



January 16, 2020

Debbie Hale
Executive Director
Transportation Agency for Monterey County
55-B Plaza Circle
Salinas, CA 93901

**RE: Request for short-term loan for
MST South County Operations and
Maintenance Facility Project**

Dear Ms. Hale:

Monterey-Salinas Transit (MST), with support of TAMC Measure X funding, is moving forward with construction of a new operations and maintenance facility in King City. The project is funded in part by Measure X – Commuter Bus, Salinas Valley Transit Centers and Vanpools as well as Federal Transit Administration and State funds. MST is expediently pursuing a new low interest loan through the Build America Bureau under the Rural Project Initiative which would help pay for construction of the project. We anticipate that the Rural Project Initiative loan will close in August 2020 as a realistic and best case scenario.

However, MST has awarded a design-build contract where MST will begin incurring design and construction costs before the Rural Project Initiative loan closes. We anticipate that the final design will be complete in July/August 2020 with construction beginning shortly thereafter.

Due to the uncertainty of the final closing date of the federal loan, we respectfully request a short-term loan in the amount of \$3,000,000 to carry the costs of final design and construction. We anticipate that the loan would be needed for a short period of time, likely no more than one year. Should TAMC approve this short-term loan it would be repaid quickly with the Rural Project Initiative long-term loan.

Advocating and delivering quality public transportation as a leader within our community and industry.

Transit District Members Monterey County • Carmel-by-the-Sea • Del Rey Oaks • Gonzales • Greenfield • King City • Marina • Monterey
Pacific Grove • Salinas • San Jose • Seaside • Soledad **Administrative Offices** 19 Upper Ragsdale Drive, Suite 200 Monterey, CA 93940

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Thank you for considering this request and let me know if you have any questions about the project or how it is getting funded.

Sincerely,

A handwritten signature in blue ink, appearing to read "Carl Sedoryk", with a stylized flourish at the end.

Carl Sedoryk
General Manager/CEO