Transportation Benefit District

2025 Annual Report

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Summary

Remarks:

The City of Lacey is pleased to present the *2025 Annual Report* pertaining to its Transportation Benefit District (TBD). This report provides a summary of 2025 revenues and expenditures associated with TBD funds along with project schedule updates. All revenues and expenditure summaries within this report reflect the activity between January 1 and December 31, 2025.

Background:

The Lacey City Council created the Lacey Transportation Benefit District, a quasi-municipal taxing jurisdiction, authorized by State law to fund street maintenance. Lacey voters approved a sales tax increase of 0.2% (two-tenths of one percent) for a period of ten years to fund street maintenance projects within City limits. Revenues collected from this additional sales tax levy are held in separate accounts and used only for authorized street maintenance projects.

Governance:

The Lacey TBD was originally established in January 2016, with the City Council acting as the Governing Board. It is the responsibility of the Board to oversee the activities, expenditures, and revenues related to the TBD. All business associated with the TBD shall be managed by the Board during regular City Council meetings.

Purpose:

City street infrastructure is aging and funding is needed for street and sidewalk improvements. Transportation infrastructure is one of the City's most valuable investments and deferred maintenance drives repair costs higher. State and Federal funding for maintenance and preservation of the City's streets has been reduced in recent years; and while these revenues have decreased, costs continue to rise. The Lacey TBD was established in order to provide the resources required for the City to adequately preserve and maintain its inventory of streets and sidewalks.

Statute(s):

The Revised Code of Washington (RCW) 36.73.160(2) states that a district shall issue an annual report indicating the status of transportation improvement costs, expenditures, revenues, and construction schedules to the public and to newspapers of record within the district.

Completed Projects

Table A							
Completed Capital Projects							
Project Year	Project Type	Lane Miles	HMA Tons $/Ton	Slurry SY $/SY	Sidewalk SY	Crack Seal LF	TBD Funds
2017	Overlay[1]	0.27	175 Tons $105	–	–	–	$0.05M
2018	Overlay, Reconstruction	3.56	5,477 Tons $127	–	17	–	$2.15M
2019	Overlay[2], Selective Dig-outs, Sidewalk	11.74	15,881 Tons $111	–	1137 52 Curb Ramps	–	$1.73M
2020	Reconstruction, Widening, Patch Repair	2.67	7,640 Tons $84	–	–	–	$1.44M
2021	Reconstruction, Slurry Seal, Sidewalk[3]	6.90 14.88	19,360 Tons $96	152,550 SY $2.25	1560[3]	–	$4.19M
2022	Overlay, Reconstruction, Sidewalk[3]	5.70	11,725 Tons $119	–	2606	–	$3.77M
2023	Reconstruction[1], Crack Seal[3]	9.42 11.48	28,890 Tons $105	–	–	154,915	$6.97M
2024	Reconstruction & Overlay	4.96	4,793 Tons $137	–	–	–	$2.48M
2025	Reconstruction	1.20	2,502 Tons $123	–	–	–	1.56M
	GRAND TOTAL	72.78					$24.34M

1 *Section of the project was a Utility project, the Utility paved a portion of the roadway, TBD paved the remainder.*

