

CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	Motion to authorize the City Manager to execute a Memorandum of Agreement (MOA) between the City of Shoreline and King County Metro to transfer funding for the Aurora Corridor Project (N. 165 th Street - N. 205 th Street) Project.
DEPARTMENT:	Public Works Department
PRESENTED BY:	Kirk McKinley, Aurora Corridor/Interurban Trail Project Manager Phil Ramon, Public Works Administrative Manager

PROBLEM/ISSUE STATEMENT: Staff is requesting that Council authorize the City Manager to execute a Memorandum of Agreement (MOA) between the City and King County Metro to transfer funding between the two agencies for the Aurora Corridor Project (N. 165th Street – N. 205th Street). In 2006, the City of Shoreline was awarded a grant from the Federal Transit Administration (FTA) in the amount of \$1,475,518 for the Aurora Corridor Project. These grant funds have an obligation deadline of September 30, 2006.

The City of Shoreline and King County Metro find it advantageous for the FTA funds to be transferred, with Council approval, to the County in exchange for local County funds for the Aurora Corridor Project (N. 165th Street – N. 205th Street). The City would transfer the FTA funds totaling \$1,475,518 to King County Metro in exchange for \$1,401,742.10 of County local funds. The difference equates to 5% for administrative costs for the County to process the fund exchange. In accordance with purchasing policies, Council authorization is required in order for staff to obligate grant funds exceeding \$50,000.

FINANCIAL IMPACT: The Aurora Corridor Project (N. 165th Street – N. 205th Street) is identified in the City’s 2007 - 2012 Capital Improvement Program. The following provides a summary of the funding sources for this project:

Funding Sources	Amount
Roads Capital Fund	\$10,490,351
Federal STP – C	\$8,410,473
Federal FTA	-\$1,475,518
King County	\$1,401,742
Nickel Gas Tax Funding	\$2,100,000
New Gas Tax Funding	\$10,000,000
SAFETEA – LU	\$855,472
SAFETEA – LU	\$1,368,755
King County	\$1,000,000
STP –U	\$525,361
Future Funding	\$41,788,527
Total	\$77,940,681

The following provides a summary of advantages for the funding transfer between the City and King County Metro:

- FTA funds require a 20% match to the City which equates to \$368,879. These funds cannot be matched by other federal funds administered by the City.
- FTA funds require substantial amount of staff time to administer.
- FTA funds also include added procurement requirements that are not required by other local funding agencies.
- FTA requires a separate record keeping program for administration of their funds which is avoided by the City should these funds be transferred to the County.
- FTA funds possess various grant requirements which prevented City staff from pursuing advance property acquisition options along the Aurora Corridor Project. The County funds do not include this requirement.
- The FTA grant includes an obligation deadline of September 30, 2006 which the City is unable to meet due to the federal requirements imposed by the granting agency.
- The County's local funds can be used as a local match to existing and future federal funding for the Aurora Corridor Project. The County funds do not require any City match.
- The County is able to utilize the FTA funding for transit related expenses approved by the FTA in the immediate future. The County utilizes these types of funds on a regular basis.
- The County possesses locally generated revenues now allocated to projects eligible for funding with federal grants.

RECOMMENDATION

Staff recommends that Council authorize the City Manager to execute a Memorandum of Agreement (MOA) Between the City of Shoreline and King County Metro to Transfer Funding for the Aurora Corridor Project (N. 165th Street - N. 205th Street).

Approved By: City Manager  City Attorney _____