



Project Tracking Policy Review

Regional Project Evaluation Committee
January 23, 2026



Puget Sound Regional Council



We are leaders in the region to realize equity for all. Diversity, racial equity and inclusion are integrated into how we carry out all our work.

psrc.org/equity

Review Topics



Two project tracking policy topics for discussion:

- **Administrative Transfer of PSRC Funds Between Phases** – Committee recommended the \$50K limit for administrative transfer of PSRC funds between phases be increased to \$100K – **NO FURTHER ACTION NEEDED**
- **Pre-Bid Increased Federal Share** – Committee supported allowing pre-bid cost estimate increases to be eligible for “increased federal share” funds, but discussion about the potential limit is ongoing



Today's Agenda

- Action item – Recommendation on what limit should be applied to cost estimate increases when awarding increased federal shares
 - Final RPEC recommendations on both policy topics will be brought to boards in February for review and approval
- Incorporation into FY2026 rebalancing process only feasible if action is taken in time for February board meetings



Feedback from TPB on RPEC Determinations to Date

Generally consistent with RPEC's December discussion

- No concerns raised with preliminary recommendation to increase administrative transfer limit to \$100K
- Open to accommodating increased cost estimates in supplemental funding process, but also support applying a limit

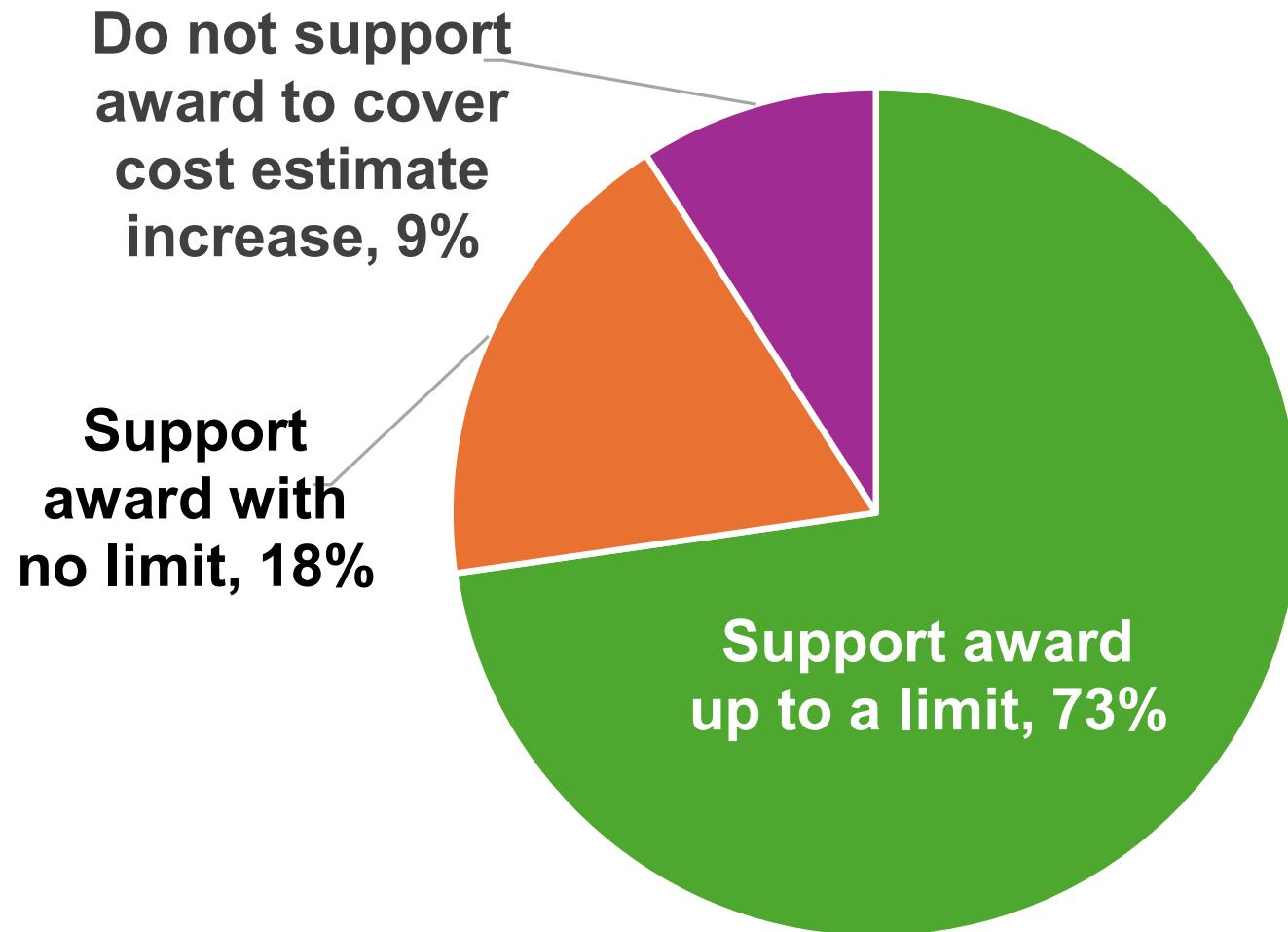


Conditions of Accommodating Increased Cost

- Only projects with **delivery in the current fiscal year** would be considered for increased federal share
 - The updated cost submitted to PSRC **no later than February 15**
 - *Applied only to cost increases associated with the scope that was originally funded*
- Updated cost estimate submitted for consideration would need to be **stamped and signed by a licensed engineer – and reason explained**
- Must include **financial documentation showing sufficient local funds to cover the full cost increase are either secured or reasonably expected**



Feedback from Survey Results / December Discussion



- Range of suggestions on what a limit should be, including percentages and/or fixed amount
- Clarification needed on whether capacity calc is based on original award amount or **cost increase**

