, consistent with the timeline and specifications of the entire American society of testing materials D6868 and associated test methods that must be met, as it existed as of January 1, 2020; and
    - (iii) Display in print on the exterior of the paper bag the minimum percentage of postconsumer content, wheat straw fiber content, or both.
  - (b) A reusable carryout bag must:
    - (i) Have a minimum lifetime of one hundred twenty-five uses, which for purposes of this subsection means the capacity to carry a minimum of twenty-two pounds one hundred twenty-five times over a distance of at least one hundred seventy-five feet;
    - (ii) Be machine washable or made from a durable material that may be cleaned or disinfected; and
    - (iii) If made of film plastic:
      - (A) Be made from a minimum of twenty percent postconsumer recycled content until July 1, 2022, and thereafter must be made from a minimum of forty percent postconsumer recycled content;
      - (B) Display in print on the exterior of the plastic bag the minimum percentage of postconsumer recycled content, the mil thickness, and that the bag is reusable; and
      - (C) Have a minimum thickness of no less than 2.25 mils until December 31, 2025, and beginning January 1, 2026, must have a minimum thickness of four mils.
  - (c) Except for the purposes of subsection (4) of this section, food banks and other food assistance programs are not retail establishments, but are encouraged to take actions to reduce the use of single-use plastic carryout bags.

[ **2021 c 65 § 78**; **2021 c 65 § 77**; **2021 c 33 § 2**; **2020 c 138 § 3**.]

## NOTES:

**Reviser's note:** This section was amended by 2021 c 33 § 2, 2021 c 65 § 77, and by 2021 c 65 § 78, without reference to one another. All amendments are incorporated in the publication of this

section under RCW **1.12.025(2)**. For rule of construction, see RCW **1.12.025(1)**.

**Explanatory statement—2021 c 65:** See note following RCW **53.54.030**.

**Application of RCW 82.32.805 and 82.32.808—2020 c 138:** See note following RCW **70A.530.005**.

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## RCW 70A.530.030

### **Payment for any portion of pass-through charge—Violation of RCW 70A.530.020.**

It is a violation of RCW **70A.530.020** for any retail establishment to pay or otherwise reimburse a customer for any portion of the pass-through charge; provided that retail establishments may not collect a pass-through charge from anyone using a voucher or electronic benefits card issued under the women, infants, and children (WIC) or temporary assistance for needy families (TANF) support programs, or the federal supplemental nutrition assistance program (SNAP, also known as basic food), or the Washington state food assistance program (FAP).

[ **2020 c 138 § 4.**]

#### **NOTES:**

**Application of RCW 82.32.805 and 82.32.808—2020 c 138:** See note following RCW **70A.530.005**.

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## RCW 70A.530.040

### **Pulp and paper mill expansion or reconfiguration—Adoption of rules—Enforcement of chapter—Education—Civil penalty.**

(1) Until June 1, 2025, the department shall prioritize the expedited processing of applications for permits related to the expansion or reconfiguration of an existing pulp and paper mill for the purpose of manufacturing paper bags or raw materials used to manufacture paper bags.

(2) The department may adopt rules as necessary for the purpose of implementing, administering, and enforcing this chapter.

(3) The enforcement of this chapter must be based primarily on complaints filed with the department and local governments. The department must establish a forum for the filing of complaints. Local governments and any person may file complaints with the department using the forum and local governments may review complaints filed with the department via the forum for purposes of the local government carrying out education and outreach to retail establishments. The forum established by the department may include a complaint form on the department's web site, a telephone hotline, or a public outreach strategy relying upon electronic social media to receive complaints that allege violations. The department, in collaboration with the local governments, must provide education and outreach activities to inform retail establishments, consumers, and other interested individuals about the requirements of this chapter.

(4) The department or local government shall work with retail establishments, retail associations, unions, and other organizations to create educational elements regarding the ban and the benefits of reusable carryout bags. Educational elements may include signage at store locations, informational literature, and employee training by October 1, 2020.

(5) Retail establishments are encouraged to educate their staff to promote reusable bags as the best option for carryout bags and to post signs encouraging customers to use reusable carryout bags.

(6) A violation of this chapter is subject to a civil penalty of up to two hundred fifty dollars. Each calendar day of operation or activity in violation of this chapter comprises a new violation. Penalties issued under this section are appealable to the pollution control hearings board established in chapter **43.21B** RCW.

(7) If specific funding for the purposes of chapter 138, Laws of 2020, referencing chapter 138, Laws of 2020 by bill or chapter number, is not provided by July 1, 2020, from the waste reduction, recycling, and litter control account for purposes of implementing the education and outreach activities required under this section, then chapter 138, Laws of 2020 is null and void.

