



## Puget Sound Regional Council

### **Regional FTA Caucus Agenda**

**Date: Wednesday, December 13, 2023 from 10:30 a.m.-11:30 a.m.**

**Online Meeting Only: Use Zoom Connection Information Provided Below**

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**1. Welcome and Introductions (10:30)**

**2. Action: Approval of Meeting Summary – October 11, 2023\* (10:35)**

**3. Discussion: Updates on Delayed FTA and FHWA Obligations\* (10:40)**

PSRC staff will provide an update on projects that are currently experiencing delays in obligating their regional FTA funds or “flexed” FHWA funds. Chris Eilerman, City of Seattle, will then provide a status report for its Culture Connector streetcar project.

**4. Discussion: FTA Project Tracking Policies\* (11:00)**

In preparation for the 2024 Project Selection process, the committee will discuss potential updates to PSRC’s Project Tracking Policies for FTA funds, as further detailed in the attachment.

**5. Transit Agency Roundtable (11:15)**

As time permits, transit agency staff will provide updates on their work, and ask questions or share information about FTA funding and other requirements.

**6. Other Business (11:25)**

**7. Next Meeting: TBD 2024**

**8. Adjourn (11:30)**

\* Supporting materials attached.

For more information, contact Sarah Gutschow at (206) 587-4822 or [sgutschow@psrc.org](mailto:sgutschow@psrc.org).

**Zoom Remote Connection Information:**

**To join audio/video conference:**

<https://psrc-org.zoom.us/j/87800746580?pwd=dC9EdnBnVWdyakxsZE40Sldwd0NaQT09>

**To join via cellphone (1-touch dial):**

8335480276,,87800746580#,,,,\*921586# US Toll-free

8335480282,,87800746580#,,,,\*921586# US Toll-free

**To join via phone:**

Dial by your location

833 548 0276 US Toll-free

833 548 0282 US Toll-free

Meeting ID: 878 0074 6580

Passcode: 921586

**Regional FTA Caucus Attendees:****Please adhere to a few virtual meeting rules:**

- Please keep your microphone muted at all times when not speaking
- Use \*6 to mute/unmute phone
- Speakerphone is not recommended

**Other Formats:**

- Sign language and communication material in alternate formats can be arranged given sufficient notice by calling (206) 464-7090 or TTY Relay 711.
- العربية | Arabic, 中文 | Chinese, Deutsch | German, Français | French, 한국어 | Korean, Русский | Russian, Español | Spanish, Tagalog, Tiếng việt | Vietnamese, visit <https://www.psrc.org/contact-center/language-assistance>



## Puget Sound Regional Council

### **Regional FTA Caucus Meeting Summary**

**Date:** October 11, 2023 from 10:30 a.m.-11:30 a.m.

**Location:** Online Meeting Only - Zoom Remote Meeting

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#### **Welcome and Introductions**

Clint Ritter, Vice Chair, welcomed everyone at 10:30 a.m. and took a roll call and confirmed the members and alternates present.

#### **Approval of Meeting Summary**

The summary for the July 12, 2023 Regional FTA Caucus meeting was approved as presented.

#### **Action: King County Metro Redistribution Request**

Sarah Gutschow, PSRC, reviewed a King County Metro request to redistribute \$6,957,439 in Seattle-Tacoma Everett UZA FFY2024 5337 HIFG funds from its existing Vehicle, Equipment and Facilities Maintenance for Electric Trolley Fleet 2023-2024 project to its new Atlantic Base Substation Replacement project.

The Caucus voted unanimously to recommend the request to the Transportation Operators Committee (TOC).

*For more information, contact Sarah Gutschow at [sgutschow@psrc.org](mailto:sgutschow@psrc.org).*

#### **Discussion: Updates on Delayed FTA and FHWA Obligations**

Sarah provided an update on projects that recently experienced delays in obligating their regional FTA funds and/or “flexed” FHWA funds. She then gave an overview of projects with regional FTA or FHWA funds that were approaching six months after their estimated obligation date and had not yet transmitted or submitted the funds in a grant application. She said PSRC staff would reach out to sponsors for more information if the projects became delayed, and then present the information gathered to the committee for review and potential action at future meetings.

Chris Eilerman, City of Seattle, then presented an update on the current status of its Culture Connector project. Chris reported that Seattle Department of Transportation staff were awaiting further local decisions on local match funding availability for the project before moving forward with grant applications to obligate the project’s federal

funding. The City of Seattle would provide further updates on the project to the Caucus at its December 2023 meeting.

