



CITY OF COVINGTON
TRANSPORTATION BENEFIT DISTRICT SPECIAL MEETING
Council Chambers – 16720 SE 271st Street, Suite 100, Covington, WA
www.covingtonwa.gov

Tuesday, January 27, 2015 – 8:30 p.m. or directly following regular council meeting*

**Meeting will be called to order no earlier than 8:30 pm; however, if regular city council meeting does not adjourn before 8:30 pm this TBD meeting will be called to order directly following adjournment of regular city council meeting.*

Call to Order

Roll Call

Approval of Agenda

Public Comment Speakers will state their name, address, and organization. Comments are directed to the Board, not the audience or staff. Comments are not intended for conversation or debate and are limited to no more than four minutes per speaker. Speakers may request additional time on a future agenda as time allows.*

Approve Consent Agenda

- C-1. Approve Minutes of October 28, 2014 Special Meeting (Scott)

New Business

1. Adopting Resolution Calling for Special Election (Bolli)
2. Consider Amendment to Interlocal Agreement with City of Covington (Hendrickson)
3. Consider Resolution Requesting Voter's Pamphlet and Approve Explanatory Statement (Springer)
4. Consider Appointments to Pro and Con Committees (Scott)
5. Review Timeline (Hendrickson)

Adjourn

Any person requiring disability accommodation should contact the City of Covington at 253-480-2400 a minimum of 24 hours in advance. For TDD relay services, please use the state's toll-free relay service at 800-833-6384 and ask the operator to dial 253-480-2400.

SUBJECT: APPROVAL OF MINUTES: OCTOBER 28, 2014 COVINGTON TRANSPORTATION
BENEFIT DISTRICT SPECIAL MEETING MINUTES

RECOMMENDED BY: Sharon G. Scott, Board Clerk

ATTACHMENT(S): Proposed Minutes

PREPARED BY: Joan Michaud, Senior Deputy City Clerk

EXPLANATION:

ALTERNATIVES:

FISCAL IMPACT:

BOARD ACTION: ___ Resolution X Motion ___ Other

**Board member _____ moves, Board member _____
seconds, to approve the October 28, 2014 Covington Transportation Benefit
District Special Meeting Minutes.**

**Covington Transportation Benefit District
Special Meeting Minutes
Thursday, October 28, 2014**

The Special Meeting of the Covington Transportation Benefit District was called to order in the Covington Council Chambers, 16720 SE 271st Street, Suite 100, Covington, Washington, Thursday, October 28, 2014, at 9:24 p.m., with Margaret Harto, Chair of the Board, presiding.

BOARD MEMBERS PRESENT:

Margaret Harto, Joe Cimaomo, Mark Lanza, Marlla Mhoon, Jim Scott, Wayne Snoey, and Jeff Wagner.

STAFF PRESENT:

Rob Hendrickson, Interim Chief Executive Officer; Casey Parker, Treasurer; Sara Springer, Legal Advisor to the Board; Don Vondran, Public Works Director; Scott Thomas, Parks & Recreation Director; Noreen Beaufriere, Personnel Manager; Bill Fealy, Maintenance Worker – Arborist; Bob Lindskov, City Engineer; and Sharon Scott, Board Clerk.

APPROVAL OF AGENDA:

Board Action: Vice Chair of the Board Wagner moved and Board Member Cimaomo seconded to approve the Agenda. Vote: 7-0. Motion carried.

PUBLIC COMMENT:

Chair of the Board Harto called for public comments.

There being no comments, Chair Harto closed the public comment period.

APPROVAL OF CONSENT AGENDA:

C-1. Minutes: April 24, 2014 Transportation Benefit District Special Meeting Minutes.

Board Action: Vice Chair Wagner moved and Board Member Scott seconded to approve the Consent Agenda. Vote: 7-0. Motion carried.

NEW BUSINESS:

1. Funding; Next Steps Revisited.

Chief Executive Officer Rob Hendrickson gave the report on this item.

Board members provided comments and discussed.

Board Action: There was Board consensus in support of an April 2015 election on the sales tax option.

Board Action: There was also Board consensus to provide a voter's pamphlet for the election.

BOARD/STAFF COMMENTS:

Board members provided comments.

ADJOURNMENT:

There being no further business, the meeting was adjourned at 9:46 p.m.

Prepared by:

Submitted by:

Joan Michaud
Senior Deputy City Clerk

Sharon Scott
Board Clerk

SUBJECT: CONSIDER RESOLUTION CALLING FOR THE INCLUSION OF A PROPOSITION ON THE APRIL 28, 2015, SPECIAL ELECTION BALLOT TO AUTHORIZE AN ADDITIONAL SALES AND USE TAX TO FUND THE COVINGTON TRANSPORTATION BENEFIT DISTRICT.