2 *Project was jointly funded with a federal transportation grant*

3 *Project carried over into next fiscal year*

See Figure 1 TBD Fund Project Map on page. 3

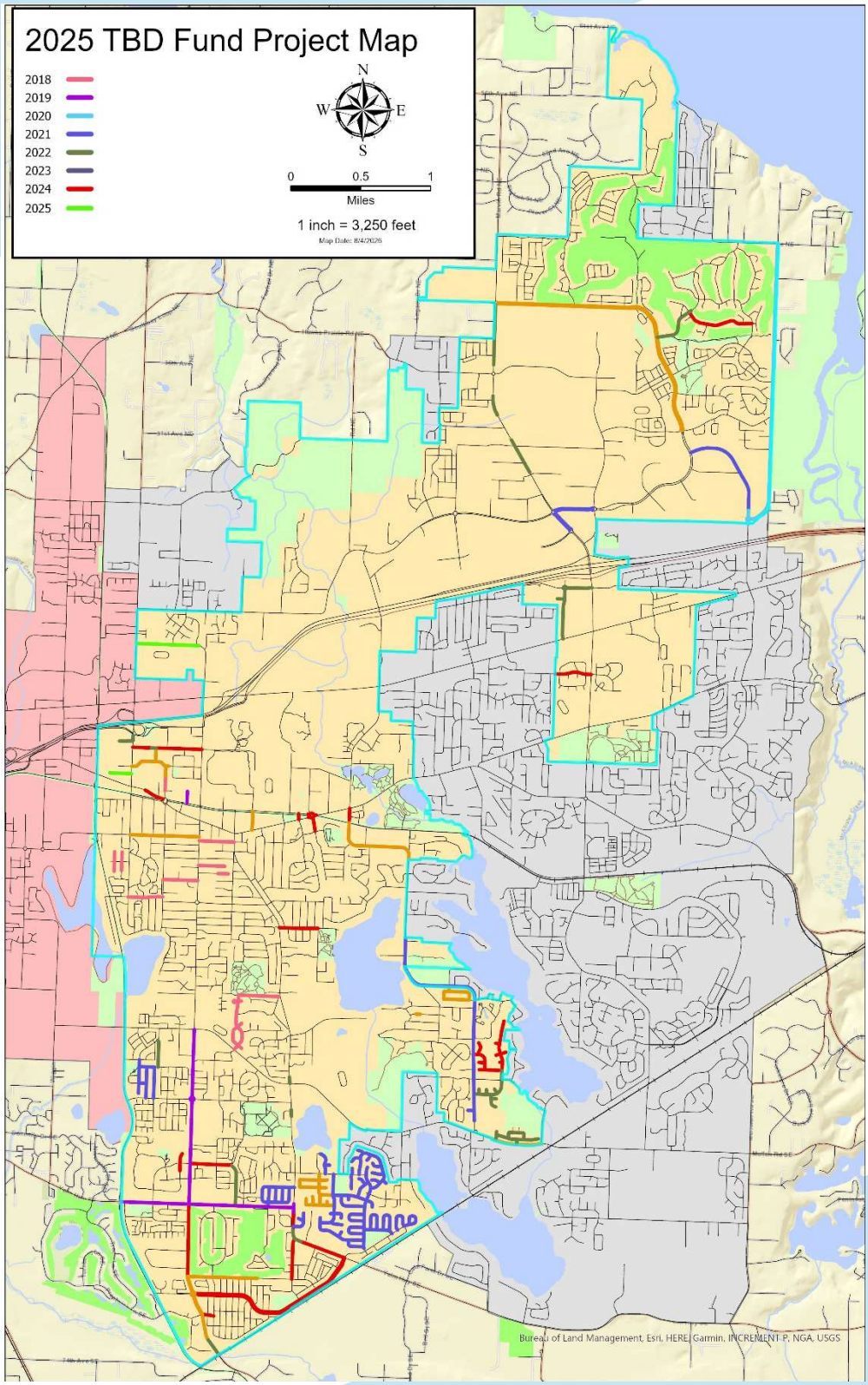

Figure 1: TBD Fund Project Map

2025 Projects:

8th Avenue Rehabilitation

Project Limits:

Sleater Kinney Road to End of 8th Avenue NE

Project Scope:

Pavement Reconstruction

Construction Cost:

$228K ($305K Total)

See Figures 2-3 on page 5

College Street Extension NE

Project Limits:

6th Avenue NE from Sleater Kinney Road to Midway Drive

Project Scope:

Pavement Reconstruction

Construction Cost:

$1.17M ($1.25M Total)

