

COUNTY COURTHOUSE 311 Grand Avenue, Suite #105 Bellingham, WA 98225-4038 (360) 778-5010

MEMORANDUM

TO: Whatcom County Council

FROM: Council Staff

RE: Point Roberts Transportation Benefits District

DATE: August 1, 2024

Background

The Whatcom County Council created the Point Roberts Transportation Benefit District (PRTBD) through Ordinance $\underline{1991-043}$ on July 9, 1991, as set forth in RCW $\underline{36.73}$. The PRTBD governing body, referred to as the Board, consists of Whatcom County Council members acting ex officio. PRTBD bylaws were established by Resolution $\underline{1992-013}$, pursuant to RCW $\underline{36.73.020}$. PRTBD laws are enacted by resolution and follow the same procedure as County Council ordinances. The Whatcom County Treasurer acts as the ex officio treasurer of the District. The Board is also advised by, and may assign tasks to, the County Administration, which acts as the Administration for the District.

RCW 82.47 allows a transportation benefit district with an international border crossing within its boundaries to enact a local option gas tax within the district boundaries to address the impact of high-volume border crossing traffic. In August 1991, a proposition was placed on the Whatcom County ballot (Resolution 1991-059) to allow the PRTBD to impose a one cent (\$0.01) per gallon tax on the retail sale of motor vehicle fuel within PRTBD boundaries. Per RCW 82.47.030, the collected funds were only to be used for construction and maintenance of streets, roads, and highways. This proposal was approved by the PRTBD voters at the general election of November 5, 1991 and adopted by the Whatcom County Council by Resolution 1992-002.

The PRTBD has been increasingly accruing funds from the gas tax, and as of November 2023, the cash balance of the fund was just under \$1.2 Million. The Point Roberts Citizen Advisory Committee (PRCAC), established by Ordinance 2010-008, advises the County Council and Executive on community priorities for PRTBD funds. The PRCAC has identified transportation projects for these funds; however, these identified uses fall outside the scope of RCW 82.47.020 that requires funds to be used only for "road construction and maintenance." Specifically, the PRCAC has proposed using PRTBD funds to service an after-school bus from Blaine School District to Point Roberts to accommodate Point Roberts students that stay late for sports and other extracurricular activities. This program would replace a similar bus service previously provided by the Whatcom Transportation Authority (WTA) that ended about 10 years ago. Since 2013, the Point Roberts community has advocated for a state code change that would allow for expanded use of PRTBD funds. The Whatcom County Council supported this effort through Resolution 2014-007 calling for the state legislature to change the code.

On June 6, 2024, the Washington State Legislature passed <u>SB 6017</u> making changes to RCW 82.47. SB 6017 offers an exemption for Point Roberts, stating, "a border area jurisdiction not directly connected to the continental United States may use the proceeds of the tax imposed under this chapter for transportation improvements as defined in RCW <u>36.73.015</u>." Point Roberts can now use PRTBD funds for projects "contained in the transportation plan of the state, a regional transportation planning organization, city, county, or eligible jurisdiction as identified in RCW <u>36.73.020(2)</u>. A project may include investment in new or existing highways of statewide significance, principal arterials of regional significance, high capacity transportation, public transportation, and other transportation projects and programs of regional or statewide significance including transportation demand management. Projects may also include the operation, preservation, and maintenance of these facilities or programs."

Next Steps

While SB 6017 paved the way for Point Roberts to use PRTBD funds for "transportation improvements," the 1991 PRTBD <u>ballot initiative</u> and the Whatcom County Council Resolution <u>1992-002</u> adopting the approved tax contain language congruent with the previous state code, limiting the use of funds to "street maintenance and construction." The adoption of new Whatcom County Code to align with the new state code is needed before PRTBD funds can be used for expanded projects. Additionally, RCW 36.73.015 requires that PRTBD funding be used for projects included in a state, regional, or local transportation plan.

After these barriers are addressed, new PRTBD funding projects would proceed via the following process:

- The PRCAC advises the Whatcom County Council on priorities for PRTBD funds.
- The Whatcom County Council, acting as the governing body of the PRTBD, sets priorities and passes a budget.
- Public Works or another appropriate body adds the project to their annual plan and carries it out in-house or via contract.

Public Works has a full-time equivalent (FTE) position to act as an administrative liaison between Whatcom County, the PRTBD, and the PRCAC. The tasks assigned to this FTE include drafting resolutions, managing contracts, and coordinating purchases. This position is refunded by the PRTBD, but is currently vacant. Additional staff support may be required to carry out the implementation process for new projects.