

Potential Next Steps for Independent KCTD to Implement Roads Funding Measure

NOTE: King County is authorized to assume the KCTD under RCW 36.74. The timeline below is based on KCTD approving a funding measure by June, remaining an independent entity, and staffing administrative functions itself.

Timing	Tasks Related to Passage of Funding Measure	Startup Tasks to be Completed Prior to Collection of Revenues	Tasks for Revenue Collection ¹ and Ongoing Operations
May-June 2026	<p>KCTD KC COUNCIL KC EXEC Letter directing use of County staff for KCTD startup tasks Under terms of 2014 KCTD/King County ILA</p> <p>KCTD Approve funding Resolution (TD2026-01) 0.1% sales tax for Roads purposes</p> <p>KCTD Request Exec to develop ILA + Implementation Plan (TD2026-02) 0.1% sales tax for Roads purposes</p> <p>KCTD Notify DOR of sales tax measure Must notify DOR by October 16, 2026, for collections to begin on January 1, 2027</p>	<p>KCTD Plan for startup and implementation staffing</p> <ul style="list-style-type: none"> • Determine whether to hire staff or consultants (Assume will use consultants at least for startup period) • Draft RFP, advertise, interview • Hire consultants for startup tasks <p>KCTD Update bylaws</p> <ul style="list-style-type: none"> • Number, timing of meetings for Board, Executive Committee • Treatment of Zoom (remote) attendance 	
June-Dec 2026		<p>KCTD KCTD consultants develop procedures for admin, accounting, etc.</p> <ul style="list-style-type: none"> • Amend ILA between KCTD and King County? • Apply for necessary documentation: <ul style="list-style-type: none"> ◦ Federal EIN, WA Stat L&I, State UBI • Develop budget • Develop administrative workflows • Execute Cash Management Services and Investment Services Agreements with King County • Prepare interfund loan application for 2026/early 2027 startup expenses • Obtain legal counsel • Obtain insurance coverage (general liability, officers', cyber, etc.) • Identify and license accounting software • Develop internal controls, cash management, and records policies <p>KC EXEC Develop Implementation Plan & ILA Develop and transmit proposed County/KCTD ILA and Implementation Plan, plus project proposal for 2027, transmit to Council and KCTD</p> <p>KCTD KC COUNCIL Approve Implementation Plan & ILA Council and KCTD must each review and approve</p> <p>KCTD JURISDICTIONS Develop, distribute, approve ILA(s) with jurisdictions If revenues are passed through to jurisdictions, must develop an appropriate ILA, determine process for coordination with jurisdictions, approve and execute ILAs prior to distribution of revenues</p>	

¹ If DOR begins revenue collections on January 1, 2027, KCTD will begin receiving revenues two months after the end of the first month (late March 2027)

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Jan 2027- Dec 2036			<p data-bbox="2076 223 2318 243">KC EXEC JURISDICTIONS</p> <p data-bbox="2076 249 2654 274">Implement roads projects based on approved ILAs</p> <p data-bbox="2076 280 2815 338">King County Roads and local jurisdictions (if there is a pass-through) implement the roads projects based on the approved ILAs</p> <p data-bbox="2076 379 2132 399">KCTD</p> <p data-bbox="2076 405 2396 429">Daily/weekly/monthly tasks</p> <ul data-bbox="2076 435 2620 693" style="list-style-type: none"> • Accounts payable • Accounts receivable • Asset management • Budget reporting • Cash management • Financial reporting and reconciliation (monthly) • Payroll • Purchasing/contracting/procurement <p data-bbox="2076 733 2132 753">KCTD</p> <p data-bbox="2076 760 2256 784">Quarterly tasks</p> <ul data-bbox="2076 790 2629 915" style="list-style-type: none"> • Tax filings for all levels of government, including: <ul data-bbox="2101 822 2498 880" style="list-style-type: none"> ○ WA L&I ○ WA Combined Excised Tax Return • Contractor monitoring (King County/cities) <p data-bbox="2076 955 2132 975">KCTD</p> <p data-bbox="2076 981 2225 1005">Annual tasks</p> <ul data-bbox="2076 1012 2878 1137" style="list-style-type: none"> • Financial reporting and submittal to required authorities • Audits as needed • Contractor monitoring (review of King County and jurisdiction progress) • Budget development, approval