

**AGREEMENT RELATING TO MUTUAL RESPONSIBILITIES
IN CARRYING OUT THE METROPOLITAN TRANSPORTATION PLANNING PROCESS IN
THE
CENTRAL PUGET SOUND REGION**

GCB 1362

This AGREEMENT is entered into by the WASHINGTON STATE DEPARTMENT OF TRANSPORTATION (WSDOT) and PUGET SOUND REGIONAL COUNCIL (PSRC), collectively referred to as the "Parties" and individually as "Party" in this AGREEMENT.

RECITALS

WHEREAS, PSRC, as the Metropolitan Planning Organization (MPO) designated for the central Puget Sound region Metropolitan Planning Area (MPA), is charged with the responsibility of carrying out transportation planning and programming processes that lead to the development and operation of an integrated, intermodal transportation system; and

WHEREAS, WSDOT is the state highway agency as referenced in Title 23 CFR and Title 49 CFR with the responsibility to preserve, manage, and operate the state-owned transportation system's facilities and services including, but not limited to, highways, ferries, airports, and rail; and

WHEREAS, the Parties desire to ensure a continuing, cooperative, and comprehensive transportation planning process ("3-C" Process) for the central Puget Sound region MPA (PSRC MPA) that involves cooperation and coordination between PSRC and WSDOT; and

WHEREAS, WSDOT is responsible for carrying out a statewide transportation planning process as defined by 23 CFR 450.206 and is the administrator of all federal planning funds received, or to be received, for carrying out the planning processes as defined in 23 USC 104(f)(4)(A) and 49 USC 5305(d)(2); and

WHEREAS, WSDOT is responsible for delivering a federally compliant statewide transportation plan, engaging in the metropolitan and non-metropolitan planning processes as both a network asset manager and a compliance and fiduciary agent of the Federal Highway Administration (FHWA) and the Federal Transit Administration (FTA), by administering federal pass-through funds to the MPOs in Washington, including PSRC; and

WHEREAS, it is mandated and consistent with federal requirements to formalize the roles and responsibilities of PSRC and WSDOT in order to cooperatively carry out their respective metropolitan and statewide transportation planning and programming requirements to support regional and state transportation plan implementation; such cooperation being agreed and understood in this AGREEMENT to mean where lawful, practicable and in good faith; and

NOW, THEREFORE, pursuant to the Washington Interlocal Agreement Act RCW 39.34, and the above recitals that are incorporated herein, it is mutually agreed as follows:

SECTION 1: PURPOSE

The purpose of this AGREEMENT is to memorialize a multi-agency cooperative planning process and to satisfy the requirements of 23 CFR 450.314. The AGREEMENT defines the processes for cooperation, communication, and exchanging information among the Parties to advance the metropolitan transportation planning processes consistent with 23 CFR 450(Subpart C). This AGREEMENT includes specific provisions for cooperatively developing and sharing of information related to financial plans that support the Metropolitan Transportation Plan (MTP), the

Metropolitan Transportation Improvement Program (TIP) as MTP and TIP are defined in 23 CFR 450, and the annual listing of obligated projects.

SECTION 2: AUTHORITY

2.1 Compliance with Applicable Laws and Regulations

PSRC and WSDOT shall comply with all applicable local, state, and federal laws and regulations in effect at the time of execution of this AGREEMENT. Nothing contained herein shall modify an existing duty or responsibility of any Party, except to the extent expressly set forth herein and as permitted by law.

2.2 PSRC

The Parties agree that PSRC, a regional planning agency that operates under the authority of various state and federal laws as referenced in Resolution No. PSRC-EB-2015-01, is the single MPO designated by the Governor of Washington for the PSRC MPA. PSRC is organized through an Interlocal Agreement of its members, and is responsible for fulfilling the federal metropolitan planning requirements as prescribed in the current Federal Surface Transportation Act, 23 USC 134, 23 CFR 450, and 49 CFR 613.

