



Legislation Text

File #: 19-784, Version: 1

TO: Mayor and Members of City Council

THRU: Barbara Hill, Interim Assistant City Manager

FROM: Tracey Broyles, Budget and Evaluation Director
Randy Hume, Transit Director

DATE: May 13, 2019

RE:
Adoption of Capital Project Ordinance 2019-32 and Special Revenue Fund Project Ordinance 2019-11 to Appropriate the 2019 Federal Transit Administration Grant Award NC-2019-021-00 for Various Capital Items and Planning Activities

COUNCIL DISTRICT(S):
All

Relationship To Strategic Plan:

Goal IV: Desirable Place to Live, Work and Recreate

Objective D: To develop and maintain public transportation investments with high quality transit and airport services

Executive Summary:

The Federal Transit Administration (FTA) has awarded Transit Grant NC-2019-021-00 to provide federal funding for eligible projects in support of the City's transit activities.

The grant includes \$2,603,000 in FTA grant funds to reimburse the City for preventive maintenance, a portion of ADA paratransit services and operating activities performed during FY 2019. These revenues were already appropriated as a part of the fiscal year FY 2019 annual operating budget for the Transit Fund.

In addition to the operating funding above, the grant includes \$764,600 for capital items including replacement paratransit and support vehicles, shelters and benches, construction of ADA accessible bus stops and related sidewalks, major bus maintenance components, and 4G-capable mobile data terminals for vehicles. Capital Project Ordinance (CPO) 2019-32 will appropriate \$634,480 in grant funds from the FTA and a \$130,120 transfer from the Transit Operating Fund for these items.

Finally, the grant includes \$86,000 for various transit planning activities and employee training, and

Special Revenue Fund Project Ordinance (SRO) 2019-11 will appropriate \$68,800 in FTA grant funds and \$17,200 to be transferred from the Transit Operating Fund for these activities.

Background:

The Transit Department has received its annual grant for capital, planning and operating assistance from the FTA (Grant NC-2019-021-00) for expenditures planned for FY 2019.

There are several components of the recently awarded grant as described below:

This grant provides \$1,531,000 in federal reimbursement for preventive maintenance, \$300,000 for ADA paratransit services, and \$772,000 for other operating expenditures incurred from July 1, 2018 through June 30, 2019. These federal funds, along with the required local matching funds, were included in the FY2019 annual operating budget.

The grant also funds several capital items, including six (6) replacement small buses or light transit vehicles for FASTTRAC! (\$456,000), bus shelters and benches (\$50,000) construction of more ADA accessible bus stops along transit routes (\$90,000), 4G capable mobile data terminals (\$75,000), major bus repair components (\$33,600) and two replacement vehicles used by route supervisors (\$60,000). FTA provides 80% grant funding for all items except for the replacement buses where the grant provides 85% of the cost. Capital Project Ordinance 2019-32 will appropriate \$634,480 in federal grant funds and a transfer of \$130,120 from the Transit Operating Fund for these capital items. Transit staff will apply for \$31,920 in State funding later this fall to reimburse the transit fund for part of the local match for the buses.

The grant also provides 80% FTA funding for transit planning, training and grant administration activities. Most of these funds reimburse the City for salary and benefit costs of Transit staff while conducting these activities. Special Revenue Fund Project Ordinance 2019-11 will appropriate \$68,800 of FTA grant funds and a \$17,200 transfer from the Transit Operating Fund for the local match.

Issues/Analysis:

FTA provided pre-award authority for this grant which means that the federal grant revenues can be used to reimburse eligible FY2019 operating expenditures incurred prior to the actual grant award and execution.

Budget Impact:

Matching funds are available in the Transit Operating Fund. The NC Department of Transportation (NCDOT) should participate in this grant in the future by matching a portion of the paratransit vehicle replacement project. Should the NCDOT award matching funds, staff will recommend budget action by Council to reflect the award of state funds and reimburse the City's local match by an equal amount.

Options:

1) Adopt Capital Project Ordinance 2019-32 and Special Revenue Fund Project Ordinance 2019-11.

2) Do not adopt Capital Project Ordinance 2019-32 and Special Revenue Fund Project Ordinance 2019-11 and provide further direction to staff.

Recommended Action:

Staff recommends that Council move to adopt Capital Project Ordinance 2019-32 and Special Revenue Fund Project Ordinance 2019-11 as presented.

Attachments:

Capital Project Ordinance 2019-32

Special Revenue Fund Project Ordinance 2019-11

FTA Grant NC-2019-021-00