[ **2020 c 138 § 5.**]

## NOTES:

**Application of RCW 82.32.805 and 82.32.808—2020 c 138:** See note following RCW **70A.530.005.**

## RCW 70A.530.050

### Preemption of local ordinances.

(1) Except as provided in subsection (2) of this section, a city, town, county, or municipal corporation may not implement a local carryout bag ordinance. Except as provided in subsection (2) of this section, any carryout bag ordinance that was enacted as of April 1, 2020, is preempted by this chapter.

(2)(a) A city, town, county, or municipal corporation carryout bag ordinance enacted as of April 1, 2020, that has established a pass-through charge of ten cents is not preempted with respect to the amount of the pass-through charge until January 1, 2026.

(b) A city, town, county, or municipal corporation ordinance not specified in (a) of this subsection and enacted as of April 1 2020, is not preempted until January 1, 2021.

[ **2020 c 138 § 6.**]

## NOTES:

**Application of RCW 82.32.805 and 82.32.808—2020 c 138:** See note following RCW **70A.530.005.**

## RCW 70A.530.060

**Report to the legislature. (Expires July 1, 2027.)**

(1) By December 1, 2024, the department of commerce, in consultation with the department, must submit a report to the appropriate committees of the legislature in order to allow an opportunity for the legislature to amend the mil thickness requirements for reusable carryout bags made of film plastic, the amount of the pass-through charges for bags, or to make other needed revisions to this chapter during the 2025 legislative session. The report required under this section must include:

(a) An assessment of the effectiveness of the pass-through charge for reducing the total volume of bags purchased and encouraging the use of reusable carryout bags;

(b) An assessment of the sufficiency of the amount of the pass-through charge allowed under chapter **70A.530** RCW [this chapter] relative to the cost of the authorized bags to retail establishments and an assessment of the pricing and availability of various types of carryout bags. For purposes of conducting this assessment, the department and the department of commerce may request, but not require, retail establishments and bag distributors to furnish information regarding the cost of various types of paper and plastic carryout bags provided to retail establishments; and

(c) Recommendations for revisions to chapter **70A.530** RCW [this chapter], if needed.

(2) This section expires July 1, 2027.

[ **2020 c 138 § 7.**]

**NOTES:**

**Application of RCW 82.32.805 and 82.32.808—2020 c 138:** See note following RCW **70A.530.005**.

**File Attachments for Item:**

D. Lodging Tax Grant Program

1. Presentation and Discussion

2. Action



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## AGENDA MEMO

Needs Legal Review: Yes  
Council Meeting Date: October 6, 2021  
Agenda Item: Lodging Tax Grant Program  
Presented By: Jan Brending, Clerk Treasurer

### Action Required

Adoption of Resolution 2021-10-526, Adopting Lodging Tax Grant Program Guidelines.

### Motion

Motion to adopt Resolution 2021-10-526, Adopting Lodging Tax Grant Program Guidelines.

### Explanation of Issue

In 2019, the city passed the first 2% lodging tax. These taxes are authorized for tourism marketing, marketing and operation of special events and festival designed to attract tourists, operations and capital expenditures of tourism-related facilities owned or operated by a municipality or by a public facilities district, and operations of tourism related facilities owned or operated by non-profit organizations.

Attached is a resolution adopting the proposed program guidelines. These program guidelines have been reviewed by the Lodging Tax Advisory Committee. The guidelines include a timeline that will be used in the future. This year's timeline is as follows:

October 6	Council approves program guidelines
October 11	Lodging tax grant applications are available
November 8	Lodging tax grant applications are due
November 18	Lodging Tax Advisory Committee review of applications
December 1	City Council approval of grants
February 2022	Funding is available

The Personnel and Finance Committee identified \$40,000 for grant funding for 2022. The amount of revenue received in 2020 was \$39,696.91.

The process will be reviewed by the Lodging Tax Advisory Committee at its November 18 meeting to determine if any adjustments need to be made to the guidelines. If any adjustments are recommended, they will be brought back to the city council.

### Committee Recommendation

The Lodging Tax Advisory Committee voted to recommend adoption of the Lodging Tax Program Guidelines.



**RESOLUTION 2021-10-526**

**A RESOLUTION OF THE CITY COUNCIL OF  
THE CITY OF WHITE SALMON, WASHINGTON,  
ADOPTING LODGING TAX GRANT PROGRAM GUIDELINES**

**WHEREAS,** the City of White Salmon has White Salmon Municipal Code Chapter 3.50 Excise Tax on Hotels, Motels and Similar Establishments providing for a 2% lodging tax; and

**WHEREAS,** the city council has established a Lodging Tax Advisory Committee; and

**WHEREAS,** a process and guidelines are necessary for receiving and reviewing grant applications for lodging tax funding; and

**WHEREAS,** the City of White Salmon Lodging Tax Advisory Committee reviewed the proposed Lodging Tax Grant Program Guidelines and recommends adoption; and

**NOW, THEREFORE,** be it resolved by the City Council of the City of White Salmon:

1. Adopts the attached City of White Salmon Lodging Tax Grant Program Guidelines.

**ADOPTED** by the Council of the City of White Salmon, Washington. Dated this 6<sup>th</sup> day of October, 2021

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**Marla Keethler, Mayor**

**ATTEST:**

**APPROVED AS TO FORM:**

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**Jan Brending, Clerk Treasurer**

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**Kenneth B. Woodrich, City Attorney**



## City of White Salmon Office of City Hall

### Lodging Tax Grant Program PROGRAM GUIDELINES

#### Goal

To invest in facilities, events and activities that increase overnight and day-visitors to the City of White Salmon and result in increased tourism-related revenues.

