

CITY OF LYNNWOOD  
TRANSPORTATION BENEFIT DISTRICT BOARD SPECIAL MEETING MINUTES  
April 20, 2016

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2 10. CALL TO ORDER – The April 20, 2016 Special Meeting of the City of Lynnwood  
3 Transportation Benefit District (TBD) Board, held in the Council Chambers of Lynnwood  
4 City Hall, was called to order by Board President Cotton at 7:01 p.m.  
5

6 20.

ROLL CALL

Board President Ian Cotton  
Board Vice President Benjamin Goodwin  
Board Member M. Christopher Boyer (absent)  
Board Member Ruth Ross  
Board Member Shannon Sessions (absent)  
Board Member Shirley Sutton  
Board Member George Hurst

OTHERS ATTENDING

Public Works Director Franz  
Deputy PW Director Elekes  
Resident Capital Project Eng. Mach  
Executive Assistant Morris  
Finance Director Springer  
City Attorney Larson

7  
8  
9 30 APPROVAL OF MINUTES – MARCH 14, 2016 REGULAR MEETING

10  
11 *Motion made by Board Member Ross, seconded by Board Member Sutton, to approve the*  
12 *March 14, 2016 Regular Meeting Minutes. Motion passed unanimously.*  
13

14 40. CITIZEN COMMENTS AND COMMUNICATIONS

15  
16 None  
17

18 50. PRESENTATION, DISCUSSION AND POSSIBLE ACTION OR OTHER DISPOSITION:

- 19
- 20 • Transportation Funding Status and Needs
  - 21 • Potential funding sources and next steps for potential funding, including, but not
  - 22 limited to options for possible ballot measure
  - 23 • Possible motion relating to potential ballot measure resolution for increased sales tax
  - 24 and/or increased or decreased vehicle license fee funding options
  - 25 • Possible motion relating to potential ordinance for increased or decreased vehicle
  - 26 license fee funding options
  - 27 • Possible motion to set a date for a public hearing on funding options and related
  - 28 issues

29 Staff Presentation:

30  
31 Resident Capital Projects Engineer David Mach explained that the two main items  
32 relate to consideration of an increase in revenue to fund transportation projects. There  
33 are two different mechanisms to be considered. One is a vehicle tab increase which  
34 would be a TBD ordinance (identified in the TBD packet on page 50-7). The other is  
35 a sales tax increase which would be implemented via resolution to put out to a public  
36 vote (identified in the packet on page 50-3). He summarized that the vehicle tab

1 increase would be an increase from \$20 currently to \$40 which would generate an  
2 additional approximately \$500,000 revenue per year. The sales tax increase would  
3 increase the current sales tax of 9.8% to 9.9% which would generate roughly \$2  
4 million per year. He stressed these are separate issues and the process to implement  
5 them would be different.

6  
7 City Attorney Larson pointed out that one of the bullet items under item 50 is a  
8 possible motion setting a date for a public hearing. She clarified that if the  
9 Commission chose to have a public hearing, the public hearing would only be on the  
10 potential increase to the license fee, not the sale tax because the sales tax increase  
11 would be implemented through a ballot proposition. There is a statute that prohibits  
12 use of public facilities to promote or oppose a ballot proposition.  
13

14 Resident Capital Projects Engineer David Mach explained that the vehicle tab  
15 increase would be a board-matic procedure. He reviewed details related to the  
16 Ordinance. He clarified that the board does not have to take action tonight. They  
17 could hold a hearing on the license tab fees and then take action.  
18

19 Resident Capital Projects Engineer David Mach then explained that the resolution for  
20 the sales tax increase would require a decision as to whether the Board wished to put  
21 it on the ballot, and if so, when. He reviewed the timeline and requirements  
22 associated with this. He reviewed the potential plausible project list on page 50-10  
23 which included options for possible pavement overlay program projects, capital  
24 projects investment, and new sidewalks.  
25

