

AGENDA ITEM SUMMARY

City Council



STAFF

Monica Martinez, FP&A Manager
Kaley Zeisel, Interim Transfort Director
Heather N. Jarvis, Assistant City Attorney

SUBJECT

First Reading of Ordinance No. 154, 2023, Making Supplemental Appropriations of Unanticipated Grant Revenue and Authorizing Transfers for Transfort and Ebus Charging Equipment.

EXECUTIVE SUMMARY

The purpose of this item is to appropriate unanticipated grant funding for Transfort operational and capital needs.

STAFF RECOMMENDATION

Staff recommends adoption of the Ordinance on First Reading.

BACKGROUND / DISCUSSION

FEDERAL FUNDS

The timing of annual federal apportionments from the Federal Transit Administration (FTA) to Transfort requires that federal funding amounts used in the City's budget process be forecasted amounts based on historical federal apportionments. Official annual apportionments are released each spring by the FTA, and Transfort staff has identified annual budget revisions as an opportunity to update forecasted amounts to final apportionment amounts, which will improve grant tracking and reporting. In 2022, Transfort successfully completed its FTA Triennial review audit with no financial findings.

5307 (Urbanized Area) Federal Formula Funds: Transfort requests appropriation of \$600,000 of unanticipated grant revenue. In this case, FTA apportionments were higher than anticipated, and the additional unanticipated revenue needs to be appropriated. The additional funding will be used to support operations, the microtransit, or bus-stop-to-bus-stop taxi service that is being offered on suspended routes, Americans with Disabilities Act (ADA) bus stop upgrades, snow removal increases due to changes in the advertising contract, additional classifications that were offered to bus operators to improve recruitment and retention, and increased costs of onboarding and training as a result of amplified efforts to increase bus operator staffing levels.

5310 (Enhanced Mobility of Seniors and Individuals with Disabilities) Federal Formula Funds: 5310 funds are received annually by Transfort from the FTA to be used exclusively for projects that benefit seniors or individuals with disabilities. Grant fund amounts were originally appropriated into lapsing

business units that expired at each year end. As part of a Transfort, clean-up process the funds in this appropriation were identified as being unused. This Ordinance requests to reappropriate the following unused grant funds into non-lapsing business units:

- Fiscal Year 2020 5310: \$188,847 federal grant funds, \$9,288 local match funds
- Fiscal Year 2021 5310: \$132,539 federal grant funds, \$88,799 local match funds
- Fiscal Year 2022 5310: \$236,067 federal grant funds, \$34,501 local match funds
- Fiscal Year 2023 5310: \$257,608 federal grant funds, \$34,100 local match funds

All local match amounts will be budget transfers from the \$1,200,000 previously appropriated for grant match in Ordinance No. 073, 2021.

In future years, Transfort finance staff anticipates a yearly appropriation updating grant amounts to match final FTA award amounts.

FY23 5337 (State of Good Repair Formula Funding): Transfort requests appropriation of \$613,739 in unanticipated grant revenue. This is a new federal funding source dedicated to maintaining the MAX fixed guideway in a state of good repair. This includes projects that replace and/or repair rolling stock, structures, signals and communications, passenger stations and terminals, security equipment and systems, and maintenance facilities and equipment. In future years, the grant award amount will be estimated and appropriated during the BFO Cycle. A local match of \$153,435 will be met with the \$1,200,000 previously appropriated for grant match in Ordinance No. 073, 2021.

Congressionally Directed Spending: Transfort requests appropriation of \$1.5M in unanticipated grant revenue. These funds will be used with the Transit Maintenance Facility Upgrades Project including HVAC and electrical updates, gas detection system, and garage door replacements. A local match of \$375,000 will be met with the \$1,200,000 previously appropriated for grant match in Ordinance No. 073, 2021.

All the U.S. Department of Transportation Formula Grant Funding funds and the Congressionally Directed Spending funds above are pursuant to the annual Certifications and Certifications and Assurances for FTA Assistance Programs executed by the City Manager and then individual grant agreements. Resolution 2011-111 established the process for these FTA grants.

STATE FUNDS

CDOT Fiscal Year 2023 FASTER (Funding Advancements for Surface Transportation and Economic Recovery Act of 2009) Capital Funds: Transfort requests appropriation of \$200,000 in unanticipated grant revenue. These funds will be used to install electric bus charging equipment. A local match of \$50,000 will be met with the \$1,200,000 previously appropriated for grant match in Ordinance No. 073, 2021.

The 2023 FASTER Grant Agreement #23-HTR-ZL-00296/PO# 491003011 was executed by the City Manager on November 18, 2022, and furthers the Council-adopted Our Climate Future through Resolution 2021-031 and the Transportation Master Plan through Resolution 2019-049 and Ordinance No. 040, 2020; both plans support the procurement of electric vehicles and charging infrastructure.

CITY FINANCIAL IMPACTS

All funds are unanticipated grant funds with local match requirements that can be met using previously appropriated funds.

BOARD / COMMISSION / COMMITTEE RECOMMENDATION

None.

PUBLIC OUTREACH

None.

ATTACHMENTS

1. Ordinance for Consideration
2. Ordinance No. 073, 2021