See Figures 4-5 on page 5

TBD Dollars at Work

Figure 2: 8th Avenue NE
Before Construction

Figure 3: 8th Avenue NE
After Construction

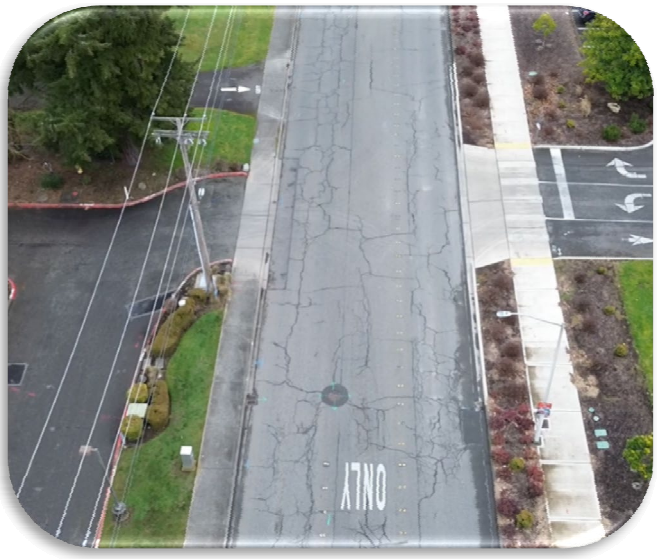

Figure 4: 6th Avenue NE
Before Construction

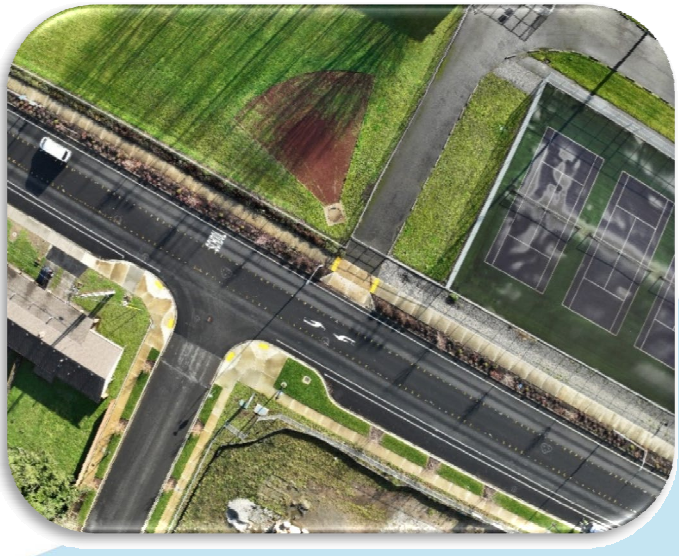

Figure 5: 6th Avenue NE
After Construction

2025 TBD Finances:

The following schedule of revenues, expenditures, and changes in fund balance summarizes the TBD finances for the 2025 fiscal year:

Statement of Revenues, Expenditures, and Changes in Fund Balance
City of Lacey Transportation Benefit District
For the Year Ended December 31, 2025

Revenues		
TBD Sales and Use Tax (0.2%)	$	3,878,853
Other revenues	$	255,597
Total revenues	*$*	*4,134,449*
Expenditures		
Current:		
Other Expenditures		-
Capital outlay:		
Engineering (Design and Construction)	$	331,809
Roadway Construction		1,310,611
Sidewalk Construction		319,983
Debt service:		
Principal retirement		-
Interest		-
Debt issue costs		-
Total expenditures	$	1,962,402
Excess (deficiency) of revenue over (under) expenditures	$	2,172,047
Other Financing Sources (Uses)		
Proceeds from sale of assets		-
Debt issuance		-
Transfers in		-
Transfers out		-
Total other financing sources (uses)		-
Net change in fund balances	$	2,172,047
Fund balance - beginning		4,430,661
Fund balance - ending	***$***	***6,602,709***