RECOMMENDED BY: Regan Bolli, TBD CEO

ATTACHMENT(S):

1. Proposed Resolution Calling for the Inclusion of a Proposition on the April 28, 2015, Special Election Ballot Authorizing an Additional Sales and Use Tax Within the District

PREPARED BY: Sara Springer, TBD Legal Advisor

EXPLANATION:

In late 2012, the Budget Priorities Advisory Committee (BPAC) included in its final recommendation the direction to proceed with the creation of a Transportation Benefit District ("TBD"). To fund the TBD, the unanimous recommendation by BPAC was to take a two-tenths of one percent (0.2%) increase in sales tax to the voters as soon as possible.

On April 9, 2013, the City Council adopted Ordinance No. 02-13, creating the Covington Transportation Benefit District. The TBD Board subsequently instructed staff to pursue a ballot proposition for the November 2013 election for voters to adopt a 0.2% sales and use tax increase to fund certain transportation improvements; this was presented as Proposition 1 on the November general election ballot. Proposition 1 failed to pass by a margin of only 39 votes (1.1% of the total votes cast).

At the TBD meeting on December 9, 2014, the TBD Board instructed staff to pursue the same proposition for a two-tenths of one percent (0.2%) sales tax increase for the April 28, 2015, special election.

The attached proposed resolution is the legal instrument to be used to indicate the TBD Board's desire to fund and implement certain transportation improvements through the imposition of a 0.2% sales and use tax in accordance with RCW 82.14.0455, consistent with Chapter 36.73 RCW, and upon voter approval thereof, and to call for the Director of Elections in King County to include a proposition on the April 28, 2015, special election ballot for District voters to approve or reject the same. The attached resolution is virtually identical to the resolution previously approved by the Board for Proposition 1 on the November 2013 general election ballot.

ALTERNATIVES:

Not approve the resolution as presented.

FISCAL IMPACT:

Placing a proposition on a special election ballot costs approximately \$23,000 to \$26,000.

BOARD ACTION:

Resolution Motion Other

Board member _____ moves and Board member _____ seconds to approve the resolution calling for the inclusion of a proposition on the April 28, 2015, special election ballot to authorize an additional sales and use tax within the District, in substantial form as attached hereto.

REVIEWED BY: Board CEO, Board Treasurer, Board Legal Advisor

ATTACHMENT 1

COVINGTON TRANSPORTATION BENEFIT DISTRICT

RESOLUTION NO. 15-01

A RESOLUTION OF THE BOARD OF THE COVINGTON TRANSPORTATION BENEFIT DISTRICT, COVINGTON, WASHINGTON, PROVIDING FOR A BALLOT PROPOSITION TO BE SUBMITTED TO THE QUALIFIED VOTERS OF THE DISTRICT AT AN ELECTION TO BE HELD ON APRIL 28, 2015, AUTHORIZING AN ADDITIONAL SALES AND USE TAX WITHIN THE DISTRICT AT THE RATE OF TWO-TENTHS OF ONE PERCENT FOR A PERIOD NOT TO EXCEED TEN YEARS, COMMENCING OCTOBER 1, 2015, FOR THE PURPOSE OF PAYING FOR OR FINANCING THE COST OF TRANSPORTATION IMPROVEMENTS; SETTING FORTH THE TEXT OF THE BALLOT PROPOSITION; DIRECTING PROPER DISTRICT OFFICIALS TO TAKE NECESSARY ACTIONS; AND PROVIDING FOR OTHER PROPERLY RELATED MATTERS.

WHEREAS, Chapter 36.73 RCW enables cities and counties to create transportation benefit districts to finance and carry out transportation improvements necessitated by economic development and to improve the performance of transportation systems; and

WHEREAS, under RCW 36.73.015(3), transportation improvements include, among other things, projects contained in the transportation plan of the state, a regional transportation planning organization, a county or a city, and may include investment in transportation projects and programs of regional and statewide significance; and

WHEREAS, following a public hearing in accordance with RCW 36.73.050, the City of Covington (the "City") approved Ordinance No. 02-13 on April 9, 2013, establishing the Covington Transportation Benefit District (the "District"), pursuant to Chapter 36.73 RCW, for the purpose of funding transportation maintenance and improvement projects that are consistent with existing state, regional, and local transportation plans and necessitated by existing or reasonably foreseeable congestion levels, more specifically identified in Exhibit A to this resolution, incorporated herein by this reference (collectively the "TBD Projects"); and

WHEREAS, with voter approval, the District may impose a sales and use tax upon the occurrence of any taxable event within the boundaries of the District to fund transportation improvements; and

WHEREAS, the governing board of the District (the "Board") now desires to fund and implement the TBD Projects through the imposition by the District of a two-tenths of one percent sales and use tax in accordance with RCW 82.14.0455, consistent with Chapter 36.73 RCW, upon voter approval thereof;

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF THE COVINGTON TRANSPORTATION BENEFIT DISTRICT, COVINGTON, WASHINGTON, AS FOLLOWS:

Section 1. Description of TBD Projects. The specific TBD Projects to be paid or financed for in whole or in part with proceeds of the sales and use tax described in this resolution consist of the transportation improvement projects identified within Exhibit A herein. The cost of all necessary design, engineering, financial, legal, and other consulting services; inspection and testing; administrative and relocation expenses; and other costs incurred in connection with the foregoing TBD Projects shall be deemed a part of the costs of the TBD Projects.

The Board shall determine the application of moneys available for the TBD Projects so as to accomplish, as nearly as may be, all of the TBD Projects. In the event that the proceeds of sales and use taxes authorized herein, plus any other money of the District legally available therefor, are insufficient to accomplish all of the TBD Projects, the Board shall use the available funds for paying the cost of those portions of the TBD Projects deemed by the Board most necessary and in the best interest of the District.

The Board shall determine the exact locations and specifications for the elements of the TBD Projects as well as the timing, order, and manner of implementing or completing the TBD Projects. The Board may alter, make substitutions to, and amend the TBD Project descriptions as it determines is in the best interests of the District and in accordance with the material change policy adopted by the Board and the notice, hearing, and other procedures described in Chapter 36.73 RCW, including RCW 36.73.050(2)(b), in each case as the same may be amended from time to time.

If the Board shall determine that it has become impractical to acquire, construct, or implement all or any portion of the TBD Projects by reason of changed conditions, incompatible development, costs substantially in excess of the amount of sales and use tax proceeds estimated to be available, lack of matching funds, or acquisition by a superior governmental authority, the Board shall not be required to acquire, construct, or implement such portions. If all of the TBD Projects have been acquired, constructed, implemented, or duly provided for, or found to be impractical, the Board may apply the sales and use tax proceeds, plus any other money of the District legally available therefor (including earnings thereon), or any portion thereof, to other transportation improvements then identified in the City's currently adopted six-year Transportation Improvement Program in accordance with the material change policy adopted by the Board and the notice, hearing, and other procedures described in Chapter 36.73 RCW, including RCW 36.73.050(2)(b), in each case as the same may be amended from time to time.

Section 2. Calling of Election. The Board hereby finds and declares that the best interests of the District require the submission to the qualified voters of the District a proposition of whether the District shall impose a sales and use tax within the limitations established in RCW 82.14.0455 for their approval or rejection. The Board thereby requests that the Director of Records and Elections of King County, as *ex officio* Supervisor of Elections in King County ("Director of Elections"), call and conduct a special election in the District, in the manner provided by law, to be held therein on April 28, 2015, for the purpose of submitting to the voters of the District, for their approval or rejection, a proposition whether the District shall impose a sales and use tax at the rate of two-tenths of one percent of the selling price in the case of a sales tax, or value of the article used in the case of the use tax. If approved, this sales and use tax shall be collected for a period not exceeding ten years, or if dedicated to the repayment of indebtedness incurred in accordance with the requirements of Chapter 36.73 RCW, until such time that indebtedness (including obligations issued to refund that indebtedness) shall have been fully redeemed and retired. The tax is in addition to any other taxes authorized by law and shall be collected from those persons who are taxable under the state chapters 82.08 and 82.12 RCW upon the occurrence of any taxable event within the boundaries of the District.

If such proposition is approved by the requisite number of voters, the District shall be authorized to use the proceeds of such sales and use tax for the purpose of paying for or financing all or part of the costs of the TBD Projects in accordance with the requirements of Chapter 36.73 RCW.

Section 3. Ballot Proposition. The Clerk of the Board is hereby authorized and directed to certify, no later than March 13, 2015, to the Director of Elections, a copy of this resolution and the following proposition to be submitted to the qualified electors at that election, in substantially the following form:

**COVINGTON TRANSPORTATION DISTRICT
COVINGTON, WASHINGTON
PROPOSITION 1
SALES AND USE TAX FOR
TRANSPORTATION IMPROVEMENTS**

The Board of Covington Transportation District, Covington, Washington, adopted Resolution No. 15-01 concerning a sales and use tax to fund transportation improvements. This proposition would authorize collection of a sales and use tax at a rate of 0.2% of all taxable retail sales within the District, in accordance with RCW 82.14.0455, for a period not exceeding ten years, for the purpose of paying for or financing the costs of transportation maintenance and improvement projects identified in Resolution No. 15-01. Should this proposition be approved?

YES.....

NO

For purposes of receiving notice of the exact language of the ballot proposition required by RCW 29A.36.080, the Board hereby designates: (a) the Clerk of the Board; and (b) legal adviser to the District, Sara Springer, SBS Legal Services, PLLC (sara@sbslegalservices.com, 206-313-2896), as the individuals to whom such notice should be provided. The Chair of the Board and Clerk of the District are each authorized individually to approve changes to the ballot title, if any, deemed necessary by the Director of Elections.

The Clerk of the District is authorized to make necessary clerical corrections to this resolution including, but not limited to, the correction of scrivener’s or clerical errors, references, resolution numbering, section/subsection numbers, and any reference thereto.

The proper District officials are authorized to perform such duties as are necessary or required by law to submit the question of whether the sales and use tax shall be imposed, as provided in this resolution, to the electors of the District at the April 28, 2015, special election.

Section 4. Severability. If any provision of this resolution shall be declared by any court of competent jurisdiction to be invalid, then such provision shall be null and void and shall be separable from the remaining provisions and shall in no way affect the validity of the other provisions, or of the imposition or collection of the tax authorized herein.

Section 5. Effective Date. This resolution shall be effective immediately after its adoption in the manner provided by law.

Section 6. Ratification of Prior Acts. Any action taken consistent with the authority and prior to the effective date of this resolution is hereby ratified, approved, and confirmed.

PASSED in open and regular session of the Board of the Covington Transportation District on this 27th day of January, 2015.

Margaret Harto, Chair of the Board

ATTESTED:

Sharon Scott, Clerk of the Board

APPROVED AS TO FORM:

Sara Springer, Legal Advisor

Exhibit A

Identification of TBD Projects

The specific District improvements to be paid for and/or financed with proceeds of the sales and use tax described in this resolution consist of the following transportation maintenance projects as well as improvement projects described in detail within the City's six-year Transportation Improvement Program (TIP), abbreviated descriptions of which are incorporated herein as follows in no specific order of priority and as may be amended from time to time.

Transportation Maintenance:

- Crack sealing program.
- Overlay program.
- Small capital improvements such as ADA accessible routes and pedestrian facilities.
- Asphalt patching and sidewalk repairs.
- Additional staffing to include maintenance worker(s) and an addition to the engineering team to provide oversight of transportation programs including overlay, asphalt pavement condition, small CIP for transportation and pedestrian programs and managing grants.

Transportation Improvements:

- SE 272nd Street (SR 516), Jenkins Creek to 185th Place SE: Widen to five lanes and reconstruct; sidewalks; new stream crossing.
- Citywide Intersection Safety Project: Various signing, striping, and channelization improvements at ten intersections throughout the city (see six-year TIP for details).
- Jenkins Creek Park Trail Project—Non-motorized multi-use trail and bridge replacement.
- 204th Avenue SE, SE 272nd Street to SE 256th Street (schedule is development driven)—Widen to full City standard sidewalks, bicycle lanes.
- 164th Avenue SE, SE 264th Street to SE 269th Street—Pedestrian improvements; 5' asphalt walkway; drainage swale.
- SE 272nd Street (SR 516), 185th Place SE to 192nd Avenue SE: Widen to five lanes & reconstruct; sidewalks; new signal.
- SE 272nd Street (State Route 516), 160th Avenue SE to 164th Avenue SE Const.: Signal modifications; add turn lanes; stream crossing.
- SE 256th Street and 180th Avenue SE, Safety improvements, Sidewalks Construction—Signal modifications; add right turn lane.
- SE 276th Street, 168th Place SE to SE Wax Road (schedule is development driven)—New route; new alignment; Type II roadway.
- 172nd Avenue SE, SE 275th Street to SE 276th Street (schedule is development driven)—New route; new alignment; Type I roadway.
- 185th Place SE Extension, Wax Road/180th Avenue SE Roundabout to SE 272nd Street—New route; new alignment; access management.

CERTIFICATION

I, the undersigned, Clerk to the Board of the Covington Transportation Benefit District (the "District"), hereby certify as follows:

1. The foregoing Resolution No. 15-01 ("Resolution") is a full, true and correct copy of the Resolution duly adopted at a special meeting of the Board of District (the "Board") held at the regular meeting place thereof on January 27, 2015, as that Resolution appears on the minute book of the District, and the Resolution is now in full force and effect; and

2. A quorum of the members of the Board was present throughout the meeting and a sufficient number of members of the Board present voted in the proper manner for the adoption of the Resolution.

IN WITNESS WHEREOF, I have hereunto set my hand this 27th day of January, 2015.

COVINGTON TRANSPORTATION DISTRICT

Sharon Scott, Clerk of the Board

SUBJECT: CONSIDER AMENDMENT TO INTERLOCAL AGREEMENT BETWEEN THE COVINGTON TRANSPORTATION BENEFIT DISTRICT (“DISTRICT”) AND THE CITY OF COVINGTON (“CITY”) TO CLARIFY PAYMENT OF COSTS TO SECURE DISTRICT FUNDING SOURCES.

RECOMMENDED BY: Sara Springer, District Legal Advisor

ATTACHMENT(S):

- 1. Proposed Amendment to Interlocal Agreement with the City

PREPARED BY: Sara Springer, District Legal Adviser

EXPLANATION:

Pursuant to Chapter 39.34 RCW, the District and the City entered into an interlocal agreement (the “ILA”) upon formation of the District to provide for, among other provisions, the transfer of funds and staff services to be shared.

The ILA already contains permissive language regarding the range of services the City will perform on behalf of the District and that the District shall first repay the City for those services from District funding. However, because the District will be considering the authorization of another ballot measure to be placed on the April special election ballot to secure a funding source for the District, to ensure an abundance of clarity, staff is recommending a very minor amendment to the ILA to expressly state that all costs incurred by the City to secure District funding sources, including all election costs, shall be repaid to the City. (Attachment 1)

ALTERNATIVES:

- 1. Return to staff to change the terms of the amendment.

FISCAL IMPACT:

No fiscal impact.

BOARD ACTION:

Resolution Motion Other

Board member _____ moves and board member _____ seconds to authorize the District Chair to execute an amendment to the interlocal agreement between the Covington Transportation Benefit District and the City of Covington to clarify the payment of costs to secure District funding sources, in substantial form as the amendment attached hereto.

REVIEWED BY: District CEO, District Legal Advisor, District Treasurer

ATTACHMENT 1

**FIRST AMENDMENT TO
INTERLOCAL AGREEMENT
BETWEEN
COVINGTON TRANSPORTATION BENEFIT DISTRICT AND THE CITY OF COVINGTON**

THIS FIRST AMENDMENT to the interlocal agreement (“Amendment”) is made this 27th day of January, 2015, by and between the Covington Transportation Benefit District (the “District”) and the City of Covington, Washington (the “City”), each of which is organized as a municipal corporation under the laws of the State of Washington. The City and the District are collectively referred to in this Amendment as the “Parties”.

RECITALS

WHEREAS, the Parties previously entered into that certain interlocal agreement dated February 11, 2014 (the “ILA”); and

WHEREAS, the Parties now desire to amend the ILA in order to clarify the District’s repayment of all costs incurred by the City to secure District funding sources, including all election costs; and

WHEREAS, all conditions set forth in the ILA shall remain in full force and effect except as modified by this Amendment. All capitalized terms used herein shall have the meanings ascribed to them in the ILA, unless otherwise defined herein.

NOW THEREFORE, in consideration of the mutual covenants and agreements of the Parties set forth in the ILA, and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the Parties agree as follows:

AGREEMENT

1. **Recitals.** The foregoing recitals are true and are incorporated herein by this reference as though set forth in full.
2. **Amendment to Subsection 3.1.** Subsection 3.1 of the ILA shall be amended as follows:

3. Undertakings of Covington. Covington shall:

3.1 Provide all staff and necessary related support to the District. The costs of such support shall be accounted for as a part of Covington’s annual report to the District. District funding shall first be applied to the reasonable charges incurred in establishing and staffing the District. Annual services provided may include the services provided by the City Attorney, the City Clerk when serving as the Clerk of the District, the City's Finance Director when serving as its Treasurer, the City Manager when serving as the Chief Executive Officer (CEO), any other employees of Covington that serve the District, and any associated costs, including, but not limited to, the preparation of an annual work plan, securing funding sources (including all election costs), reporting, advertising, engineering design, project bidding, contracting,

construction management, accounting, and any and all other actual charges or Covington/District agreed upon percentage of charges associated with the proper establishment and application of District funding in accordance with state law and Covington ordinance. In consideration of the benefits derived by Covington, overhead charges including, but not limited to, utilities, information technology, office supplies, and equipment shall be a contribution of Covington to the parties' joint goals and objectives and need not be directly charged back to the District. All costs of annual audits shall be borne by the District. All costs associated with the issuance of debt shall be paid by the District.

3. **Conflict.** This Amendment is and shall be construed as part of the ILA. In case of any inconsistency between this Amendment and the ILA, the terms of this Amendment shall be controlling.
4. **Force and Effect.** The Parties hereby ratify and affirm the terms and conditions of the ILA and agree that except as modified by this Amendment, the terms and conditions of the ILA shall remain unchanged and in full force and effect.
5. **Effective Date.** This Amendment shall be effective upon the last authorizing signature affixed hereto and when listed by subject on the City of Covington's website or other electronically retrievable public source as required by RCW 39.34.040.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the date first written above.