*For more information, contact Sarah Gutschow at [sgutschow@psrc.org](mailto:sgutschow@psrc.org).*

## **Discussion: Distribution of 2023-2026 FTA Funds**

Sarah gave an overview of the current process to distribute 2023-2024 equity formula allocation funds and 2025-2026 earned share and equity formula allocation funds. At its October 25th meeting, the TOC would be taking action to recommend the project submissions to the Transportation Policy Board.

The Caucus then discussed potential next steps for redistributing \$13,599,637 in recently returned Pierce Transit and Sound Transit FFY2023 FTA 5307 regional and flexed CMAQ funds. The preferred option would be to distribute older year funds to existing projects in exchange for freed-up 2023 funds to be distributed to other projects. The FTA funds would then be distributed via the new FTA Equity Formula. Once exchanged, the CMAQ funds would be distributed as part of PSRC's normal rebalancing and/or contingency process.

Caucus members provided input on whether they would prefer to redistribute the returned FTA funds as part of the current process for distributing 2025 and 2026 funds, redistribute the funds in a stand-alone process in late 2023 or early 2024, or wait to redistribute the funds as part of the larger 2024 Project Selection process.

Caucus members provided some initial feedback on the options presented, and then requested more information on the amounts of 2023 funding that would be available to each agency, as well as further clarification on the potential options for redistributing the FTA funds. Sarah said PSRC would follow up with the requested information and work with each agency on their preferred option for programming their redistributed funds.

## **Roundtable / Other Business**

- David Morrison, King County Metro
- Monica Overby, Sound Transit

## **Adjourn**

The meeting adjourned at 11:30 a.m.

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## **\*Members and Alternates Present**

See attached attendance roster for the member or alternate representing each agency at the meeting; additional alternates present are listed below.

## **\*Alternates, Interested Parties, and PSRC Staff Present**

Amanda Koerber, Everett Transit; Ashley Ross, Community Transit; Kenneth Wilson, Sound Transit; Leslie Rifkin, WSDOT; Sarah Strand, SDOT; Tyler Benson, Sound Transit; Wendi Gephart, Pierce Transit

PSRC: Alexa Leach, Gil Cerise, Sarah Gutschow, Kelly McGourty, Nick Johnson

*\*All attendees were present via remote participation.*

# Regional FTA Caucus Attendance Roster

(Members and Alternates represented)

Date: October 11, 2023 10:30am - 11:30am

Online/Remote Meeting Only

Agency/Jurisdiction		Name
<b>Transit Agencies</b>		
Community Transit (1)	x	Kathryn Rasmussen
		Tarin Tesfaye (Alt.)
		Ashley Duber (Alt.)
Everett Transit (1)	x	Melinda Adams
		Amanda Koerber (Alt.)
King County Metro (1)		Peter Heffernan
	x	David Morrison (Alt.)
Kitsap Transit (1)		Steffani Lillie, Chair
		Jeff Davidson (Alt.)
Pierce County Ferries (1)	x	Clint Ritter, Vice Chair
		Peter Lewis-Miller (Alt.)
Pierce Transit (1)	x	Tina Lee
		Wendi Gephart (Alt.)
		Roberta Vyrostek (Alt.)
Seattle DOT (1)	x	Chris Eilerman
		Benjamin Smith (Alt.)
Sound Transit (1)		Lisa Wolterink
		Kirste Johnson (Alt.)
	x	Monica Overby (Alt.)
<b>State</b>		
WSDOT - Washington State Ferries (1)		John Bernhard
		Todd Lamphere (Alt. 1)
	x	Krishan Aggarwal (Alt. 2)
		Leslie Rifkin (Alt. 3)
<b>Non-Voting Participants</b>		
Intercity Transit		Peter Stackpole
		Jessica Gould (Alt.)
Skagit Transit		Marcy Smith

rev. 9/2023

## Summary of Delayed FTA and Flexed FHWA Funding Obligations

Per PSRC project tracking procedures, regional FTA funds are considered delayed if they have not been *transmitted* six months after their estimated obligation date (EOD), while flexed FHWA funds are considered delayed if they have not been *submitted* in that time span. The tables below are current as of **December 6, 2023**.

### Previously Reviewed Projects

This table provides updates on projects that recently experienced delays in obligating funding. These projects were previously reviewed by the committee and do not require any additional action at this time.

Project	Agency	Funding	EOD	TrAMS Status	Notes
Center City Connector (SEA-205)	Seattle	\$3,820,246 CMAQ	6/1/17	Transmitted in Aug. 2023	In May 2023, the Caucus recommended Seattle's requested scope change to use these funds for the PE/Design phase rather than vehicle purchases. As part of the recommendation, Seattle would first use local funds for a Planning / Feasibility Study. Per the status report provided to the Caucus at its October 2023 meeting, Seattle would then await decisions on availability of local match funding before applying to obligate the full amount of delayed CMAQ funds under both grants. For both grants, the extended submittal deadline is March 2024. Seattle staff will be providing an update on this project at the December 2023 Caucus meeting.
		\$3,479,754 CMAQ	6/1/23	Not yet applied	
Commuter Rail Project: Seattle to Lakewood (RTA-4B)	Sound Transit	\$1,100,000 CMAQ	6/1/2022	Submitted in Nov. 2023	Sound Transit was approved for a scope change to move the funds from the ROW to PE/Design phase and an extension until December 2023 to submit the grant application. The grant application was submitted in November 2023.