#### Background

RCW 67.28.180 allows municipalities to impose up to a 4% lodging tax on stays of less than 30 days at hotels, motels, bed & breakfasts, campgrounds and RV Parks. This also includes short-term rentals. The City of White Salmon has implemented the first 2% portion of the authorized 4% lodging tax.

#### State Requirements

Authorized uses for lodging taxes are:

- Tourism marketing including operation of a destination marketing organization (DMO)
- Marketing and operation of special events and festival designed to attract tourists
- Operations and capital expenditures of tourism-related facilities owned or operated by a municipality or by a public facilities district
- Operations of tourism-related facilities owned or operated by non-profit organizations

Program requirements include:

- Organizations eligible to receive funds are municipalities, destination marketing organizations, or non-profit organizations (which include main street organizations, lodging associations and chamber of commerce).
- All applicants, including municipalities, must follow the same applicant process.

#### City Grant Guidelines

- Organizations may submit more than one application each year but there must be a separate application form for each project/activity.
- Matching funds are not required but are encouraged as a sign of community support and organization commitment.
- Grants must be for a minimum of \$2,500.
- Special events/festivals, capital projects or facilities requesting operating funds must be located inside the City limits.
- Special events/festivals:
  - Must be sponsored by a non-profit or the City
  - Grants funds can be used for operational expenses, including marketing and promotion with the exception of salaries and/or benefits for event organizers

- or other key staff, insurance and travel. Funds may be used for security staff, traffic control, etc.;
- Funds are available beginning in February of each year and must be spent within the calendar year.
- For existing special events – in operation for more than three years – proposals must be for expansion or enhancement for the event and those expansions and/or enhancements must be clearly defined and measurable.
- All advertising must acknowledge the City of White Salmon as sponsor.

### **Criteria for Grant Awards**

Priority will be given to lodging tax grant proposals that:

- Demonstrate potential to result in overnight stays by tourists in lodging facilities within the City of White Salmon or to attract day visitors from outside Klickitat County.
- Provide, maintain, operate or enhance City-owned tourist related facilities or infrastructure.
- Promote the City of White Salmon and/or events, activities and places in the city to potential tourists from outside the region.
- Have a demonstrated potential to result in economic benefit to White Salmon. Successful proposals will show specific strategies to draw visitors.
- Provide funds from sources other than lodging tax funding.
- Are sponsored by an organization that has a successful track record with similar projects or events.

Applicants will be invited to give a five (5) minute presentation on their proposal to the Lodging Tax Advisory Committee, who makes grant funding recommendations to the City Council.

### **Reporting**

All lodging tax fund recipients must submit a report to the City describing the results of the project program or event. For events/festivals, report must be submitted within 90-days after the event. For all other project or facilities, the report is submitted annual, due by January 31<sup>st</sup> of the year following the funding year. Per state requirements, the report must include the following information:

- The number of people attending the event or visiting the facility;
- The number of people attending the event or visiting the facility who stayed overnight in paid accommodations;
- For day visitors, the number of people attending the event or visiting the facility who came fifty (50) miles or more, one-way, from their residence or business; or
- The number of people attending the event or visiting the facility who came from another country or state outside of their place of residence or business;
- An explanation of how attendance figures were calculated.

**Contracting Requirements**

Organizations receiving lodging tax funds, with the exception of the City itself, are required to enter into an agreement with the City of White Salmon.

- Funding is provided on a reimbursable basis and copies of receipts must be included with the reimbursement request. Expenses that are not in accordance with the approved scope of work and agreement will not be eligible for reimbursement.
- Reimbursements will be made within approximately 30-days of submittal of request and receipts.
- Costs incurred prior to the grants being approved by the City Council and the execution of the agreement are not eligible for reimbursement.
- The applicant must have liability insurance, in an amount commensurate with the risk exposure of the project, and which names the City of White Salmon as an additional insured.
- Funds awarded for year-round operations of a program or facility will be dispersed quarterly.

**Timeline**

August	Lodging tax grant applications are available
September	Lodging tax grant applications are due
October-November	Lodging Tax Advisory Committee review of applications
December	City Council approval of grants
February	Funding is available

**Definitions**

“Capital Improvements” can include wayfinding and other signage, restrooms, and transportation options.

