

BEFORE THE COUNCIL OF THE
METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF ESTABLISH-) RESOLUTION NO. 92-1644
ING ADMINISTRATIVE PROCEDURES))
BETWEEN METRO AND ODOT FOR) Introduced by
USE AND EXCHANGE OF FAU, STP) Councilor Richard Devlin
AND STATE FUNDING)

WHEREAS, The Metropolitan Service District (Metro) and the Oregon Department of Transportation (ODOT) have jointly developed administrative procedures to reduce the possibility of lapsing funds under the Intermodal Surface Transportation Efficiency Act (ISTEA); and

WHEREAS, The region receives annual Surface Transportation Program (STP) allocations and obligation authority over the life of ISTEA; and

WHEREAS, Metro will request of ODOT that FAU fund balances be exchanged for STP funds and that any remaining amounts currently programmed for FAU projects in the TIP be allocated to corresponding projects under the STP Program; and

WHEREAS, Metro and ODOT's Salem Program Section will establish the Metro area's annual authority and six-year obligation authority in order to assure compatibility between Metro and statewide program ceiling limitations; and


WHEREAS, State funds, by agreement, may be made available to Metro's local jurisdictions on individual projects by way of exchanging the jurisdictions' federal funds for state funds (\$.94 of state funds for one dollar of federal funds); now, therefore,

BE IT RESOLVED,

That the Council of the Metropolitan Service District:

1. Establishes the administrative procedures for use and exchange of FAU, STP and state funding described in Exhibit A.
2. Recognizes that administration of dollars is to be closely controlled and documented by Metro and the state to account for overall authority, obligational ceiling levels, program shifts between years, and funding exchanges.
3. Requires that any regional flexible funds which are exchanged with the State of Oregon must be exchanged for flexible funds from the state.
4. Amends the Transportation Improvement Program (TIP) to reflect these actions.

ADOPTED by the Council of the Metropolitan Service District
this 23rd day of July, 1992.


Jim Gardner, Presiding Officer

BP:lmk
92-1644.RES
6-29-92

EXHIBIT A

Administrative Procedures Between Metro and ODOT
for Use and Exchange of FAU, STP and State Funding

1. Through ISTEA, the region receives annual STP allocation and obligation authority over the life of ISTEA. Metro may request of ODOT that FAU fund balances be exchanged for STP funds and that any remaining amounts currently programmed for FAU projects in the TIP be allocated to corresponding projects under the STP Program.
2. Metro and ODOT's Salem Program Section will mutually establish the Metro area's annual authority and six-year obligation authority in order to assure compatibility between Metro and statewide program ceiling limitations.
3. Annual programmed amounts may vary from annual allocations by mutual agreement of ODOT and Metro subject to:
 - ODOT's ability to accommodate shifts relative to the statewide program.
 - Region's assurance that future authority will be available on a one-for-one basis.
4. State funds may be made available to local jurisdictions and agencies on individual projects in exchange for federal funds (\$.94 of state funds for one dollar of federal funds). Metro must notify release of federal dollars to ODOT and carry state-funded projects in the TIP. The state is to routinely supply Metro with accountability of state expenditures similar to that currently provided for federal obligations.
5. Administration of dollars is to be closely controlled and documented by Metro and the state to account for overall authority, obligational ceiling levels, and program shifts between years. Metro and ODOT will identify annual shifts and local fund exchanges in Metro and state TIPs. Annual allocations will specify annual amounts for current year, cumulative allocations over duration of ISTEA, and effect on past and future years. State funds made available to local jurisdictions and agencies will provide flexibility consistent with STP funds. These actions must be jointly approved by Metro and ODOT.
6. Future transfers of regional and state funds should continue to be reviewed through the established JPACT process.

TRANSPORTATION AND PLANNING COMMITTEE REPORT

CONSIDERATION OF RESOLUTION NO. 92-1644 FOR THE PURPOSE OF ESTABLISHING ADMINISTRATIVE PROCEDURES BETWEEN METRO AND ODOT FOR USE AND EXCHANGE OF FAU, STP AND STATE FUNDING

Date: July 15, 1992

Presented by: Councilor Devlin

Committee Recommendation: At the July 14 meeting, the Transportation and Planning Committee voted unanimously to recommend Council adoption of Resolution No. 92-1644. Voting in favor: Councilors Devlin, McLain, and Buchanan. Excused: Councilors Bauer and Washington.

