

**CITY COUNCIL REGULAR SESSION**

Ordinance amending 1) the 2017-2023 General Capital Investment Program (CIP) Plan to increase the budget for the Major Maintenance Program (CIP Plan No. PW-M-19) by \$280,971; and, 2) the 2017-2018 General CIP Fund to increase the appropriation by \$280,971 for maintenance work in the Eastgate Annexation Area and funded by annexation sales tax revenue provided through the State of Washington.

Dave Berg, Director, 452-6468

Ron Kessack, Assistant Director, 452-4631

*Transportation Department*

**EXECUTIVE SUMMARY**

This Ordinance amends the budget for Eastgate Annexation Major Maintenance, including the areas of Eastgate, Hilltop, Tamara Hills and Horizon View.

**RECOMMENDATION**

Move to adopt Ordinance No. 6430

If approved, effective date: 11/16/2018

**BACKGROUND/ANALYSIS**

Ordinance No. 6045 adopted by Council on February 21, 2012 imposed a sales and use tax as authorized by RCW 82.14.415 to offset the costs of providing certain municipal services to the Eastgate Annexation areas of Eastgate, Hilltop, Tamara Hills and Horizon View.

Each year, for up to 10 years (expiring in 2022), in line with the State of Washington fiscal year from July to June, the City is required to adopt legislation that continues to impose the sales and use tax and to update the annual threshold amount authorized by RCW 82.14.415.

Resolution No. 9221, adopted on February 13, 2017 continued to impose the sales and use tax and provided the annual threshold amount for July 1, 2017 through June 30, 2018, that is funding the services (e.g., replacing signage to bring up to City standards, geotechnical evaluation of rockeries, asphalt and guardrail maintenance, etc.) captured under PW-M-19. This administrative adjustment recognizes the annexation sales tax revenue and provides the necessary appropriation in the CIP, to capture the work completed by PW-M-19.

**POLICY & FISCAL IMPACTS****Comprehensive Plan**

TR-131 directs that the City "Seek state and federal funds for transportation capital, maintenance, and operations."

**RCW**

RCW 82.14.415 allows for sales and use tax for cities to offset municipal service costs to newly annexed areas.

**Fiscal Impact**

This action is administrative in nature and will increase the 2017-2018 General CIP fund appropriation and the 2017-2023 project budget for the Major Maintenance Program (CIP Plan No. PW-M-19) by \$280,971 to fund maintenance work in the Eastgate Annexation area. This increase is funded through the annexation sales tax revenue provided through the State of Washington for providing municipal services to the Eastgate Annexation Areas of Eastgate, Hilltop, Tamara Hills and Horizon View.

**OPTIONS**

1. Adopt the Ordinance amending 1) the 2017-2023 General Capital Investment Program (CIP) Plan to increase the budget for the Major Maintenance Program (CIP Plan No. PW-M-19) by \$280,971; and, 2) the 2017-2018 General CIP Fund to increase the appropriation by \$280,971 for maintenance work in the Eastgate Annexation Area and funded by annexation sales tax revenue provided through the State of Washington.
2. Do not adopt the Ordinance and provide alternative direction to staff.

**ATTACHMENTS & AVAILABLE DOCUMENTS**

- A. CIP Project Description (PW-M-19, Major Maintenance Program)  
Proposed Ordinance No. 6430

**AVAILABLE IN COUNCIL LIBRARY**

N/A