



## CITY OF NORMAN, OK STAFF REPORT

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**MEETING DATE:** 10/22/2024

**REQUESTER:** Taylor Johnson, Transit and Parking Program Manager

**PRESENTER:** Scott Sturtz, P.E. Interim Director of Public Works

**ITEM TITLE:** CONSIDERATION OF APPROVAL, ACCEPTANCE, REJECTION, AMENDMENT, AND/OR POSTPONEMENT OF CONTRACT K-2425-61: A PUBLIC TRANSIT REVOLVING FUND AGREEMENT BETWEEN THE CITY OF NORMAN, OKLAHOMA, AND THE OKLAHOMA DEPARTMENT OF TRANSPORTATION (ODOT) DISTRIBUTING A MAXIMUM AMOUNT OF FUNDS IN AN AMOUNT NOT-TO-EXCEED TWO HUNDRED TWENTY-TWO THOUSAND SIXTY ONE DOLLARS (\$222,061) IN THREE (3) BILLINGS PAYABLE ON OR AFTER NOVEMBER 1, 2024, FEBRUARY 1, 2025, AND JUNE 1, 2025; SUCH FUNDS TO BE USED FOR ESTABLISHING, EXPANDING, IMPROVING, AND MAINTAINING THE CITY OF NORMAN'S URBAN PUBLIC MASS TRANSPORTATION SERVICES.

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### **BACKGROUND:**

69 O.S. § 4301 creates in the State of Oklahoma Treasury a revolving fund called the "Public Transit Revolving Fund" for ODOT to be used for the purpose of establishing, expanding, improving, and maintaining rural and urban public transportation services. Eligible entities to apply for disbursement of such funds are defined as those entities receiving federal financial assistance through the Federal Transit Administration (FTA) Block Grant for Urbanized Areas and Formula Grant Program for Areas other than Urbanized Areas, under 49 U.S.C. §§ 1607a and 1614, and other public mass transportation programs provided by entities, municipalities, and community action programs which have submitted an audited financial statement showing total reported vehicle revenue mileage for the prior year to ODOT.

On May 22, 2019, the Governor of Oklahoma designated the City of Norman to be the direct recipient of federal funds to be used for the provision of public transportation services effective upon the date the FTA formally approves the City eligible to receive such federal funds. On June 20, 2019, the FTA formally designated the City to be the direct recipient of such federal public transportation funds. As a result of this designation by the FTA, the City is also eligible to receive disbursement of funds from the Oklahoma Department of Transportation (ODOT) Public Transit Revolving Fund to be used to establish, expand, improve, and maintain its public transportation system.

**DISCUSSION:**

The City of Norman is eligible to receive disbursement from the Public Transit Revolving Fund due to it being an entity approved to receive federal financial assistance through the FTA Block Grant for Urbanized Areas. Each year, entities must have their previous fiscal year's vehicle revenue mileage audited to include in their applications to ODOT. The City did have a mileage audit performed by Forvis for fiscal year 2024. After ODOT reviewed all applications, the City of Norman was approved for a maximum amount of funds in an amount not to exceed \$222,061 to be distributed in fiscal year 2025. This agreement provides that such maximum disbursement shall be distributed in three billings on or after November 1, 2024, February 1, 2025, and June 1, 2025.

This amount is slightly more than fiscal year 2024's distributed funds (\$207,400) to the City. The amount distributed can fluctuate based on how many miles are submitted by each agency and the amount of funding available. It should be noted that contrary to the Revolving Fund name, the funds, once distributed, are not required to be paid back.

This Agreement further provides that the City of Norman certifies that at least fifty percent (50%) of the funding provided by this agreement shall be spent for services for the elderly and disabled. Norman's paratransit service, known as "EMBARC Plus", fulfills this criteria.

Funds distributed pursuant to this agreement shall be deposited into the Public Transportation and Parking Fund, Other Revenue/State Grant Reimbursements (Account 275-331380) and appropriated for public transportation operations use.

**RECOMMENDATION:**

This agreement provides integral public transportation funding needed to continue, improve, and maintain the City's public transportation operations. Staff recommends approval of Contract K-2425-61.