

STATE OF WASHINGTON
County of Jefferson

In the Matter of Establishing a Transportation Benefit District within Unincorporated Jefferson County, Providing for Transportation Improvements within the District; and Adopting a New Chapter 3.90 of the Jefferson County Code, "Transportation Benefit District."

ORDINANCE NO. 10-1216-24

WHEREAS, Article XI, section [11](#) of the Washington Constitution, confers upon County legislative authorities a direct and extensive delegation of the police power to adopt such local police, sanitary and other regulations as are not in conflict with general laws; and

WHEREAS, RCW [36.32.120\(7\)](#) provides that the County legislative authorities shall make and enforce, by appropriate resolutions or ordinances, all such police and sanitary regulations as are not in conflict with state law; and

WHEREAS, the scope of police power is broad, encompassing all those measures which bear a reasonable and substantial relation to promotion of the general welfare of the people; and

WHEREAS, Chapter [36.73](#) of the Revised Code of Washington (RCW) allows counties to form Transportation Benefit Districts (TBDs) and in turn authorizes these districts to establish revenue sources that fund certain categories of transportation improvements and maintenance; and

WHEREAS, the county road levy has increased at a rate of less than 2% per year, motor vehicle fuel tax revenue has grown at less than 0.5% per year, and over \$1 million per year was slashed from federal timber revenue programs more than a decade ago reducing revenues for Jefferson County roads, and

WHEREAS, the rate of inflation has continued to far outpace transportation revenue growth for over a decade; and

WHEREAS, in response to these revenue losses Jefferson County has continued to make cuts to road maintenance programs, projects, and staffing; and

WHEREAS, in response to national, statewide, and local economic factors that have limited and reduced availability of transportation funding, Jefferson County has focused its expenditures of transportation funding on roadway safety and on maintaining and preserving valued roadway and bridge infrastructure; and

WHEREAS, there is a strong need to respond to the challenging transportation funding landscape along with current and future transportation needs; and

WHEREAS, the formation of a TBD would be a means to develop an effective financing strategy to help address the transportation needs of Jefferson County; and

WHEREAS, Jefferson County desires to continue to work toward preserving its transportation infrastructure and making its roadways safer for motor vehicles and nonmotorized travel; and

WHEREAS, Jefferson County operates and maintains nearly 400 miles of county roadways and 10 miles of regional trails which require improvement; preservation; maintenance; repair; and data collection, analysis and reporting. This includes but is not limited to: asphalt repairs and preservation including chip sealing, snow and ice control, vegetation management, sweeping, ditch and drainage structure cleaning and repairs, gravel road maintenance, installation and replacement of traffic signs and pavement markings, landslide repairs, storm response and cleanup, bridge maintenance, guardrails, culvert replacements and fish barrier removals, maintenance of regional trails (including the Larry Scott Trail, Rick Tollefson Trail, and Olympic Discovery Trail), litter control, accident response, and other activities necessary to keep the transportation in good working order for the traveling public; and

WHEREAS, the quality of Jefferson County's transportation network is vital to attracting additional employers to Jefferson County and increasing the number of jobs within Jefferson County; and

WHEREAS, the quality of the connectivity and capacity of our roadways has a direct impact on freight mobility and strongly influences Jefferson County's ability to attract new businesses and to retain existing businesses; and

WHEREAS, it is anticipated that the increased growth in population within the larger region will worsen the roadway congestion found on Jefferson County roadways; and

WHEREAS, Jefferson County recognizes walking and bicycling as essential elements to sustainable and livable communities and there is an ongoing need to safely and effectively accommodate non-motorized forms of transportation; and

WHEREAS, Jefferson County strives to offer an integrated transportation system that supports the current high quality of life of the public; and

WHEREAS, Jefferson County Public Works prepares a 6-Year Transportation Improvement Plan (TIP) each year, and the County conducts workshops and a public hearing prior to the adoption of the TIP each year; and

WHEREAS, due to an ongoing lack of available local transportation funding, the 6-Year TIP is almost exclusively dedicated to projects which are exclusively grant funded which results in a program whereby grant eligibility dictates priorities for the County; and

WHEREAS, most Jefferson County roadways and transportation facilities are not eligible for grant expenditures leaving virtually no avenue for improvements or repairs to "local roadways" given the lack of available "local" transportation funding; and

WHEREAS, the City of Port Townsend located within Jefferson County has already established a TBD within its boundary pursuant to chapter [36.73](#) RCW, through Ordinance [3319](#) on July 24, 2023; and

WHEREAS, by letter dated November 15, 2024, from the Jefferson County Administrator to the City of Port Townsend City Manager, the county informed the city of the county's intent to form a TBD that includes unincorporated Jefferson County; and

WHEREAS, and the City of Port Townsend on December 2, 2024, passed Resolution 24-039, A Resolution to Support Jefferson County's Formation of a Separate Transportation Benefit District (TBD) for Unincorporated Jefferson County; and

WHEREAS, the City of Port Townsend already having an established TBD and wishing to remain separate at this juncture, the Board of County Commissioners find it appropriate to proceed with establishing a TBD comprised of the current areas of unincorporated Jefferson County; and

WHEREAS, the TBD would allow the Jefferson County to examine, evaluate, and enact the potential revenue sources available to such districts; and

WHEREAS, pursuant to RCW [36.73.050](#), the Jefferson County Board of Commissioners conducted a public hearing on December 16, 2024, providing proper notice describing the function and purpose of the proposed TBD;

NOW THEREFORE, BE IT ORDAINED BY THE BOARD OF JEFFERSON COUNTY COMMISSIONERS OF JEFFERSON COUNTY, STATE OF WASHINGTON, AS FOLLOWS:

Section 1. Whereas Clauses are Findings of Fact. The Jefferson County Board of Commissioners hereby adopts the above "Whereas" clauses as Findings of Fact supporting this ordinance.

Section 2. Purpose. The purpose of this ordinance is to establish a TBD in unincorporated Jefferson County subject to the provisions of RCW [36.73](#).

Section 3. Adoption of Chapter 3.90 Jefferson County Code (JCC). Chapter 3.90 JCC, attached as **ATTACHMENT A**, which regulates unincorporated Jefferson County's TBD, is hereby adopted.

Section 4. Geographic Boundary of TBD. The geographic boundary for the TBD is comprised of the unincorporated limits of the Jefferson County existing at the time of district formation.

Section 5. TBD Eligible Projects. The TBD is authorized to develop and approve the listing of transportation projects eligible pursuant to criteria established in RCW [36.73.020](#). The TBD shall consider projects that will prioritize system preservation, decrease traffic congestion, and also enhance traffic safety, and economic development.

Section 6. Revenue. The TBD shall consider the implementation of the various revenue sources provided in RCW [36.73.040](#).

Section 7. Dissolution. The TBD will be dissolved when all of the indebtedness of this district is retired and all responsibilities satisfied.

Section 8. Severability. If any section, subsection, sentence, clause, phrase or section of this ordinance or its application to any person or circumstance is held invalid, the remainder of this

ordinance or its application to other persons or circumstances shall be fully valid and shall not be affected.

Section 9. SEPA Categorical Exemption. This ordinance is categorically exempt from the State Environmental Policy Act under WAC [197-11-800 \(19\)](#).

Section 10. Effective Date. This ordinance shall take effect and be in full force immediately upon passage by the Board of Jefferson County Commissioners.

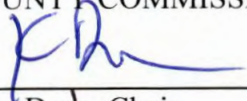
(SIGNATURES FOLLOW ON THE NEXT PAGE)

APPROVED and ADOPTED this 16th day of December, 2024.

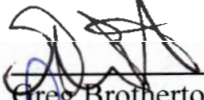
SEAL:



JEFFERSON COUNTY BOARD OF
COUNTY COMMISSIONERS



Kate Dean, Chair

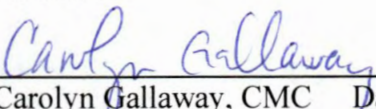


Greg Brotherton, Member



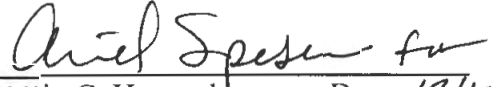
Heidi Eisenhour, Member

ATTEST:



Carolyn Gallaway, CMC Date _____
Clerk of the Board

APPROVED AS TO FORM:



Philip C. Hunsucker, Date 12/17/24
Chief Civil Deputy Prosecuting Attorney

ATTACHMENT A

**CHAPTER 3.90 JEFFERSON COUNTY CODE
ESTABLISHING A JEFFERSON COUNTY
TRANSPORTATION BENEFIT DISTRICT (TBD)**

Sections:

3.90.010 Transportation benefit district established.

3.90.020 Governing board and Treasurer.

3.90.030 Material change policy required.

3.90.040 Annual report required.

3.90.050 Powers of the district.

3.90.060 Use of funds.

3.90.070 Dissolution of the district.

3.90.080 Liberal construction.

3.90.010 Transportation benefit district established.

The Jefferson County transportation benefit district with geographical boundaries comprised of the unincorporated limits of Jefferson County, Washington is hereby established.

3.90.020 Governing board and Treasurer.

(1) The governing board of the transportation benefit district shall be the board of Jefferson County Commissioners acting in an ex officio and independent capacity, which shall have the authority to exercise the statutory powers set forth in chapter [36.73](#) RCW.

(2) The treasurer of the transportation benefit district shall be the Jefferson County Treasurer.

3.90.030 Material change policy required.

The governing board shall develop a material change policy to address major plan changes that affect project delivery or the ability to finance the plan, pursuant to the requirements of RCW [36.73.160](#)(1).

3.90.040 Annual report required.

The governing board shall issue an annual report, pursuant to the requirements of RCW [36.73.160](#)(2).

3.90.050 Powers of the district.

The governing board of the transportation benefit district shall have and may exercise the powers set out in chapter [36.73](#) RCW and this chapter to fulfill the purpose of the district.

3.90.060 Use of funds.

- (1) The funds generated by the transportation benefit district may be used for any purpose allowed by law including to operate the district and to maintain, preserve, acquire, construct, improve, provide and fund transportation improvements that are consistent with existing state, regional, and local transportation plans and necessitated by existing or reasonably foreseeable congestion levels pursuant to chapter [36.73](#) RCW, as enacted or subsequently amended.
- (2) The transportation improvements funded by the district shall be made in an effort to reduce the risk of transportation facility failure and improve safety performance, increase operating efficiency and preserve and maintain optimal performance of the infrastructure over time to avoid expensive infrastructure replacement in the future by prioritizing investments in programs that provide:
 - (a) Transportation System Preservation. Preserve, operate, maintain, and/or improve existing transportation infrastructures.
 - (b) Transportation System Safety. Improve the safety performance and security of those who use the transportation system.
 - (c) Other Projects. Any change or expansion of these authorized purposes shall be undertaken only after notice, public hearing and adoption of an authorizing ordinance in accordance with RCW [36.73.050\(2\)\(b\)](#).

3.90.070 Dissolution of the district.

The transportation benefit district shall be dissolved when all indebtedness of the district has been retired and when all of the anticipated responsibilities of the district have been satisfied.

3.90.080 Liberal construction.


As authorized under chapter [36.73](#) RCW, this chapter shall be liberally construed to permit the accomplishment of its purposes.