2.3 WSDOT

WSDOT is the steward of a large and robust transportation system, and is responsible for ensuring that people and goods move safely and efficiently. In addition to building, maintaining, and operating the state highway system, WSDOT is responsible for the state ferry system, and works in partnership with others to maintain and improve local roads, railroads, airports, and multi-modal alternatives to driving.

2.3.1 WSDOT tracks, reports, and manages its programs and projects according to the six transportation policy goals adopted by the Legislature in RCW 47.04.280. The six policy goals are safety, preservation, mobility (congestion relief), environment, stewardship, and economic vitality. These goals are interdependent and support the overall vision for all transportation agencies in the state, which includes WSDOT.

SECTION 3: POLICY DEVELOPMENT AND REGIONAL COORDINATION

3.1 Scope of Metropolitan Transportation Planning Process

PSRC, in cooperation with WSDOT, conducts a metropolitan planning process that is continuous, cooperative, and comprehensive, and provides for the consideration of projects, strategies, and services that will address the eight planning factors as specified in 23 CFR 450.306 and MAP-21 national policy goals. This planning process will be carried out in coordination with the statewide transportation planning processes conducted by WSDOT as required by 23 CFR 450 (Subpart B) and 49 USC 5303.

3.2 PSRC Board and Committee Structure

PSRC operates through a General Assembly and Executive Board structure, as set forth in an Interlocal Agreement under Chapter RCW 39.34, with adopted Bylaws establishing its officers, voting procedures, committees, public participation, and related matters. WSDOT participates as voting member of the PSRC General Assembly and Executive Board.

3.2.1 PSRC has an Executive Board, whose purpose is to hold meetings, appoint committees and task forces, and generally promote cooperative and coordinated transportation planning/programming processes, to adopt a MTP, to select and program transportation grant funds as directed by federal and state law, and perform other duties pursuant to applicable federal and state laws.

3.2.2 PSRC's Executive Board has established a Transportation Policy Board (TPB), which coordinates and guides the regional transportation planning program in accordance with adopted Board policy. The regional planning program includes those tasks to carry-out 23 CFR 450 (Subpart C), which include transportation policy development, the development of regional transportation plans, and the programming of transportation projects for funding. PSRC is responsible for coordination and administration of the TPB. WSDOT agrees to provide information and updates to the TPB about plans, studies, and programs relevant to TPB's mission.

3.3 PSRC Unified Planning Work Program

On an annual or biennial basis, PSRC develops a Unified Planning Work Program (UPWP) consistent with 23 CFR 450.308, that describes, to the extent practicable, all major transportation and related public transportation planning activities in the MPA for the next one or two year period. The UPWP shall include a budget that outlines PSRC's work activities to be conducted, the schedule for completion, and the work to be produced to carry-out the MPO's duties under 23 CFR 450 Subpart C.

3.3.1 Between January and May of each year, or of every other year, PSRC, in cooperation with WSDOT, the region's transit agencies, the local jurisdictions, and other members of PSRC, will prepare the UPWP as required by 23 CFR 450.308. The UPWP will be reviewed by the TPB, distributed for public review consistent with PSRC's Public Participation Plan, and approved by the PSRC General Assembly. The UPWP and budget may be amended at any time by PSRC in accordance with its adopted operational procedures and pending approval by WSDOT, FTA, and FHWA.

3.3.2 By December 31 of each year, WSDOT will provide written notice to PSRC of expected allocations of FHWA Metropolitan Planning funds (PL funds), FTA Section 5303 funds, State Regional Transportation Planning Organization (RTPO) funds, and any other State administered funds that are available to PSRC for the following State fiscal year.

3.3.3 PSRC agrees to coordinate with the WSDOT in developing and preparing the UPWP work program. The Parties agree to cooperatively review their proposed work components to enhance coordination and avoid duplicate planning work efforts.

3.4 Boundary Designation

The MPA boundary requirements are defined within 23 CFR 450.312 and for PSRC as agreed to between PSRC and the Governor of Washington. The PSRC planning process is conducted within the defined MPA boundary.