“Municipality” means any county, city or town in the state of Washington.

“Special event/festival operations” can include any expenses associated with the operation of the event or festival with the exception of staffing expenses (salaries, benefits, travel, etc.) or insurance.

“Tourist” is defined by RCW 67.28 as people who travel more than 50 miles, one way, from their place of residence or business for the day or who stay overnight in paid accommodations.

“Tourism” means economic activity resulting from people visiting the community and includes sales of overnight lodging, meals, tours, gifts or souvenirs.

“Tourism Marketing/Promotion” means activities, operations and expenditures designed to increase tourism, including but not limited to advertising, publicizing or otherwise distributing information for the purpose of attracting and welcoming tourists; developing

strategies to expand tourism; operating tourism promotion agencies and funding the marketing of or operation of special events and festival designed to attract tourists.

“Tourism-Related Facility” is real or tangible personal property with a usable life of three or more years that is 1) owned by a public entity or non-profit organization including a non-profit business organization, DMO, main street organization, lodging association or chamber of commerce; and 2) is used to support tourism or performing arts or to accommodate tourist activities.



# City of White Salmon Lodging Tax Grant Application

<b>About the Organization</b>	
Organization Name:	
Address:	
Phone:	Email:
Contact Person:	Title:
Project Name:	Project Dates:
Please list the names and titles of Board Members (if applicable):	
Has this organization received Lodging (Hotel/Motel) tax funding in the past:    Yes    No	
If so, for which years and project name:	
Are you a nonprofit organization exempt from taxation under IRS 501(c)(3) code?    Yes    No	
<b>Request for Funding</b>	
Description of Activity, event schedule and amounts requested (please attached additional paper if more space is required):	
Total Project Cost	Total Amount Requested
Submit Excel Budget Spreadsheet in addition to this application	
<b>Projected Tourism Benefits</b>	
Expected number of participant/spectators:	

Expected number of out-of-town participants/spectators (traveling more than 50 miles or staying overnight):		
Expected number of room nights generated:		
Explain how your organization will collect and verify the above information (i.e. surveys, registration, hotels, etc.)		
Explain how this project meets the guidelines and criteria for lodging (hotel/motel) tax funding.		
Describe the advertising method by name and location of service (if applicable):		
Provide a budget for the project you are requesting funding for (see Excel Budget Spreadsheet).		
You may use additional sheets of paper if necessary, to complete this application. You may also attach any additional information about your organization or project you think is relevant to this application.		
I understand the Washington State Limitations placed on use of Lodging (Hotel/Motel) Tax funds and certify the requested funds will be use only for the purposes described in this application or as approved by the City Council. I understand use of the funds is subject to audit by the State of Washington and/or the City of White Salmon. I further understand that the printed and hard-copy verification of advertising publication is required for release of funds and there will be no advance payments. All recipients will be required to note on any advertising material the "tourism support provided by the City of White Salmon lodging tax funds" or the event will not be funded. All funds granted are to be used by the end of the City's fiscal year, which ends December 31, and there will be no carry over. I agree to perform the required evaluation after the event/project is over to determine actual room stays generated by this event/project as required by state law (RCW 67.28) prior to reimbursement of costs.		
Name:	Title:	Date:
Signature:		

# Lodging Tax Fund Application

## 2022 Project Budget

Applicant:	
Project Name:	
<b>Instructions: Please total the lines in this spreadsheet both across and down. Submit this completed budget form with your Lodging Tax Grant Application. If your application is for a special event, please fill in the expense, revenue and in-kind (if applicable) portions of this form. If your application is not for a special event, please fill in the expense portion and then provide your organizational budget (or link to the budget) as requested in the application form.</b>	

### EXPENSE BUDGET (please total lines across and down)

	Lodging Tax Funded	Applicant Funded	External Partner Funded	Total Cost
<b>STAFF COSTS</b>				
Salaries/wages	Not eligible			\$ -
Benefits	Not eligible			\$ -
				\$ -
				\$ -
				\$ -
<b>Total Staff Costs</b>	\$ -	\$ -	\$ -	\$ -

### MATERIALS, SUPPLIES & EQUIPMENT COSTS (itemize below)

				\$ -
				\$ -
				\$ -
				\$ -
<b>Total MSE Costs</b>	\$ -	\$ -	\$ -	\$ -

### SERVICES (itemize below)

Temporary Help				\$ -
Consultants				\$ -
Advertising				\$ -
				\$ -
				\$ -
<b>Total Services Costs</b>	\$ -	\$ -	\$ -	\$ -

### CONSTRUCTION / MAINTENANCE COSTS (applicable only to city projects)

Construction/ maintenance materials				\$ -
Construction/ maintenance labor				\$ -
Permits/fees/taxes				\$ -
				\$ -
				\$ -
<b>Total Construction/ Maintenance Costs</b>	\$ -	\$ -	\$ -	\$ -

<b>Expense Total</b>	\$ -	\$ -	\$ -	\$ -
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<b>Percentage of Total Expense Budget</b>	#DIV/0!	#DIV/0!	#DIV/0!
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REVENUE BUDGET	
TYPE OF REVENUE	AMOUNT
Admission Fees/Ticket Sales	
Sales Revenue	
Grants	
Sponsorships	
Miscellaneous Income	
Lodging Tax Grant	
<b>TOTAL</b>	\$ -

In-Kind Contributions	
TYPE OF CONTRIBUTION	VALUE
<b>TOTAL</b>	\$ -



# Lodging Tax (Hotel-Motel Tax)

This page provides an overview of the lodging tax, also known as the hotel-motel tax, that cities and counties in Washington State may charge to benefit tourism, including applicable tax rates, use of revenues, lodging tax advisory committees (LTACs), and sample documents.

The information on this page applies only to cities and counties. Certain public facilities districts also have separate lodging tax authority which is not discussed on this page. For more information, see our page on [Public Facilities Districts \(PFDs\)](#).

For further guidance on lodging taxes and other local revenue options, see MRSC's [City Revenue Guide](#) and [County Revenue Guide](#).

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## Overview

Any city, town, or county has the authority to levy lodging taxes, also known as “hotel/motel taxes,” on all charges for furnishing lodging at hotels, motels, and short-term rentals – including such activities as Airbnb, bed and breakfasts (B&Bs), RV parks, and other housing and lodging accommodations for periods of time less than 30 days.

The tax is collected as a sales tax and paid by the customer at the time of the transaction, and the revenues must be used for eligible tourism promotion activities or tourism-related facilities.

There are two lodging tax options:

- A “**basic**” or “**state-shared**” **lodging tax** up to 2% that is taken as a credit against the 6.5% state sales tax rate, so that the lodging patron does not see any tax increase ([RCW 67.28.180-.1801](#)). The state also sometimes refers to this as the “**transient rental tax**.”
- An “**additional**” or “**special**” **lodging tax** up to 2% *on top* of the other state and local [retail sales taxes](#), resulting in a higher tax bill for the patron ([RCW 67.28.181](#)).

If a jurisdiction imposes both options at the maximum rate, that would bring the total lodging tax rate to 4%. However, a few specific jurisdictions are not authorized to collect certain lodging taxes while others have additional authority, as discussed below.

Lodging taxes are different from (and may be imposed in addition to) tourism promotion area fees. For more information on tourism promotion areas, see our page [Tourism and Local Governments](#).

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## "Basic" or "State-Shared" Lodging Tax

Any county has the authority to levy the “basic” or “state-shared” lodging tax up to 2% ([RCW 67.28.180](#)), which is taken as a credit against the 6.5% state sales tax ([RCW 67.28.1801](#)). This means that there is no tax increase, and the total tax paid by the patron is equal to the retail sales tax in the jurisdiction in which the lodging is located. The state’s portion of the sales tax rate on lodging effectively drops from 6.5% to 4.5% within those jurisdictions. The state sometimes refers to this as the “transient rental tax.”

Most cities and towns have similar “basic” lodging tax authority. The city’s basic rate is credited against the county’s basic rate ([RCW 67.28.180\(2\)](#)). For instance, if both the city and the county impose the full 2% basic lodging tax, the total rate will be 2% countywide, but the county will not receive revenues from the incorporated area because it must credit those revenues back to the city.

The basic lodging tax has a few exceptions:

- No city located within King County may impose the basic lodging tax (see [RCW 67.28.180\(2\)\(c\)\(ii\)](#)), except for Bellevue which has legislation allowing it to collect a rate up to 2% until its related debt is retired (subsection (2)(c)(iii)).
- No city that is located within a county that is exempt under [RCW 67.28.180\(2\)\(b\)](#) may impose the basic lodging tax so long as the county remains exempt. Currently, Yakima County is the only county exempt under that subsection, so no city within Yakima County may impose this tax. However, there is also an exception that grandfathers in the City of Yakima and allows it to collect a basic lodging tax up to 2% until its related debt is retired (subsection (2)(c)(iii)).
- For Bellevue/King County and City of Yakima/Yakima County, the statutory exemptions allow the jurisdictions to “double-dip,” meaning that the city lodging tax is not taken as a credit against the county rate. Instead, the city and county rates are added together, resulting in a credit of up to 4% against the state sales tax rate within Bellevue and the City of Yakima. This means the state only receives a 2.5% sales tax on lodging in those two cities.