STATE OF THE ROAD FUND & TRANSPORTATION BENEFIT DISTRICTS

SEPTEMBER 23, 2024



Department of Public Works
Jefferson County, Washington



ROAD MAINTENANCE, PRESERVATION, & OPERATIONS:

- Pavement preservation (chip sealing)
- Pavement Patching
- Pavement Overlays
- Signs & Pavement Markings
- Gravel Road Grading
- Vegetation Management
- Snow & Ice Control
- Storm Response and Cleanup
- Culvert Maintenance and Replacement (Include Fish Barriers)
- Ditch Cleaning
- Road Sweeping
- Guardrail
- Trail Maintenance (ODT, Larry Scott, Rick Tollefson)
- Bridge Maintenance

Chip Seal Program



CHIP SEALING:

- Cost-effective preservation treatment
- Rejuvenates oxidized pavement (sun UV)
- Seals cracks
- About 5 to 8 times cheaper than asphalt
- 20 Years ago, Jefferson County chip sealed 10% (35 miles) or more of the paved road system every year.
- *To control cost, Jefferson County now chip seals only about 5% (17 miles) of its paved road system every year*
- *Average: One treatment every 20 years (vs. 7 year recommended)*

NOT ENOUGH!!

Think of it like painting a house. It needs to be done on a regular basis. Once the paint is cracking and peeling and the siding starts to warp and rot, it's too late.



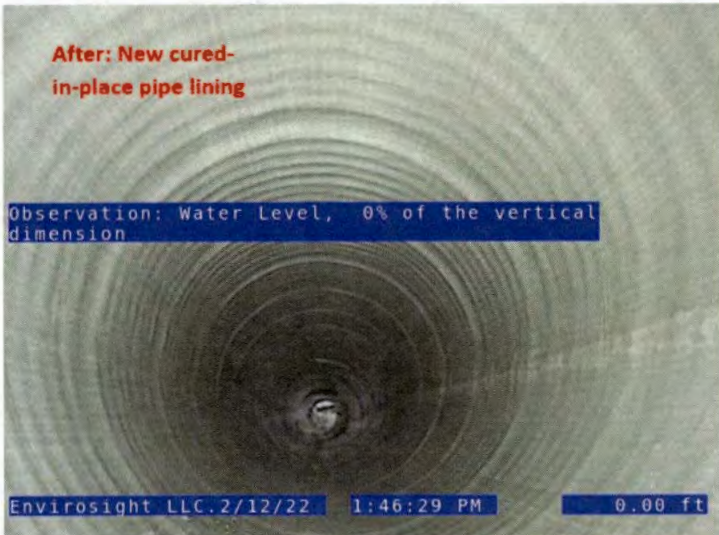


Can we agree that county road maintenance is a:

- High priority
- Medium priority
- Low Priority



Before: Culvert bottom is completely rusted



After: New cured-in-place pipe lining

Observation: Water Level, 0% of the vertical dimension

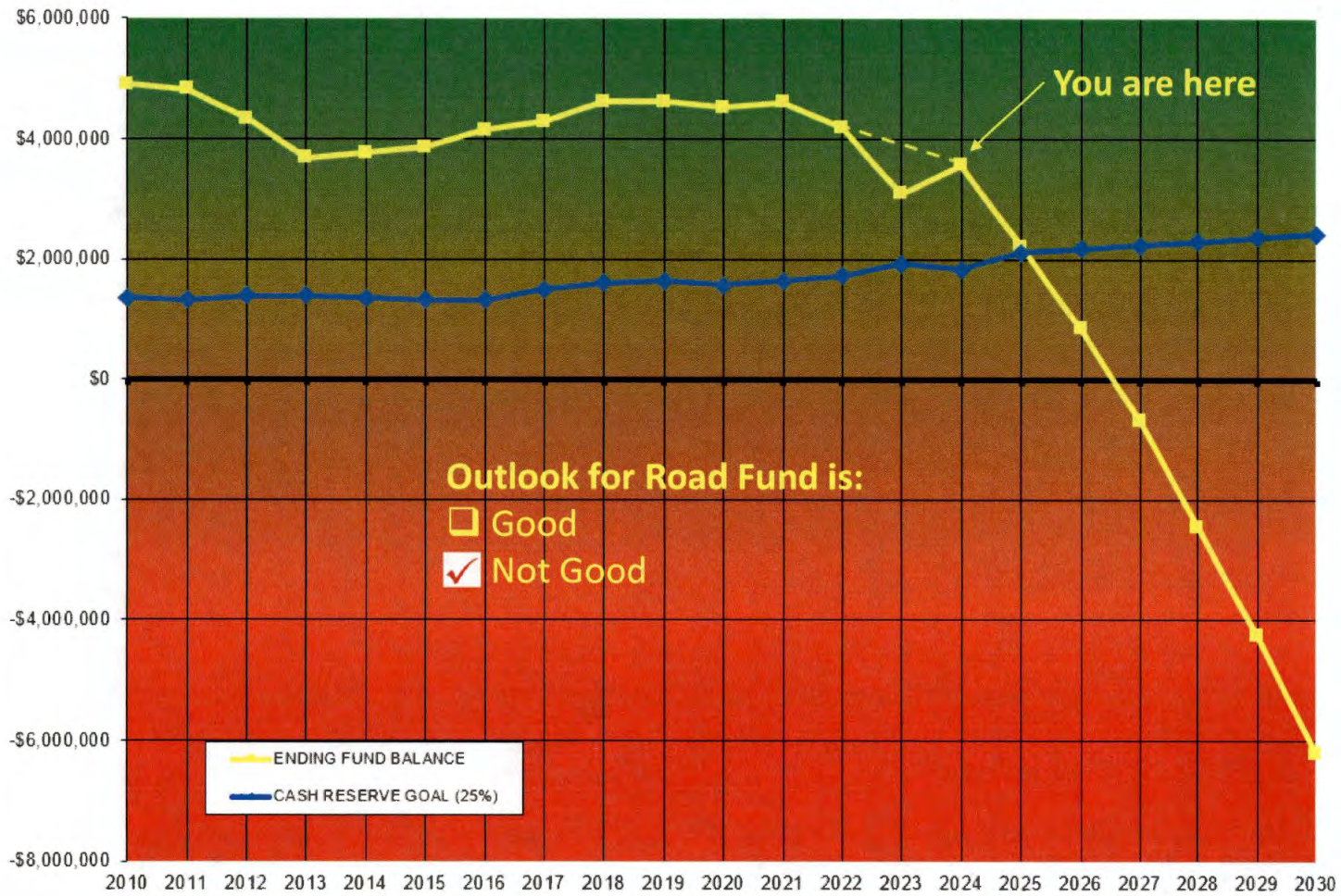
Envirosight LLC. 2/12/22 1:46:29 PM 0.00 ft



Can we agree that county road maintenance is a:

- High priority
- Medium priority
- Low Priority

2025-2030 Six-Year County Road Fund Projection



Costs are rising rapidly (inflation)...



Revenues are have been pretty flat for a long time.

Roads - Significant Sources of Budget Increases					
Salaries - 180 (Roads All)					
	FTE	Salary	Benefit	Total	
2023	46.3	\$ 3,000,328	\$ 1,353,939	\$ 4,354,267	
2025	46.46	\$ 3,485,803	\$ 1,511,390	\$ 4,997,193	
Change:	0.16	\$ 485,475	\$ 157,451	\$ 642,926	
	0.35%	16.18%	11.63%	14.77%	
				ER&R (Fleet) Rental rate increase 2025:	\$ 250,000
				Materials, Contract Work Etc. (Inflation):	\$ 175,000
				Insurance, Cost Allocation, Etc.:	\$ 100,000
				Total Increase 2023 TO 2025:	\$ 1,167,926
Significant Sources of Revenue Changes					
	Property Tax	Diversion	MVFT	SRS/PILT	Total
2023	\$ 4,921,496	\$ (620,000)	\$ 1,391,826	\$ 557,358	\$ 6,250,680
2025	\$ 5,087,065	\$ (520,000)	\$ 1,414,425	\$ 750,000	\$ 6,731,490
Change:	\$ 165,569	\$ 100,000	\$ 22,599	\$ 192,642	\$ 480,810
				Delta:	\$ (687,116)
				2023 Deficit:	\$ (196,000)
				2025 Deficit:	\$ (883,116)

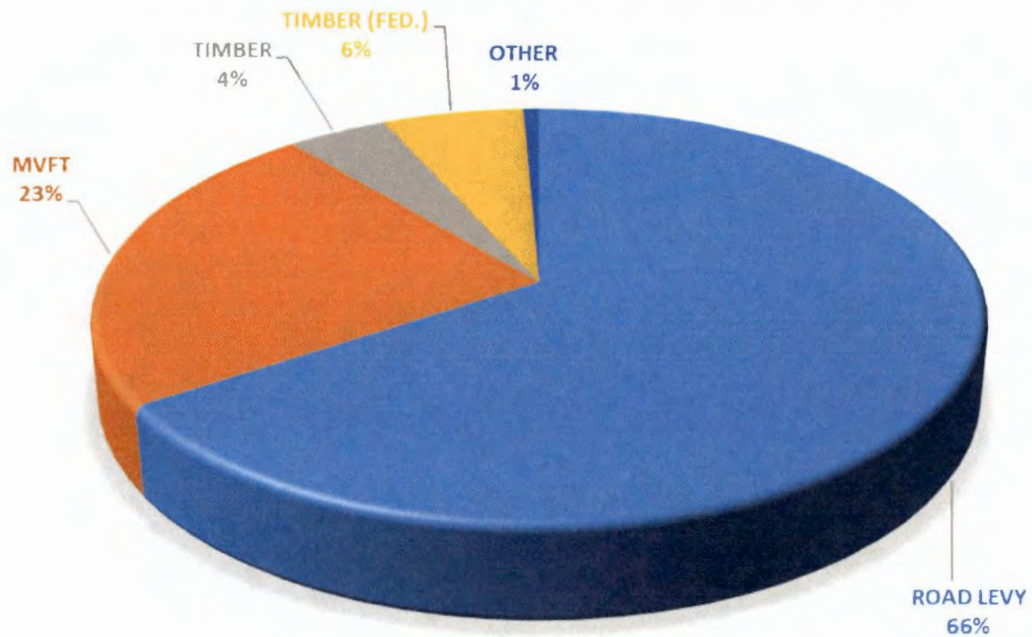
General Fund Assistance

- 2022: \$50,000 reduction in Diversion (ongoing)
- 2023: Additional \$50,000 reduction in Diversion (ongoing)
- 2025: Additional \$100,000 reduction in the Diversion (ongoing)
- Diversion in 2025 now \$520,000 (10%) instead of 2021 amount of \$720,000 (15%)
- 2025: Increase SRS/PILT combined to \$750,000 from 2023 amount of \$557,000 (\$193,000 increase)

Also...