Determined that basing on cost increase is more consistent with current approach

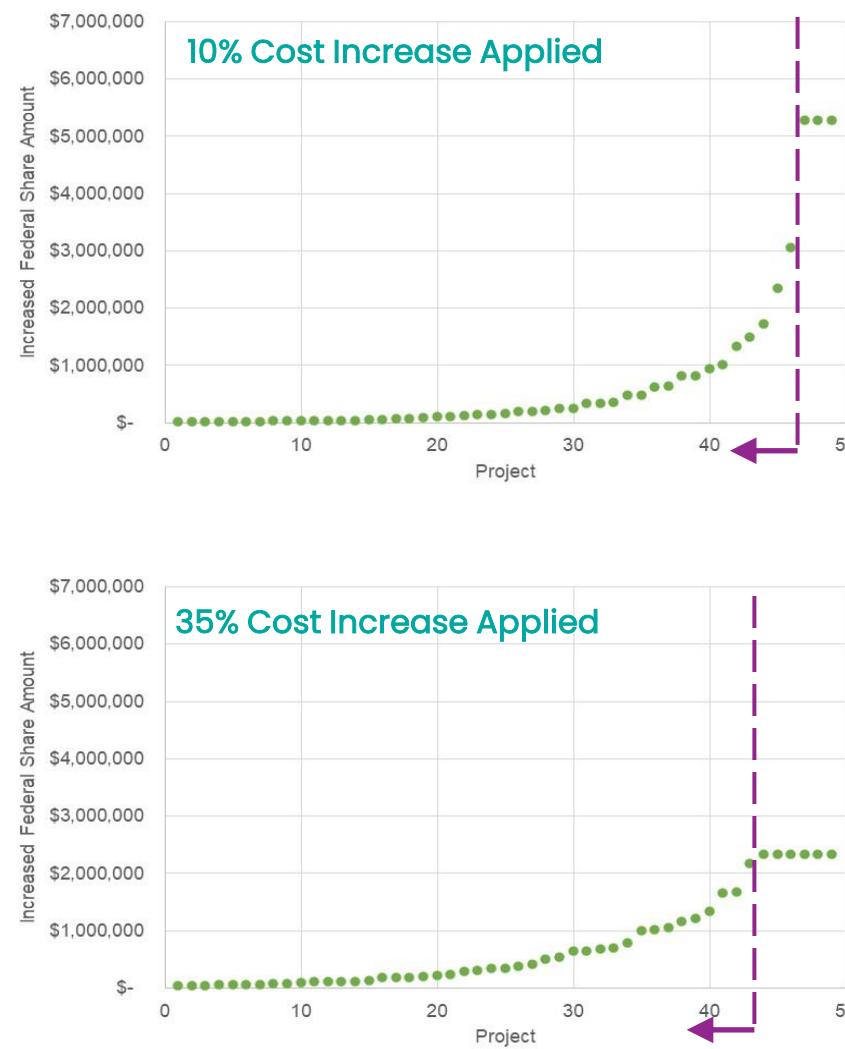
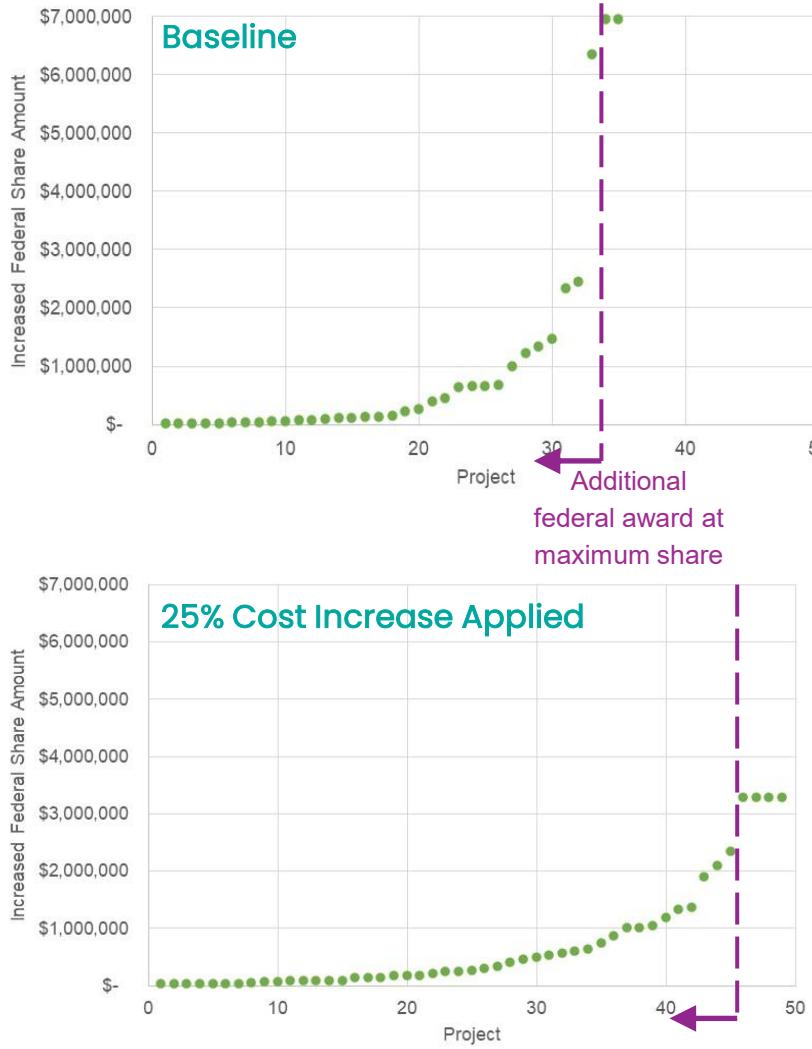


Increased Federal Share Approach

- Additional federal funds are awarded and **replace an equal amount of local funds**
- Additional federal funds are applied equally to all eligible projects, up to either (1) the **maximum needed to fill the region's delivery gap**, or (2) the **maximum a project can accept** and still meet its 13.5% match requirement, whichever is smaller
- “Increase federal shares” is Step 3 of PSRC’s annual rebalancing process and is not guaranteed!



Take-Aways from Scenario Analysis (2025 Data)



- All but the largest projects would receive maximum allowable federal share under all scenarios
- Size of largest awards needed to complete filling the delivery gap vary greatly, depending on allocations prior to that last step