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## "Additional" or "Special" Lodging Tax

In addition to the “basic” 2% lodging tax, any county may impose an “additional” or “special” lodging tax up to 2% in increments no smaller than 0.1% ([RCW 67.28.181](#)). Unlike the basic lodging tax, the additional lodging tax is *not* a credit against the state sales tax and results in a tax increase for the lodging patron.

If the basic and additional lodging tax are each levied at a rate of 2%, the combined lodging tax rate would be 4% and the total tax paid by the patron would equal the retail sales tax in the jurisdiction plus the additional/special lodging tax of 2%.

Most cities and towns also have similar authority, and just like the basic lodging tax the city’s additional lodging tax must be taken as a credit against the county’s additional rate ([RCW 67.28.181\(3\)](#)). For instance, if both the city and the county impose the full 2% additional lodging tax, the total additional rate will be 2% countywide, but the count

not receive revenues from the incorporated area because it must credit those revenues back to the city.

The additional lodging tax also has a few exceptions:

- Counties and cities that imposed a combined lodging tax greater than 4% before July 27, 1997 were grandfathered in under RCW 67.28.181(2)(a). This includes Grays Harbor and Pierce counties (and the cities within them), plus the cities of Airway Heights, Bellevue, Chelan, Leavenworth, Long Beach, Winthrop, and Yakima.
- Any city located within a county that had the authority to levy a countywide 4% lodging tax before January 1, 1997 may not impose the additional 2% (RCW 67.28.181(2)(b)). This applies to all cities in Cowlitz and Snohomish counties.
- Cities that imposed a combined lodging tax rate of 6% before January 1, 1998 are grandfathered in under RCW 67.28.181(2)(d). This occurred due to a unique set of circumstances and only applies to the cities of Wenatchee and East Wenatchee.

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## Use of Revenues

City and county lodging tax revenues – including both the “basic” and “additional” lodging taxes – must generally be used for tourism promotion, acquisition of tourism-related facilities, or operation of tourism-related facilities (RCW 67.28.1815-.1816), including:

- Tourism marketing;
- Marketing and operations of special events and festivals designed to attract tourists;
- Operations *and* capital expenditures of tourism-related facilities owned or operated by a municipality or a public facilities district, including repayment of general obligation bonds (RCW 67.28.150) or revenue bonds (RCW 67.28.160) for eligible capital projects; or
- Operations of tourism-related facilities owned or operated by nonprofit organizations (but *not* capital expenditures).

(King County has separate provisions and requirements for how to spend the revenues.)

Definitions of “tourism,” “tourism promotion,” and “tourism-related facility” are provided in RCW 67.28.080. Cities and counties may use the funds either directly, or indirectly through a convention and visitor’s bureau or destination marketing organization. The funds may be awarded to nonprofits, tourism organizations, and to the city or county for eligible expenses.

**Practice Tip:** The guiding principle is that these facilities should be used by tourists. So for example, a municipal golf course would likely be a permitted lodging tax expenditure in Chelan, while it probably would not be if it were in a residential neighborhood in Spokane. Each situation is unique and requires careful assessment.

After conferring with the State Auditor’s Office, we have also concluded that lodging tax revenues may be used to pay for staff support of the lodging tax advisory committee (LTAC, described in further detail below), provided that proper application and reporting requirements are followed. Our conclusion comes from RCW 67.28.1815, which states that the revenues must be used “solely for the purpose of paying all or any part of the cost of tourism promotion...” It is our opinion that the primary function of an LTAC is to promote and market tourism.

Cities and counties may also use lodging tax revenues to repay general obligation bonds ([RCW 67.28.150](#)) or revenue bonds ([RCW 67.28.160](#)) issued for affordable workforce housing within a half-mile of a transit station. For more information, see our page on [Affordable Housing Funding Sources](#).

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## Application and Award Process

All prospective lodging tax recipients must apply to the city/county for funding. The entities that may apply for lodging tax funding are:

- Convention and visitors' bureaus;
- Destination marketing organizations;
- Nonprofits, including main street organizations, lodging associations, or chambers of commerce; and
- Municipalities (defined as any city, town, or county).

Any city or county with a population of 5,000 or more that imposes any lodging tax must also establish a lodging tax advisory committee (LTAC), described in the next section, to review the applications and make funding recommendations.

Jurisdictions with a population of less than 5,000 are not required to establish an LTAC, although they may do so if desired. If the jurisdiction does not have an LTAC, prospective applicants must apply directly to the legislative body (city council or county commission) for consideration and funding.

All applications must include estimates of how funding the activity will result in increases to the number of people staying overnight, traveling 50 miles or more, or coming from another state or country. To ensure that the applicants are compliant with this statutory requirement, this information should be included in the lodging tax application form that will be filed with the city/county or the LTAC.

There is no requirement that priority for funding be given to applicants expected to generate the largest number of tourists, and lodging tax revenue may still be awarded to recipients who provide services that indirectly increase tourism such as destination marketing organizations.