3.4.1 The MPA boundary will be reviewed by PSRC if new urbanized area boundaries are established following each decennial census, and at intermediate intervals as prompted by requests by local or state governments to modify the current MPA boundary. Boundary adjustments shall conform to the procedures defined in 23 CFR 450.310 and 23 CFR 450.312.

3.4.2 PSRC shall prepare and maintain a description and map of the current PSRC MPA boundary, and make it available to its member agencies and the public.

3.5 Regional Data Coordination

An integral part of the development and maintenance of the regional transportation planning process is a coordinated and consistent monitoring of the performance of the regional transportation system within the MPA. The Parties agree to coordinate in the collection, analysis, and dissemination of data in support of the regional transportation planning process.

3.5.1 To help ensure consistency in planning activities, PSRC shall periodically provide WSDOT with current and forecasted demographic, economic, transportation, and other appropriate data as

is mutually agreed upon by the Parties. Data distributed by PSRC for these purposes will be used for the purposes of regional transportation planning, programming and air-quality conformity analysis. Data Requests to PSRC will be coordinated and processed according to PSRC's established Data Request policy. Data Requests to WSDOT will be coordinated and processed according to its established Data Request procedures.

3.6 Regional Travel Demand Model

PSRC develops, maintains, and updates the regional travel demand model that is used for the MTP and TIP, transportation studies, and for evaluating transportation related air quality impacts within the PSRC MPA. PSRC agrees to consult with WSDOT regarding various modeling issues, including software platforms, data requirements, and overall model performance for such regional travel demand model. PSRC agrees to provide the model and information from the model to WSDOT for its own planning purposes. The regional travel demand model developed by PSRC for these purposes will be used for the purposes of regional transportation planning, programming, and air-quality conformity analysis. Data Requests from WSDOT for model information will be jointly coordinated and processed according to PSRC's established data request policy.

3.6.1 WSDOT may modify the PSRC travel demand model to meet its specific planning purposes. When such modifications are made, WSDOT agrees: 1) to provide a written list of the modifications to PSRC; and 2) that the modified model will not be portrayed publicly or privately as the PSRC travel demand model, unless prior written consent is provided by PSRC.

3.7 Self Certification and Federal Certification

As part of the submittal of the proposed TIP, PSRC, and WSDOT shall certify that the metropolitan transportation planning process is being carried out in accordance with all applicable federal planning requirements (23 CFR 450.334). In addition, FHWA and FTA jointly review and evaluate the planning process no less than once every four years. PSRC is responsible for ensuring compliance with the applicable federal regulations, and agrees to coordinate with WSDOT throughout the federal certification process.

SECTION 4: TRANSPORTATION PLANNING

4.1 Metropolitan Transportation Planning (MTP)

The MTP is the comprehensive transportation planning document for the PSRC MPA. As the designated MPO, PSRC agrees to prepare, adopt, and maintain a MTP in accordance with 23 USC 134, 23 CFR 450, and 49 USC 5303(i). The Parties agree to work together cooperatively to validate data utilized in preparing other existing modal plans for providing input into the MTP. PSRC agrees to transmit the adopted MTP for use by WSDOT, the Federal Highway Administration (FHWA), and the Federal Transit Administration (FTA).

4.1.1 The Parties agree to monitor internal plans, studies, and other activities to identify potential issues or conflicts with the MTP and will work together to take actions with a goal to resolve any potential issues or conflicts. WSDOT agrees to provide technical assistance, data and information to PSRC during the development or amendment of the MTP.

4.1.2 PSRC agrees to consult and coordinate with WSDOT during the MTP update process to ensure continued consistency between the State Transportation Plan (23 USC 450.214) and the long range transit plan (49 USC 5303). The Parties agree to coordinate related planning activities and studies to promote consistency between metropolitan, transit, and statewide planning strategies and outcomes. This includes mutual consideration of visions and priorities articulated in each entity's transportation planning documents and project identification processes.