Project Level Scenarios

- Based on FY25 delivery list – 49 projects, \$35 million gap to fill
- 35% increase, no cap on *additional* increased share

| | Original Phase Cost/Award | | Cost with 35% Increase | Additional Increased Federal Share Award | Total Federal Award |
|--------------------|---------------------------|--------------------|------------------------|--|---------------------|
| Very Small Project | \$ 100,000 | | \$ 135,000 | \$ 30,275 | \$ 116,775 |
| | \$ 86,500 | <i>PSRC award</i> | | | |
| | \$ 13,500 | <i>local share</i> | | | |
| Small Project | \$ 600,000 | | \$ 810,000 | \$ 181,650 | \$ 700,650 |
| | \$ 519,000 | <i>PSRC award</i> | | | |
| | \$ 81,000 | <i>local share</i> | | | |
| Medium Project | \$ 2,400,000 | | \$ 3,240,000 | \$ 726,600 | \$ 2,802,600 |
| | \$ 2,076,000 | <i>PSRC award</i> | | | |
| | \$ 324,000 | <i>local share</i> | | | |
| Large Project | \$ 6,000,000 | | \$ 8,100,000 | \$ 1,816,000 | \$ 7,006,000 |
| | \$ 5,190,000 | <i>PSRC award</i> | | | |
| | \$ 810,000 | <i>local share</i> | | | |



Project Level Scenarios

- Based on FY25 delivery list – 49 projects, \$35 million gap to fill
- 35% increase, \$1 million cap on *additional* increased share

| | Original Phase Cost/Award | | Cost with 35% Increase | Additional Increased Federal Share Award | Total Federal Award |
|--------------------|--|---|------------------------|--|---------------------|
| Very Small Project | \$ 100,000 \$86,500 \$13,500 | <i>PSRC award</i> <i>local share</i> | \$ 135,000 | \$ 30,275 | \$ 116,775 |
| Small Project | \$ 600,000 \$519,000 \$81,000 | <i>PSRC award</i> <i>local share</i> | \$ 810,000 | \$ 181,650 | \$ 700,650 |
| Medium Project | \$ 2,400,000 \$2,076,000 \$324,000 | <i>PSRC award</i> <i>local share</i> | \$ 3,240,000 | \$ 726,600 | \$ 2,802,600 |
| Large Project | \$ 6,000,000 \$5,190,000 \$810,000 | <i>PSRC award</i> <i>local share</i> | \$ 8,100,000 | \$ 1,000,000 | \$ 6,190,000 |



Project Level Scenarios

- Based on FY25 delivery list – 49 projects, \$35 million gap to fill
- 35% increase, \$750K cap on *additional increased share*

| | Original Phase Cost/Award | | Cost with 35% Increase | Additional Increased Federal Share Award | Total Federal Award |
|--------------------|---------------------------|--------------------|------------------------|--|---------------------|
| Very Small Project | \$ 100,000 | | \$ 135,000 | \$ 30,275 | \$ 116,775 |
| | \$ 86,500 | <i>PSRC award</i> | | | |
| | \$ 13,500 | <i>local share</i> | | | |
| Small Project | \$ 600,000 | | \$ 810,000 | \$ 181,650 | \$ 700,650 |
| | \$ 519,000 | <i>PSRC award</i> | | | |
| | \$ 81,000 | <i>local share</i> | | | |
| Medium Project | \$ 2,400,000 | | \$ 3,240,000 | \$ 726,600 | \$ 2,802,600 |
| | \$ 2,076,000 | <i>PSRC award</i> | | | |
| | \$ 324,000 | <i>local share</i> | | | |
| Large Project | \$ 6,000,000 | | \$ 8,100,000 | \$ 750,000 | \$ 5,940,000 |
| | \$ 5,190,000 | <i>PSRC award</i> | | | |
| | \$ 810,000 | <i>local share</i> | | | |



Requested Action

- Recommendation for limit of increased federal share
 - *Including rationale*

Draft to consider as starting point:

- Allow cost estimate increase of up to 35% over original estimate to receive supplemental funds through increased federal share
- Increase applied to cost estimate increase not to exceed total of \$750K



Next Steps

- RPEC recommendation brought to February board meetings
 - Transportation Policy Board for review and recommendation
 - Executive Board for final approval
- PSRC staff will provide form to submit if a project with FY26 delivery has a cost estimate increase to be considered –
concurrent to board review and approval
- PSRC staff will continue to monitor rebalancing process and coordinate with RPEC on any future adjustments



Policy Topic #1 – Recommendation

December recommendation...

Increase the limit for administrative transfer of PSRC funds between phases to \$100,000

- Retains provision that all phases must remain fully funded
- Any transfer greater than \$100K would be subject to “exception” policies and require board approval