- \$350,000 one-time funds for Undi Road in 2016
- \$273,000 one-time funds for Olympic Discovery Trail (grant match)

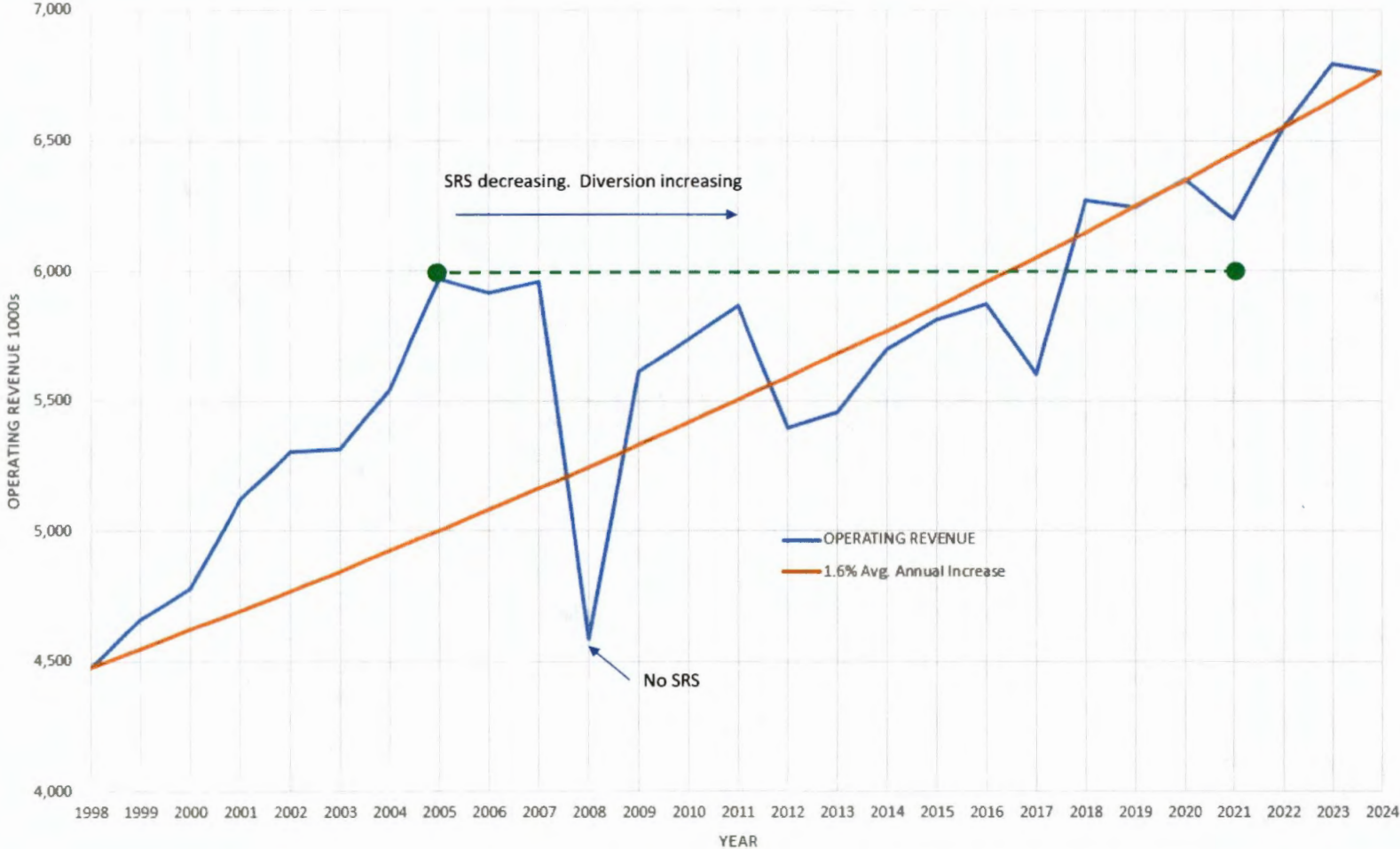
REGULAR (NON-GRANT) REVENUE SOURCES



Regular Revenues

- \$4.3M Road Levy (Property Tax)
Limited to 1% increase/yr. + new const.
- \$1.4M Gas Tax
Flat
- \$0.4M Federal Timber (Secure Rural Schools)
Decrease of about \$1M since 2007 levels
- \$0.1 - \$0.5 DNR and Private Timber
Highly Variable and Unpredictable

ROADS OPERATING REVENUE HISTORY



Road Levy (Property Tax)

Levy Code	Description	Levy Rate	Appraised Value	Taxable Value	Estimated Tax
CE	COUNTY CURRENT EXPENSE	1.0097124859	\$512,109	\$512,109	\$517.08
CNTYDD	DEVELOPMENTAL DISABILITIES	0.0058316588	\$512,109	\$512,109	\$2.99
CNTYVET	VETERANS RELIEF	0.0059050537	\$512,109	\$512,109	\$3.02
MENTAL	MENTAL HEALTH	0.0058316588	\$512,109	\$512,109	\$2.99
ROADS	COUNTY ROADS	0.7270318096	\$512,109	\$512,109	\$372.32
ROADSCU	COUNTY ROADS TO CUR EXP	0.1041128892	\$512,109	\$512,109	\$53.32
HOS2BOND	HOSP DIST #2 GO BOND 2013 NON VOTED	0.0259002099	\$512,109	\$512,109	\$13.26
HOSP2CASH	HOSP DIST #2 GENERAL	0.0340471197	\$512,109	\$512,109	\$17.44
SCH49CP	SCHOOL DIST #49 CAP PROJ	0.4188365189	\$512,109	\$512,109	\$214.49
SCH49MO	SCHOOL DIST #49 EP & O	0.6816036628	\$512,109	\$512,109	\$349.06
CONSERVE	CONSERVATION FUTURES	0.0308040713	\$512,109	\$512,109	\$15.78
EMS3	FIRE DIST #3 EMS	0.3653673452	\$512,109	\$512,109	\$187.11
FD3	FIRE DIST #3 GENERAL	1.0220032523	\$512,109	\$512,109	\$523.38
LIB1	LIBRARY DIST #1 GENERAL	0.3215629553	\$512,109	\$512,109	\$164.68
PORTPT	PORT OF PT GENERAL	0.1268438693	\$512,109	\$512,109	\$64.96
PORTPTIDD	PORT OF PT IDD 2019	0.3059036173	\$512,109	\$512,109	\$156.66
PUD1	PUD #1 GENERAL	0.0680951321	\$512,109	\$512,109	\$34.87
STATE	STATE SCHOOL PART 1	1.5337741639	\$512,109	\$512,109	\$785.46
STATE2	STATE SCHOOL PART 2	0.8203861893	\$512,109	\$512,109	\$420.13
Total Tax Rate:		7.6135536633			

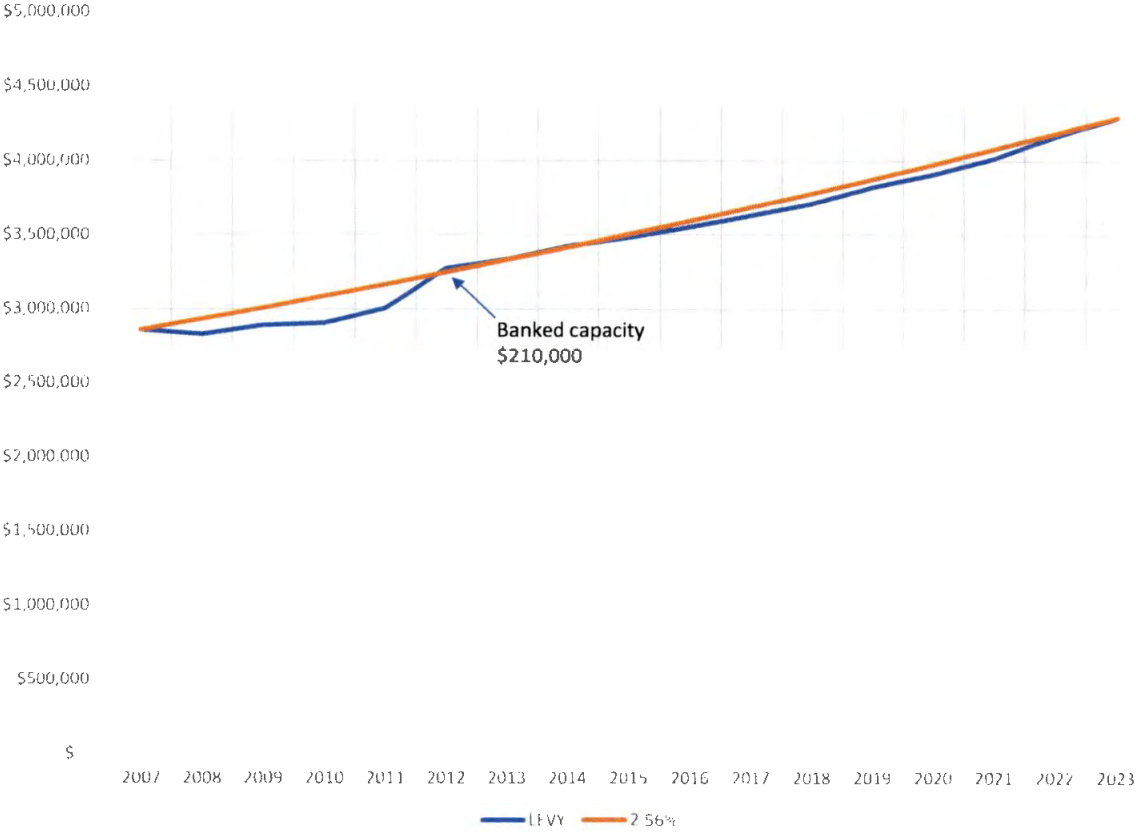
Taxes w/Current Exemptions:

\$3,899.00

Taxes w/o Exemptions:

\$3,899.00

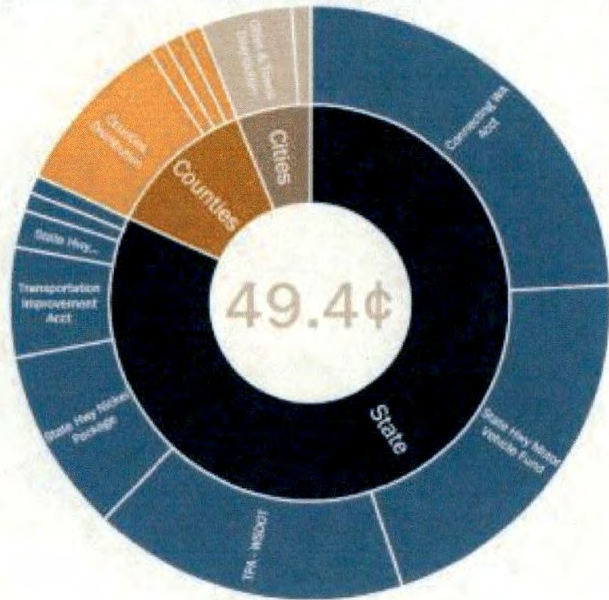
Road Levy Since 2007



Gas Tax (MVFT)

Where the MVFT Tax is Distributed

STATE	Amount	Description
	11.90¢	Connecting WA Account
	10.21¢	State Hwy Motor Vehicle Fund
	8.50¢	TPA WSDOT
	5.00¢	State Highway Nickel Package
	3.04¢	Transportation Improvement Account
	.75¢	State Highway Category C Account
	.54¢	Ferry Capital Construction
	.54¢	Ferry Operations
CITY		
	2.46¢	Cities and Towns Distribution
	.50¢	TPA Cities
COUNTY		
	4.43¢	Counties Distribution
	.58¢	Rural Arterial Transportation Account (RATA)
	.50¢	TPA Counties
	.45¢	County Arterial Preservation (CAP)



A disproportionate piece of the MVFT pie...

...is the biggest contributing factor to the **\$1.23 billion transportation funding gap** that counties are facing EACH YEAR to maintain our roads.

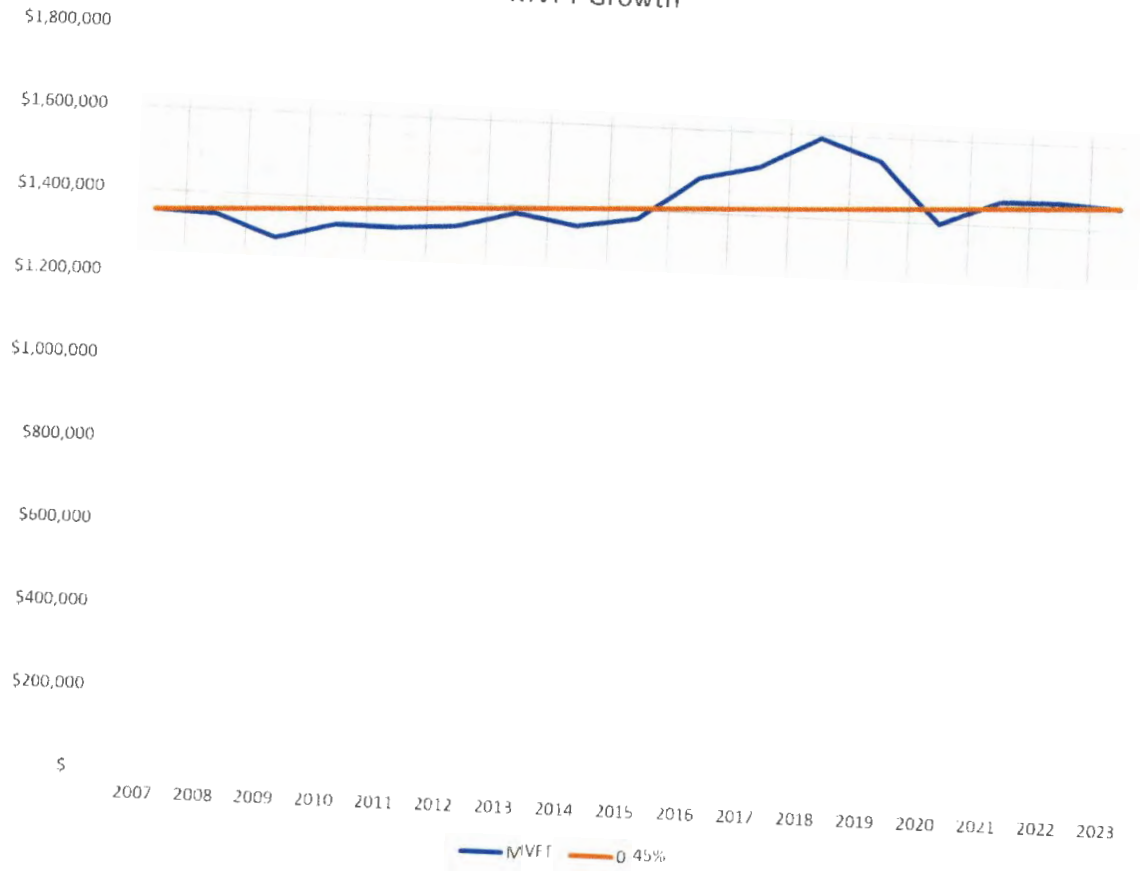
Share of Washington Roads:

- Counties: 59%
- State: 27%
- Cities: 14%

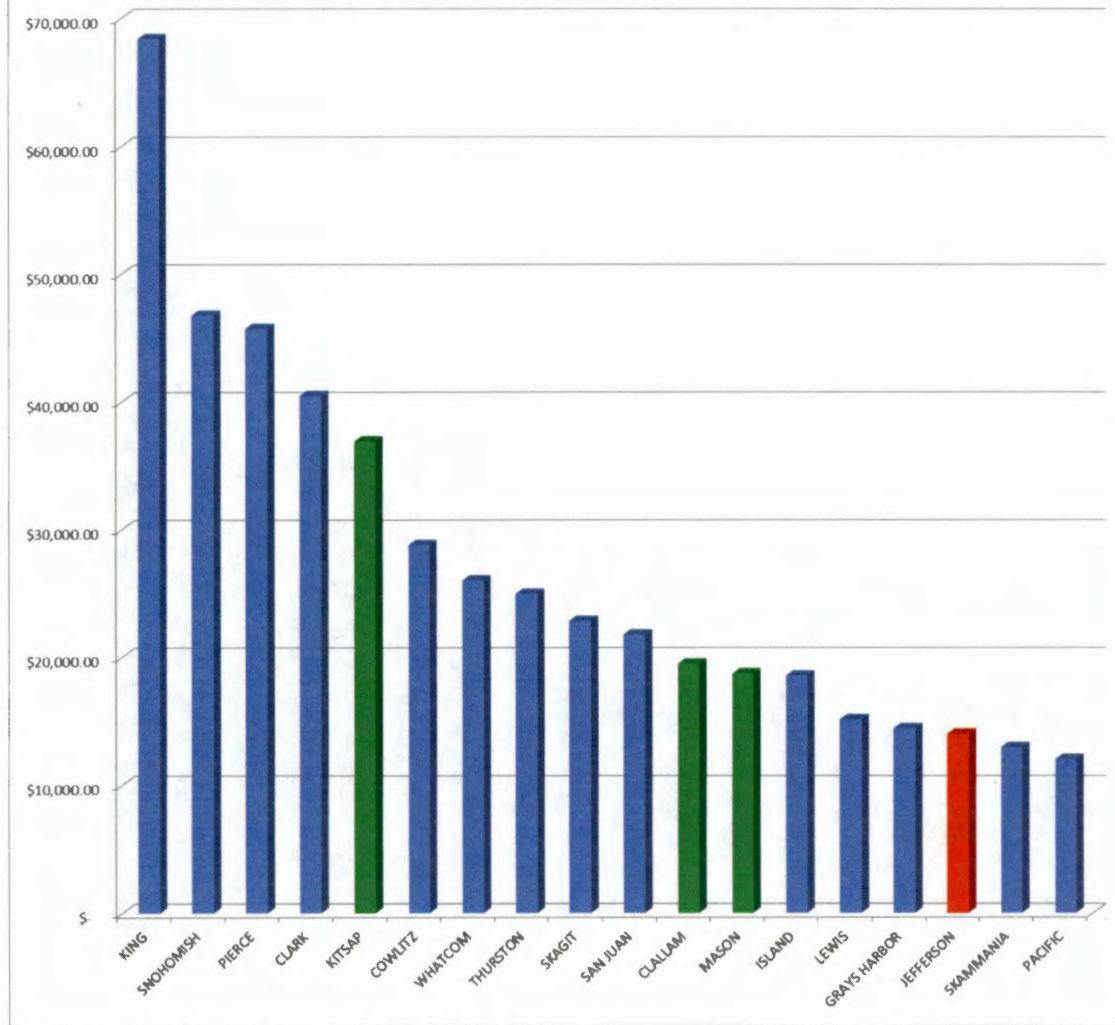
Share of MVFT:

- Counties: 11%
- State: 83%
- Cities: 6%

MVFT Growth



2022 \$ PER ROAD MILE from ROAD LEVY + MVFT



Rising Equipment Costs - Example

- 2011 Street Sweeper
- Jefferson Co. owns exactly one (1) sweeper
- Out of commission last 7 months
 - Can no longer get parts
 - Has been sent out for repairs multiple times – no luck
- **WORN OUT!!!**
- Rented a unit for \$11,000/mo. for chip seal
- 2011 cost to purchase: \$201,000
- 2024 cost to purchase: \$460,000
- Equals 6.6% rate annual inflation



Cost Cutting Measures

Prior

- Chip seal program cut in half
- Asphalt budget slashed
- Staff reductions of 18%
- Consolidated Public Works Director/County Engineer positions
- Limit local roads funds for capital projects (average \$231,000/year since 2017)
- Mostly eliminated gravel road conversions

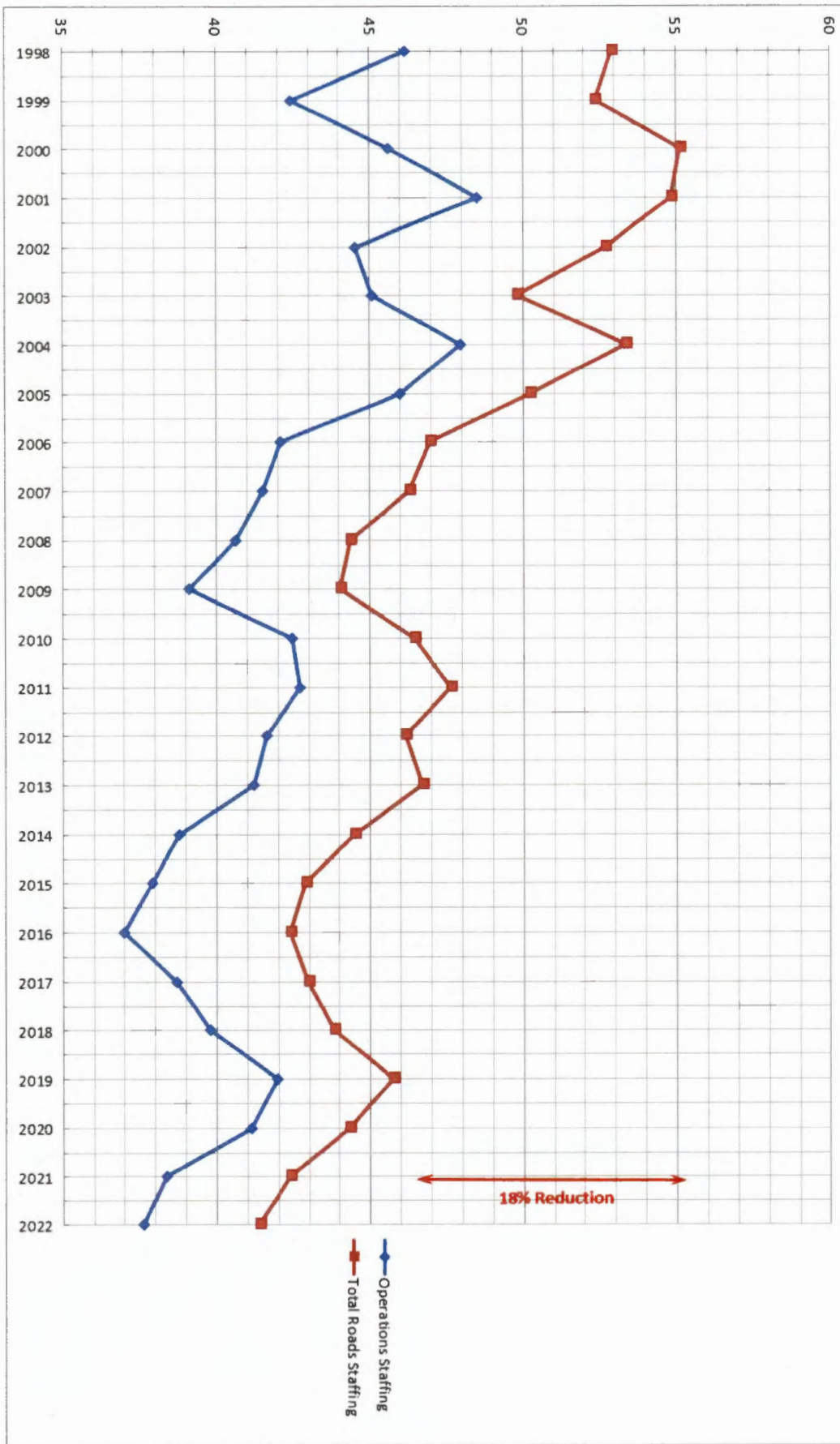
For 2025...

- Reduce roadway striping budget
 - Fog lines and some centerlines
 - Each line costs \$750/mile
- Re-visit partnership idea with other counties for road striping
- Rent (instead of own) certain equipment
- Eliminate rental for Roads office building
- Reduce snow/ice equipment assets

Future

- ??

Road Fund Staffing History



Transportation Benefit Districts (TBD)

Background

- Authorized by WA State Legislature in 2005
- Challenged with I-976 (2019)
- I-976 overturned by WA Supreme Court
- Legislation remains unchanged

Key Points

- Revenues can only be used for transportation purposes
- BoCC can function as TBD Board (if only in unincorporated area)
- Use of funds must be applied to a prioritized list
- Maintenance and preservation projects are eligible
- TBDs can be formed to sunset (tie to project list) or be ongoing
- TBD boundary can be multi-agency or regional

Eligible Priorities for Jefferson County

- Pavement preservation (chip seal, asphalt work, crack seal, etc.)
- Culvert rehabilitation and replacement
- Roadway pavement markings
- Local match for 6-Year TIP projects

Thank you for contacting us regarding data for forecasting information for your Transportation Benefit District (TBD). DOL uses the Department of Revenue's (DOR) local sales/use tax location code for Transportation Benefit Districts (TBD). According to DOR, **Jefferson County Unincorporated Areas** is associated with the location code **1600**. If this location code is not correct, please notify me and I'll provide the information for the correct location code.

This information will assist you when determining monthly revenue collection. When calculating potential revenue, you should **deduct the 1% percentage** DOL is allowed to retain to administer and collect the TBD vehicle fee. This will ensure you are not overestimating revenue.

Data Assumptions:

1. Data as recorded in the DOL DRIVES system.
2. Data is for records with an expiration day **between 1/1/2021 and 12/31/2021** by location code.
3. Only eligible vehicles subject to the fee that have a LOC CD as requested by your office were included in the counts. (Authority [36.73.065](#) and [82.80.140](#) RCW)
4. The data is the best estimation only.
5. Some vehicles eligible for the fee may not be included in calculations because the LOC CD is blank. If our automated system can find an exact match when comparing the residence address to the GIS data, we populate the vehicle record with corresponding taxing codes. If we cannot find an exact match, we do not populate the taxing code and leave that field blank.
6. Vehicles may be required to renew within a specific month, however, they can renew early or may renew later. This will cause the amount of estimated renewals in each month to change.
7. Washington law (RCW 82.80.140) requires that no TBD fee be collected until six months until after it was approved or changed. This allows for time to execute the contract and do the necessary computer programming in time for the fee to be on renewal notices that go out up to 120 days in advance of the vehicle expiration date. If the effective date falls mid-month, DOL will begin collecting the fee for vehicle expirations falling on the first day of the seventh month. For example, if the effective date is January 15, DOL will start collecting the fee for vehicle renewal expiring on or after August 1.
8. The number of vehicles subject for renewal each month vary. Below is a breakdown of the estimated renewals for the time period stated in #2 above.

EXPIRATION MONTH	COUNT
31-Jan-2021	1,796
28-Feb-2021	1,925
31-Mar-2021	2,226
30-Apr-2021	2,174
31-May-2021	2,420
30-Jun-2021	2,568
31-Jul-2021	2,575
31-Aug-2021	2,606
30-Sep-2021	2,483
31-Oct-2021	2,313
30-Nov-2021	1,876
31-Dec-2021	1,422
12 Rows	26,384

Transportation Benefit Districts (TBD)

Revenue Options

- TBDs authorize revenue through sales tax or car license fees ([RCW 82.14.0455](#) and [RCW 36.73.040\(3\)\(a\)](#)).
- Sales tax: Up to 0.3% (voted, simple majority). 0.1% Councilmanic (non-voted)
- Car License Fees: Up to \$100 (voted, simple majority)
 - \$20 Councilmanic
 - \$40 Councilmanic (after \$20 has been in place for 24 months)
 - \$50 Councilmanic (after \$40 has been in place for 24 months)

Potential Revenues

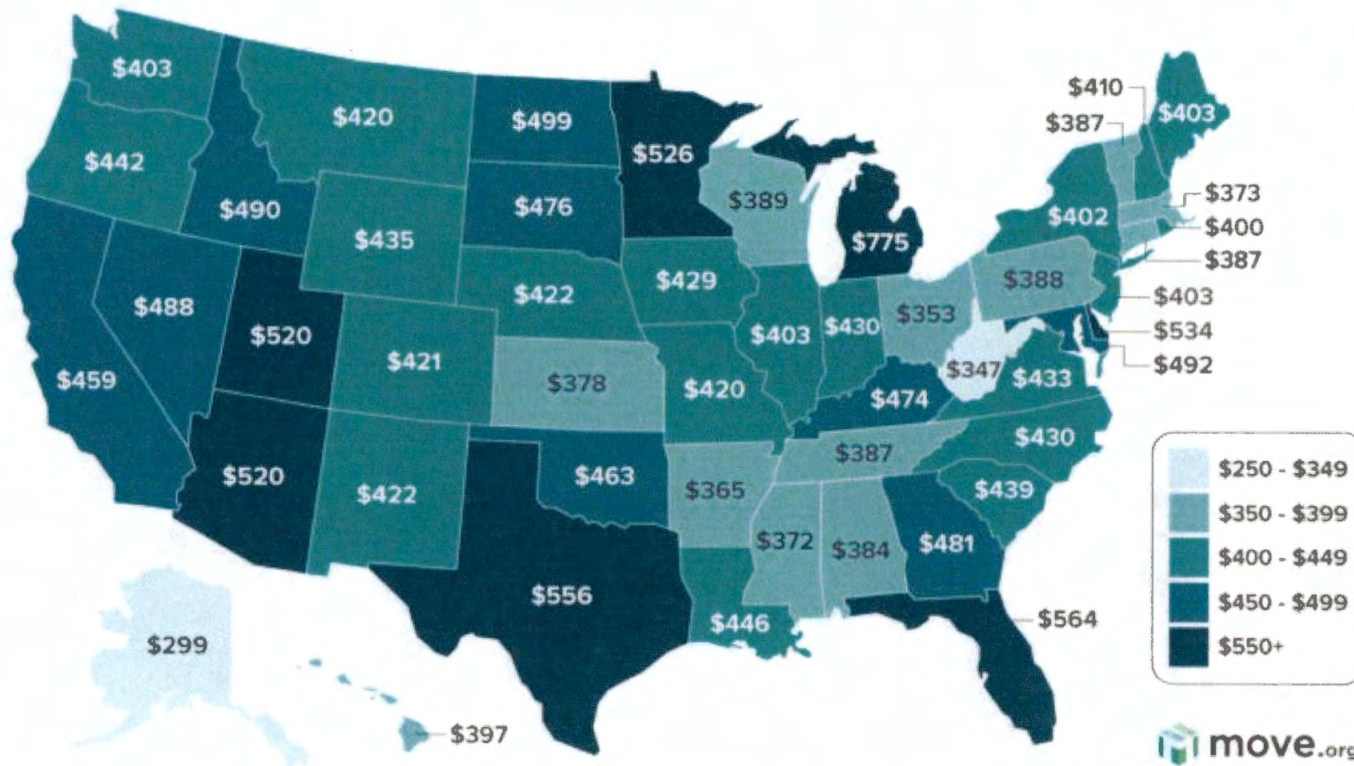
- 26,384 vehicles x \$20 = \$527,000
- 26,384 vehicles x \$40 = \$1,050,000
- 0.1% Sales Tax currently about \$600,000 (compare to County Criminal Justice 0.1% sales tax)

Other Counties/Cities

- 110+ TBDs formed in WA State
- 5 counties – none have collected revenue
- 60+ cities with sales tax from 0.1% to 0.3% (including City of PT)
- 50+ cities with license fees (5 greater than \$20)
- 10+ cities with both sales tax and license fees



The Average Cost of Owning a Car each Month

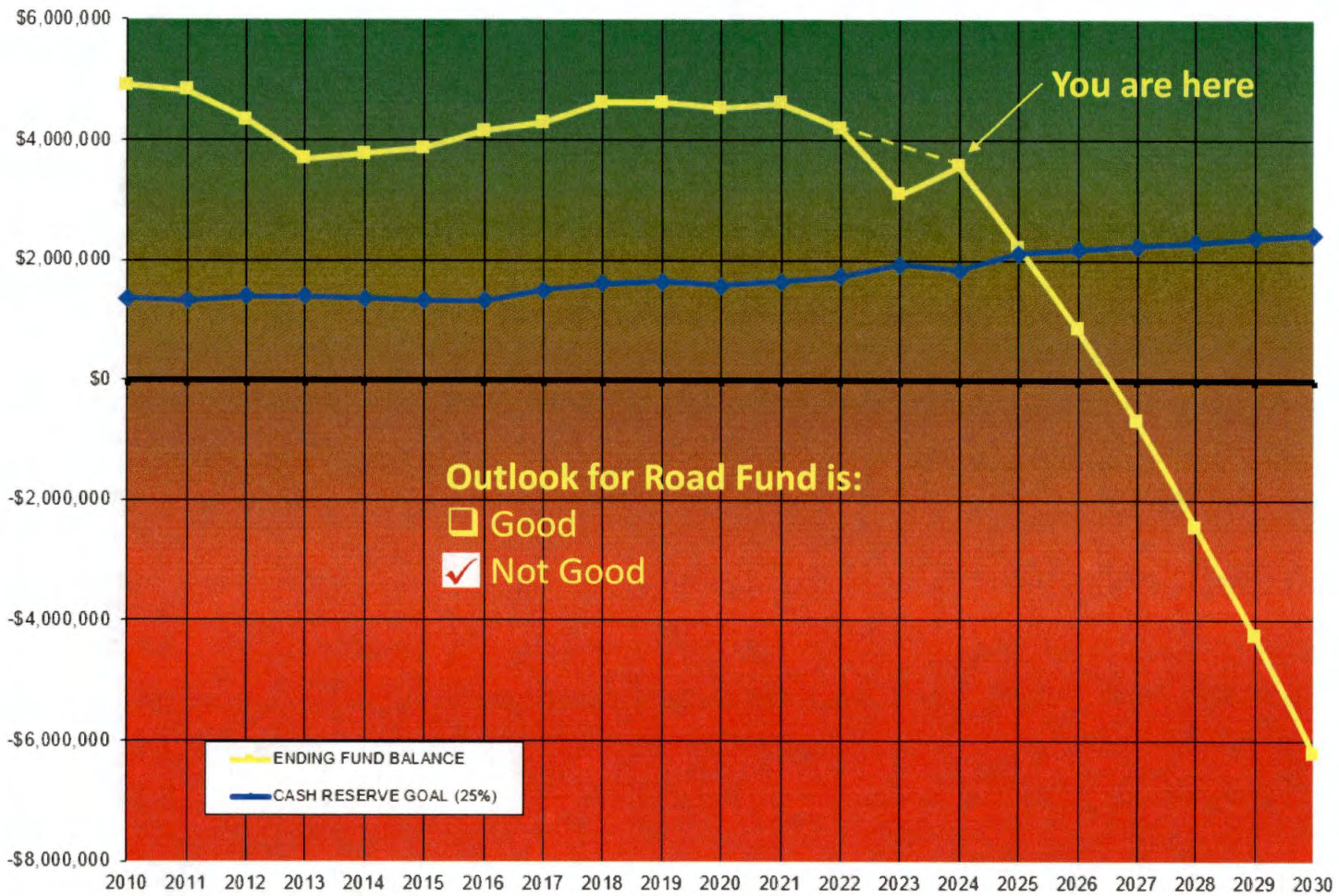


Transportation Benefit Districts (TBD)

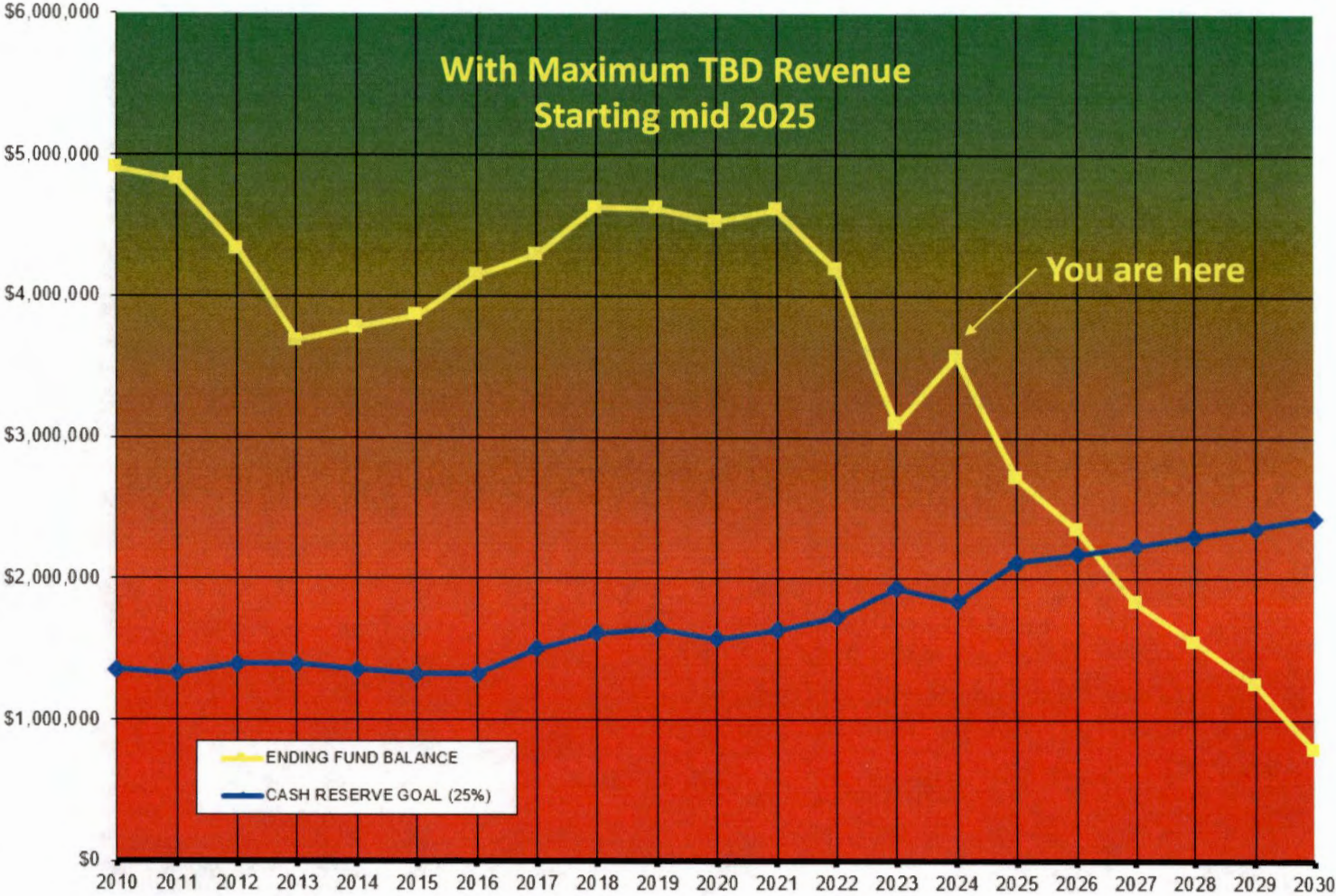
Recommendation

- Form Transportation Benefit District (TBD) immediately
- Fund TBD with:
 - 26,384 vehicles x \$20 = \$527,000 (Councilmanic)
 - 0.1% Sales Tax currently about \$600,000 (Councilmanic)
 - Total: \$1,100,000 covers deficit (for now)
- Pause. Evaluate.
- Future: \$40 car license (adds another \$500,000)
- Do not increase Diversion
- Consider eliminating cost allocation for Roads and ER&R
- Allow Road Fund interest to accrue to the Road Fund

2025-2030 Six-Year County Road Fund Projection



2025-2030 Six-Year County Road Fund Projection





Thank you!

Questions?

**JEFFERSON COUNTY
BOARD OF COUNTY COMMISSIONERS**

CONSENT AGENDA REQUEST

TO: Board of County Commissioners

FROM: Monte Reinders, Director of Public Works
Ariel Speser, Civil Deputy Prosecuting Attorney

DATE: December 16, 2026

SUBJECT: PUBLIC HEARING RE: Establishing a Transportation Benefit District for
Unincorporated Jefferson County

Hearing set for December 16, 2024 at 10:00 a.m. in the Commissioners' Chambers
(HYBRID)

STATEMENT OF ISSUE:

Jefferson County Department of Public Works presented to the BoCC on September 23, 2024 regarding the state of the Road Fund & Transportation Benefit Districts. At that time, BoCC requested staff bring back a proposed Transportation Benefit District (TBD) for review and consideration. The county provided notice for this Public Hearing on December 2, 2024, requesting publication on 12/04/24 and 12/11/24 in the Port Townsend and Jefferson County Leader. The Public Hearing is scheduled for December 16, 2024, at 10:00 a.m.

Attached: Proposed ordinance establishing a TBD for unincorporated Jefferson County to be codified in Title 3 JCC, and the PowerPoint presentation from September 23, 2024 BoCC Workshop with Public Works.

ANALYSIS:

RCW [36.73.020](#) allows for the establishment of a Transportation Benefit District (TBD). The recommended Transportation Benefit District geographic boundary is unincorporated Jefferson County. Establishing a Transportation Benefit District provides Jefferson County with additional necessary funding resources to support road maintenance and essential transportation needs. The City of Port Townsend has already established a TBD in July 2023 pursuant to Ordinance [3319](#). On December 2, 2024, City of Port Townsend Council adopted Resolution [24-039](#) supporting the county's formation of a TBD and expressing its desire to keep the TBDs separate at this juncture.

The process for adopting the ordinance and holding the public hearing is in compliance with Jefferson County Code (JCC) [2.55](#) Rules for adoption of ordinances and resolutions.

FISCAL IMPACT:


None at this time. If the TBD is established, staff will request an additional public hearing to review funding options available pursuant to RCW [36.73.040](#) and [36.73.065](#).

RECOMMENDATION:

BoCC approve and adopt the proposed ordinance establishing a Transportation Benefit District for

Unincorporated Jefferson County, codified in New Chapter 3.90 Jefferson County Code (JCC).

REVIEWED BY:



Mark McCauley, County Administrator

12/11/24
Date

STATE OF WASHINGTON
County of Jefferson

In the Matter of Authorizing the Jefferson County Administrator to Execute an Interlocal Agreement with The Governing Body of the Newly Formed Jefferson County Transportation Benefit District

RESOLUTION NO. 07-0106-25R

WHEREAS, chapter [39.34](#) RCW (Interlocal Cooperation Act) permits local governmental units to make the most efficient use of their powers by enabling them to cooperate on the basis of mutual advantage; and

WHEREAS, the county is empowered to operate, maintain, construct, and reconstruct, public street infrastructure within unincorporated Jefferson County in accordance with the powers granted pursuant to state law, including without limitation chapter [36.75](#) RCW; and

WHEREAS, pursuant to Ordinance No. [10-1216-24](#), codified in Chapter 3.90 of the Jefferson County Code (JCC), the county established the Jefferson County Transportation Benefit District (JCTBD) for any purpose allowed by law, including to operate the JCTBD and to make transportation improvements consistent with existing state, regional, and local transportation plans; and

WHEREAS, the county and the JCTBD desire to coordinate their efforts in order to pursue their individual, joint, and mutual rights and obligations to maintain and preserve county roads and related transportation infrastructure within unincorporated Jefferson County; and

WHEREAS, the Board of County Commissioners hereby authorizes the County Administrator to work with appropriate staff and legal to prepare an interlocal agreement for said services and execute on behalf of Jefferson County; and

NOW, THEREFORE, THE BOARD OF COUNTY COMMISSIONERS OF JEFFERSON COUNTY, WASHINGTON, HEREBY RESOLVE AS FOLLOWS:

Section 1. Whereas Clauses are Findings of Fact. The Jefferson County Board of Commissioners hereby adopts the above “Whereas” clauses as Findings of Fact.

Section 2. Authority to Execute an Interlocal Agreement with the Jefferson County Transportation Benefit District. The County Administrator is authorized to execute the Interlocal Agreement with the JCTBD for staff support and staff services.

Section 3. Actions confirmed and ratified. Actions by Jefferson County staff to support the JCTBD prior to signing the Interlocal Agreement are confirmed and ratified.

Section 4. Severability. If any section, subsection, sentence, clause, or phrase of this Resolution or its application to any person or circumstance is held invalid, the remainder of this resolution or its application to other persons or circumstances shall be fully valid and shall not be affected.

Section 5. SEPA Categorical Exemption. This resolution is categorically exempt from the State Environmental Policy Act under WAC [197-11-800](#)(19).

Section 6. Effective Date. This resolution shall take effect and be in full force immediately upon approval and adoption by the Board of County Commissioners.

(SIGNATURES FOLLOW ON THE NEXT PAGE)

ADOPTED and APPROVED this 16th day of January, 2025.

SEAL:



JEFFERSON COUNTY BOARD OF
COUNTY COMMISSIONERS

[Signature]
Heidi Eisenhour, Chair
Commissioner, District 2

[Signature]
Greg Brotherton, Member
Commissioner, District 3

[Signature]
Heather Dudley-Nollette, Member
Commissioner, District 1

ATTEST:

Carolyn Gallaway 1/6/25
Carolyn Gallaway, CMC Date
Clerk of the Board

APPROVED AS TO FORM:

[Signature]
Philip C. Hunsucker, Date 1/7/25
Chief Civil Deputy Prosecuting Attorney

**INTERLOCAL AGREEMENT
BETWEEN THE JEFFERSON COUNTY AND
THE JEFFERSON COUNTY TRANSPORTATION BENEFIT DISTRICT**

This Interlocal Agreement (Agreement) between Jefferson County (County), a political subdivision under the laws of the State of Washington and the Transportation Benefit District for unincorporated Jefferson County (JCTBD), a quasi-municipal corporation under the laws of the State of Washington, (collectively the Parties) is hereby dated and made effective this _____ day of _____ 2025.

WHEREAS, chapter [39.34](#) RCW (Interlocal Cooperation Act) permits local governmental units to make the most efficient use of their powers by enabling them to cooperate on the basis of mutual advantage; and

WHEREAS, Jefferson County is empowered to operate, maintain, construct, and reconstruct, public street infrastructure within unincorporated Jefferson County in accordance with the powers granted pursuant to state law, including without limitation chapter [36.75](#) RCW; and

WHEREAS, pursuant to Ordinance No. [10-1216-24](#), to be codified in Chapter 3.90 Jefferson County Code (JCC), the County established a Transportation Benefit District consisting of unincorporated Jefferson County for any purpose allowed by law, including to operate the JCTBD and to make transportation improvements consistent with existing state, regional, and local transportation plans; and

WHEREAS, Jefferson County and the JCTBD desire to better coordinate their efforts in order to pursue their individual, joint, and mutual rights and obligations to maintain and preserve road and related transportation infrastructure within unincorporated Jefferson County;

NOW, THEREFORE, the Parties have entered into this Agreement in consideration of the mutual benefits to be derived and to coordinate their efforts through the structure provided by the Interlocal Cooperation Act.

1. Purpose and Interpretation

Jefferson County is empowered by chapter [36.75](#) RCW to construct, reconstruct, maintain, and preserve county roads and other related public infrastructure either by contract or through the use of county forces. The JCTBD has been constituted in accordance with state law to provide a source of funding for transportation improvements that preserve, maintain, and improve the transportation infrastructure and related infrastructure in unincorporated Jefferson County. The JCTBD has no employees and its officers are the Jefferson County Board of County Commissioners serving in an ex officio capacity. In order to make the most efficient use of public monies, to avoid duplication of effort, and to coordinate their efforts, the Parties have entered into this Agreement. In the event of ambiguity or the need for guidance arises, this Agreement shall be interpreted in accordance with the provisions of Chapter 3.90 Jefferson County Code, Chapter [36.73](#) RCW, and the provisions of the Governmental Accounting Act, RCW [43.09.200](#) *et seq.* as the same exists or shall hereafter be amended.

2. Obligations of the Transportation Benefit District.

In accordance with the requirements of the Chapter 36.73 RCW and Chapter 3.90 JCC, the JCTBD agrees to:

- A. Provide to the county all funding received for any and all lawful sources that the JCTBD, in its sole discretion, may receive for the purpose of completing the JCTBD's authorized projects.
- B. Continue the annual provision of funding for transportation improvements approved by the JCTBD, so long as the JCTBD remains in existence. Such funding shall be in accordance with and limited by the provisions in Chapter 3.90 JCC and Chapter 36.73 RCW.
- C. Develop an annual work plan and designate projects within its jurisdiction for funding.

3. Obligations of Jefferson County.

The County shall:

- A. Provide all staff and necessary related support to the JCTBD. The costs of such support shall be accounted for as part of the County's annual report to the JCTBD. JCTBD funding shall first be applied to the reasonable charges incurred in establishing and staffing the JCTBD. Annual services provided may include the services provided by the Prosecuting Attorney's Office, the Clerk of the Board of County Commissioners when serving as the Clerk for the JCTBD, the County Treasurer when serving as its Treasurer, the Department of Public Works, the Central Services Department, and employees of the County that serve the JCTBD and any associated costs including but not limited to, the preparation of an annual work plan, reporting, advertising, design, contracting, construction management, accounting, and any and all other actual charges or agreed upon percentage of charges associated with the proper application of JCTBD funding in accordance with law and ordinance. In consideration of the benefits derived by the County, overhead charges such as utilities, information technology, office supplies, and equipment shall be a contribution of the County to the Parties' joint goals and objectives and need not be directly charged to the JCTBD.
- B. Maintain for the period established by the State Archivist retention schedule, financial records, kept in accordance with general accepted accounting practice and governmental accounting requirements, as necessary to document that any and all funding received through the JCTBD is used only for the projects in accordance with law and ordinance.
- C. Immediately alert the JCTBD of any material changes in scope, schedule, or cost increases of 20% or greater to improvements funded in part or whole

with JCTBD funds.

- D. Utilize funding provided for projects shown on the JCTBD's annual work plan in accordance with the JCTBD's material change policy, law, and ordinance. In doing so, it is the intent of the Parties that this funding supplement, not replace, existing County funding sources for road improvements.

4. Ownership.

Roads and related transportation infrastructure preserved, maintained, and improved with JCTBD funds are and shall remain the property of the County. No joint property ownership is contemplated under the terms of this Agreement.

5. No Joint Board.

No provision is made for a joint board. The JCTBD shall exercise its function in accordance with Chapter 36.73 RCW and Chapter 3.90 JCC, including any future amendments thereto, using staff as provided by the County, pursuant to law and to this Agreement.

6. Mutual Indemnity.

For its comparative liability, each Party agrees to indemnify, defend and hold the other Party, its officers, officials, employees, agents and volunteers (and their marital communities), harmless from and against any claims, damages, losses and expenses, including but not limited to court costs, attorney's fees and alternative dispute resolution costs, for any personal injury, for any bodily injury, sickness, disease or death and for any damage to or destruction of any property (including the loss of use resulting therefrom) which are alleged or proven to be caused by an act or omission, negligent or otherwise, of its officers, officials, employees, agents or volunteers (and their marital communities). A Party shall not be required to indemnify, defend, or hold the other Party or its officers, officials, employees, agents and volunteers (and their marital communities) harmless if the claim, damage, loss or expense for personal injury, for any bodily injury, sickness, disease or death or for any damage to or destruction of any property (including the loss of use resulting therefrom) is caused by the sole act or omission of the other Party or its officers, officials, employees, agents or volunteers. If any concurrent act occurs or omission of the Parties and their officers, officials, employees, agents and volunteers, negligent or otherwise, these indemnity provisions shall be valid and enforceable only for the comparative liability of each Party and its officers, officials, employees, agents or volunteers. The Parties agree to maintain a consolidated defense to claims made against them and to reserve all indemnity claims against each other until after liability to the claimant and damages are adjudicated. If any claim is resolved by voluntary settlement and the Parties cannot agree upon apportionment of damages and defense costs, they shall submit apportionment to binding arbitration. The indemnification obligations of the Parties shall not be limited by the Washington State Industrial Insurance Act, title 51 RCW, or by application of any other workmen's compensation act, disability benefit act or other employee benefit act. Each Party expressly waives any immunity afforded by such acts to

the extent required by a Party's obligations to indemnify, defend and hold harmless the other Party, its officers, officials, employees, agents and volunteers (and their marital communities). A Party's waiver of immunity does not extend to claims made by its own employees directly against that Party as employer. The indemnity provisions of this section are a material inducement to enter into this Agreement and have been mutually negotiated. This section shall survive the expiration or termination of this Agreement.

7. Compliance with Laws.

Each Party accepts responsibility for compliance with federal, state or local laws and a regulation including, in particular, that Party's bidding requirements applicable to the acquisition of any goods, services, or equipment obtained through the cooperative process agreed to herein.

8. Effective Date.

This Agreement shall be effective upon the last authorizing signature affixed hereto and when filed with the county auditor as required by RCW [39.34.040](#).

9. Termination.

This Agreement shall terminate or expire as follows:

- A. This Agreement shall automatically expire upon the JCTBD being assumed by Jefferson County pursuant to RCW [36.74](#).
- B. This Agreement may be terminated by either Party upon the provision of ten (10) calendar days' notice. A Resolution by the Jefferson County Board of Commissioners indicating its intent to assume the Jefferson County Transportation Benefit District pursuant to RCW [36.74](#) also serves as sufficient notice of termination under this section.
- C. A final reconciliation of costs, payments, and a current report of completed activities to date shall be completed by both Jefferson County and the JCTBD within such period following notice by either Party.
- C. Unless sooner terminated by either Party, this Agreement shall expire on the date the JCTBD is automatically dissolved in accordance with the provisions of RCW [36.73.170](#) and Chapter 3.90 JCC, as the same exists or are hereafter amended.

10. Survival.

Those provisions of this Agreement that by their sense and purpose should survive the term of this Agreement. Without limiting the generality of the preceding sentence, and for the avoidance of doubt, the provisions that survive the term of this Agreement include: controlling law and indemnification.

11. Severability.

Any provision of this Agreement held to be prohibited or unenforceable shall be ineffective only to the extent of such prohibition or unenforceability, without invalidating the remaining provisions or affecting the validity or enforcement of such provisions.

12. Contact Persons:

The Parties stipulate that the following persons shall be the contact person for their respective jurisdiction.

JEFFERSON COUNTY:

Mark McCauley
County Administrator
Jefferson County
1820 Jefferson St., Port Townsend, WA 98368
Phone: (360) 385-2130

TRANSPORTATION BENEFIT DISTRICT:

JCTBD Chair
1820 Jefferson Street
Port Townsend, WA 98368
Phone: 360-385-9100

13. Recording.

A copy of this Agreement shall be recorded by Jefferson County in the Jefferson County Auditor's Office.

14. General Provisions.

A. No new or separate legal or administrative entity is created to administer the provisions of this Agreement.

B. This Agreement contains all of the agreements of the Parties with respect to any matter covered or mentioned in this Agreement.

C. No provision of this Agreement may be amended or modified except by written agreement signed by the Parties.

D. This Agreement shall be binding upon and inure to the benefit of the Parties' successors in interest, heirs and assigns.

E. The Parties do not intend, and nothing in this Agreement shall be construed to mean, that any provision in this Agreement is to benefit any person or entity who is not a Party.

F. This Agreement may be amended or supplemented only by a writing signed by duly authorized representatives of all the Parties.

G. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, and all of which counterparts together shall constitute the same instrument which may be sufficiently evidenced by one counterpart. Execution of this Agreement at different times and places by the Parties shall not affect the validity of this Agreement, so long as all the Parties execute a counterpart of this Agreement.

H. The Parties agree that facsimile and electronic signatures shall have the same force and effect as original signatures.

I. Any provision of this Agreement or either Party places the enforcement of this Agreement in the hands of an attorney, or files a lawsuit, each Party shall pay all its own attorneys' fees, costs and expenses.

J. It is understood and agreed this Agreement is entered into in the State of Washington. This Agreement shall be governed by and construed under the laws of the United States, the State of Washington and the County of Jefferson, as if applied to transactions entered into and to be performed wholly within Jefferson County, Washington between Jefferson County residents. No Party shall argue or assert that any state law other than Washington law applies to the governance or construction of this Agreement.

K. The venue for any legal action shall be solely in the appropriate state court in Jefferson County, Washington, subject to the venue provisions for actions against counties in RCW [36.01.050](#).

L. The County shall be responsible for compliance with the Washington Public Records Act, Chapter [42.56](#) RCW (as may be amended) for both Parties. This Agreement, once executed, will be a "public record" subject to production to a third-party if it is requested under the Chapter [42.56](#) RCW.

M. No Party may sell, transfer or assign any rights or benefits under this Agreement without the written approval of all the Parties.

(SIGNATURES FOLLOW ON NEXT PAGE)

JEFFERSON COUNTY

TRANSPORTATION BENEFIT DISTRICT

By: *Mark McCauley*
Mark McCauley, County Administrator
Date: *1/6/25*

By: *Heidi Eisenhour*
Heidi Eisenhour, Chair
Date:

SEAL:



ATTEST:

Carolyn Galloway *1/6/25*
Carolyn Galloway, CMC Date
Clerk of the Board

Approved as to form only:

Philip C. Hunsucker *1/7/25*
Philip C. Hunsucker, Date
Chief Civil Deputy Prosecuting Attorney

**JEFFERSON COUNTY
BOARD OF COUNTY COMMISSIONERS**

REGULAR AGENDA REQUEST

TO: Board of County Commissioners

FROM: Mark McCauley, County Administrator

DATE: January 6, 2025

SUBJECT: Resolution by the BoCC Authorizing the County Administrator to Execute Interlocal Agreement with the Transportation Benefit District for Staff Support Services.

STATEMENT OF ISSUE:

As discussed with the BoCC on December 16, 2024, and previously, the collection of taxes for the county road fund has been decreasing for years, making it increasingly more difficult to maintain county roads.

