ORDINANCE NO. <u>15-3856</u>

AN ORDINANCE OF THE CITY OF KELSO, WASHINGTON ASSUMING THE RIGHTS, POWERS, FUNCTIONS, AND OBLIGATIONS OF THE KELSO TRANSPORTATION BENEFIT DISTRICT AND AMENDING CHAPTER 3.65 OF THE KELSO MUNICIPAL CODE RELATING TO THE KELSO TRANSPORTATION BENEFIT DISTRICT

WHEREAS, the City Council has adopted Ordinance No. 3778 creating the Kelso Transportation Benefit District with the boundaries coterminous with the City of Kelso City limits; and

WHEREAS, the State Legislature has adopted Second Engrossed Substitute Senate Bill 5987, which provides in part at Section 301 et seq., that a city may assume the rights, powers, functions, and obligations of a transportation benefit district that has been established with boundaries coterminous with the boundaries of the City; and

WHEREAS, the City Council adopted Resolution No. 15-1139 on October 20, 2015 declaring its intent to conduct a public hearing on the proposal to assume the rights, powers, functions, and obligations of the Kelso Transportation Benefit District; and

WHEREAS, the City Council held a public hearing on the proposed assumption on November 3, 2015 at 6 pm at City Hall and took testimony from any who appeared to be heard on the matter;

NOW, THEREFORE,

THE CITY COUNCIL OF THE CITY OF KELSO DO ORDAIN AS FOLLOWS:

SECTION 1. Findings. The City Council makes the following findings in support of this ordinance to assume the Kelso Transportation Benefit District:

1. The State Legislature has granted the authority, under 2ESSB 5987, for a city to assume all rights, powers, functions, and obligations of a transportation benefit district that has boundaries coterminous with the city's limits.

- 2. The City of Kelso, by Ordinance No 3778, created the Kelso Transportation Benefit District with boundaries that are coterminous with the Kelso City Limits.
- 3. This action to assume the rights, powers, functions, and obligations of the Kelso Transportation Benefit District is in the public interest and will promote the public welfare because it will simplify the collection, administration, and distribution of funds collected for streets within the City, and create greater efficiency by minimizing duplicative governing procedures.
- 4. The Kelso Transportation Benefit District has not incurred any debt or financing and has not let any contracts, acquired any assets, or committed to any projects. Further, the District has transferred all funds collected to the City. These actions simplify assumption of the District by the City.

SECTION 2. Assumption of the Kelso Transportation Benefit District. The City hereby assumes all rights, powers, immunities, functions, and obligations of the Kelso Transportation Benefit District and by this action the Kelso Transportation Benefit District will cease to exist as a separate entity.

SECTION 3. Chapter 3.65 Kelso Municipal Code Amended. The City Council hereby amends Chapter 3.65 KMC as follows:

3.65.010 Transportation benefit district assumed by City.

The City Council hereby assumes all rights, powers, immunities, functions and obligations of that certain transportation benefit district established by Ordinance 3778 and known as the Kelso Transportation Benefit District with geographical boundaries comprised of the corporate limits of the city as they currently exist or as they may exist following future annexations. The Kelso Transportation Benefit District shall hereby cease to exist as a separate entity.

3.65.020 Governing body.

A. The Kelso City Council shall have the authority to exercise the statutory powers set forth in Chapter 36.73 RCW.

B. The city finance director shall perform all financing and treasurer functions required by Chapter 36.73 RCW.

C. The City Council 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 set forth in RCW 36.73.160(1). At a minimum, if a transportation improvement exceeds its original cost by more than twenty percent, as identified in the original plan, a public hearing shall be held to solicit public comment regarding how the cost change should be resolved.

D. The City Council shall issue an annual report, pursuant to the requirements of RCW 36.73.160(2).

3.65.030 Functions of the City Council.

A. The City Council may, by ordinance, authorize a vehicle tax fee of up to the limits as provided for by RCW <u>82.80.140</u>. Any expansion of the authorized transportation improvement purposes shall be undertaken only after notice, hearing and adoption of an ordinance in accordance with RCW <u>36.73.050(2)(b)</u> or a vote of the people pursuant to RCW <u>36.73.065(3)</u>.

B. When authorized by the voters pursuant to the requirements of Chapter 36.73 RCW, other taxes, fees, charges and tolls or increases in these revenue services may be assessed for the preservation, maintenance and operations of city streets. Additional transportation improvements may be added to the functions of the city council acting pursuant to Chapter 36.73 RCW upon compliance with the requirements of said chapter.

C. The City Council shall have and exercise all powers and functions provided by Chapter 36.73 RCW to fulfill the functions set forth therein.

3.65.040 Transportation improvements funded.

The funds generated under the authority of Chapter 36.73 RCW shall be used for transportation improvements that construct, preserve, maintain and operate the existing transportation infrastructure of the city, consistent with the requirements of Chapter 36.73 RCW. The funds may be utilized for any lawful purpose under the chapter; but all funds raised pursuant to the chapter shall be expended only for such preservation, maintenance and

operation in accordance with the provisions of Chapter <u>36.73</u> RCW as the same exists or is hereafter amended. The funds expended by the City shall construct, preserve, maintain and operate the city's previous investments in the transportation infrastructure, reduce the risk of transportation facility failure, improve safety, continue the cost-effectiveness of the city's infrastructure investments, and continue the optimal performance of the transportation system. Additional transportation improvement projects may be funded only after compliance with the provisions of RCW <u>36.73.050(2)(b)</u> following notice, public hearing and enactment of an authorizing ordinance.

SECTION 4. Severability. The provisions of this Ordinance are declared to be severable. If any provision, clause, sentence, or paragraph of this Ordinance or the application thereof to any person, establishment, or circumstances shall be held invalid, such invalidity shall not affect the other provisions or application of this Ordinance.

SECTION 5. Effective Date. This Ordinance shall be in full force and effect on December 31, 2015 after its passage and publication of summary as required by law.

ADOPTED by the City Council and SIGNED by the Mayor this 17th day of Muler, 2015.

ATTEST/AUTHEN/TICATION:

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY

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