

**SOUND TRANSIT
STAFF REPORT**

MOTION NO. M2002-07

**Increasing the Exchanged Funding between the Washington State
Department of Transportation and Sound Transit**

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
Finance Committee	1/17/02	Discussion/Possible Action	Hugh Simpson, Chief Financial Officer Lisa Wolterink, Grants Administrator	(206) 398-5082 (206) 689-3359

OBJECTIVE OF ACTION

- To increase the amount of exchanged funding between Washington State Department of Transportation (WSDOT) and Sound Transit from \$4,040,000 to \$4,101,274, a difference of \$61,274.

ACTION

- Authorize the Executive Director to execute an amendment to the agreement with WSDOT to exchange up to \$4,101,274 of WSDOT's federal Section 5307 Formula Funding for an equivalent amount of Sound Transit local funds.

KEY FEATURES

- Approval of this action would allow Sound Transit to assist WSDOT in the creation of an investment pool thus allowing for bonding of the construction phase for the rehabilitation of King Street Station.
- The Sound Transit Board approved the exchange of funding between WSDOT and Sound Transit per Motion No. M2000-100, approved by the Finance Committee on 10/5/00.
- The motion allows the exchange of Sound Transit local funding for WSDOT federal Section 5307 grants.
- Currently, the total amount of all Sound Transit local funds exchanged with WSDOT is up to \$4,040,000, minus administrative and financing fees as appropriate.
- Due to higher than expected Congressional appropriations, an additional \$61,274 of federal funding was added to the King Street Station project on 5/24/01. With the higher amount of federal funding, the Sound Transit/WSDOT interlocal agreement needs to be amended accordingly.
- The total amount of a revised WSDOT/Sound Transit interagency agreement would be \$4,101,274, an increase of \$61,274.
- The agreement will incorporate provisions for full repayment of Sound Transit local funds.
- Authorization to enter into this agreement shall expire on December 31, 2002.

FINANCIAL IMPACTS

1. There will be no significant impact on the Sound Transit financial plan for this proposal. The action is providing Sound Transit local dollars to be repaid from federal funds. Sound Transit financing and administrative costs would be addressed by the action.
2. There have been zero funds budgeted for this action.
3. There have been zero funds spent or committed for this action.
4. The amount requested for this action is up to \$4,101,274 in local funds (minus applicable administrative and finance fees) with Sound Transit being reimbursed by 2002 with federal funding.
5. There is no funding shortfall or surplus for this action.

HISTORY OF PROJECT

Prior Board or Committee Actions and Relevant Board Policies

Motion or Resolution number	Summary of Action	Date of Action
M2000-100	Authorized the Executive Director to execute an agreement with Washington State Department of Transportation (WSDOT) to exchange up to \$4.04 million of WSDOT's federal Section 5307 Formula Funding currently programmed for improvements to King Street Station for an equivalent amount of Sound Transit local funds	Finance Committee approval 10/5/00

CONSEQUENCES OF DELAY

- Approval of this action would allow Sound Transit to assist WSDOT in the creation of an investment pool thus allowing for bonding of the construction phase of the project. If the Finance Committee delays this action, it may inhibit WSDOT's financing of the King Street Station project.

REGIONAL PARTNERSHIP AND COOPERATION

- This action was developed in cooperation with WSDOT and the Seattle-Everett FTA Caucus. The Seattle-Everett FTA Caucus is the committee that prioritizes and recommends transit projects within King and Snohomish counties to be funded with FTA formula funds.

LEGAL REVIEW

JW 1/8/02

SOUND TRANSIT

MOTION NO. M2002-07

A motion of the Finance Committee of the Central Puget Sound Regional Transit Authority authorizing the Executive Director to amend an agreement with Washington State Department of Transportation (WSDOT) to exchange up to \$4,101,274 of WSDOT's federal Section 5307 Formula Funding for an equivalent amount of Sound Transit local funds.

Background:

In 2000, the Washington State Department of Transportation (WSDOT) approached Sound Transit to exchange a portion of its federal funding programmed for King Street Station improvements for Sound Transit local funding. This exchange will enable WSDOT to finance the King Street Station in a manner that would be cost prohibitive under federal rules. It would allow WSDOT to create a pool of funding, unrestricted by federal interest, against which it can bond for construction of improvements at King Street Station.

On October 5, 2000, the Finance Committee authorized the Executive Director to execute an agreement with WSDOT to exchange up to \$4,040,000 of WSDOT's federal Section 5307 Formula Funding for an equivalent amount of Sound Transit local funds.

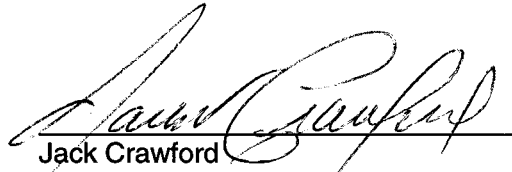
Due to higher than expected Congressional appropriations, an additional \$61,274 of federal funding was added to the King Street Station project on May 24, 2001. With the higher amount of federal funding, the Sound Transit/WSDOT interlocal agreement needs to be amended accordingly.

Motion:

It is hereby moved by the Finance Committee of the Central Puget Sound Regional Transit Authority as follows:


1. The Executive Director is authorized to negotiate and execute an amendment to the agreement with WSDOT to exchange Sound Transit local funds for WSDOT federal Section 5307 grants.
2. The total amount of all Sound Transit local funds exchanged with WSDOT shall not exceed \$4,101,274 minus administrative and financing fees as appropriate.
3. The agreement shall provide assurances for full repayment of Sound Transit local funds.
4. Authorization to enter into this agreement shall expire on December 31, 2002.

APPROVED by the Finance Committee of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on January 17, 2002.



Jack Crawford
Finance Committee Vice Chair

ATTEST:



Marcia Walker
Board Administrator