

FUND EXCHANGE MASTER
FRANKLIN COUNTY, KANSAS

S U P P L E M E N T A L A G R E E M E N T N o . 1

This Agreement, effective as of the date signed by the Secretary or designee, is between the **Secretary of Transportation**, Kansas Department of Transportation (KDOT) (the “Secretary”) and **FRANKLIN COUNTY, KANSAS** (the “County”), collectively, the “Parties.”

RECITALS:

- A. The Secretary and the County entered into Agreement No. 136-16 dated May 2, 2016, for the purpose of participating in the Secretary’s voluntary Federal Fund Exchange Program (the “Original Master Agreement”).
- B. The Parties now mutually desire to supplement the Original Master Agreement to reflect a change in the exchange provisions.

NOW, THEREFORE, the Parties agree as follows:

1. On page one (1) of the Original Master Agreement, Recital A be replaced in its entirety to read as follows:
 - A. The Secretary has authorized a voluntary Federal Fund Exchange Program under which local units of government may exchange some or all of the Federal Funds allotment by KDOT to the local unit in a specific federal fiscal year for State Funds allocated to the Secretary.
2. On page one (1) of the Original Master Agreement, Recital B be replaced in its entirety to read as follows:
 - B. The County desires to exchange all or a portion of the County’s annual allotment of Federal Funds for State Funds at the Exchange Rate.
3. On page one (1) of the Original Master Agreement, Article I, paragraph 2, **Banked Funds**, be deleted and the subsequent definition paragraphs renumbered.
4. On page two (2) of the Original Master Agreement, Article I, paragraph 4, **Exchange Rate**, be replaced in its entirety to read as follows:
 4. “**Exchange Rate**” means the exchange of the County’s Federal Funds allotment for State Funds at the reimbursement rate determined by the Secretary in the Fund Exchange Request.
5. On pages two (2) and three (3) of the Original Master Agreement, Article II, paragraph 3, **Exchange of Funds**, be replaced in its entirety to read as follows:
 3. **Exchange of Funds**. When the County submits a Fund Exchange Request, to use the Exchanged Funds pursuant to the Federal Fund Exchange Program, the following terms will apply to the exchange:
 - (a) The County authorizes the Secretary to retain and use the Exchanged Portion of the County’s annual allotment of Federal Funds for the federal fiscal year indicated in the Fund Exchange Request in exchange for State Funds at the Exchange Rate.
 - (b) The Secretary shall reimburse the County, with State Funds, for one hundred percent (100%) of costs incurred pursuant to this Agreement, in an amount not to exceed the

Exchange Rate multiplied by the Exchanged Funds. All costs incurred in excess of the fund exchange amount will be the sole responsibility of the County.

- (c) The County understands that the Secretary may use the retained Federal Funds exchanged by the County for any federally eligible purpose or project within the State.
- (d) The Secretary will make partial payments to the County for amounts not less than \$1,000 and no more frequently than monthly. Such payments will be made after receipt of proper billing showing costs paid by the County and any reimbursement form required by KDOT.

6. Attachment A of the Original Master Agreement, is null and void, and is replaced by the attached Revised Attachment A.

THIS SUPPLEMENTAL AGREEMENT shall not be construed to alter, modify, or void the terms, provisions or conditions of the Original Agreement, incorporated herein by reference, except as herein specifically provided.

IN WITNESS WHEREOF, the Parties have caused this Supplemental Agreement to be signed by their duly authorized officers.

ATTEST:

FRANKLIN COUNTY, KANSAS

COUNTY CLERK (Date)

CHAIRPERSON

(SEAL)

MEMBER

MEMBER

Kansas Department of Transportation
Secretary of Transportation

BY: _____
Catherine M. Patrick, P.E. (date)
State Transportation Engineer

Dwight D. Eisenhower State Office Building
700 S.W. Harrison Street
Topeka, KS 66603-3745

Richard Carlson, Secretary
Michael J. Stringer, P.E., Chief



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<http://www.ksdot.org>

Sam Brownback, Governor

BLP Memo 17-07

Date: August 3, 2017

To: County Engineers/City Engineers/Road Supervisors/Highway Administrators/Public Works Directors and Consultants

From: Michael J. Stringer, P.E., Chief
Bureau of Local Projects

Subject: Modifications to the Federal Fund Exchange (FFE) Program

After re-evaluating the FFE program as originally established in Federal Fiscal Year (FFY) 2011, KDOT has determined the need to adjust our guidelines.

Beginning with the 2018 FFY, which runs from October 1, 2017 through September 30, 2018, the FFE Program will be modified as follows:

1. Banking of Federal or State funds in the program will no longer be permitted. All such funds available to the Local Public Authority (LPA) must be used or requested for reimbursement by September 15 of the FFY of the distribution. Any funds remaining after September 15 will be lost to the LPA to which they were made available.
2. Beginning with FFY 2018, the exchange rate will be temporarily reduced to \$0.75 State Funds/\$1.00 Federal funds. The exchange rate will be reviewed and established annually by the Secretary of Transportation.

Representatives of KDOT are planning to schedule meetings around the State with our local partners to provide more detail and answer questions about why these changes are needed.

If further information is needed or there are questions concerning this topic, please contact either:

- Michael Stringer at (785) 296-3861 or by email at: Michael.stringer@ks.gov,
- Tod Salfrank at (785) 368-7396 or by email at: tod.salfrank@ks.gov, or
- Ingrid Horton at (785) 368-7468 or by email at: Ingrid.horton@ks.gov

Sincerely,

A handwritten signature in black ink that reads "Michael J. Stringer". The signature is written in a cursive style.

Michael J. Stringer, P.E., Chief
Bureau of Local Projects