

SOUND TRANSIT

RESOLUTION NO. R2003-15

A resolution of the Board of the Central Puget Sound Regional Transit Authority declaring that in the event the Sound Transit motor-vehicle excise tax revenue is reduced, the Board shall identify alternative local revenues consistent with Sound Transit financial policies to construct the Initial Segment of the Central Link Light Rail project, and to operate and maintain existing Sound Transit services.

WHEREAS, on November 5, 1996, voters in the Central Puget Sound Regional Transit Authority district approved local funding for high capacity transit investments based on the financial policies adopted by Resolution No. 72, that include the principle that local tax revenues must be used to fund projects and services that directly benefit the subarea where the taxes are collected; and

WHEREAS, on July 11, 2003, the Federal Transit Administration (FTA) stated its intention to execute a \$500 million Full Funding Grant Agreement with Sound Transit for the construction of the Initial Segment of the Central Link Light Rail project, based on the Initial Segment having cleared all the federal prerequisites; and

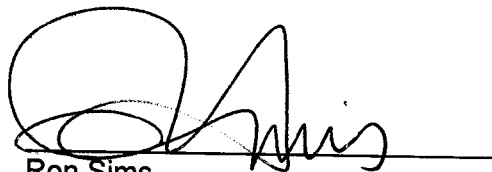
WHEREAS, the Office of the Inspector General (OIG), U.S. Department of Transportation, recommends that the Sound Transit Board identify and commit alternative local revenue sources to replace the motor-vehicle excise tax if a funding shortfall is realized by the reduction of the motor-vehicle excise taxes revenues; and

WHEREAS, the OIG has recommended to the FTA that the Sound Transit Board formally notify the FTA that Sound Transit will arrange its finances and revenues in a manner that assures that the existing transit system is maintained and operated at current service levels and that the Initial Segment can be constructed before final execution of the Full Funding Grant Agreement.

NOW THEREFORE BE IT RESOLVED by the Board of the Central Puget Sound Regional Transit Authority that this resolution shall constitute the Board's agreement that it will:


1. Identify and commit alternative local revenues promptly to construct the Initial Segment if and to the extent that a funding deficit or shortfall is occasioned by the loss of motor-vehicle excise tax revenues and related fees,
2. Ensure prompt revision of the Sound Transit Finance Plan to reflect the commitment in the above paragraph by identifying alternative revenue source(s) in the event it is determined that motor-vehicle excise taxes and related fees are no longer collectible,
3. Execute the actions stated above while maintaining and operating existing transit services at current levels.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a special meeting thereof held on July 17, 2003.



Ron Sims
Board Chair

ATTEST:



Marcia Walker
Board Administrator