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3 **AGENDA**
4 **City of Lynnwood**
5 **Transportation Benefit District (TBD) Board**
6 **Council Chambers, City Hall**
7 **19100 44th Avenue W, Lynnwood, WA, 98036**

8 **Regular Meeting**
9 **March 20, 2019**
10 **7:00 P.M.**

11
12 **10 Call to Order**

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14 **20 Roll Call**

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16 **30 Approval of Minutes – November 21, 2018 Special Meeting**

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18 **40 Voucher Approval**

19
20 **50 Citizen Comments and Communications**

21
22 **60 Consideration, discussion, and possible action on Resolution #10 – Amend the TBD**
23 **Charter**

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25 **70 Presentation and Discussion – Initiative-976 Update**

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27 **80 Election of Board Officers**

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29 **90 Adjournment**
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**City of Lynnwood
Transportation Benefit District Board**

Item 30

**Regular Meeting
March 20, 2019
7:00 P.M.**

TITLE: Approval of Minutes – November 21, 2018 Special Meeting

DEPARTMENT: Public Works

DEPARTMENT CONTACT: David Mach

BACKGROUND: The November 21, 2018 special meeting was the most recently held Board meeting.

ACTION: Approve the meeting minutes from the November 21, 2018 special meeting

ATTACHMENTS:

- 1) November 21, 2018 special meeting minutes

CITY OF LYNNWOOD
TRANSPORTATION BENEFIT DISTRICT BOARD SPECIAL MEETING MINUTES
November 21, 2018

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2 10. CALL TO ORDER – The November 21, 2018 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 6:30 p.m.

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6 20.

ROLL CALL

Board President Ian Cotton
Board VP Ruth Ross (arrived after roll call)
Board Member Christina Frizzell
Board Member Benjamin Goodwin
Board Member George Hurst
Board Member Shannon Sessions
Board Member Shirley Sutton

Staff:

Public Works Director Bill Franz
Public Works Manager Mach
Executive Assistant Beth Morris

OTHERS ATTENDING

Mayor Nicola Smith
Asst. City Administrator Ceniza
Finance Director Springer
Strategic Planner Loch
Board Attorney Larson
Police Chief Davis
Ec. Director Kleitsch
Parks & Rec. Director Sordel
Acct. Mgr. Brown
Budget Coordinator Lewis
Comm. Devt. Director Krauss

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10 30 APPROVAL OF MINUTES – March 21, 2018 Special Meeting

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12 *Motion made by Board Member Frizzell, seconded by Board Member Hurst, to approve the*
13 *minutes of the March 21, 2018 Special TBD Meeting as presented. Motion passed*
14 *unanimously.*

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16 40. VOUCHER APPROVAL

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18 *Motion made by Board President Cotton, seconded by Board Member Goodwin, to approve*
19 *claims in the amount of \$1,583.00. Motion passed unanimously.*

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21 50. CITIZEN COMMENTS AND COMMUNICATIONS

22
23 Paul Johnson, 5802 200th Street SW, Forest Lynn Condominiums, Lynnwood, WA,
24 encouraged to City to consider making do with \$20 licensing tabs.

25
26 60. ORDINANCES No. 14 AND No. 15 – DECREASING OR ELIMINATING THE
27 VEHICLE LICENSING FEE (CONTINUATION FROM OCTOBER 18, 2017 AND
28 MARCH 21, 2018 MEETINGS; PENDING MOTION) – PRESENTATION, DISCUSSION
29 AND POSSIBLE ACTION OR OTHER DISPOSITION ON SAID ORDINANCE(S)
30

1 Board President Cotton reviewed the history of this item, noting that there was still an open
2 motion to adopt Ordinance No. 15.
3

4 Staff Presentation: Director Bill Franz and Public Works Manager David Mach made a
5 status update on programs that are funded by the TBD and their outlook at current spending
6 levels. The three categories covered included routine maintenance and operations, capital
7 infrastructure reinvestment, and capital infrastructure investment projects. TBD funds allow
8 occasional diversion of funds to back projects if necessary. This provides the City some
9 flexibility. He commented that the \$40 tab fee goes directly to keeping up the roads in
10 Lynnwood. He summarized that current funding of \$40 allows the City to keep up with
11 critical needs, but still isn't sufficient for keeping up in many other areas. He also gave an
12 update on utility discount programs for those in need as a way to assist low income
13 households and offset this tab fee.
14

15 Board Member Sessions thanked Director Franz for the update. She clarified that the current
16 funding of \$40 just barely funds things, and they are not proposing an increase here. Director
17 Franz concurred. Board Member Sessions expressed concern that if they decrease the fee
18 now they will end up having to raise it in a couple years. She commented that the number
19 one comment she has heard is that people are pleased with the transportation improvements
20 they have seen in the city. She noted that there haven't been many people who have
21 complained about the tab fees. She spoke to the importance of critical transportation projects
22 that need funding. She spoke in support of leaving the tab the same.
23

24 Board Member Goodwin asked if the capital projects funds are available for any of the
25 capital infrastructure investment projects. Director Franz replied that the capital project
26 funds are generally funded by a whole bunch of sources such as grants, the TBD, REET
27 funds, traffic impact fees, and others. The current capital plan in the budget has 40 projects
28 that are all competing for the same funds.
29

30 The TBD recessed into the City Council Work Session at 6:59 p.m. and reconvened at 7:01
31 p.m.
32

33 Director Franz continued to discuss the current funding sources of capital projects. He stated
34 that it is allowable for the funds to be used for road improvements, but there are too many
35 projects competing for the money. If they were to fund the paving program out of it there
36 wouldn't be much left for the other projects. Board Member Goodwin acknowledged that
37 the tab fees are minimal compared to Sound Transit, but stated that it still doesn't make it
38 right. He commented that he was previously in support of reducing the tab fees to \$20, but
39 after seeing the visible and tangible improvements that have been made he is in support of
40 keeping the tab fees at \$40.
41

42 Board Member Hurst asked about the potential impact of Tim Eyman's proposed initiative.
43 Board Attorney Larson was not sure. Board Member Hurst expressed concern about being
44 one of only three cities in Washington that have TBD with both sales tax and tab fees. He
45 commented that the funding is not just the responsibility of the TBD. It is also the
46 responsibility of the City Council and the Mayor to fund projects in the budget.
47

1 Board VP Ross spoke to the importance of finding funding sources that are alternatives to
2 sales tax. She feels that the \$40 fee is a reasonable way to fund roadwork in the city.

3
4 Board Member Sutton asked how much has been paid out in claims related to property
5 damage as a result of road damage. Director Franz did not have that information. Board
6 President Cotton noted that those claims are reviewed as part of the Finance Committee, but
7 they are under Executive Session because they are legal matters.

8
9 Board Member Frizzell read paragraph 12.14.040 of the LMC about the use of funds and the
10 purpose of the TBD. She commented that the way the TBD money has been set aside is in
11 accordance with the LMC. She spoke in support of focusing the funds on sidewalks and
12 ADA compliance in an effort to encourage residents to become more multimodal.

13
14 Board Member Goodwin referred to the point about Lynnwood being one of three cities that
15 has both sales tax and tab fees, and noted that Lynnwood is unique in the fact that its
16 population nearly doubles in the daytime. The sales tax helps to distribute the cost of
17 maintaining the roads to more than just the residents of the city.

18
19 Board President Cotton commented on the positive use of the revenue even though he
20 dislikes the tab fee of \$40. He also hears from constituents that they want sidewalks and
21 roads improved, and this takes money. He commented that he was not in favor of reducing
22 the tab fees.

23
24 Board Member Hurst commented that the City Council has to look at roads as more of a
25 priority than it ever has and not rely just on TBD funds to support maintenance. He
26 commented that he is conflicted on this matter.

27
28 Board Member Frizzell thanked Director Franz for bringing to their attention the number of
29 households that are benefitting at an average of \$450 per household of reduced taxes on
30 utilities and utility rates. This is helping a very vulnerable part of the population. She
31 encouraged people that have concerns about the \$40 tab fees to look into the utility discount
32 program where they can get some relief in excess of the \$40 tab fee.

33
34 *Board President Cotton stated that Ordinance No. 15 has already been moved and*
35 *seconded. It was just postponed. He restated the motion on the table was for the passage of*
36 *Ordinance No. 15, "AN ORDINANCE OF THE CITY OF LYNNWOOD*
37 *TRANSPORTATION BENEFIT DISTRICT, ELIMINATING THE VEHICLE LICENSE FEE*
38 *IMPOSED BY THE DISTRICT IN ORDINANCE NO. 10; AND PROVIDING FOR*
39 *SEVERABILITY, AN EFFECTIVE DATE, AND SUMMARY PUBLICATION."*

40
41 *Upon a roll call vote, the motion failed unanimously (7-0).*

42
43 70. PRESENTATION, DISCUSSION AND APPROVAL OF 2017 TBD ANNUAL REPORT

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45 Public Works Manager David Mach made the presentation regarding the 2017 TBD Annual
46 Report. He noted that the report was included in the TBD packet.

1 *Motion made by Board Member Goodwin, seconded by Board VP Ross, to approve the TBD*
2 *Annual Report as presented. Motion passed unanimously.*

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4 80. ORDINANCE #18 – 2019 BUDGET

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6 A. Public Hearing

7
8 The hearing was opened at 7:26 p.m. Board President Cotton reviewed the purpose and
9 procedure of the hearing. Public Works Manager Mach made the staff presentation. He
10 noted that the 2019 Budget is summarized in Ordinance No. 18, starting on page 80A-3.
11 Public Works staff worked closely with the Finance Department in developing this budget.

12
13 Public Testimony: None

14
15 The public hearing was closed at 7:30 p.m.

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17 B. Consideration, discussion, and possible action on said Ordinance

18
19 *Motion made by Board Member Goodwin, seconded by Board VP Ross, to adopt Ordinance*
20 *No. 18, "AN ORDINANCE OF THE CITY OF LYNNWOOD, WASHINGTON,*
21 *TRANSPORTATION BENEFIT DISTRICT ADOPTING A ONE YEAR BUDGET FOR THE*
22 *CITY OF LYNNWOOD, WASHINGTON, TRANSPORTATION BENEFIT DISTRICT FOR*
23 *THE YEAR ENDING DECEMBER 31, 2019,; AND PROVIDING FOR AN EFFECTIVE*
24 *DATE, SEVERABILITY, AND SUMMARY PUBLICATION." Upon a roll call vote, the*
25 *motion passed unanimously (7-0).*

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27 90. ADJOURNMENT

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30 *Motion made by Board Member Goodwin, seconded by Board Member Session, to adjourn*
31 *the meeting. Motion passed unanimously.*

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33 The meeting was adjourned at 7:33 p.m.

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36 Ian Cotton, TBD Board President

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39 Sonja Springer
40 Finance Director, Acting as Board Treasurer

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**City of Lynnwood
Transportation Benefit District Board**

Item 40

**Regular Meeting
March 20, 2019
7:00 P.M.**

TITLE: Voucher Approval

DEPARTMENT: Finance/Public Works

DEPARTMENT CONTACT: Sonja Springer/David Mach

BACKGROUND: The TBD has incurred various expenses since the last voucher approval at the November 21, 2018 special meeting. Staff is asking for voucher approval at this time.

ACTION: Approve claims in the amount of \$7,829.72.

ATTACHMENTS: None

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**City of Lynnwood
Transportation Benefit District Board**

Item 60

**Regular Meeting
March 20, 2019
7:00 P.M.**

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11 **TITLE:** Consideration, discussion, and possible action on Resolution #10 – Amend the TBD
12 Charter

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14 **DEPARTMENT:** Public Works

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16 **DEPARTMENT CONTACT:** David Mach

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18 **BACKGROUND:** At the July 12, 2010 Special TBD Board meeting, the TBD Board adopted
19 Resolution #1, enacting the TBD charter. The charter outlines operating procedures including
20 the following:

- 21 1) Purpose of the TBD
22 2) Powers and indemnification
23 3) Roles/responsibilities of its officers
24 4) Establishes the time and place for regular meetings
25

26 The charter is not clear as to the authority of the Board President to schedule or cancel
27 meetings. Section 5.04 specifies the roles and responsibilities of the Board President. Staff
28 recommends section 5.04 be amended to clarify that the Board President has authority to
29 schedule or cancel meetings.

30
31 **ACTION:** Discussion and possible adoption of Resolution #10

32
33 **ATTACHMENTS:** Resolution #10
34
35

1 PASSED this 20th day of March, 2019 and signed in authentication of its passage this
2 _____ day of _____, 2019.
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5 _____
6 Ian Cotton
7 TBD Board President
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10 ATTEST:

APPROVED AS TO FORM:

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15 Sonja Springer
16 Finance Director, acting as Board Treasurer

Rosemary Larson
City Attorney, acting as Board Attorney

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19 FILED WITH ADMINISTRATIVE SERVICES: _____
20 PASSED BY THE TRANSPORTATION BENEFIT DISTRICT BOARD: _____
21 RESOLUTION NUMBER: _____
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**City of Lynnwood
Transportation Benefit District Board**

Item 70

**Regular Meeting
March 20, 2019
7:00 P.M.**

TITLE: Presentation and Discussion – Initiative 976 Update

DEPARTMENT: Public Works

DEPARTMENT CONTACT: Bill Franz/David Mach

BACKGROUND: Initiative-976 (I-976) is an initiative to the Washington State Legislature for 2019, sponsored by Tim Eyman, that will likely appear on the November 2019 ballot. If approved by the voters, the initiative would limit annual motor vehicle license fees to \$30, regardless of the year, value, make or model of the vehicle (for vehicles weighing 10,000lbs. or less). The initiative would reduce or end a significant amount of transportation funding at state, regional, and local levels.

Services such as Amtrak Cascades, Sound Transit 3, freight mobility, and King County Metro would all be impacted. In addition to these services, I-976 would directly impact the Lynnwood TBD by repealing RCW 82.80.140. This RCW authorizes TBD's to impose vehicle registration fees to fund transportation improvements. The existing Lynnwood TBD \$40 vehicle registration fee generates approximately \$1,200,000 annually. If I-976 is approved, TBD annual revenue would be reduced by \$1,200,000. This would leave the TBD with an annual revenue of approximately \$2,400,000, which is generated by sales tax revenue, not vehicle registration fee revenue.

Significant cuts would need to be implemented because of the \$1,200,000 annual decrease in revenue. These cuts would directly impact the city's \$2,600,000 annual pavement management program, the operation and maintenance department, and major capital projects, which are in part or entirely funded by TBD revenue.

The initiative, in its entirety, can be viewed on the Washington State Secretary of State website at the following location:

https://sos.wa.gov/assets/elections/initiatives/finaltext_1519.pdf

ACTION: Discussion

ATTACHMENTS: None

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**City of Lynnwood
Transportation Benefit District Board**

Item 80

**Regular Meeting
March 20, 2019
7:00 P.M.**

TITLE: Election of Board Officers

DEPARTMENT: Public Works

DEPARTMENT CONTACT: Bill Franz/David Mach

BACKGROUND: Section 5.03 of the Charter states that “The Board shall include two or more officers...The initial officers of the Board shall be the President and Vice President. Additional officers may be provided for as approved by the Board.....”

The roles and responsibilities of the TBD President are outlined in Section 5.04 of the Charter: “The President shall serve as the ceremonial head of the District and shall preside over all Board meetings. The President shall, subject to the control of the Board, exercise general supervision, direction, and control of the business and affairs of the District. On matters decided by the District, unless otherwise required under Interlocal Agreement or by this Charter, the signature of the President alone is sufficient to bind the District.”

The roles and responsibilities of the TBD Vice President are outlined in Section 5.05 of the Charter: “The Vice President shall serve in the absence of the President as the ceremonial head of the District and shall preside over Board meetings in the President’s absence and shall otherwise execute the President’s powers and duties.”

Other TBD Board Officers include Treasurer, which shall be the City’s Finance Director (Section 5.06 of the Charter) and Attorney, which shall be the City Attorney (Section 5.07 of the Charter).

ACTION: Nominate and elect TBD Board President and Vice President.

ATTACHMENTS: None

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**City of Lynnwood
Transportation Benefit District Board**

Item 90

**Regular Meeting
March 20, 2019
7:00 P.M.**

TITLE: Adjournment