## Currently Delayed Projects

This table shows projects with regional FTA/FHWA funds that have not yet been transmitted/submitted in a grant application by six months after their estimated obligation date.

PSRC staff have reached out to gather more information from sponsors, and will present this information to the committee for review and potential action at future meetings.

Project	Agency	Funding	EOD	TrAMS Status
South King County Corridor Speed and Reliability Improvements (MET-241)	King County Metro	\$737,000 5307 Competitive	6/1/23	Not yet applied
RapidRide I Line: Speed and Reliability Improvements (MET-208)	King County Metro	\$4,224,000 CMAQ	: 6/1/18	In-Progress
		\$1,776,000 CMAQ	6/1/23	In-Progress
Safe Routes to Transit: RapidRide I Line (MET-240)	King County Metro	\$727,875 TAP	6/1/23	In-Progress
		\$45,900 STP	7/15/2019	In-Progress
		\$266,649 STP	6/1/23	In-Progress
Vessel Maintenance FY 2021-2022 (KCFD-11)	King County Metro	\$273,776 5307 Preservation	9/15/2022	Not yet applied
Seattle Central Waterfront Regional Passenger-Only Ferry Terminal (KCFD-5)	King County Metro	\$128,346 5307 Preservation	6/1/2020	Not yet applied
Spanaway Transit Center Phase II (PT-176)	Pierce Transit	\$2,000,000 5307 Competitive	6/1/23	In-Progress
Clean Fuels Bus Replacement/Expansion 2021-2022 (PT-170)	Pierce Transit	\$459,551 5307 Preservation	6/1/23	In-Progress
Clean Fuels Bus Replacement Expansion 2023-24 (PT-175)	Pierce Transit	\$494,624 5307 Preservation	6/1/23	In-Progress



Johnson Road Park & Ride (KT-75)	Kitsap Transit	\$1,390,000 STP	7/15/2023	Transmitted
Southworth Terminal Redevelopment Project (KT-68)	Kitsap Transit	\$2,500,000 STP	6/1/2023	Transmitted
RapidRide Roosevelt (J-Line), Eastlake Segment (SEA-242)	Seattle	\$4,000,000 CMAQ	6/1/2023	Transmitted
Boeing Access Rd Infill Station (RTA-113)	Sound Transit	\$8,230,000 CMAQ	7/15/2023	Transmitted

## Project Tracking Procedures for Regional FTA Funds

[PSRC's Project Tracking Policies](#) for federal funds were last updated in January 2022. Since the previous revision, PSRC adopted a revised methodology for distributing PSRC's "regional" Federal Transit Administration (FTA) funds via the new equity formula distribution. In preparation for the 2024 Project Selection process, PSRC staff have been working to update current project tracking policies for the revised distribution methodology.

As further background, approximately 14% of PSRC's FTA funds come to the region based on regional attributes, such as population density. Prior to the FFY2025-2026 funding distribution cycle, the "regional" funds were distributed between a regional competition and a preservation set-aside within the Seattle Tacoma Everett Urbanized Area (STE UZA). In March 2023 the Executive Board adopted a revised methodology that distributes the entirety of the regional portion of PSRC's FTA funds for the STE UZA through the new equity formula. The equity formula uses a focused and intentional methodology that looks at all transit services being provided to the region's equity focus populations and distributes funds accordingly.

The table below provides information on previously established project tracking policies for FTA regional competitive funds, and PSRC's proposed updates to each policy for the new distribution methodology. **At the December 13<sup>th</sup> meeting, Caucus members will be asked to review and discuss each proposed update.**

Current Policy for Regional FTA Funds	Proposed Update
<b>Phases with PSRC Funds:</b> Projects may not be funded twice for the same scope of work with PSRC's federal funds – i.e., funds are competitively awarded to phases of projects with distinct scopes and budgets, with the expectation that the PSRC grant funding along with other identified sources is adequate to fully fund the phase.	<b>Phases with PSRC Funds:</b> Based on the precedent for regional competitive funds, equity formula funds cannot be programmed to project phases / scopes already programmed with PSRC's federal funds. Additional funds to a previously awarded phase would only be considered if the funds will implement new / additional scope beyond the original award.
<b>Obligation Deadline:</b> Projects sponsors are awarded funds based on a specific federal fiscal year as identified and awarded in the competition. Sponsors comply with an estimated obligation date for each project phase with PSRC's FTA funds within that fiscal year.	<b>Obligation Deadline:</b> For equity formula funds, the obligation deadline will be September 30 <sup>th</sup> of the federal fiscal year of the funds. For earned share funds, sponsors can continue to identify any date from within the current TIP for the estimated obligation date.

