



CITY OF NORMAN, OK STAFF REPORT

MEETING DATE: 04/11/23

REQUESTER: Taylor Johnson, Transit and Parking Program Manager

PRESENTER: Shawn O'Leary, Director of Public Works

TITLE: CONSIDERATION OF ADOPTION, REJECTION, AMENDMENT, AND/OR POSTPONEMENT OF RESOLUTION R-2223-116: A RESOLUTION OF THE COUNCIL OF THE CITY OF NORMAN, OKLAHOMA, AUTHORIZING THE CITY MANAGER OR HIS DESIGNEE TO SUBMIT A GRANT APPLICATION TO THE UNITED STATES DEPARTMENT OF TRANSPORTATION'S FYE 2022 GRANTS FOR BUSES AND BUS FACILITIES PROGRAM (5339(B)) FOR SIX (6) NEW CUTAWAY TRANSIT BUSES FOR THE PARATRANSIT FLEET; EXPRESSING ITS COMMITMENT TO SEEK FUNDING FOR THE LOCAL MATCH (\$258,905) IF SUCH GRANT IS AWARDED AND PROJECT APPROVED.

BACKGROUND:

The Federal Transit Administration (FTA) Grants for Buses and Bus Facilities Program (49 U.S.C. 5339) makes federal funding resources available to states and direct recipients to replace, rehabilitate, and purchase buses and related equipment and to construct bus-related facilities including technological changes or innovations to modify low or no emission vehicles or facilities. Funding is provided through formula allocations (5339(a)) and competitive grants (5339(b)). A sub-program, the Low- or No-Emission Vehicle Program (5339(c)), provides competitive grants for bus and bus facility projects that support low and zero-emission vehicles.

The federal fiscal year 2022-2023 (FFY23) grant opportunity is part of a larger package in FFY23 competitive grant funds to help modernize bus fleets and bus facilities across the country, including \$1.1 billion to help transit agencies purchase or lease low- or no- emission vehicles that use advanced technologies to help improve air quality and combat climate change.

On June 27, 2019, the City of Norman was recognized by the FTA as an eligible recipient of federal transit funds and is an eligible applicant of the 5339(b) Bus and Bus Facilities competitive grant program. Eligible activities for this program include capital projects to replace, rehabilitate, and purchase buses, vans, and related equipment, and to construct bus-related facilities, including technological changes or innovations to modify low or no emission vehicles or facilities.

A requirement of the Bus and Bus Facilities Program is to identify the source of local match to the federal funds and to provide evidence and commitment of those funds with the entity's application; a Council resolution meets this requirement.

When a project is selected, funds remain available for obligation for four fiscal years. This includes the fiscal year in which the amount is made available or appropriated plus three additional years.

While the City of Norman is eligible to, and plans to, apply to both the (5339(b)) and the (5339(c)) programs, the FTA is expected to only approve one grant or the other, but not both to the full extent requested. Since both grants will be scalable the FTA could award parts of both, but is not expected to exceed the largest amount in either single grant application. Submitting to both programs allows the City to increase its chances of being funded.

DISCUSSION:

Vehicle replacement is critical to operate and maintain a safe, reliable, and cost-effective transit system. As the City of Norman replaces the vehicles in its transit fleet, staff has and will continue to identify opportunities to offset the cost of replacement by combining federal and local funds.

The City's fixed-route fleet includes nine (9) out of thirteen (13) vehicles that have reached their useful life or will do so by the end of fiscal year 2023. The City's paratransit fleet includes thirteen (13) out of fourteen (14) vehicles that have reached their useful life. While the City currently has ten (10) replacement vehicles already on order, that will still leave the City with twelve (12) out of twenty-seven (27) vehicles in the transit fleet which are past their useful life after the current orders are delivered.

The maximum federal cost share for this grant can be 85% which would require a minimum 15% local match; however, to remain competitive staff is recommending a cost share of 75% federal and 25% local match. Staff is recommending applying for 6 new "cutaway" transit buses (passenger seating module mounted on a van chassis) for the paratransit fleet. The proposed cost share per bus is \$146,173 federal (75%) and \$25,890 local match (25%), resulting in \$172,063 total per bus. Thus the proposed cost share for 6 cutaway buses is \$776,713 federal (75%) and \$258,905 local (25%), resulting in a \$1,035,618 total cost for 6 units.

Staff will indicate on the City's application that the project is scalable, meaning the FTA may opt to award less in terms of vehicle quantities than what the City is requesting.

RECOMMENDATION:

Staff recommends that City Council approve Resolution R-2223-116 authorizing the City Manager or his designee to submit a grant application to the U.S. Department of Transportation's Federal Fiscal Year 2022-2023 Grants for Buses and Bus Facilities Program (5339(b)) for six (6) new cutaway transit buses for the paratransit fleet and expressing its commitment to seek funding for the local match (\$258,905) if such grant is awarded and project approved.