



Sedgwick County...
working for you

Sedgwick County

525 North Main Street 3rd
Floor
Wichita, KS 67203

Legislation Text

File #: 16-451, **Version:** 1

Supplemental Agreement No. 2 to the KDOT Agreement for Construction of the I-235 and US-54. District 2.

Recommended Action: Approve the agreement and authorize the Chairman to sign.

In 2012, Sedgwick County, the City of Wichita and the Kansas Department of Transportation entered into an agreement to finance and construct interchange improvements at I-235 and US-54. In order to maximize the County's use of federal funds, the agreement provided for the use of County allocated federal funds directly to the project which results in saving the 10% discount rate that KDOT applies to the exchange of state funds for federal funds. The agreement calls for payments by Sedgwick County totaling \$11,600,000 (\$4,000,000 in 2016; \$4,000,000 in 2017; \$3,600,000 in 2018).

KDOT has informed Public Works that they have used other federal funds for the interchange project and that they are needing to match those federal funds with non-federal funds. This will require that the County utilize state funds for the project that will be provided through a swap of federal funds by the Bureau of Local Project for state funds. This program is known as Federal Funds Exchange and normally results in the County receiving state dollars at the rate of 90% of the federal allocation. In order to make the County whole, KDOT will provide 100% state dollars for exchanged federal dollars. This supplemental agreement includes language providing for the 100% exchange.

The change to federal exchange funds will require that the County make the entire \$4,000,000 payment and then immediately seek reimbursement of the exchange funds. Expected turnaround time is 3 weeks.

Alternatives:

Financial Considerations: The language of the agreement does not change the County's overall financial responsibility. Changes in federal funding available to the County will increase the County's cash contribution. That issue is addressed in an accompanying CIP amendment and changes proposed for the 2017-2021 CIP.

Legal Considerations: The BoCC is authorized to make all contracts in relation to the property and concerns of the county under K.S.A. 19-101 fourth; and to perform such duties as required by law concerning roads under K.S.A. 19-212 Ninth. Under K.S.A. 12-2908, the BoCC may enter into contracts with other cities or townships to perform any governmental service, activity or undertaking that each entity is authorized to perform.

Policy Considerations: