

Transportation Benefit District Board Meeting

Board Members

Craig Ottavelli,
President

Joe Hyer,
Vice President

Jeff Kingsbury

Doug Mah

Joan Machlis

Karen Messmer

Rhenda Strub

Jane Kirkemo
Treasurer

March 24, 2008
Olympia Council Chambers
9:00 p.m.

(After the Olympia City Council Meeting)

A G E N D A

1. [Approval of Minutes of March 10, 2009 Transportation Benefit District Board Meeting](#)
2. [Ordinance Establishing Rate and Projects to be Funded by the Olympia Transportation Benefit District](#) (*Steve Hall, Annaliese Harksen*)



TRANSPORTATION BENEFIT DISTRICT
BOARD
Olympia, Washington
March 10, 2009
MEETING MINUTES

9

Board Members Present: President Craig Ottavelli, Vice President Joe Hyer, Boardmembers Jeff Kingsbury, Joan Machlis, Doug Mah, Karen Messmer, and Rhenda Iris Strub

Staff Present: Jane Kirkemo

The March 10, 2009 meeting of the Transportation Benefit District was called to order at 6:00 p.m.

Agenda Approval

Boardmember Kingsbury moved, seconded by Vice President Hyer, to approve the agenda. *Motion passed unanimously.*

1. Approval of Minutes of February 24, 2009 Transportation Benefit District Board Meeting

Boardmember Mah moved, seconded by Boardmember Kingsbury, to approve the minutes. *Motion passed unanimously.*

2. Public Hearing - Rate and Projects to be Funded (*Jane Kirkemo, Admin Services*)

Board Action Requested: Consider an annual \$20 per vehicle registration fee to be used to help pay for the following projects in priority order:

1. Pavement management on City arterials and major collectors
2. Boulevard Road intersection improvements
3. Harrison Avenue NW road improvements

President Ottavelli opened the public hearing.

Treasurer Jane Kirkemo briefly outlined when the Transportation Benefit District was formed and explained the purpose of the public hearing was to discuss the proposed \$20 vehicle registration fee and comment on the projects it will pay for.

Mr. Jim Lazar, 1907 Lakehurst Dr SE, spoke in support of the \$20 vehicle registration fee and said the funds should be dedicated to street maintenance work (e.g., resurfacing, repair of potholes and sidewalks) not for capacity projects.

President Ottavelli closed the public hearing. Boardmember Messmer suggested leaving the record open until March 13 at 5:00 p.m. for written comments. ***The Board agreed to the suggestion.*** Boardmember Mah asked staff to include Vice President

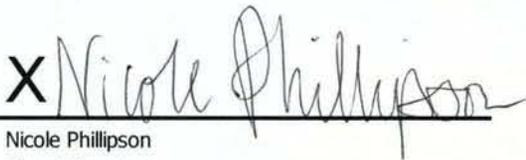
Hyer's proposed Option 4 in the staff report when an ordinance comes back for Board action at its March 24 meeting.

Ms. Kirkemo asked the Board to consider an effective date for implementation of the ordinance adopting the \$20 vehicle registration fee.

The Board discussed the following dates that may be considered when it takes action on the ordinance March 24: October 1, 2009 or as soon as the State can implement collection of the fee; 30 days from the date the ordinance is passed; and 2010.

President Ottavelli noted the ordinance will come back for first and final reading March 24.

The meeting was adjourned at 6:30 p.m.

X 
Nicole Phillipson
Board Secretary

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TRANSPORTATION BENEFIT DISTRICT BOARD
Olympia, Washington
March 24, 2009

**ORDINANCE ESTABLISHING RATE AND PROJECTS TO BE FUNDED
BY THE OLYMPIA TRANSPORTATION BENEFIT DISTRICT**

Craig Ottavelli, President
Joe Hyer, Vice President

STAFF CONTACT(s): Steve Hall
City of Olympia City Manager

Annaliese Harksen
City of Olympia Assistant City Attorney
aharksen@ci.olympia.wa.us 360.753.8003

ORIGINATED BY: Transportation Benefit District Board

OTHERS NOTIFIED: Meeting noticed in *The Olympian*

ATTACHMENTS:

1. ["Option 4" from previous Board meeting](#)
2. [Ordinance](#)

**BUDGET IMPACT/
SOURCE OF FUNDS:** A \$20 per vehicle has been proposed. The Board estimates receiving \$634,500 per calendar year.

PRIOR BOARD REVIEW: A public hearing was held on March 10, 2009 to consider the fee and the projects to be funded.

BACKGROUND: In December 2008, the Olympia City Council adopted an ordinance creating the Olympia Transportation Benefit District and establishing the boundaries. On March 10, 2009 the Transportation Benefit District Board held a public hearing to allow comment on the proposed fee and projects to be funded.

Analysis and Option: The ordinance sets an annual \$20 per vehicle registration fee to be used to help pay for pavement management on City arterials and major collectors, Boulevard Road improvements and Harrison Avenue Road Improvements. The ordinance would become effective five days after

passage and publication and the State would begin collecting as soon as reasonably possible. Once the ordinance is adopted the next steps are:

- Sign an Interlocal agreement with the State of Washington Department of Licensing to administer collection of the vehicle fee;
- Adopt a material change policy addressing how the Board will handle any variance of 20% or more on project delivery, scope or cost;
- Approve a budget;
- Contract via Interlocal agreement with the City of Olympia for construction of the improvements and administration of the TBD.

Option 4: Implement a TBD with an initial \$20 fee, and use the proceeds to fund the following projects, in priority order:

1. **Street Repair & Reconstruction (Pavement Management)**, identified in the City of Olympia Capital Facilities plan as project #0599, in partnership with the city of Olympia.
2. **Boulevard Road Intersection Improvements**, identified in the City of Olympia Capital Facilities Plan as project #0628, in partnership with the city of Olympia.
3. **Harrison Ave NW (Mud Bay Road) Transportation program**, identified in the City of Olympia Capital Facilities Plan as project #0442), in partnership with the city of Olympia.

Funding Strategy -

RCW 36.73's intent suggests 'joint' efforts to achieve transportation goals. To that end, this strategy has the TBD board partnering with the City of Olympia to achieve 3 key projects that will improve mobility, traffic flow, and increase safety citywide.

In the near term (2009-2011), until a stable & reliable revenue stream is realized, available funds will go towards maintaining and improving streets city wide, via the effective pavement management program. The TBD funds alone cannot sustain this entire program, requiring the partnership with the City of Olympia to fully fund the program. Administration & oversight of the project will be contracted to the City of Olympia.

In the near term, the TBD board will also explore other revenue options available to it. A voted measure to add additional revenue from car tabs, a sales tax measure, or a property tax measure in future years could provide significant funding towards projects #2 or #3, and should be fully explored.

In the near term, the TBD will analyze the revenue stream and determine how significant any fluctuations in it may be. Within a couple of years, if the stream is stable, the Board will consider utilizing portions of the stream as either a 'local match' for grants, as a source to bond for projects now and re-pay with future revenues, or simply to fill final gaps in a funding package for projects #2 & #3.

In the long term, revenue streams to the TBD may be split between 1 or more of the listed projects, with the goal being to partner with the City of Olympia and others to complete all projects in the shortest timeframe possible, utilizing all available funding opportunities.

2009 Proposed Budget

Revenue (assumes collections of ¼ of year)	\$150,000.00
Administrative Expense	(\$40,000.00)
<i>(Insurance \$5000, Audit \$5000, Outside Counsel \$5000, Admin Support \$25,000)</i>	
Banked for 2010 Project funding	(\$110,000.00)

2010 Proposed Budget

Revenue (assumes collections of full year)	\$634,500.00
Previously Banked funds	\$110,000.00
Administrative Expense	(\$40,000.00)
<i>(Insurance \$5000, Audit \$5000, Outside Counsel \$5000, Admin Support \$25,000)</i>	
Project #1, Pavement Management, Allocation	\$704,500.00

2011 and beyond Budget

To be Determined by the Board based on near term analysis, outlined above.

Option 4 Motion: Implement a Transportation Benefit District with an initial \$20 fee, and use the proceeds to fund the following projects, in priority order:

1. Street Repair and Reconstruction, also known as Pavement Management, identified in the City of Olympia Capital Facilities Plan as project #0599, in partnership with the City of Olympia.
2. Boulevard Road Intersection Improvements, identified in the City of Olympia Capital Facilities Plan as project #0628, in partnership with the City of Olympia.
3. Harrison Avenue NW (Mud Bay Road) Transportation program, identified in the City of Olympia Capital Facilities Plan as project #0442, in partnership with the City of Olympia.
4. Propose a public hearing date of March 10
5. Propose a budget for the TBD in 2009-2010, as outlined in the memo. I will go into specifics if you like, and the strategies therein identified.

In addition, a dissolution date for the TBD has been determined to be necessary, and so we would set that in 2025, the end of the Regional Transportation Plan, which is one of our projects identified, or until all these projects are completed, whichever comes sooner.