Therefore, the BoCC adopted Ordinance No. [10-1216-24](#) on December 16, 2024, which created the Jefferson County Transportation Benefit District (JCTBD). The JCTBD is a separate legal entity, authorized by the state legislature in chapter [36.73](#) RCW to generate additional funds for county road maintenance by collecting from the state up to up to \$20 of the vehicle fee authorized in RCW [82.80.140](#) and up to one-tenth of one percent of the sales and use tax in accordance with RCW [82.14.0455](#). See RCW [36.73.065\(4\)\(a\)](#).

By majority vote of its governing board, the JCTBD may authorize the collection of the funds discussed above from the State Department of Licensing and the State Department of Revenue. However, the JCTBD has no staff and no funds until it can begin to collect under RCW [36.73.065\(4\)\(a\)](#). As an independent government entity, the JCTBD has authority to enter into interlocal agreements for things like staff support, including legal, clerk support for the JCTBD public meetings, and financial services. Most TBDs contract with the with the municipality that created them for these services rather than hiring staff.

Once the JCTBD holds its first meeting, it may elect a Board Chair, who may be authorized by the JCTBD Board to sign an interlocal agreement for these services. Since the governing board of the JCTBD currently is the BoCC acting in an ex officio and independent capacity, each governmental entity – the BoCC *and* the JCTBD – will need to delegate authority to a representative from their entity to sign an ILA for the use of county staff support services.

Staff recommend that the BoCC authorize the County Administrator to approve and sign an interlocal agreement with the JCTBD for these staff and administrative support services on behalf of the county so there are separate signatories on the ILA – the County Administrator for Jefferson County as authorized by the BoCC and the JCTBD Board Chair representing the

JCTBD Board.

ANALYSIS: The proposed interlocal agreement (ILA) will authorize Jefferson County staff to provide necessary services to the JCTBD as well as authorize charging appropriate overhead amounts. This is not a conflict of interest for staff, as the JCTBD is a funding entity for county road projects. The proposed resolution would also ratify any actions by county staff in forming and supporting the JCTBD prior to signing the interlocal agreement – for the example, staff time setting up the Special Meeting for the JCTBD meeting to properly occur on January 6, 2025, and drafting proposed documents for consideration during that meeting.

If Jefferson County assumes the JCTBD pursuant to chapter [36.74](#) RCW, this interlocal agreement would no longer be needed and would terminate. This is because the assumption process changes the governing body of the JCTBD from the BoCC serving in an ex officio status to being the BoCC. The BoCC would then be the governing body for *both* Jefferson County and the JCTBD. The JCTBD would still exist as a separate quasi-municipal corporation funding entity, but the governing body would no longer be the BoCC acting in an ex officio and independent status, and would just be the governing body of the BoCC in its normal BoCC capacity. The procedural steps for assumption are outlined in chapter [36.74](#) RCW.

FISCAL IMPACT: The proposed interlocal agreement will authorize Jefferson County staff to provide the necessary services to the TBD, as well as authorizing appropriate charges for allowable overhead amounts.


RECOMMENDATION:

Move to approve the proposed Resolution Authorizing the County Administrator to execute the proposed Interlocal Agreement with the JCTBD for reasonable staff support and related administrative services.

REVIEWED BY:



Mark McCauley, County Administrator



Date

CONTRACT REVIEW FORM
(INSTRUCTIONS ARE ON THE NEXT PAGE)

Clear Form

CONTRACT WITH: Jefferson County Contract No: ILA JC/TPD

Contract For: ILA TRANSPORTATION BENEFIT DISTRICT Term: _____

COUNTY DEPARTMENT:	<u>County Administrator</u>
Contact Person:	<u>Mark McCauley</u>
Contact Phone:	<u>x130</u>
Contact email:	<u>mmccauley@co.jefferson.wa.us</u>

AMOUNT: _____

Revenue: _____

Expenditure: _____

Matching Funds Required: _____

Sources(s) of Matching Funds: _____

Fund #: _____

Munis Org/Obj: _____

PROCESS:

Exempt from Bid Process

Cooperative Purchase

Competitive Sealed Bid

Small Works Roster

Vendor List Bid

RFP or RFQ

Other: _____

APPROVAL STEPS:

STEP 1: DEPARTMENT CERTIFIES COMPLIANCE WITH JCC 3.55.080 AND CHAPTER 42.23 RCW.

CERTIFIED: N/A: _____ 1-7-25

Signature Date

STEP 2: DEPARTMENT CERTIFIES THE PERSON PROPOSED FOR CONTRACTING WITH THE COUNTY (CONTRACTOR) HAS NOT BEEN DEBARRED BY ANY FEDERAL, STATE, OR LOCAL AGENCY.

CERTIFIED: N/A: _____ 1-7-25

Signature Date

STEP 3: RISK MANAGEMENT REVIEW (will be added electronically through Laserfiche):

Electronically approved by Risk Management on 1/8/2025.
This agreement has already been executed by Jefferson County and the TBD.

STEP 4: PROSECUTING ATTORNEY REVIEW (will be added electronically through Laserfiche):

Electronically approved as to form by PAO on 1/9/2025.
PAO drafted. Reviewed and approved during TBD meeting.

STEP 5: DEPARTMENT MAKES REVISIONS & RESUBMITS TO RISK MANAGEMENT AND PROSECUTING ATTORNEY(IF REQUIRED).

STEP 6: CONTRACTOR SIGNS

STEP 7: SUBMIT TO BOCC FOR APPROVAL

**STATE OF WASHINGTON
COUNTY OF JEFFERSON
TRANSPORTATION BENEFIT DISTRICT**

**In the Matter of the Governing Body of the
Jefferson County Transportation Benefit
District Adopting a Material Change Policy**

RESOLUTION NO. 02-0106-25-TBD

WHEREAS, Jefferson County approved Ordinance No. [10-1216-24](#) on December 16, 2024, establishing the Jefferson County Transportation Benefit District (JCTBD) for unincorporated Jefferson County pursuant to Chapter [36.73](#); and

WHEREAS, RCW [36.73.160](#)(1) and chapter 3.90.030 Jefferson County Code require the JCTBD Board to adopt a material change policy to address major plan changes that affect project delivery or the ability to finance the plan; and

WHEREAS, according to RCW [36.73.160](#)(1), the policy must at least address material changes to cost, scope, and schedule, the level of change that will require governing body involvement, and how the governing body will address those changes; and

WHEREAS, RCW [36.73.160](#)(1) requires that, at a minimum, in the event that a transportation improvement cost exceeds its original cost by more than twenty percent (20%) as identified in a district's original finance plan, the governing body shall hold a public hearing to solicit comment from the public regarding how the cost change should be resolved;

**NOW, THEREFORE, THE JEFFERSON COUNTY TRANSPORTATION
BENEFIT DISTRICT FOR UNINCORPORATED JEFFERSON COUNTY,
WASHINGTON, HEREBY RESOLVE AS FOLLOWS:**

Section 1. Whereas Clauses are Findings of Fact. The Jefferson County Transportation Benefit District hereby adopts the above "Whereas" clauses as Findings of Fact.

Section 2. Material Change to Cost. In the event an approved transportation improvement project exceeds its original cost by more than twenty percent (20%), the JCTBD Board shall hold a public hearing to solicit comments from the public regarding how the cost change should be resolved. TBD staff shall consult with the Board Chair prior to setting the public hearing.

Section 3. Material Change to Scope. In the event that the scope of a transportation improvement project materially changes from that originally anticipated at project approval, TBD staff shall consult with and review the changes with the Board Chair. The Board Chair shall determine whether or not to convene a meeting of the Board for discussion. If the scope of the change will result in an increase in cost by more than twenty percent (20%), the Board shall hold a public hearing to solicit comments for the public regarding how the change of scope should be resolved.

Section 4. Material Change to Schedule. In the event that the schedule of a transportation improvement project materially changes in a way that significantly impacts other TBD projects for funding, or schedule changes exceed 180 days, TBD staff shall consult with and review such changes with the Board Chair. The Board Chair shall determine whether or not to convene a meeting of the Board for discussion. In the event that the schedule change of a transportation

improvement project will result in an increase in cost by more than twenty percent (20%), the Board shall hold a public hearing to solicit comments from the public regarding how the schedule change should be resolved.

Section 5. Definition of Material Change. Material changes as used in Sections 2 and 3 above shall be defined as a change, knowledge of which would more likely than not have affected the Board's decision regarding the project. The Board Chair shall have the authority to determine whether material changes have occurred that require a meeting of the Board.

Section 6. Severability. If any section, subsection, sentence, clause, or phrase of this Resolution or its application to any person or circumstance is held invalid, the remainder of this resolution or its application to other persons or circumstances shall be fully valid and shall not be affected.

Section 7. SEPA Categorical Exemption. This Resolution is categorically exempt from the State Environmental Policy Act under WAC [197-11-800\(19\)](#).

Section 8. Effective Date. This Resolution shall take effect and be in full force immediately upon adoption by the Jefferson County Transportation Benefit District Board.

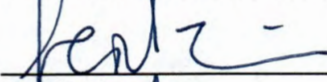
(SIGNATURES FOLLOW ON THE NEXT PAGE)

ADOPTED and APPROVED this 10th day of January, 2025.

SEAL:



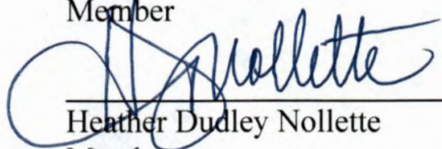
JEFFERSON COUNTY TRANSPORTATION
BENEFIT DISTRICT BOARD



Heidi Eisenhour
Chair

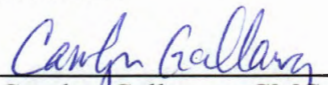


Greg Brotherton
Member



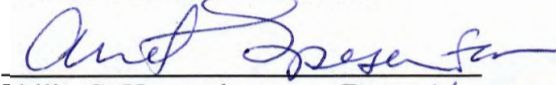
Heather Dudley Nollette
Member

ATTEST:

 11/6/25

Carolyn Gallaway, CMC Date
Clerk of the Board

APPROVED AS TO FORM:



Philip C. Hunsucker, Date 11/7/25
Chief Civil Deputy Prosecuting Attorney



1 1 1 1 1

**JEFFERSON COUNTY
TRANSPORTATION BENEFIT DISTRICT (TBD)**

AGENDA REQUEST

TO: TBD Board Members

FROM: Mark McCauley, County Administrator

DATE: January 6, 2025

SUBJECT: Resolution Adopting a Material Change Policy

STATEMENT OF ISSUE:

RCW [36.73.160\(1\)](#) requires transportation benefit districts to adopt a material change policy. The attached resolution serves as that required policy. This policy will be moot if Jefferson County assumes the Transportation Benefit District. If the County were to assume the Jefferson County Transportation Benefit District, the BoCC could implement the material change policy previously adopted by the JCTBD and any changes would be subject to Jefferson County's procurement policies for changes.

ANALYSIS:

RCW [36.73.160\(1\)](#) outlines what must be included in the material change policy:

The district governing body shall develop a material change policy to address major plan changes that affect project delivery or the ability to finance the plan. The policy must at least address material changes to cost, scope, and schedule, the level of change that will require governing body involvement, and how the governing body will address those changes. At a minimum, in the event that a transportation improvement cost exceeds its original cost by more than twenty percent as identified in a district's original finance plan, the governing body shall hold a public hearing to solicit comment from the public regarding how the cost change should be resolved.

FISCAL IMPACT:

None at this time.

RECOMMENDATION:

That the JCTBD Board adopt the proposed Material Change Policy.

REVIEWED BY:


Mark McCauley, County Administrator

1/2/25
Date