



SUPPLEMENTAL AGENDA REPORT

Meeting Date: June 18, 2020

To: Mayor O'Connell and Members of the Brisbane City Council

From: Clay Holstine, City Manager

Subject: Revised Resolution Establishing a Business License Tax for Kinder Morgan/SFPP for 2020

The agenda report and resolution concerning the above subject that was issued on Friday, June 12, had an error concerning the tax rate to be applied to the "over the barrel" liquids that were delivered to the Kinder Morgan/SFPP facility in 2019. The agenda report and resolution reflected a tax rate of 0.04804 cents per barrel. The correct tax rate is 4.804 cents per barrel. The overall amount of the tax to be imposed--\$400,000—is the same. A revised resolution reflecting the correct tax rate is attached.

RESOLUTION NO. 2020-50

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BRISBANE ESTABLISHING THE BUSINESS LICENSE TAX CHARGED TO KINDER MORGAN/SFPP LLC FOR CALENDAR YEAR 2020 UNDER SECTION 5.20.011 OF THE BRISBANE MUNICIPAL CODE AND RESCINDING RESOLUTION NO. 2020-42

WHEREAS, Section 5.20.011 of the Brisbane Municipal Code imposes an annual business license tax on persons engaged in the business of operating, leasing, supplying or providing a liquid storage facility in the City; and

WHEREAS, Kinder Morgan/SFPP LLC, a business in Brisbane engaged in the business of operating, leasing, supplying or providing a liquid storage facility, and the City have agreed that for calendar year 2020 the liquid fuel storage tax will be set by the City Council based on a formula in an amount of six cents per barrel of liquid fuel transported through the Brisbane Terminal for delivery at the terminal (“over the rack”) during calendar year 2019; and

WHEREAS, for calendar year 2019, Kinder Morgan/SFPP LLC provided revised data to the City indicating that the number of barrels “over the rack” for calendar year 2019 were 8,326,342; and

Whereas, the Section 5.20.011 provides the City Council may set a tax rate for these facilities up to six cents per barrel, so long as the overall tax amount does not exceed \$400,000.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BRISBANE AS FOLLOWS:

1. For 2020, the City Council sets the business license tax rate for the Kinder Morgan/SFPP liquid storage facility in Brisbane at 4.804 cents per barrel and the annual business license tax charged to Kinder Morgan/SFPP LLC for 2020 shall be \$400,000.
2. Payment of the business license taxes for 2020 shall be due and payable in full by June 30, 2020.
3. Resolution No. 2020-42 is hereby rescinded.

Terry O’Connell, Mayor

I hereby certify that the foregoing Resolution No. 2020-50 was duly and regularly adopted at the regular meeting of the Brisbane City Council on June 18, 2020 by the following vote:

AYES:
NOES
ABSTAIN:
ABSENT:

Ingrid Padilla, City Clerk