4.1.3 MTP amendments are generally undertaken for purposes that include, but are not limited to, adding, deleting, or significantly changing a regionally significant project, or changing a project

between scheduled MTP updates to maintain no less than a twenty year planning horizon as of the effective date of the MTP. The effective date is the date of MTP adoption. PSRC will ensure that MTP amendments adhere to relevant federal planning requirements and are developed and adopted through the metropolitan transportation planning process. When PSRC determines that an update of the MTP is necessary, it will notify WSDOT in writing. This notification shall include information regarding both the update process and the schedule that PSRC intends to follow. PSRC will consult and coordinate with WSDOT as it develops potential modifications to the MTP. After the PSRC Board's approval of such plan updates, PSRC will notify and transmit to WSDOT in writing the final Board approved MTP.

4.2 Statewide Plans

The State of Washington also develops plans, including statewide transportation plans, in compliance with federal regulations in order to receive particular federal funds. These plans include:

- a) The Long-Range Statewide Transportation Plan that the Washington State Department of Transportation is committed to update as per the stewardship agreement with the Federal Highway Administration and the Federal Transit Administration. This plan is a requirement that allows the state to receive federal surface transportation funds for cities, counties, and state highways;
- b) The Strategic Highway Safety Plan (Target Zero) that is developed in cooperation with Target Zero partners, including the Washington State Traffic Commission, the Washington State Patrol, and the Washington State Department of Transportation. It is necessary for this plan to comply with regulations from the Federal Highway Administration, for the state to be eligible to receive federal funds for highway safety improvements; and
- c) The State Rail Plan that is developed by the Washington State Department of Transportation in compliance with the Federal Rail Administration regulations. This plan is a requirement that allows the state to receive federal funds for freight rail improvements.

4.2.1 When WSDOT determines that an update or modification to a portion of these statewide plans, policies and performance measures and targets that specifically relates to the PSRC MPA is necessary, it will notify PSRC in writing. This notification will include information regarding both the process and schedule WSDOT intends to follow. WSDOT will consult and coordinate with MPOs, including PSRC, during this process to assure continued consistency with the MTP. Upon approval of such updates, WSDOT will formally notify PSRC in writing of the final content of the updates.

4.2.2 WSDOT and PSRC will ensure that all statewide transportation plan components and elements that relate to the PSRC MPA and the region's MTP shall be consistent. WSDOT agrees that the statewide transportation plan, in relation to the PSRC MPA, shall be developed in cooperation with PSRC, as required by 23 CFR 450.214(f). The state-owned component of the highway system plan, which includes preservation, maintenance, operations, safety, and capacity improvement elements for state owned facilities shall serve as the basis for WSDOT's ten year Capital Improvement and Preservation Program (CIPP) and WSDOT's two year biennial budget request to the legislature pursuant to RCW 47.06.050.

4.3 Air Quality Conformity

PSRC is responsible for compliance with Section 176(c) of the Clean Air Act (42 USC 7506) by coordinating the development of transportation plans and improvement programs with the State Implementation Plan (SIP) development process. PSRC shall meet minimum Federal conformity provisions as set forth in 40 CFR 93. The Parties agree to participate in periodic interagency consultation meetings to ensure compliance of plans and programs with Federal conformity provisions.

4.3.1 PSRC agrees to develop and maintain a written agreement with the Puget Sound Clean Air Agency (PSCAA) and the Washington State Department of Ecology describing the respective roles and responsibilities for air quality related transportation planning. WSDOT agrees to provide available data to PSRC for regional and hot spot air quality analyses.

4.4 Congestion Management Process

PSRC, as a Transportation Management Area (TMA), pursuant to 23 CFR 450.320 and 23 CFR 500.109, is required to address congestion management through a process that provides for safe and effective integrated management and operation of the multimodal transportation system, based on a cooperatively developed and implemented metropolitan-wide strategy. As part of this process, PSRC agrees to cooperatively develop and implement a metropolitan-wide strategy. The PSRC shall establish methods to collect and monitor data and report this data. It shall update the data at minimum often enough to provide relevant, recent information as an input to each MTP update. PSRC will define the congestion management objectives and performance measures in consultation with WSDOT and metropolitan local agencies.

4.4.1 WSDOT agrees to provide available data to PSRC in support of this process. WSDOT and PSRC will consider the information resulting from their respective management process activities to the maximum extent practicable, in developing and updating the statewide multimodal transportation plan and the MTP. Such plans will be used by the Parties to inform project selection decisions for updating the State Transportation Improvement Plan (STIP) and the TIP. WSDOT agrees to cooperate with PSRC in the development and implementation of other required or optional management systems or processes under state responsibility as required by law or agreement.

4.5 Local Coordinated Human Services Transportation Plan (HSTP)

The Parties shall ensure coordination and consistency between the local coordinated Human Services Transportation Plan (HSTP) and other statewide and regional planning processes as set forth in 23 CFR part 450 and 49 CFR part 613. PSRC shall lead the development of the HSTP in partnership with the region's public transportation agencies and other providers of human services transportation.

4.6 Roadway Functional Classification

PSRC agrees to assist WSDOT in developing and maintaining the FHWA Functional Classification system, and to provide comments to WSDOT regarding requests from local agencies to designate a roadway or to change the designation of a roadway pursuant to applicable guidelines. WSDOT shall consider comments from PSRC and shall give consideration to criteria consistent with RCW 47.05.021 and federal regulations relating to the functional classification of highways. PSRC staff will review local agency roadway reclassification requests and will forward recommendations to WSDOT for action.

4.7 Transportation Planning Studies and Project Development

The Parties agree to cooperate on the identification, conduct, and completion of major corridor and subarea studies to assure effective integration of long- and short-range planning and to refine the MTP, as consistent with the provisions of 23 CFR 450.212 and 23 CFR 450.318. The Parties also agree to coordinate in identifying project planning needs as part of PSRC's Unified Planning Work Program development process.

4.7.1 The Parties agree to enter into additional work agreements, when needed, to complete mutually identified transportation planning studies and project development activities.

4.8 Procedures for Reviewing Mutual Plans

The Parties agree to review and provide comments as appropriate on mutual plans. The purpose of this review is not part of a formal approval process, but rather to help ensure regional

consistency. The Parties agree to work cooperatively to address discrepancies when they are identified.

4.9 Performance Management

Performance management will transform the regional transportation system and will provide a means to the most efficient investment of Federal transportation funds through performance-based planning and programming. The PSRC shall establish performance measures and targets in the MTP in consultation with WSDOT in accordance with 23 USC 150(c) and (d). Selection of performance measures and targets shall be coordinated with WSDOT to the maximum extent practicable. The Parties agree to share performance information and data on a periodic basis to report regional transportation system performance in accordance with 23 USC 150(e).

SECTION 5: TRANSPORTATION PROGRAMMING

5.1 Transportation Improvement Program (TIP)

The PSRC, in cooperation with WSDOT, is responsible for developing, adopting and maintaining an approved four year regional TIP pursuant to 23 CFR 450.324. The TIP must include, but is not limited to, all projects that have been approved and programmed by PSRC for federal funding and projects with committed federal funds after having been found consistent with applicable state and federal planning and air quality requirements, and also after having been found consistent with the MTP. After approval by the PSRC Board and the Governor or the Governor's delegate, WSDOT shall include the TIP, without change, directly or by reference, into the State Transportation Improvement Program as required under 23 CFR 450.326(b), contingent upon air quality conformity findings by the FHWA and FTA.

The TIP shall contain all regionally significant surface transportation projects requiring an action by FHWA or the FTA, whether or not the projects are to be funded under title 23 USC or title 49 USC. For public information and conformity purposes, the TIP shall include all regionally significant projects proposed to be funded with federal funds other than those administered by the FHWA and FTA, as well as all regionally significant projects to be funded with non-Federal funds. The four year regional TIP must be financially constrained to those funds that are available or reasonably expected to be available during that timeframe.

As applicable, the TIP should include reporting on performance and implementation results relative to MTP performance goals, measures and targets.

5.1.1 At least every four years per 23 CFR 450 324, PSRC shall cooperatively develop and/or update a regional four year TIP for all federally funded projects and regionally significant transportation projects regardless of funding source. PSRC shall develop the TIP through a cooperative process involving WSDOT. In accordance with federal regulation, the development of PSRC's TIP will also be coordinated with other interested parties, per PSRC's Public Involvement Plan. PSRC's TIP shall be provided to WSDOT in October of the given PSRC TIP-update year, for incorporation into the STIP pursuant to 23 CFR 450 216 (b).

5.1.2 WSDOT shall work cooperatively with PSRC in recommending programming and project selection for state transportation projects eligible for federal funding under WSDOT's project selection responsibility, for inclusion in PSRC's TIP pursuant to 23 CFR 450.330(c). The TIP, as approved by the Governor or the Governor's delegate, shall be included in the STIP.

5.1.3 Recommendations for WSDOT's programming of state highway components in the TIP shall be based on statewide transportation plans and area/corridor specific studies and shall be consistent with and implement the MTP.

5.1.4 WSDOT agrees to provide PSRC its estimate of available federal and state revenue that can be utilized in developing the TIP. The Parties agree to work cooperatively to develop final

estimates of funds that are reasonably expected to be available to support the TIP (23 CFR 450.324(h)), as defined in Section 7.2-Financial Planning.

5.2 Statewide Transportation Improvement Plan (STIP)

STIP is a four year, fiscally constrained, prioritized program of transportation projects, compiled from local and regional plans, along with the long range statewide multimodal transportation plan. These projects have been identified through state, regional and local planning processes, as the highest priority for the available funding to preserve and improve the state's transportation network.

5.2.1 WSDOT is responsible for developing the STIP and for incorporating the TIP (and subsequent amendments) into the STIP on a timely basis. WSDOT agrees to work cooperatively with PSRC in developing reasonable financial principles, revenue forecasts, and information for the STIP.

5.2.2 WSDOT agrees to coordinate with FHWA and FTA to develop and adopt procedures and criteria for incorporating STIP and TIP amendments and administrative modifications into the STIP. PSRC agrees to develop and document procedures, criteria, and schedules for amendments and administrative modifications that are consistent with the WSDOT, FHWA, and FTA approved criteria and schedule. WSDOT agrees to transmit STIP related policies, criteria, procedures and schedules to PSRC on a timely basis.

5.2.3 PSRC agrees to submit requests for STIP/TIP amendments and administrative modifications to WSDOT via the web based STIP. On a monthly basis from January through October, WSDOT agrees to compile the projects submitted by PSRC and to submit them to FHWA and FTA for approval.

5.3 Annual Listing of Obligated Projects

The Parties agree to work cooperatively to develop an annual listing of projects within PSRC's MPA boundary for which federal transportation funds were obligated in the preceding program year. This requirement applies to projects funded with federal funding sources.

5.3.1 WSDOT agrees to provide PSRC with all project obligation reports within forty five (45) calendar days of the end of the transportation program year, which is the end of the calendar year. PSRC agrees to coordinate directly with the WSDOT Highway and Local Programs Division regarding designated regional fund obligation administration and reporting. PSRC will publish the annual listing and make it available to WSDOT, transit agencies, and the public as provided in PSRC's Public Participation Plan within ninety (90) calendar days of the end of such program year.

5.4 PSRC Program of Projects

There are three urbanized areas (UZAs) in the PSRC MPA, with seven recipients designated by the Governor of Washington to receive and apportion federal funds under Title 49 USC.

5.4.1 PSRC, in coordination with the transit providers in the region, is responsible for developing a program of projects for apportioned FTA funds in the UZA, in a manner that is consistent with the requirements of the United States Code and the Code of Federal Regulations (Program of Projects). The programming of projects utilizing Title 49 USC funds into the TIP will be conducted per the Memorandum of Understanding between PSRC and the region's transit agencies.

SECTION 6: PUBLIC INVOLVEMENT

6.1 PSRC Public Participation Plan

PSRC will proactively develop, adopt, periodically update, and implement a public participation plan in accordance with 23 USC 134(i)(5) and 23 CFR 450.316. To coordinate effective planning

and programming activities, the Parties to this AGREEMENT shall, to the maximum extent practicable, coordinate their public information efforts and seek joint opportunities for public involvement.

6.2 WSDOT Public Participation

WSDOT will develop and use a documented public involvement process that provides opportunities for public review and comment at key decision points, as required to comply with 23 CFR 450.210. To coordinate effective planning and programming activities, WSDOT, to the maximum extent practicable, will coordinate public information efforts with PSRC, and seek joint opportunities for public involvement.

SECTION 7: FINANCIAL PLANNING AND FUNDING

7.1 Distribution of Planning Funds

In consultation with PSRC, WSDOT agrees to develop, implement, and periodically review a transparent process for the distribution of FHWA and FTA planning funds to PSRC. PSRC agrees to work cooperatively with WSDOT in this process. WSDOT agrees to coordinate with FHWA and FTA to develop procedures for the efficient and timely transfer of funds to PSRC.

7.1.1 As provided under 23 USC 104(f)(4)(A) WSDOT has the responsibility to allocate the FHWA Metropolitan Planning (PL) grant funds to MPOs. As required by 23 CFR 420.109, WSDOT shall make all PL funds authorized by 23 USC 104(f) available to PSRC in accordance with a formula developed by WSDOT, in consultation with the MPOs, and the allocation approved by the FHWA Division Administrator.

7.1.2 WSDOT also has the responsibility under 49 USC 5305(d)(2) to allocate the FTA Metropolitan Planning 49 USC 5303 grant funds to PSRC. Amounts apportioned to WSDOT shall be made available no later than thirty (30) calendar days after the date of apportionment to the MPO under a formula that: considers the population of urbanized areas; and provides an appropriate distribution for urbanized areas to carry out a cooperative planning process. WSDOT shall develop the formula in cooperation with MPOs, including PSRC; and, the allocation with approval by the FTA Regional Administrator.

7.2 Financial Planning

A "Financial Plan" is documentation to be included with a MTP and TIP that demonstrates the consistency between reasonably available and projected sources of federal, state, local, and private revenues, and the costs of implementing proposed transportation system improvements (23 CFR 450.104).

7.2.1 Federal requirements for financial planning are defined in 23 CFR 450.314 (metropolitan planning agreements), 23 CFR 450.322 (development and content of the metropolitan transportation plan), 23 CFR 450.324 (development and content of the transportation improvement program), and 23 CFR 450.332 (annual listing of obligated projects). The Parties agree to cooperatively develop and share information related to the development of financial plans to support these activities.

7.2.2 In preparing the financial plan, PSRC shall take into account all projects and strategies proposed for funding under 23 USC and 49 USC Chapter 53, along with other Federal, State, local and private fund sources. The Parties agree to work cooperatively to develop estimates of revenue that demonstrate financial constraint for the MTP and the TIP. PSRC agrees to develop and maintain procedures and methodologies, in cooperation with WSDOT, for generating revenue forecasts that are consistent with federal guidance for financial forecasting. WSDOT agrees to provide historical information regarding funding levels and expenditures by county area and available forecasts of future state and federal revenues. In the event that WSDOT provides disparate assumptions for the future availability of federal funds, the Parties agree to work

cooperatively to determine a consistent forecasting methodology that demonstrates financial constraint.

7.3 Funding Accountability

PSRC is responsible for programming all projects that receive federal funds and all regionally significant projects. The Parties agree to work cooperatively to ensure that PSRC selects projects for funding based on regional priorities and consistent with the MTP. WSDOT agrees to provide monthly, or at a minimum quarterly, updates on the delivery of funds programmed by PSRC. PSRC agrees to develop, implement, and periodically review strategies to ensure delivery of programmed funds within its programming area.

7.4 Sub-allocation of Federal Funds

PSRC is responsible for selecting and programming projects from specified federal funds that are sub-allocated to PSRC by WSDOT. WSDOT is responsible for determining the sub-allocation amounts, in consultation with PSRC and other MPOs statewide. WSDOT agrees to develop, implement, and periodically review an accounting process for sub-allocating Surface Transportation Program (STP), Congestion Management and Air Quality (CMAQ), Transportation Alternatives (TA), and/or other funds that are designated by the federal government to be sub-allocated to MPOs. As part of this process, WSDOT agrees to provide to PSRC a transparent accounting of how much funding is received by WSDOT in total and annually, and all the steps applied to get to the regional allocations.

