

RESOLUTION NO. 89

A RESOLUTION of the Board of the Regional Transit Authority for the Pierce, King and Snohomish Counties region authorizing repayment of loans to Pierce Transit, the King County Department of Metropolitan Services and Community Transit for prior loans and advances of cash and staff resources.

WHEREAS, following the formation of the Regional Transit Authority in September of 1993, it was necessary for the Authority to complete and adopt a system plan with the assistance of state and local grants; and

WHEREAS, RCW 81.112.170 authorizes transit agencies within the Authority's boundaries to make grants or loans to the Authority for high capacity transportation planning and system development purposes; and

WHEREAS, in order to pay for the costs of such planning and development efforts and for expenses of the Authority's Board, it was necessary to borrow funds and staff from Pierce Transit, the King County Department of Metropolitan Services and Community Transit beginning in 1994; and

WHEREAS, by Resolution Nos. 13 adopted February 16, 1994, and 46 adopted January 13, 1995, and 70 adopted November 3, 1996, the Board of the Authority approved a Support Services and Funding Agreement between the Authority and King County to provide essential funding, personnel and office resources through calendar year 1996; and

WHEREAS, by Resolution Nos. 22 adopted May 27, 1994, and 57 adopted February 10, 1995, and 71 adopted January 12, 1996, the Authority similarly contracted with Pierce Transit for staffing assistance and local match for State High Capacity Transit funds and for a Federal Transit Administration grant and also (through Resolution No. 5 adopted October 8, 1993, and a letter request dated October 20, 1994) accepted a cash loan from Community Transit; and

WHEREAS, the terms and conditions of said agreements and loans generally provided that funds advanced and the cost of local staff utilized to support the Authority's work program were to be considered interest free loans prior to an affirmative public vote on a system plan as provided in RCW 81.112.030 and that following an affirmative vote such advances would be subject to repayment within a three-year period; and

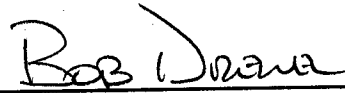
WHEREAS, as a result of the successful November 5, 1996 election, the Authority is now receiving tax monies which can be utilized to repay such loans with reasonable interest thereon;

NOW THEREFORE, BE IT RESOLVED by the Board of the Regional Transit Authority as follows:

Section 1. The Executive Director is hereby authorized to execute repayment agreements with Pierce Transit, the King County Department of Metropolitan Services and Community Transit to reimburse those agencies as soon as practicable during 1997 for funds and staffing support previously loaned or advanced to the Authority during the calendar years 1994 through 1996 substantially as shown on the attached Exhibit A. The agreements shall provide for payment of interest at the same rates the agencies apply to their own interfund loans commencing November 5, 1996, until paid. The interest calculation shall be prorated according to the number of days before and after the principle loan repayment is credited to an agency's account.

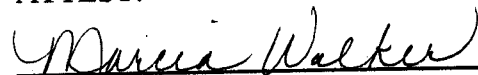
Section 2. The Executive Director is further directed to communicate to Pierce Transit, the King County Department of Metropolitan Services and Community Transit the sincere thanks and appreciation of the Board of the Authority for the vision and commitment of those agencies to high capacity transportation planning for the region through such loans and advances which played a critical part in supporting the Authority and informing the citizens of the region prior to the successful November 5, 1996 election.

ADOPTED by the Board of the Regional Transit Authority for the Pierce, King and Snohomish Counties at a regular meeting thereof held on the 22nd day of May 1996.



Bob Drewel
Board Chair

ATTEST:



Marcia Walker
Board Administrator

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Exhibit A

**Central Puget Sound Regional Transit Authority
Long Term Liabilities
Year Ended December 31, 1996**

SNOHOMISH COUNTY

Community Transit

Balance for 1994	\$0	
Balance for 1995	100,000	
Total Community Transit loan		\$100,000

KING COUNTY

Department of Metropolitan Services

Balance for 1994	1,901,733	
Balance for 1995	1,550,000	
Total King County DMS loan		3,451,733

PIERCE COUNTY

Pierce Transit

Balance for 1994	510,754	
Balance for 1995	122,318	
Balance for 1996	97,542	
Total Pierce Transit loan		730,614

TOTAL, LONG TERM LIABILITIES \$4,282,347