

# AGENDA ITEM SUMMARY

City Council



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## STAFF

Annabelle Phillips, Assistant Director, Transfort  
Monica Martinez, Manager, PDT Finance  
Joshua Ma, Grant Administrator, Transfort

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## SUBJECT

**Second Reading of Ordinance No. 043, 2026, Making a Supplemental Appropriation of Federal Transit Administration and Colorado Department of Transportation Grants to be Used Towards the Purchase of Six Compressed Natural Gas Buses.**

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## EXECUTIVE SUMMARY

This Ordinance, unanimously adopted on First Reading on April 21, 2026, appropriates discretionary grant revenue that Transfort has been awarded by the Federal Transit Administration (FTA) and the Colorado Department of Transportation (CDOT). Transfort applied for and was awarded \$4,838,610 by FTA, and \$882,945 by CDOT in competitive grant funding to complete the purchase of six (6) compressed natural gas (CNG) buses to replace vehicles that have exceeded their useful life. This appropriation is contingent upon execution of the associated grant agreements and includes a sunset date of December 31, 2026, if such agreements are not finalized.

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## STAFF RECOMMENDATION

Staff recommends adoption of the Ordinance on Second Reading.

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## FIRST READING BACKGROUND / DISCUSSION

On May 14, 2025, FTA announced the opportunity to apply for \$1.1 billion in competitive grants for the fiscal year (FY) 2025 Low or No Emission Grant Program (Low-No Program). The Low-No Program provides funding for the purchase or lease of buses that use low- or zero-emission propulsion technologies, along with related equipment and facilities. Transfort was awarded \$4,838,610 in FY 2025 Low-No grant funding. The award requires a 15 percent local match, totaling \$853,873.

On March 4, 2024, CDOT announced the opportunity to apply for \$15,000,000 in competitive grants for the FY25 Clean Transit Enterprise (CTE) Vehicles Program. The CTE Vehicles Program funds the purchase or acquisition of low- or zero-emission transit vehicles. Transfort was awarded \$882,945 in FY25 CDOT CTE grant funding. These state funds will be used to satisfy the local match requirement for the FY25 Low-No award and provide additional overmatch, allowing the City to purchase these vehicles without any additional local investment.

These funds are contingent upon execution of the associated federal and state grant agreements. In the event the agreements are not executed, this appropriation will sunset on December 31, 2026. This contingency ensures that the City is only obligated to expend funds once final grant terms are in place.

These vehicles will replace aging buses used for various Transfort services, including four (4) that will primarily be used on the Colorado State University (CSU) 'Around the Horn' route, a vital service operated in partnership between Transfort and CSU that provides essential transit connections between CSU campuses and the surrounding community.

**CITY FINANCIAL IMPACTS**

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This Ordinance will appropriate \$4,838,610 in unanticipated federal grant revenue and \$882,945 in unanticipated state grant revenue. The state funds will be used to meet the local match requirement for the federal award.

<b>Funds to be Appropriated per this Action</b>	
FY25 FTA Low-No	\$ 4,838,610
FY25 CDOT CTE	\$ 882,945
<b>Total Funds to be Appropriated per this Action</b>	<b>\$ 5,721,555</b>
<b>Total Project Funds</b>	<b>\$ 5,721,555</b>

**BOARD / COMMISSION / COMMITTEE RECOMMENDATION**

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None.

**PUBLIC OUTREACH**

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None.

**ATTACHMENTS / LINKS**

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First Reading attachments available in April 21, 2026, agenda materials at the following link: <https://fortcollins-co.municodemeetings.com/>.

1. Ordinance No. 043, 2026