COVINGTON TRANSPORTATION
BENEFIT DISTRICT

CITY OF COVINGTON

Margaret Harto, Chair

Regan Bolli, City Manager

Attest:

Sharon Scott, City Clerk

APPROVED AS TO FORM

Sara Springer, City Attorney

SUBJECT: CONSIDER RESOLUTION REQUESTING KING COUNTY ELECTIONS TO PREPARE AND DISTRIBUTE A LOCAL VOTERS' PAMPHLET FOR THE APRIL 28, 2015, SPECIAL ELECTION FOR THE 0.2% SALES AND USE TAX BALLOT PROPOSITION; APPOINT PRO AND CON COMMITTEES; AND APPROVE EXPLANATORY STATEMENT.

RECOMMENDED BY: Regan Bolli, TBD CEO

ATTACHMENT(S):

1. Proposed Resolution Requesting King County Elections to Prepare and Distribute a Local Voters' Pamphlet for April 28, 2015, Special Election; Appointing Pro and Con Committees; and Approving Explanatory Statement

PREPARED BY: Sara Springer, TBD Legal Advisor

EXPLANATION:

Unlike general elections, for special elections a local voters' pamphlet (with a 150 word explanatory statement, as well as statements from the assigned committees for and against the proposition) is *optional* and must be specifically authorized and requested by the District in the form of the proposed attached resolution. (Attachment 1)

For the April 28, 2015, special election, the proposed resolution requesting King County Elections to prepare and distribute a local voters' pamphlet, the appointment of individuals to pro and con committees, and an approved explanatory statement must be submitted to King County Elections no later than March 13, 2015.

The appointment of pro and con committee members is addressed under a separate agenda item.

Explanatory Statement

If the Board chooses to request a voters' pamphlet, staff has drafted two options for the explanatory statement to be included in the pamphlet, each emphasizing different key points about the proposition—Option 1 emphasizes the District's choice to seek a sales tax rather than other funding options; and Option 2 emphasizes the effectively nominal impact of the sales tax increase (the previous explanatory statement from the November 2013 election is also included below for reference). The Board may also provide general direction to the Legal Advisor to draft a different explanatory statement than proposed below.

Option 1:

Proposition 1 represents an effort by the Covington Transportation Benefit District to fund transportation maintenance and improvement projects identified in Covington's six-year Transportation Improvement Program. Among other unmet transportation needs, revenues will

be used to fund the reinstatement of annual street overlays, enhanced asphalt patching and crack sealing, and to sustain existing maintenance programs. A vote to approve Proposition 1 will authorize the collection of an additional retail sales and use tax of 0.2% of the selling price (or the value of the article used) for a period of 10 years unless renewed by the voters. Of the available funding options for the District (including a vehicle license fee, which would be paid solely by Covington residents and cost more per family), the District is seeking a sales tax increase so that all persons travelling Covington's streets to shop and conduct business in Covington share the costs of street maintenance.

Option 2:

(This option is substantively identical to the explanatory statement used in the November 2013 voter's pamphlet, with only minor changes to the order of information).

Proposition 1 represents an effort by the Covington Transportation Benefit District to fund transportation maintenance and improvement projects identified in Covington's six-year Transportation Improvement Program. Among other unmet transportation needs, revenues will be used to fund the reinstatement of annual street overlays, enhanced asphalt patching and crack sealing, and to sustain existing maintenance programs. A vote to approve Proposition 1 will authorize the collection of an additional retail sales and use tax of 0.2% of the selling price (or of the value of the article used), increasing the overall sales tax from 8.6% to 8.8% of the selling price, for a period of 10 years unless renewed by the voters. This increase would equate to only 1¢ of additional sales tax for every \$5 of a taxable purchase or use within the city and would still be 0.7% lower than the sales and use tax in several other neighboring cities.

November 2013 Explanatory Statement

Proposition 1 represents an effort by the Covington Transportation Benefit District to fund transportation maintenance and improvement projects within the City of Covington. A vote to approve Proposition 1 will authorize the collection of an additional retail sales and use tax of 0.2% of the selling price (or of the value of the article used), increasing the overall sales tax from 8.6% to 8.8%, for a period of 10 years unless renewed by the voters. This increase would equate to only 1¢ of additional sales tax for every \$5 of a taxable purchase or use within the city and would still be 0.7% lower than the sales and use tax in several other neighboring cities. Among other unmet transportation needs, a vote for Proposition 1 will generate funds to reinstate annual street overlays, enhanced asphalt patching and crack sealing, and to sustain existing routine street maintenance programs.

ALTERNATIVES:

Not request a local voters' pamphlet.

Direct staff to draft additional explanatory statement options.

FISCAL IMPACT:

A special election voters' pamphlet costs an additional \$1,150 to \$1,570, if requested.

BOARD ACTION: X Resolution X Motion Other

Board member _____ moves and Board member _____ seconds to pass a resolution requesting and authorizing King County Elections to prepare and distribute a local voters' pamphlet for the April 28, 2015, special election for the 0.2% sales and use tax ballot proposition, in substantial form as presented.

[*IF ABOVE MOTION PASSES, THEN MOTION BELOW MAY BE CONSIDERED*]

Board member _____ moves and Board member _____ seconds to approve [*choose ONLY one option*]

- Option 1, in substantial form as presented
OR
- Option 2, in substantial form as presented
OR
- the Board's Legal Advisor to draft an explanatory statement pursuant to the direction provided by the Board

as the explanatory statement to be submitted to King County Elections to include in the April 28, 2015, special election local voters' pamphlet for the 0.2% sales and use tax ballot proposition.

REVIEWED BY: Board CEO, Board Treasurer, Board Legal Advisor

ATTACHMENT 1

COVINGTON TRANSPORTATION BENEFIT DISTRICT

RESOLUTION NO. 15-02

A RESOLUTION OF THE BOARD OF THE COVINGTON TRANSPORTATION BENEFIT DISTRICT, COVINGTON, WASHINGTON, REQUESTING THE KING COUNTY DIRECTOR OF ELECTIONS PREPARE AND DISTRIBUTE A LOCAL VOTERS' PAMPHLET FOR THE SPECIAL ELECTION ON APRIL 28, 2015, FOR THE BALLOT PROPOSITION PROPOSING A 0.2% SALES AND USE TAX TO FUND THE TRANSPORTATION BENEFIT DISTRICT; APPOINTING COMMITTEES TO SUBMIT ARGUMENTS FOR AND AGAINST; AND AUTHORIZING THE BOARD'S LEGAL ADVISOR TO PREPARE THE EXPLANATORY STATEMENT.

WHEREAS, on January 27, 2015, the Board of the Covington Transportation Benefit District (the "District") adopted Resolution No. 15-01 calling for a special election on April 28, 2015, for a ballot proposition proposing a 0.2% sales and use tax to fund the District; and

WHEREAS, pursuant to Chapter 29A.32 of the Revised Code of Washington (RCW), King County Elections requires that the District adopt a resolution requesting the preparation and distribution of a local voters' pamphlet for said April 28, 2015, special election;

WHEREAS, pursuant to RCW 29A.32.280, the District must also appoint up to three citizens each to form committees in favor of and opposing the ballot proposition;

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF THE COVINGTON TRANSPORTATION BENEFIT DISTRICT, COVINGTON, WASHINGTON, AS FOLLOWS:

Section 1. Authorization of Local Voters' Pamphlet. Pursuant to RCW 29A.32.210, the Board authorizes King County Elections to prepare and distribute a local voters' pamphlet for the 0.2% sales and use tax ballot proposition on the April 28, 2015, special election, including an explanatory statement and statements in favor of and in opposition to the measure.

Section 2. Pro and Con Committees Appointed. Pursuant to RCW 29A.32.280, the District hereby appoints the following individuals to prepare arguments for and against the 0.2% sales and use tax ballot measure.

Pro Committee: Name 1, Name 2, Name 3

Con Committee: Name 1, Name 2, Name 3

Section 3. Explanatory Statement. The explanatory statement specified in RCW 29A.32.241 shall be prepared by the District's Legal Advisor and approved by the District Board and shall be transmitted to the King County Department of Elections by the District Secretary within the time required by law.

Section 4. Severability. If any provision of this resolution shall be declared by any court of competent jurisdiction to be invalid, then such provision shall be null and void and shall be separable from the remaining provisions and shall in no way affect the validity of the other provisions, or of the imposition or collection of the tax authorized herein.

Section 5. Effective Date. This resolution shall be effective immediately after its adoption in the manner provided by law.

Section 6. Ratification of Prior Acts. Any action taken consistent with the authority and prior to the effective date of this resolution is hereby ratified, approved, and confirmed.

PASSED in open and regular session of the Board of the Covington Transportation District on this 27th day of January, 2015.

Margaret Harto, Chair of the Board

ATTESTED:

Sharon Scott, Clerk of the Board

APPROVED AS TO FORM:

Sara Springer, Legal Advisor

CERTIFICATION

I, the undersigned, Secretary to the Board of the Covington Transportation Benefit District (“the District”), hereby certify as follows:

1. The foregoing Resolution No. ____ (“Resolution”) is a full, true and correct copy of the Resolution duly adopted at a special meeting of the Board of District (the “Board”) held at the regular meeting place thereof on January 27, 2015, as that Resolution appears on the minute book of the District, and the Resolution is now in full force and effect; and

2. A quorum of the members of the Board was present throughout the meeting and a sufficient number of members of the Board present voted in the proper manner for the adoption of the Resolution.

IN WITNESS WHEREOF, I have hereunto set my hand this 27th day of January, 2015.

COVINGTON TRANSPORTATION
DISTRICT

Sharon Scott, Secretary of the Board

SUBJECT: CONSIDER APPOINTMENTS TO PRO AND CON COMMITTEES FOR BALLOT MEASURE

RECOMMENDED BY: Regan Bolli, District Chief Executive Officer

ATTACHMENT(S): None

PREPARED BY: Sharon Scott, District Clerk

EXPLANATION:

At this evening’s meeting the board will consider a resolution calling for a special election to ask voters to consider a 0.2% sales and use tax to fund the Transportation Benefit District. Should the board approve that resolution, the board will then consider if they would like to request King County Elections to prepare and distribute a local voters’ pamphlet for the special election.

If the board requests a local voters’ pamphlet, the board must appoint individuals to pro and con committees to write voters’ pamphlet statements in support and against the ballot proposition. The board may only appoint up to three individuals to each committee.

Staff sent out a media release and posted a notice on the City of Covington’s Facebook page to advertise for applicants for the pro and con committees. At the time this agenda bill was prepared, no applications had been received. Any applications received prior to this evening’s board meeting will be presented for the board’s consideration. Should there be an insufficient number of applicants for the board to make appointments to each committee this evening, the board may call a future board meeting in February to make the necessary appointments.

Appointments to the pro and con committees must be received by King County Elections no later than March 13, 2015. If appointments are not made by the board by that deadline, the county may attempt to appoint members to each committee as needed.

ALTERNATIVES: Not Applicable

FISCAL IMPACT: None

BOARD ACTION: _____ Resolution X Motion _____ Other

Boardmember _____ moves, and Boardmember _____ seconds to appoint _____, _____ and _____ to the Pro Committee.

Boardmember _____ moves, and Boardmember _____ seconds to appoint _____, _____ and _____ to the Con Committee.

REVIEWED BY: District Chief Executive Officer, District Legal Advisor

Agenda Item 5

Covington Transportation Benefit District Meeting

Date: January 27, 2015

SUBJECT: TIMELINE OF SIGNIFICANT EVENTS FOR APRIL SPECIAL ELECTION

RECOMMENDED BY: Rob Hendrickson, District Treasurer

ATTACHMENT(S):

1. Timeline of Significant Events for April 28, 2015 Special Election

PREPARED BY: Rob Hendrickson, District Treasurer

EXPLANATION:

At this evening's board meeting, the board is considering a resolution calling for a 0.2% sales and use tax proposition to be included on the April 28, 2015, special election ballot. Should the board pass that resolution, in the attached timeline staff has outlined the significant events and deadlines for the April special election. (Attachment 1)

ALTERNATIVES: NA

FISCAL IMPACT: NA

BOARD ACTION: Resolution Motion Other

NO ACTION NECESSARY – DISCUSSION ITEM ONLY

REVIEWED BY: District CEO, District Treasurer, District Legal Advisor

TBD 0.2% Sales and Use Tax Proposition

April 28, 2015 Special Election Timeline

DATE	MILESTONE
1/27	City Council Meeting <ul style="list-style-type: none"> • Approval of ILA Amendment Clarifying Reimbursement of Election Costs
1/27	TBD Meeting <ul style="list-style-type: none"> • Approval of ILA Amendment Clarifying Reimbursement of Election Costs • Consider Resolution Calling for April 28, 2015 Special Election for 0.2% Sales Tax Proposition • Consider Resolution Requesting Voters' Pamphlet for Special Election & Approval of Explanatory Statement • Consider Appointment of Pro and Con Committee Members
2/10	City Council Meeting <ul style="list-style-type: none"> • Consider Resolution in Support of TBD's 0.2% Sales Tax Proposition on April 28, 2015 Special Election and Commitment of Funds
2/10	TBD Meeting <ul style="list-style-type: none"> • Approve 2015 Work Plan • Consider Appointment of Pro and Con Committee Members (if needed) • Approve 0.2% Sales Tax Proposition Fact Sheet
3/10	TBD Meeting--If Needed
3/13	King County Elections Deadline for: <ul style="list-style-type: none"> • Resolution Calling for April 28, 2015 Special Election • Resolution Requesting Local Voters' Pamphlet and Approved Explanatory Statement • Appointments to Pro and Con Committees
3/16	Pro and Con Committees Must Submit Statements to King County Elections
3/18	Pro and Con Committees May Submit Rebuttal Statements to King County Elections
4/28	Election Day