Committee Issues/Discussion: Andrew Cotugno, Planning Director, presented the staff report. Metro has a commitment by statute of Surface Transportation Program (STP) funds that are channeled through the Oregon Department of Transportation (ODOT). The region has the authority to determine the use of the funds. ODOT, however, has the authority to manage the program on a year by year basis.

This resolution requests an administrative procedure to assure that if in one year the region underspends, thereby allowing ODOT to overspend, that there is agreement that in subsequent years it will counter-balance to guarantee the region their fair share. The flow of funds is dependent on projects, which move on their own schedules and costs. Expenditure of funds must be done on a yearly basis by means of a complicated process.

STAFF REPORT

CONSIDERATION OF RESOLUTION NO. 92-1644 FOR THE PURPOSE OF ESTABLISHING ADMINISTRATIVE PROCEDURES BETWEEN METRO AND ODOT FOR USE AND EXCHANGE OF FAU, STP AND STATE FUNDING

Date: June 17, 1992

Presented by: Andrew Cotugno

PROPOSED ACTION

Adopt Resolution No. 92-1644 establishing administrative procedures between Metro and ODOT for use and exchange of FAU, STP and state funding.

TPAC reviewed and approved Resolution No. 92-1644 on June 26. Their comments have been included into the Staff Report and Resolution. Their emphasis was that the proposal is essentially a one-time transfer for the use of STP funds and that future transfers be reviewed individually through the regular JPACT process. They also emphasized that state funds made available to local jurisdictions must provide for flexible programming consistent with STP funds.

FACTUAL BACKGROUND AND ANALYSIS

A meeting between the TIP Subcommittee and the ODOT Program Section was held June 10, 1992 to discuss and propose administrative procedures to exchange FAU funds for STP funds. The state obligation ceiling will not be met if it cannot develop a strategy to utilize the funds available through ISTEA.

Exhibit A has been prepared and incorporates the following strategies:

1. The FAU Program currently in the TIP could be eliminated and transferred into STP, thereby giving a new four-year expiration date.
2. The state could use all our remaining FAU and '92 STP funds in the TIP for use throughout the rest of the state in FY 1992.
3. In exchange for the FAU and STP funds, the state would provide the Metro region with an equivalent amount of STP funds for use in FY 1993 (or thereafter) and avoid potential lapse of funds.
4. The FAU projects with balances now in the TIP to be shifted to STP would be transferred to an STP account and would be programmed in the TIP similar to that under the FAU Program.

5. FY 1992 STP funds currently in the TIP have been reserved in the amount of \$8.3 million; these funds will be moved to FY 1993 because of lack of timely candidate projects. The state will use these STP funds elsewhere in the state in return for funds in FY 93.
6. To alleviate future problems of a similar nature, the state proposes to buy local federal funds at the rate of \$.94 (state) on the federal dollar.
7. All transactions will be thoroughly documented and subject to agreement by all participants.
8. Future transfers of regional and state funds, regardless of category, will follow the established JPACT review procedure.

To date, new STP funds have not been allocated because of the uncertainty of what types of projects have the greatest need pending the outcome of state and regional funding efforts. Despite this uncertainty, it is recommended that we proceed with an FY 92 allocation to ensure needed planning and project development activities are proceeding and eligible projects are advancing for future allocation.

In the meantime, Metro recommends the following actions:

Initiate planning and project development-type activities to ensure projects are in the pipeline for future year allocations. This would not be a construction commitment of dollars -- that will come later, but we need a good cross-section of activities, such as:

- . PE for various arterial projects that may be STP or Arterial Fund implemented.
- . PE or project development for transit which may be STP-fund or other-fund implemented.
- . Comprehensive regional Bike/Pedestrian Program.
- . TDM funds.
- . Meeting planning requirements of ISTEA and Rule 12. Possibilities include:
 - New Travel Behavior Survey
 - Region 2040
 - Development of management systems required by ISTEA:
 - * Pavement
 - * Bridge
 - * Safety
 - * Congestion
 - * Public Transit

- * Intermodal
- High-Speed Rail
- High-Capacity Transit

A TIP Subcommittee meeting is scheduled for July 14, 1:30 p.m., for the purpose of initiating the programming process for FY 93 and for the TIP update.

EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer recommends approval of Resolution No. 92-1644.