<p><b>Grace Period:</b> Regional FTA funds are allowed a one-year grace period beyond their estimated date to obligate funds.</p>	<p><b>Grace Period:</b> At its October 11<sup>th</sup> meeting, the Caucus formed consensus that the FTA equity formula funds would be allowed a one-year grace period to obligate funds, consistent with current regional funding practice.</p>
<p><b>Funding Redistributions:</b> Regional competitive funds cannot be moved between projects or between phases within a project.</p>	<p><b>Funding Redistributions:</b> As a default and based on the precedent for regional competitive funds, equity formula funds cannot be moved between projects or between phases within a project. Requests to change scope, including moving funds between phases, would be evaluated per the existing project tracking policies.</p>
<p><b>Scope Changes:</b> Any requests to change a project's description must be reviewed and approved in advance by PSRC staff to ensure that the modified description is consistent with the project's original scope, purpose, intent, and/or utility. For regional competitive funds, if such a request is deemed to deviate from the original scope of work, the request will be denied. Should a request be denied by PSRC staff, project sponsors may appeal directly to the Transportation Policy Board.</p>	<p><b>Scope Changes:</b> Based on the precedent for regional competitive funds, equity formula project descriptions can only be modified if the change is consistent with the project's original scope, purpose, intent, and/or utility. Should a request be denied by PSRC staff, project sponsors may appeal directly to the Transportation Policy Board.</p>
<p><b>Annual Adjustments - Additional Regional Funds:</b> For regional competitive funds, any increase in the regional portion of funds will be applied to the adopted contingency list.</p>	<p><b>Annual Adjustments - Additional Regional Funds:</b> Since there is no contingency list of projects for the equity formula funds, PSRC proposes some options for distributing regional funds from the FTA annual adjustments:</p> <ul style="list-style-type: none"> <li>• <b>Option 1:</b> Additional regional funds would be distributed proportionately to eligible agencies using the equity formula as part of the annual adjustments process. This would allow the additional funds to be programmed to projects sooner.</li> <li>• <b>Option 2:</b> Additional regional funds would be distributed proportionately to eligible agencies using the equity formula as part of the next project selection process. Funds would not be available until the completion of the project selection process, but sponsors and PSRC would have more time to work on project submissions.</li> </ul> <p>For both options, sponsors receiving additional regional funds could either add them to currently programmed equity formula projects or submit a</p>

	<p>new project(s). For any new projects, sponsors would need to provide information in response to the established equity criteria, and the projects would have to be reviewed by the Transportation Operators Committee to ensure they are consistent with the intent of the equity formula distribution, with final action taken by PSRC's Executive Board.</p>
<p><b>Annual Adjustments - Reduced Regional Funds:</b> For regional competitive funds, a reduction in the regional portion of funds from the annual adjustments process will be applied to previously awarded projects.</p>	<p><b>Annual Adjustments - Reduced Regional Funds:</b> Based on the precedent for regional competitive funds, if PSRC receives a reduction in regional funds from the annual adjustments process, the reduction will be applied to previously awarded equity formula projects.</p>
<p><b>Returned Regional Funds:</b> For regional competitive funds, any funds from projects returning funds to the region will be applied to the adopted contingency list.</p>	<p><b>Returned Regional Funds:</b> Since there is no contingency list of projects for the equity formula funds, PSRC proposes some options for distributing regional funds from projects returning funds to the region:</p> <ul style="list-style-type: none"> <li>• <b>Option 1:</b> Sponsors returning funds would first have the option of reprogramming them to their existing or new equity formula project(s). If sponsors are not able to utilize the funds, they would be proportionately redistributed to other eligible sponsors through either a stand-alone process or as part of the next project selection process.</li> <li>• <b>Option 2:</b> Returned funds would be proportionately redistributed to other eligible sponsors through either a stand-alone process or as part of the next project selection process.</li> </ul> <p>For both options, sponsors receiving additional regional funds could either add them to currently programmed equity formula projects or submit a new project(s). For any new projects, sponsors would need to provide information in response to the established equity criteria, and the projects would have to be reviewed by the Transportation Operators Committee to ensure they are consistent with the intent of the equity formula distribution, with final action taken by PSRC's Executive Board.</p>