The law is silent on the frequency of the awards. Some jurisdictions choose to make the award process a part of their annual budget cycle while others may incorporate a mid-year awards procedure to account for unexpected increases or decreases in lodging tax revenues.

### Practice Tips:

- The State Auditor's Office interprets the law to mean that all users of lodging tax funds, including municipalities, are considered applicants and must follow the relevant application procedures. So, if cities or counties are seeking to use the funds directly, the city/county should submit applications for their own projects to the legislative body or LTAC for consideration.
- To avoid any concerns regarding [gifting of public funds](#), the city or county awarding the funds should enter into a contract with the recipient organization(s). The contract should spell out the tourism-related services to be provided in exchange for the funding, as well as the required reports that must be filed by the recipient that quantifies the services in terms of the number of tourists generated as a result of the funding.

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## Lodging Tax Advisory Committees (LTACs)

Any city or county with a population of 5,000 or more that imposes any lodging tax is required to establish a lodging tax advisory committee (LTAC) to review the applications and make funding recommendations to the legislative body.

**Practice Tip:** Jurisdictions with a population of less than 5,000 are not required to establish an LTAC, although they may do so voluntarily. If a jurisdiction voluntarily establishes an LTAC, it is not required to follow these rules and may adopt its own processes and requirements.

For jurisdictions of at least 5,000 population, the LTAC must be appointed by the legislative body (city council or county commission) and must contain at least five members, including at least two representatives of businesses that are required to collect the lodging tax, at least two people who are involved in activities that are authorized to be funded by the lodging tax, and one elected official from the jurisdiction who serves as chair (RCW 67.28.1817).

The number of committee members from organizations representing hotels/motels collecting the tax and the number from organizations involved in activities that can be funded must be equal. Organizations representing hotels and motels and organizations involved in activities that can be funded by this tax may recommend people for membership.

The statute also provides that a person who is eligible under the first category (lodging businesses) is not eligible for appointment under the second category (funding organizations), and vice versa.

The legislative body must review the committee's membership annually and makes changes as appropriate. A city's committee may include a non-voting elected county official and vice versa.

The LTAC receives all applications for lodging tax revenue and recommends a list of candidates and funding levels to city or county legislative body for final determination. The statute says that the legislative body "may choose only *recipients* from the list of candidates and recommended amounts provided by the local lodging tax advisory committee" (RCW 67.28.1816(2)(b)(ii), emphasis added).

**Practice Tip:** The legislative body is not required to fund the full list of recommended recipients and may choose to make awards to only some or even none of the recommended recipients, but the legislative body *may not award funds to any recipient that was not recommended by LTAC*.

However, an informal opinion from the Attorney General's Office in 2016 states that the legislative body may award *amounts* different from the LTAC's recommended amounts, but only after satisfying the procedural requirements of RCW 67.28.1817(2). This requires the municipality to submit its proposed change(s) to the LTAC for review and comment at least 45 days before final action is taken.

Any proposal to impose a new lodging tax, raise the rate of an existing tax, repeal an exemption from the lodging tax, or change the use of the tax proceeds, must be submitted to the lodging tax advisory committee for review and comment at least 45 days before final action will be taken on the proposal by the legislative body (RCW 67.28.1817(2)).

## Reporting Requirements

All cities and counties *receiving* lodging tax revenues must file an annual report with the Joint Legislative Audit & Review Committee (JLARC) by May 15 for the prior calendar year ([RCW 67.28.1816](#)). If a jurisdiction received lodging tax revenues but did not have any distributions or expenses during the calendar year, the JLARC report must still be completed and filed by the deadline indicating no activity.

JLARC has established an [online reporting system](#) – see the reporting instructions, data field descriptions, and FAQs at the top of the JLARC page. The reporting requirements include:

- All lodging tax revenues received;
- All lodging tax revenues distributed and/or expended;
- All recipients of lodging tax monies, including the city itself, that may have directly used lodging tax funds for qualifying facilities, tourist events, or tourism administration; and
- For all recipients, the actual number of people traveling for business or pleasure on an overnight trip in paid accommodations, traveling 50 or more miles away from their business or place of residence for the day or overnight, or traveling from another country or state.

**Practice Tip:** The deadline to submit the annual lodging tax data to JLARC is May 15 for the year ending December 31 of the prior fiscal period. However, the JLARC online filing system can record and store lodging tax activity throughout the calendar year, so as part of your contract with recipients, we recommend that you require the recipient to file the actual number of attendees, overnight stays, and/or other associated tourism data as soon as the event or activity has been completed to ensure the city's full compliance with JLARC.