Ordinance No.**AN ORDINANCE OF THE CITY OF OLYMPIA, WASHINGTON TRANSPORTATION BENEFIT DISTRICT AUTHORIZING A VEHICLE LICENSE FEE, SETTING A DATE WHEN THE FEE SHALL BE COLLECTED AND AUTHORIZING CERTAIN PROJECTS TO BE FUNDED.**

WHEREAS, Chapter 36.73 RCW and RCW 35.21.255 authorize the City of Olympia City Council to establish a transportation benefit district within the City's jurisdiction for the purpose of acquiring, constructing, improving, providing, and funding transportation improvements within the district that are consistent with existing state, regional, and local transportation plans and necessitated by existing or reasonably foreseeable congestion levels; and

WHEREAS, the City Council of the City of Olympia found it to be in the best interest of the City to establish a citywide Transportation Benefit District consistent with Chapter 36.73 RCW, to protect the City's long term investments in infrastructure, to reduce the risk of transportation facility failures and improve safety, to continue optimal performance of the infrastructure over time, and to avoid more expensive infrastructure replacements in the future; and

WHEREAS, in Ordinance No. 6611, the City Council of the City of Olympia established a Transportation Benefit District as authorized by RCW 35.21.225 and subject to the provisions of RCW 36.73; and

WHEREAS, the Transportation Benefit District includes the entire City of Olympia as the boundaries currently exist or as are expanded upon annexation; and

WHEREAS, pursuant to RCW 36.73.030(3), the members of the City Council, acting ex officio and independently, constitute the governing body of the Transportation Benefit District; and

WHEREAS, RCW 36.73.065 authorizes a transportation benefit district to impose, by majority vote of the district's governing board, up to a \$20 vehicle fee authorized in RCW 82.80.140; and

WHEREAS, the Board of the Olympia Transportation Benefit District finds it to be in the best interest of the District to establish an annual vehicle fee in the amount of \$20 for the purpose of making transportation improvements that preserve, maintain and improve the transportation infrastructure of the City of Olympia, consistent with Chapter 36.73 RCW; and

WHEREAS, the Board of the City of Olympia Transportation Benefit District has determined that fee collection shall begin as of October 1, 2009 or as soon thereafter as the DOL has its collection system in place and the TBD will request that the

Department of Licensing begin sending renewal notices on the date necessary to effect that result, recognizing that renewal notices are sent in advance of collection; and

WHEREAS, the Board of the City of Olympia Transportation Benefit District finds it in the best interests of the District to fund three projects in the City of Olympia Capital Facilities Plan; and

WHEREAS, the Board of the Olympia Transportation Benefit District held a public hearing on March 10, 2009 to solicit public comment regarding the proposed vehicle fee and the projects to be funded;

NOW, THEREFORE, THE BOARD OF THE OLYMPIA TRANSPORTATION BENEFIT DISTRICT ORDAINS AS FOLLOWS:

Section 1. Establishment of Annual Vehicle Fee. An annual vehicle fee in the amount of \$20 is hereby established, consistent with RCW 36.73.065, to be collected by the Washington Department of Licensing on qualifying vehicles as set forth in RCW 82.80.140 and Chapters 36.73 and 46.16 RCW.

Section 2. Effective Date of Fee Collection. The vehicle license fee shall take effect for notices mailed in 2009 for vehicle license renewals due on or after October 1, 2009, or as soon thereafter as the Washington Department of Licensing is reasonably able to incorporate collection of the \$20 fee. Vehicle license fees will not be collected sooner than six months after approval as provided in RCW 82.80.140.

Section 3. Projects. The projects listed herein shall be funded in the following order of priority:

1. Street Repair and Reconstruction, also known as Pavement Management, identified in the City of Olympia Capital Facilities Plan as project #0599, in partnership with the City of Olympia.
2. Boulevard Road Intersection Improvements, identified in the City of Olympia Capital Facilities Plan as project #0628, in partnership with the City of Olympia.
3. Harrison Avenue NW (Mud Bay Road) Transportation program, identified in the City of Olympia Capital Facilities Plan as project #0442, in partnership with the City of Olympia.

Section 4. Severability. The provisions of this ordinance are declared separate and severable. If any provision of this ordinance or its application to any person or circumstance is held invalid, the remainder of this ordinance or application of the provision to other persons or circumstances, shall be unaffected.

Section 5. Ratification. Any act consistent with the authority and prior to the effective date of this ordinance is hereby ratified and affirmed.

Section 6. Effective Date. This ordinance shall take effect five (5) days after publication, as provided by law.

APPROVED:

CRAIG OTTAVELLI, TBD PRESIDENT

ATTEST:

TBD TREASURER

**APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY:**

BY: _____

ANNALIESE HARKSEN

PASSED:

APPROVED:

PUBLISHED: