

**CITY OF EDMONDS
TRANSPORTATION BENEFIT DISTRICT BOARD
APPROVED MINUTES
July 13, 2010**

The Edmonds Transportation Benefit District Board meeting was called to order at 5:00 p.m. by Board President Steve Bernheim in the Council Chambers, 250 5th Avenue North, Edmonds.

OFFICIALS PRESENT

Steve Bernheim, Board President
Strom Peterson, Board Member (arrived 5:02 p.m.)
D. J. Wilson, Board Member (arrived 5:10 p.m.)
Adrienne Fraley-Monillas, Board Member
Diane Buckshnis, Board Member
Lora Petso, Board Member

OFFICIALS ABSENT

Michael Plunkett, Board Member

STAFF PRESENT

Stephen Clifton, Community Services/Economic
Development Director
Phil Williams, Public Works Director
Rob English, City Engineer
Scott Snyder, City Attorney
Sandy Chase, City Clerk
Jana Spellman, Senior Executive Council Asst.
Jeannie Dines, Recorder

1. **APPROVAL OF AGENDA**

BOARD MEMBER BUCKSHNIS MOVED, SECONDED BY BOARD MEMBER FRALEY-MONILLAS, TO APPROVE THE AGENDA IN CONTENT AND ORDER. MOTION CARRIED UNANIMOUSLY. (Board Members Wilson and Peterson were not present for the vote.)

2. **CONSENT AGENDA ITEMS**

BOARD MEMBER BUCKSHNIS MOVED, SECONDED BY BOARD MEMBER FRALEY-MONILLAS, TO APPROVE THE CONSENT AGENDA. MOTION CARRIED UNANIMOUSLY. (Board Members Wilson and Peterson were not present for the vote.) The agenda items approved are as follows:

A. **ROLL CALL**

B. **APPROVAL OF TRANSPORTATION BENEFIT DISTRICT MEETING MINUTES OF JUNE 22, 2010.**

3. **CONTINUED DISCUSSION REGARDING POSSIBLE INCREASE TO TBD LICENSE FEES TO BE PLACED ON THE GENERAL ELECTION BALLOT IN NOVEMBER 2010.**

Public Works Director Phil Williams relayed staff did not have a presentation. This was intended to be a continued Board discussion in preparation for determining a TBD license fee to place on the General Election Ballot in November. The Board packet includes written responses to questions Board Members posed at the last meeting as well as a list of projects that could be funded via various fee amounts. Staff is seeking direction from the Board regarding the amount of the license fee as well as projects to be funded via the fee and staff will return

with a detailed proposal for the Board's review. He advised City Attorney Scott Snyder was prepared to provide the Board further information regarding the City's obligations under the GMA with regard to concurrency.

Board Member Buckshnis recalled concurrency at the three intersections on 9th Avenue could be addressed via a \$30,000 restriping project rather than the proposed \$874,000 in signal projects. Mr. Williams agreed restriping would improve conditions at those intersections for a significantly lower cost. Board Member Buckshnis expressed support for increasing the TBD license fee to \$40.

City Engineer Rob English distributed a 10 year and 20 year project priority list with a \$20, \$40, \$60 and \$80 additional TBD vehicle license fee.

Mr. Williams explained if the Council identified an amount for the TBD license fee, staff could identify which projects could be funded via that level TBD license fee.

BOARD MEMBER BUCKSHNIS MOVED, SECONDED BY BOARD MEMBER FRALEY-MONILLAS, TO ACCEPT STAFF'S RECOMMENDATION TO INCREASE THE TBD LICENSE FEE TO \$40.

Board Member Buckshnis explained she chose \$40 because her husband recently renewed his vehicle tabs for his 2005 Jeep Rubicon and the cost was \$140. She anticipated a TBD license fee greater than \$40 would bring the per vehicle license fee to over \$200 which she viewed as too high. She anticipated reviewing the funding of capital projects as part of the levy. Mr. Williams clarified staff has not made a recommendation regarding a funding level; that was a policy matter for the Board to consider. Board Member Buckshnis clarified the Citizens Transportation Committee recommended a \$40 license fee. She requested the motion be revised to reflect that.

Board Member Petso commented in reading the statute the first \$20 was protected from the County forming a TBD; the City would receive a credit toward that amount. However, the statute did not protect a higher voter approved TBD license fee. Mr. Snyder responded there are maximums which if exceeded could restrict the amount levied by the City's. He explained if the County's assessment reached a certain level, the City and County would share the amount.

Board Member Buckshnis clarified her intent was a total TBD license fee of \$40, not \$40 additional. Mr. Williams explained staff's assumption was it would be an additional \$40 TBD license fee.

BOARD MEMBER BUCKSHNIS WITHDREW HER MOTION.

Mr. Williams explained revisions were made on the 10 and 20 year project list to escalate the estimated construction costs to the year of expenditure to reflect inflationary increases. Mr. English identified other changes made to the plan:

- The 4th Avenue Corridor Enhancement project was added as Project #28 on the 20 year list and Project #26 on the 10 year list
- Note 1 on both the 10 year and 20 year lists identifies the year to which the estimated construction costs were escalated

Mr. English explained the list provided to the Board previously was the 10 year list; the 20 year list was an attempt to illustrate projects that could be funded via a 20-year collection.

BOARD MEMBER BUCKSHNIS MOVED, SECONDED BY BOARD MEMBER FRALEY-MONILLAS, TO ACCEPT THE CITIZENS TRANSPORTATION COMMITTEE'S RECOMMENDATION TO INCREASE THE TBD LICENSE FEE AN ADDITIONAL \$40.

Board Member Petso found this a very regressive form of taxation for the following reasons: 1) the number of cars per household did not equate to wealth or ability to pay the tax, 2) the proposed fee is anti-business and could be onerous on a business that was heavily vehicle dependent, and 3) the proposed fee was not as environmentally favorable as some might think. For example, a family that provides a third vehicle for a high school student has actually reduced their carbon emissions by eliminating the additional trips required for a parent to drive the student to and from school. In addition she did not accept that all citizens have the option of transit; some are physically unable to walk the distance to the bus stop and/or the lack of sidewalks may prevent them from walking to a bus stop. She preferred to get back the original \$20 that has “meandered into the General Fund,” and to fund transportation projects via the levy or to utilize other revenue options available under the statute.

Board Member Fraley-Monillas commented that as a former member of the Citizens Transportation Committee, she had an enhanced understanding of the projects on the list. She explained the addition of a \$20 license fee would only fund street overlays; it would not fund any other projects. An additional \$40 would fund a walkway, signage for bicycle loops, a badly needed concurrency project at Five Corners, and a signal upgrade at Main & 3rd. She encouraged Board Members to support the \$40 TBD license fee and allow voters to determine whether they supported a \$40 TBD license fee.

Board Member Peterson expressed his support for the motion, commenting the work done by the Transportation Committee and staff educated him regarding the City’s transportation needs. He pointed out projects such as the Five Corners intersection improvements and the improvements at Main & 9th would reduce the amount of time cars idled at those intersections, a serious environmental issue. Projects that reduce the amount of time cars idle at stop signs was a good thing for the environment as are walkways and bicycle signage projects that encourage people not to drive. If an increased TBD license fee discouraged people from purchasing a third car or to drive less, he viewed that as a positive outcome. He commented on the number of cars each household has today compared to 10-15 years ago. He anticipated voters would approve the proposed additional fee when they learned of the work done by the Transportation Committee and staff and the projects that the fee would fund.

Board Member Wilson asked whether the motion was for a 10 year or 20 year fee. Board Member Buckshnis answered it was a 10-year fee.

Board Member Wilson asked whether the proposed fee would reduce the expenditure from the General Fund. Mr. Williams explained the additional \$40 would be used entirely for transportation projects, split between preservation overlays and the projects on the list. He anticipated there would be opportunities to stretch the funds via developer contributions, grants, etc. Community Services/Economic Development Director Stephen Clifton explained in 2009/2010 there were no monies budgeted for street overlays. If a TBD vehicle license fee above \$20 were approved by the voters, those funds would be used in part for street overlays. In response to Board Member Petso’s comment that the existing \$20 had “meandered into the General Fund,” Mr. Clifton explained when the TBD Board adopted the initial \$20 vehicle license fee, it was specifically targeted to fund street operations. In 2009 and 2010, there is a General Fund subsidy of \$700,000+ per year for street operations; the collection of the existing \$20 TBD vehicle license fee frees up \$500,000 of current General Fund subsidy for street operations.

Board Member Wilson recognized that the funds collected from the original \$20 vehicle license fee were placed in a separate line item in the General Fund. He summarized by approving the original \$20 vehicle license fee, the Board reduced the General Fund subsidy by \$500,000. Mr. Clifton explained there are currently no funds in the budget for street overlay. The additional TBD license fee was a new revenue source to fund street overlays.

Board Member Wilson expressed his continued concern that the City would not be completing projects quickly enough. He referred to the projects on the 10-year list funded via an additional \$40 vehicle license fee, noting they were all worthy and appropriately prioritized from a policy perspective. However, from a political

perspective, he preferred to demonstrate as much progress to the voters as possible. In his opinion, a delay of 12-24 months to begin the design process for Project #3 (212th @ 84th/Five Corners Intersection Improvement) was too long to wait.

BOARD MEMBER WILSON MOVED, SECONDED BY BOARD MEMBER BUCKSHNIS, TO MOVE UP PROJECT #11 (100TH @ 238TH UPGRADES) TO BE THE NEW PROJECT #3 AND MOVE ALL OTHER PROJECTS DOWN ON THE LIST.

Board Member Wilson pointed out Project #11 was not in the Bowl but in the exterior of the community and was a basic maintenance project that would have immediate impact to the neighborhood. The consequence is the Bicycle Loop Signage (Project #5) was moved out of the projects funded via a \$40 TBD vehicle license fee. His intent was also to move the 212th @ 84th/Five Corners Intersection Improvement (Project #3) or 234th Street SW/238th Street SW long walkway (Project #4) to fund several less expensive projects instead.

Board President Bernheim asked the rationale for increasing the priority of Project #3. Board Member Wilson answered the overriding rationale was following the overlay there was a \$160,000 project and a \$30,000 project followed by two \$2.2 million projects that essentially eliminate funding for the remaining projects. Because those two projects are so large, it will take years to accumulate the funds to begin the design process; none of which will be evident to the voters. His intent was to move at least one of the \$2.2 million down on the list and replace it with several \$100,000 to \$300,000 projects.

Board President Bernheim asked whether Board Member Wilson's intent was to eliminate one of the \$2.2 million projects or move it down on the list. Board Member Wilson responded by moving projects up, the \$2.2 million projects moved down on the list and were not funded via \$40 vehicle license fee.

Board Member Buckshnis supported moving the \$2.2 million projects down on the list and moving walkway projects up.

Board President Bernheim asked staff to address the consequences of revising the priority of projects on the list. Mr. Williams answered the priority was determined based on objective criteria and the most important projects were toward the top of the list. There is also a difference between the number of projects funded via a 10-year versus a 20-year collection of the additional \$40 vehicle license fee. Further, if the Board were to decide to bond for the projects, construction could begin within a few months of financing and could be completed in seven years. He acknowledged there were pros and cons to bonding; pros include historic lows in construction costs, low interest rates and the ability to accelerate projects and cons include the cost of interest.

Board Member Wilson requested an opportunity to confer with staff to develop a revised project list within the 10-year \$40 license fee.

Board Member Buckshnis recommended prioritizing walkways and sidewalks and funding big ticket items via the bond/levy/capital funding plan. She noted voters in Mill Creek recently approved a bond to fund transportation projects. She anticipated the Levy Committee would consider bond financing. She preferred to have the TBD vehicle license fee fund sidewalks and other projects that would be immediately visible to voters.

Board Member Petso suggested as Board Members were reprioritizing walkway and sidewalk projects, consideration be given to increasing the priority of the 238th walkway project. She explained the addition of Hickman Park in that neighborhood has significantly increased pedestrian traffic on the unimproved shoulder area on 238th. She inquired about the risk of not funding concurrency projects. She anticipated if the concurrency projects were not completed, many citizens would rejoice because nothing could be built. Mr. Snyder commented because the concept of concurrency was new to several Board Members, he had prepared a PowerPoint presentation regarding concurrency.

Board President Bernheim questioned how a presentation regarding concurrency related to the Board's discussion. Mr. Snyder explained the City Council was sitting as the TBD Board. Concurrency was a concept that drove the staff's recommendations and that the City Council needs to consider. The City Council must identify projects, levels of service and funding in the Comprehensive Plan. The Council sitting as the TBD Board is not bound by that and may use a different set of priorities to determine projects to fund. The purpose of the presentation regarding concurrency was to explain why the City has an obligation to maintain established levels of service and the timing of projects and consequences of not completing projects that maintain those levels of service. He suggested an understanding of why staff used concurrency as a guide was an important component of the discussion. He recalled Board Member Plunkett raised a question at the TBD's previous meeting regarding building roads for development. He clarified the City was building roads to, 1) meet established levels of service, and 2) accept required population levels in the future. Board President Bernheim suggested Mr. Snyder submit a hard copy of the presentation to the Board.

Board Member Petso asked whether projects could be moved up in the future if staff obtains grant. Mr. Williams answered priorities could be rearranged via future action of the Board without a public vote.

BOARD MEMBER WILSON WITHDREW HIS MOTION.

BOARD MEMBER WILSON MOVED, SECONDED BY BOARD MEMBER BUCKSHNIS, TO AMEND THE MOTION TO REVISE THE 10 YEAR PROJECT LIST AS FOLLOWS:

- **PROJECT #1 REMAINS THE SAME**
- **PROJECT #2 REMAINS THE SAME**
- **PLACE THE FOLLOWING PROJECTS BETWEEN PROJECT #2 AND #3:**
 - NEW PROJECT #2.1 – EXISTING PROJECT #5**
 - NEW PROJECT #2.2 – EXISTING PROJECT #7**
 - NEW PROJECT #2.3 – EXISTING PROJECT #8**
 - NEW PROJECT #2.4 – EXISTING PROJECT #9**
 - NEW PROJECT #2.5 – EXISTING PROJECT #11**
 - NEW PROJECT #2.6 – EXISTING PROJECT #12**
 - NEW PROJECT #2.7 – EXISTING PROJECT #14**
 - NEW PROJECT #2.8 – EXISTING PROJECT #15**
 - NEW PROJECT #2.9 – EXISTING PROJECT #22**
 - NEW PROJECT #2.10 – EXISTING PROJECT #33**
 - NEW PROJECT #2.11 – EXISTING PROJECT #13**

Board Member Wilson explained his motion retains all first five items in the existing 10-year project list except one which is moved outside the funding amount and replaces that one item (current Project #4) with 11 other projects. It also allows the City to begin the Five Corners concurrency project; enough funds would be available at year six to begin that project rather than year two as proposed in the original 10-year project list.

BOARD MEMBER FRALEY-MONILLAS MOVED, TO AMEND THE AMENDMENT TO REMOVE PROJECT #33 AND REPLACE IT WITH PROJECTS #31 AND #32 OR ONE OR THE OTHER IF THERE WAS NOT ENOUGH FUNDING. MOTION DIED FOR LACK OF A SECOND.

Board Member Petso suggested moving up the restriping of the two intersections on 9th Avenue to temporarily meet concurrency.

Board Member Wilson suggested voting on the amendment first and then making further amendments or tabling the main motion to allow staff to provide a revised project list to the Board. Board Members could then propose additional amendments at next week's TBD meeting. He advised there was sufficient time to make additional amendments before the Board needed to communicate to the Snohomish County Auditor with regard to placing

a measure on the ballot. Board President Bernheim preferred the second option and suggested Board Members identify their project priorities over the next week.

Board Member Peterson understood the desire to increase the priority of walkways as well as to demonstrate more progress sooner on smaller projects. However, the Council has a history of forming citizen committees and then ignoring their recommendations. He believed in the TBD vehicle license fee and the project list as recommended by the Citizens Transportation Committee. Although the Board could revise the project list to move up projects that were more politically feasible, at some point the Board needed to trust the citizen committee who held open houses and prioritized the projects in accordance with input from citizens. He was concerned that continually second guessing citizen volunteers would result in fewer citizens volunteering.