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## Maximum Combined Sales & Lodging Tax Rate

For cities and counties, the maximum combined sales and lodging tax rate upon sales of lodging may not exceed 12% ([RCW 67.28.181\(1\)](#)), except for Seattle which has a maximum combined rate of 15.2%. The statutes included within the 12% cap are:

- [Chapter 36.100 RCW](#) (public facilities districts),
- [Chapter 82.08 RCW](#) (state sales tax)
- [Chapter 82.14 RCW](#) (local sales taxes)
- [Chapter 67.28 RCW](#) (lodging taxes), and
- Chapter 67.40 RCW (convention and trade center tax – repealed in 2010).

However, affordable housing sales taxes (see [RCW 67.28.181\(4\)](#)) and the first 0.4% of the Sound Transit high-capacity transit sales tax (adopted prior to December 1, 2000 – see [RCW 82.14.410\(2\)\(c\)](#)) are not included within the 12% cap.

Most counties and cities are not that close to the 12% cap, and the cap does not affect the ability of any jurisdiction to impose the maximum “basic” lodging tax allowed by law since it is taken as a credit against the state sales tax. However, the 12% cap may limit the “additional” lodging tax rate that some

jurisdictions may impose.

[RCW 82.14.410](#) provides that any local sales and use tax increase adopted after December 1, 2000 must exempt lodging sales if the increase would cause the total combined lodging/sales tax rate to exceed the greater of the 12% cap or the actual combined lodging/sales tax rate in effect on December 1, 2000.

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## Examples of Lodging Tax Documents

Below are selected examples of lodging tax ordinances, code provisions, application forms, and contracts.

### Code Provisions/Ordinances

- [Clallam County Code Ch. 5.13](#) – Additional Special Excise Tax on Lodging
- [Ferndale Municipal Code Ch. 2.31](#) – Lodging Tax Advisory Committee
- [Kirkland Municipal Code Ch. 5.19](#) – Lodging Excise Tax, with tourism development committee performing LTAC functions
- [Ocean Shores Resolution No. 787](#) (2019) – Establishing plan for use of lodging tax funds, LTAC membership, funding process, and city council goals and priorities for use of lodging taxes.
- [Quincy Municipal Code Ch. 2.36](#) (Lodging Tax Advisory Committee) and [Ch. 3.24](#) (Hotel/Motel Tax)
- [San Juan County Code Ch. 3.16](#) – Lodging Tax
- [SeaTac Ordinance No. 98-1049](#) (1998) – Authorizes issuance of \$5 million in limited tax general obligation (LTGO) bonds for specified tourism-related capital projects, repaid from lodging tax revenues and, if lodging taxes are insufficient, general property taxes
- [Spokane Valley Municipal Code Ch. 3.20](#) – Transient Occupancy Tax

### RFPs, Applications, and Guidelines

- [Airway Heights Lodging Tax Advisory Committee](#) – Includes city's tourism policy goals and strategic plan, LTAC grant application and instructions, and application for reimbursement of approved funding
- [Kittitas County, Cle Elum, Ellensburg, and Roslyn Request for Proposals: Lodging Tax Fund](#) – Consolidated online application form for county and cities. Provides lots of details about the application and scoring process; users must log in to access form
  - [Lodging Tax Request For Proposals](#) (2017) – Older paper copy of RFP; includes application form, rating form; and applicant and internal submittal checklists
  - [Consolidated Lodging Tax Interlocal Agreement](#) (amended 2018) – Creates consolidated lodging tax application process with countywide lodging tax advisory committee (LTAC) work group consisting of members of each participating LTAC. Includes amendments.
- [Lacey Application for City Lodging Tax Funds](#) (2019)
- [Ocean Shores Lodging Tax Funds Application](#) (2019)
- [Pacific County Lodging Tax Grant Application Packet](#) (2019)
- [Pierce County Lodging Tax Program](#) – Includes application process and forms, list of awards, and “resources” including the county's tourism funding strategic plan and LTAC scoring matrices. Applicants must schedule a d

on-one application workshop with the county economic development department.

- **San Juan County Lodging Tax Advisory Committee** – Includes most recent LTAC master plan, RFPs, and application forms
- **Wenatchee Application for Lodging Tax Funds** (2016)

## **Contracts with Lodging Tax Recipients**

- **Ocean Shores Tourism Promotion Agreement** (2019) – Contract template for lodging tax recipients; includes reporting requirements and example of final report on number of visitors and paid room nights
- **Olympia Professional Services Agreement for Tourism Promotion (Lodging Tax) Services** (2014) – Agreement to use lodging tax revenues for marketing and promotion of the Hands On Children’s Museum and the 2014 Sand in the City event, not to exceed \$60,000.
- **Union Gap Old Town Days Agreement** (2011) – Simple and short contract
- **Wenatchee Municipal Services Agreement Re: Lodging Tax Funded Activities** (2014) – Agreement to use lodging tax revenues to support operations of nonprofit Wenatchee Valley Museum and Cultural Center Association by growing visitation, enhancing events and marketing, and supporting a visitor services staff member/volunteer coordinator

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