

## Covington: Unmatched Quality of Life



### **CITY OF COVINGTON TRANSPORTATION BENEFIT DISTRICT SPECIAL MEETING**

Council Chambers – 16720 SE 271<sup>st</sup> Street, Suite 100, Covington, WA

**Tuesday, December 10, 2013 – 8:00 p.m.**

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 Transportation Benefit District July 9, 2013 Special Meeting and July 23, 2013 Special Meeting (Scott)

New Business

1. Funding; Next Steps

Board/Staff Comments

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 service, please use the state's toll-free relay service 800-833-6384 and ask the operator to dial 253-480-2400.

**Consent Agenda Item C-1**  
Covington Transportation Benefit District  
Date: December 10, 2013

**SUBJECT:** APPROVAL OF MINUTES: JULY 9, 2013 COVINGTON TRANSPORTATION BENEFIT DISTRICT SPECIAL MEETING MINUTES AND JULY 23, 2013 COVINGTON TRANSPORTATION BENEFIT DISTRICT SPECIAL MEETING MINUTES

**RECOMMENDED BY:** Sharon G. Scott, City Clerk/Executive Assistant

**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 July 9, 2013 Covington Transportation Benefit District Special Meeting Minutes and July 23, 2013 Covington Transportation Benefit District Special Meeting Minutes.**

**Covington Transportation Benefit District  
Special Meeting Minutes  
Tuesday, July 9, 2013**

(This meeting was recorded and will be retained for a period of six years from the date of the meeting).

The Special Meeting of the Covington Transportation Benefit District was called to order in the Covington Council Chambers, 16720 SE 271<sup>st</sup> Street, Suite 100, Covington, Washington, Tuesday, July 9, 2013, at 9:03 p.m., with Margaret Harto, Chair of the Board, presiding.

**BOARD MEMBERS PRESENT:**

Margaret Harto, Mark Lanza, David Lucavish, Marlla Mhoon, Jim Scott, and Jeff Wagner.

**BOARD MEMBERS ABSENT:**

Wayne Snoey.

**STAFF PRESENT:**

Derek Matheson, Chief Executive Officer; Richard Hart, Community Development Director; Rob Hendrickson, Treasurer of the Board; Kevin Klason, Covington Police Chief; Karla Slate, Community Relations Coordinator; Sara Springer, Legal Advisor to the Board; Don Vondran, Interim Public Works Director; and Sharon Scott, Board Clerk.

**Board Action: Board Member Scott moved and Board Member Lucavish seconded to excuse Board Member Snoey who was out of town on vacation. Vote: 6-0. Motion carried.**

**APPROVAL OF AGENDA:**

**Board Action: Vice Chair Wagner moved and Board Member Scott seconded to approve the Agenda. Vote: 6-0. Motion carried.**

**PUBLIC COMMENT:**

Chair of the Board Harto called for public comments.

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

**CONSENT AGENDA:**

C-1. Approve Minutes of Transportation Benefit District June 11, 2013 Special Meeting.

**Board Action: Vice Chair Wagner moved and Board Member Lucavish seconded to approve the Consent Agenda. Vote: 6-0. Motion carried.**

**NEW BUSINESS:**

1. Adopt Resolution Calling for Election.

Legal Advisor Sara Springer gave the staff report on this item indicating this item was for discussion only at this meeting and final action could take place at the Board's July 23 meeting.

Board members discussed and asked questions, and Ms. Springer provided responses.

2. Appoint Pro and Con Committees.

**Board Action: Vice Chair Wagner moved and Board Member Lanza seconded to appoint Leslie Hamada, Bud Sizemore, and Laura Morrissey to the Pro Committee. Vote: 6-0. Motion carried.**

**Board Action: Vice Chair Wagner moved and Board Member Scott seconded to appointed Philip Jones and Leroy Stevenson to the Con Committee. Vote: 6-0. Motion carried.**

**BOARD/STAFF COMMENTS:**

The next Covington Transportation Benefit District board meeting is scheduled for Tuesday, July 23, 2013 at 6:45 p.m.

**ADJOURNMENT:**

There being no further business, the meeting was adjourned at 9:24 p.m.

Prepared by:

Submitted by:

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Joan Michaud  
Senior Deputy City Clerk

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Sharon Scott  
Board Clerk

**Covington Transportation Benefit District  
Special Meeting Minutes  
Tuesday, July 23, 2013**

(This meeting was recorded and will be retained for a period of six years from the date of the meeting).

The Special Meeting of the Covington Transportation Benefit District was called to order in the Covington Council Chambers, 16720 SE 271<sup>st</sup> Street, Suite 100, Covington, Washington, Tuesday, July 23, 2013, at 6:45 p.m., with Jeff Wagner, Vice Chair of the Board, presiding.

**BOARD MEMBERS PRESENT:**

David Lucavish, Jim Scott, Wayne Snoey, and Jeff Wagner.

**BOARD MEMBERS ABSENT:**

Margaret Harto, Mark Lanza, and Marlla Mhoon

**STAFF PRESENT:**

Derek Matheson, Chief Executive Officer; Richard Hart, Community Development Director; Kevin Klason, Covington Police Chief; Sara Springer, Legal Advisor to the Board; Don Vondran, Interim Public Works Director; and Sharon Scott, Board Clerk.

**Board Action: Board Member Scott moved and Board Member Lucavish seconded to excuse Board Members Harto, Lanza and Mhoon. Vote: 4-0. Motion carried.**

**APPROVAL OF AGENDA:**

**Board Action: Board Member Lucavish moved and Board Member Scott seconded to approve the Agenda. Vote: 4-0. Motion carried.**

**PUBLIC COMMENT:**

Vice Chair of the Board Wagner called for public comments.

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

**NEW BUSINESS:**

1. Adopt Resolution Calling for Election.

Chief Executive Officer Derek Matheson gave the staff report on this item.

**RESOLUTION NO. 13-03**

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 NOVEMBER 5, 2013,

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 APRIL 1, 2014, 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.

**Board Action:** Board Member Scott moved and Board Member Snoey seconded to approve Resolution No. 13-03 calling for the inclusion of a ballot proposition on the November 5, 2013 election to authorize an additional sales and use tax within the district, in substantial form as included in the meeting agenda packet. Vote: 4-0. Motion carried.

**Board Action:** Board Member Lucavish moved and Board Member Scott seconded to approve Option 2, in substantial form as included in the meeting agenda packet, as the Explanatory Statement for the Transportation Benefit District sales and use tax proposition to be included in the voters' pamphlet for the November 5, 2013 election. Vote: 4-0. Motion carried.

**BOARD/STAFF COMMENTS:**

None.

**ADJOURNMENT:**

There being no further business, the meeting was adjourned at 6:50 p.m.

Prepared by:

Submitted by:

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Joan Michaud  
Senior Deputy City Clerk

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Sharon Scott  
Board Clerk

SUBJECT: FUNDING; NEXT STEPS

RECOMMENDED BY: Derek Matheson, CEO

ATTACHMENT(S):

PREPARED BY: Derek Matheson, CEO

EXPLANATION:

This is an opportunity for the board to begin discussion of next steps following Proposition 1's defeat by 39 votes at the November 5, 2013, general election.

The board's options include:

- Schedule a February 2014 election on the sales tax. The deadline to call a February election is December 27, 2013. The Kent School District will have two ballot measures at this election.
- Schedule an April 2014 election on the sales tax. The deadline to call an April election is in early March. Key decisions for the board include whether to modify the ballot title and explanatory statement, whether to modify the use of the funds, and whether to request a voter's pamphlet. Voter's pamphlets are produced only upon request for February and April elections. King County Elections estimates the April election cost at \$23,000-\$26,000 and voter's pamphlet cost at \$1,150-\$1,570.
- Schedule an August or November 2014 election on the sales tax. The deadline to call an August election is in early May and the deadline for November is in early August. Key decisions for the board include whether to modify the ballot title and explanatory statement and whether to modify the use of the funds. Voter's pamphlets are automatic for primary and general elections. Staff can determine the election cost(s) upon request.
- Enact a vehicle license fee (VLF) of up to \$20. Staff estimates a \$20 fee would generate \$180,000-280,000 per year, which, when combined with the (new and yet-to-be-allocated) solid waste franchise fee of \$75,000, could stabilize the Street Fund and support a smaller annual street overlay program. Key decisions for the board include the fee level and use of the funds. A public vote is not required unless the board wants to set a fee higher than \$20.

- The VLF option on its own would not generate enough revenue to eliminate the General Fund subsidy of the Street Fund, which the City Council had committed to use to enhance police service if Proposition 1 had passed. There are at least two options the council could pursue in addition to or in lieu of the VLF to add police officers:
  - Schedule an election on an additional 0.5% or 1% utility tax. Staff estimates each half-percent of utility tax would generate approximately \$180,000 per year, which is roughly the cost of one police officer. Key decisions for the council include how many police officers to fund. A public vote is required because the city's current utility tax rate is at the maximum for most utilities. Election dates are the same as for the sales tax option.
  - Schedule an election on a property tax levy lid lift. The city is currently well below its maximum levy rate of \$2.10 per \$1,000 assessed valuation, so a property tax levy lid lift could easily generate enough revenue to add two police officers. Key decisions for the council include how many police officers to fund. A public vote is necessary because the city's total property tax collections would have to increase by more than 1%. Election dates are the same as for the sales tax option.
- Take no action. Key decisions for the council would be how to maintain and enhance Street Fund programs and police service in the long term.

ALTERNATIVES: Discussed above

FISCAL IMPACT: To be determined

BOARD ACTION:                     Resolution    Motion    Other

**Discussion item only**

REVIEWED BY: Treasurer, Legal Advisor