26 Deputy PW Director Elekes added that the list of projects under overlays was a list  
27 the maintenance division put together of what they think is the worst of the worst, but  
28 not necessarily a scientific list. He noted that the Council recently awarded a contract  
29 to a consulting firm to rerate the city streets. The data from that study will be  
30 available late summer/early fall.  
31

### 32 Board Questions:

33  
34 Board VP Goodwin referred to the license tab fee and commented that it sounds like  
35 Tim Eyman is going to come up with another initiative later this year about \$30 tabs.  
36 He wondered how this would affect the City's options. Resident Capital Projects  
37 Engineer David Mach was not sure, but noted the City would have to abide by  
38 whatever it required. Board VP Goodwin expressed concern about having to change  
39 plans if Tim Eyman's legislation passed.  
40

41 Board Member Hurst asked City Attorney Larson if a councilmember can write the  
42 Pro/Con Statements. City Attorney Larson replied that they could not write it in their  
43 capacity as a councilmember, but it could be possible as a resident. However, if there  
44 are others that want to do it, it might be better to let others do it. Resident Capital  
45 Projects Engineer David Mach added that they are allowed to have a maximum of  
46 three members for Pro and three for Con.  
47

48 Board President Cotton asked about the length and duration of the sales tax increase  
49 or the tab fees. Resident Capital Projects Engineer David Mach explained the sales

1 tax is limited to ten years. The vehicle tab increase is limited to until the projects are  
2 funded. If the project list is somewhat generic this could be in perpetuity. Board  
3 President Cotton asked for clarification about the type of the projects on the list of  
4 potential projects on page 50-10. Deputy Director Elekes replied they are identified  
5 projects on the six-year TIP, the CFP, and backed up by a variety of studies.  
6

7 Board Comments:  
8

9 Board President Cotton solicited comments on the two items.  
10

11 Board Member Ross stated she is very supportive of both measures.  
12

13 Board Member Hurst said he did not like the sales tax idea, but he might be able to  
14 support it if there were a related ordinance saying the City would abandon the vehicle  
15 tab option entirely. He stated he could not support Ordinance 10 (the vehicle license  
16 tab fee).  
17

18 Board VP Goodwin stated he also didn't like increasing the sales tax, but noted one of  
19 the good things about it is that the burden wouldn't be placed entirely on the back of  
20 the citizens of Lynnwood. He definitely would not be agreeable to the vehicle license  
21 fees although he suggested doing a public hearing on that to get more input from the  
22 citizens. If the public expressed an interest in this he might consider it. Without that  
23 he wouldn't consider it at all. He would be agreeable to try a 0.1% sales tax increase  
24 because it would be a vote of the people. He stated he would prefer option B because  
25 he would rather have the City pay \$8,000 as opposed to \$12,000 for the special  
26 election in August. He also thinks more people would vote in November.  
27

28 Board Member Sutton agreed with Board VP Goodwin. She commented that this is  
29 such a serious issue with a long-term effect that the more citizens that have a say, the  
30 better. She commented that there are a lot of people on the brink financially and any  
31 kind of increase at this time would have more of a negative effect for those people  
32 than a positive effect. She said she would like to see the citizens weigh in on this. She  
33 noted that there is an Open House on May 11. She would like to see some energy put  
34 on this issue at that time.  
35

36 Board VP Goodwin noted that public buildings can't be used for anything that is on a  
37 ballot. City Attorney Larson concurred and advised that there be no public outreach  
38 on a ballot proposition. She stated that the public speaks at the election. Director  
39 Franz commented that staff is planning on having a transportation table with TBD  
40 general information available. Deputy Director Elekes added that if something should  
41 go to a ballot, the City is allowed to do a one-page fact sheet which can be available  
42 on the website.  
43

44 Board President Cotton stated that the city's roads are a priority as expressed in the  
45 Vision Statement. Citizens have constantly rated it as a high need and a highly  
46 utilized piece of infrastructure. He thinks providing a dedicated funding stream is  
47 important. He agreed that the mechanisms aren't necessarily perfect and that sales tax  
48 can be problematic, but these are the mechanisms that are available to the TBD. He  
49 spoke in support of a 0.1% increase in sales tax and in agreement with going with the

1 November election giving more people an opportunity to vote. He spoke in support of  
2 the \$20 tab increase, but stated it should only be done with public outreach.  
3

4 Board VP Goodwin commented that the sales tax is a regressive tax, but the  
5 necessities of life, for the most part (food, water, etc.) don't have sales tax attached to  
6 them. On the other hand, as the sales tax goes up, people may choose to go  
7 somewhere else to purchase big ticket items like appliances and cars. This should also  
8 be considered.  
9

10 Board Member Hurst asked City Attorney Larson about the feasibility of the City  
11 saying in a resolution that they would get rid of the tab fee if the sales tax increase  
12 passed. City Attorney Larson commented that the Board could possibly state in a  
13 resolution that it is their intent, but it wouldn't necessarily be binding on a future  
14 TBD Board. She would need to research the issue if the Board is interested in  
15 considering such a resolution.  
16

17 Board President Cotton referred to page 50-3, Resolution 8 for the sales tax, and  
18 asked if the insert date referred to the date of the election. Staff indicated that was  
19 correct.  
20

21 *Motion made by Board VP Goodwin, seconded by Board Member Ross, that the*  
22 *Lynnwood Transportation Benefit District adopt Resolution No. 8, "A RESOLUTION*  
23 *OF THE CITY OF LYNNWOOD, WASHINGTON, TRANSPORTATION BENEFIT*  
24 *DISTRICT BOARD, PROVIDING FOR A BALLOT PROPOSITION TO BE*  
25 *SUBMITTED TO THE QUALIFIED ELECTORS OF THE DISTRICT ON*  
26 *NOVEMBER 8, 2016, TO IMPOSE A SALES AND USE TAX IN THE AMOUNT OF*  
27 *ONE-TENTH OF ONE PERCENT (0.1%) WITHIN THE BOUNDARIES OF THE*  
28 *DISTRICT FOR A PERIOD OF TEN YEARS TO FUND OR FINANCE SPECIFIED*  
29 *TRANSPORTATION IMPROVEMENTS."*  
30

31 City Attorney Larson noted that November 8, 2016 should also be inserted on page  
32 50-5, line 107 of the resolution.  
33

34 *Board VP Goodwin moved to amend the motion to include the date, November 8,*  
35 *2016, on line 107 of page 50-5. Board Member Ross seconded the motion. The*  
36 *motion to amend passed unanimously.*  
37

38 *The main motion passed unanimously.*  
39

1 60. SCHEDULING UPCOMING SPECIAL MEETING(S)  
2

3 Board President Cotton stated he could work with the staff to work on the public outreach  
4 piece and the other elements as listed in the schedule on Table 2. If any Board Members  
5 would like to be part of the Pro/Con Board as a private citizen they should let him know. He  
6 also will work with staff to craft a resolution by the TBD to say that if the sales tax is passed  
7 that the TBD will eliminate the tab fee.  
8

9 Board President Cotton stated that the next TBD Board Regular Meeting is scheduled for  
10 October 19, 2016 at 7 p.m. at Lynnwood City Council Chambers. A Special Meeting may  
11 be called before then. If so, the time and place will be advertised in the Everett Herald and  
12 on the TBD webpage.  
13

14 70. ADJOURNMENT  
15

16 *Motion made by Board VP Goodwin, seconded by Board Member Ross, to adjourn the*  
17 *meeting. Motion passed unanimously.*  
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19 The meeting was adjourned at 7:39 p.m.  
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23  
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25  
26   
27 Sonja Springer  
28 Finance Director, Acting as Board Treasurer

  
Ian Cotton, TBD Board President