SECTION 8: MISCELLANEOUS PROVISIONS

8.1 Replacement Clause

This AGREEMENT fully supersedes and replaces the related applicable Transportation Planning Agreement (TPA) between PSRC and WSDOT dated September 15, 2009.

8.2 Dispute Resolution

In the event that a dispute arises under this AGREEMENT, it shall be resolved as follows: The Parties shall each appoint a member to a disputes resolution board (DRB), and these two members shall select a third (neutral) board member not affiliated with any of the Parties. The DRB shall conduct a dispute resolution hearing that shall be informal, non-binding, and unrecorded. An attempt at such dispute resolution in compliance with aforesaid process shall be a prerequisite to the filing of any litigation concerning the dispute. The Parties shall equally share in the cost of the third DRB member; however, each Party shall be responsible for its own costs and fees.

8.3 Amendments and Modifications

Any Party may request changes to this AGREEMENT at any time by written notice to the other Party. Such changes as are mutually agreed upon by and between the Parties shall be incorporated by written amendment to this AGREEMENT.

8.4 Severability

If any of the provisions of this AGREEMENT are held to be illegal, invalid, or unenforceable, all other provisions shall remain in full force and effect.

8.5 Execution and Term

This AGREEMENT, including any amendments incorporated into the AGREEMENT, shall remain in full force and effect for ten (10) years or if superseded by an updated agreement or unless terminated by a Party's governing body, which termination may be for cause or convenience and shall take effect immediately upon execution by the last signing Party. Any official notifications between the Parties to this AGREEMENT that would substantially affect the terms or conditions of this AGREEMENT shall be directed to the Agreement Managers as noted below:

Washington State Department of Transportation
Attn: Secretary of Transportation
P.O. Box 47316
Olympia, WA 98504-7316

Puget Sound Regional Council (PSRC)
Attn: Josh Brown, Executive Director
1011 Western Avenue, Suite 500
Seattle, WA 98104-1035

All other notice concerning this AGREEMENT shall be directed to:

Puget Sound Regional Council (PSRC)
Attn: Mark Gulbranson, Deputy Executive Director
1011 Western Avenue, Suite 500
Seattle, WA 98104-1035

8.6 Authority to Sign

The signatories below represent that they have authority to sign this AGREEMENT and bind their respective entities thereto.

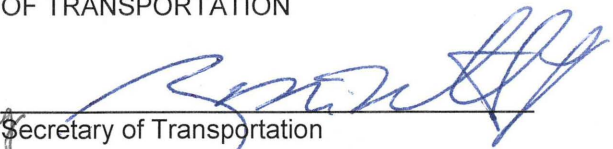
8.7 Recitals

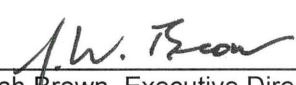
The recitals are hereby incorporated into this AGREEMENT.

IN WITNESS WHEREOF, the PARTIES hereto have executed this AGREEMENT as of the date signed last by the Parties below.

WASHINGTON STATE DEPARTMENT
OF TRANSPORTATION

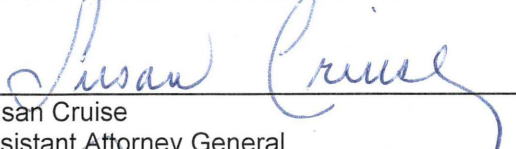
PUGET SOUND REGIONAL COUNCIL

Acting

Secretary of Transportation
Date May 31, 2016


Josh Brown, Executive Director
Date May 16, 2016

APPROVED AS TO FORM FOR WSDOT:

APPROVED AS TO FORM:


Susan Cruise
Assistant Attorney General
Date April 11, 2016


Puget Sound Regional Council
Legal Counsel
Date April 11, 2016