RESOLUTION NO. 013-14

A RESOLUTION OF THE CITY OF PORT ORCHARD,
WASHINGTON, STATING THE CITY COUNCIL'S INTENT TO
BUDGET ADDITIONAL EXCISE TAX REVENUE COLLECTED
FROM THE FRANCHISE AGREEMENT WITH CASCADE
NATURAL GAS FOR SIDEWALK AND STREET MAINTENANCE
AND REPAIR EXPENSES

WHEREAS, the City is proposing to enter into a new franchise agreement with
Cascade Natural Gas (CNG) allowing CNG to provide natural gas and natural gas
services to citizens of the City of Port Orchard using City rights-of-way; and

WHEREAS, as compensation and in consideration for the use of the City's
rights-of-way, the new agreement provides that the excise tax payments the City
receives from CNG's gross earnings from the sale of natural gas in the City will increase
from 2% to 4% beginning January 1, 2015 and from 4% to 6% beginning January 1,
2017; and

WHEREAS, the City Council is mindful of the economic impact that excise tax
increases have on the citizens of Port Orchard and is therefore reluctant to increase the
natural gas excise tax unless the additional revenue is directed to a specific identified
need of the City; and

WHEREAS, the City Council places a high value on maintaining and repairing
the City's sidewalks and streets but budgetary restraints do not always allow the City
Council to adequately fund these activities; now, therefore,

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

THAT: As to the excise tax revenue in excess of 2% of Cascade Natural
Gas's gross earnings on natural gas sold in the City, which tax is paid to
the City pursuant to a franchise agreement with CNG, the City Council
hereby states its intent to budget said additional revenue for the purpose
of supplementing the annual sidewalk and street maintenance and
repair.
PASSED by the City Council of the City of Port Orchard, SIGNED by the Mayor and attested by the City Clerk in authentication of such passage this 27th day of May 2014.

Timothy C. Matthes, Mayor

ATTEST:

Brandy Rinearson, City Clerk