Board Member Buckshnis supported the amendment in addition to the restriping projects on 9th Avenue. She pointed out when the list was developed by the Transportation Committee, a bond/levy related to capital projects was not an option. She anticipated that by educating the public, voters would support funding projects via a capital bond. She summarized walkways were very important to public safety and anticipated that in order for voters to support an increase in the vehicle license fee from \$20 to \$60, they would need to see funding for a walkway in their neighborhood.

Board Member Wilson commented the projects proposed to be funded via a \$40 vehicle license fee include only one concurrency project; the amendment he proposed would fund two concurrency projects. He explained the reference to political was not intended to be derogatory; the Board was a political body and asked for citizen input. He viewed political as being representative of the public's interest and preferred to fund projects throughout the City rather than to fund only five projects. The one project from the original list of five projects that he proposed removing was a long walkway; his amendment would replace that project with eleven smaller projects.

Board Member Fraley-Monillas did not support the amendment, commenting the proposed project list was political in nature. She helped prepare the project list while a member of the Transportation Committee. The Committee held numerous open houses where citizens had the opportunity to identify projects they wanted. In addition, members of Transportation Committee observed the areas where projects are proposed. She expressed concern that the project list proposed by Board Member Wilson included a signal project when there was opportunity to provide more walkway projects and restriping projects.

Board Member Petso suggested the Board delay action to allow citizens to contact Board Members with their input.

Board Member Wilson suggested the Board vote on the amendment and then table the main motion until next week when staff could provide a revised project list and the Board could gather further input.

Board President Bernheim did not support the amendment. He preferred the list be revised to include the restriping projects described by staff that could replace the signal projects on 9th Avenue. In general he supported the list as recommended by the Transportation Committee although he may support an amendment to move up some of the smaller walkway projects.

UPON ROLL CALL, AMENDMENT FAILED (3-3), BOARD MEMBERS WILSON, BUCKSHNIS AND PETSO VOTING YES; AND BOARD PRESIDENT BERNHEIM, BOARD MEMBERS PETERSON AND FRALEY-MONILLAS VOTING NO.

Board Member Wilson suggested each Board Member identify potential amendments.

Board Member Petso requested staff provide an estimated cost for the restriping solution to the intersections on 9th Avenue and determine whether the priority of the 238th Street walkway needed to be modified in light of Hickman Park.

Board Member Peterson agreed with having the estimated cost of the restriping of the Main & 9th intersection. He was satisfied with the 10-year project list as proposed.

Board Member Fraley-Monillas was satisfied with the five projects on the 10-year project list funded via a \$40 vehicle license fee. She reiterated the process used to determine the projects and their priorities, acknowledging some Board Members' interest in moving the \$2.2 million projects down and moving up several smaller walkways projects.

Board Member Buckshnis preferred to have some of the smaller walkway projects done sooner. She requested the Board identify 5-6 capital projects that could be funded via a bond. She explained in addition to a General Fund levy, consideration was being given to a capital bond.

BOARD MEMBER PETSO MOVED, SECONDED BY BOARD MEMBER FRALEY-MONILLAS, TO TABLE THE MOTION. MOTION CARRIED UNANIMOUSLY.

Board President Bernheim suggested if Board Members planned to propose other amendments, they distribute them to Board Members prior to the next TBD Board meeting.

Mr. Snyder reminded the Board must pass a resolution by August 3, 2010 to meet the deadline for the November ballot. Staff would need to know the amount of the TBD vehicle license fee at least a week before that date.

Board President Bernheim observed there would be ample time to prepare and submit a resolution to the Snohomish County Auditor if the TBD Board made its decision at a meeting next week.

Mr. Clifton suggested Board Members submit their priorities to him by tomorrow and staff would create project lists based on each Board Member's priorities for review and discussion at the next TBD Board meeting.

4. **AUDIENCE COMMENTS** – NONE

5. **BOARD COMMENTS** – NONE

6. **ADJOURN**

With no further business, the TBD Board meeting was adjourned at 6:04 p.m.