



## CITY OF NORMAN, OK STAFF REPORT

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**MEETING DATE:** 12/14/2021

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

**PRESENTER:** Shawn O'Leary, Director of Public Works

**ITEM TITLE:** CONSIDERATION OF APPROVAL, REJECTION, AMENDMENT, AND/OR POSTPONEMENT OF RESOLUTION R-2122-72: A RESOLUTION OF THE COUNCIL OF THE CITY OF NORMAN, OKLAHOMA APPROPRIATING \$346,703 FROM THE CAPITAL FUND BALANCE TO BE USED TO PURCHASE FIVE (5) 3500 DODGE PROMASTER VANS FOR THE PUBLIC TRANSPORTATION FLEET.

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### **BACKGROUND:**

The City of Norman took over the operations of the City public transportation system on June 1, 2019, from the University of Oklahoma. Since then, staff has worked diligently to pursue federal grant opportunities to maximize local funding to replace the aged vehicles that were inherited as a part of the transition of service.

The Federal Transit Administration's (FTA) Grants for Buses and Bus Facilities Formula Program - 5339(a) provides funding to states and transit agencies through a statutory formula to replace, rehabilitate and purchase buses and related equipment to construct bus-related facilities. Eligible Recipients include designated recipients that operate fixed-route bus services or that allocate funding to fixed-route bus operators; and State or local governmental entities that operate fixed-route bus services that are eligible to receive direct grants under sections 5307 and 5311. The City of Norman is the operator of fixed-route bus service and receives direct grants under section 5307, thus making it eligible for section 5339 annual appropriation.

When the City became the Norman Urbanized Area grantee for FTA funds and took over the service from the University, there were un-programmed section 5339 funds that became available. \$346,703 of those federal funds are programmed and available in FTA grant OK-2020-026 for replacing vehicles in the public transportation paratransit fleet.

### **DISCUSSION:**

Since taking over the transit operations, the City has replaced one paratransit vehicle in the spring of 2020 with one new 3500 Dodge Promaster. Out of the fifteen (15) paratransit vehicles, this is the only vehicle that is not eligible to be retired based on FTA grant requirements. In addition, one of the vehicles has been decommissioned due to a transmission failure that is costlier than the vehicle's value. Thus, out of the fifteen (15) paratransit vehicles in the public

transportation fleet, the City has one (1) new vehicle, one (1) decommissioned vehicle, and thirteen (13) that are eligible to be retired.

If approved, once the five (5) new vehicles are received, approximately 1/3 of the vehicles in the paratransit fleet would be in acceptable condition. Purchasing the vehicles using the State of Oklahoma contract SW0797 will satisfy Norman's code section 8-204. In addition, the State of Oklahoma contract SW0797 was bid to meet the proper Federal Transit Administration (FTA) requirements.

The quote received per vehicle is \$93,903, making a total quote for five (5) vehicles \$469,515. This will result in the City matching the \$346,703 (73%) federal grant funding with \$122,812 (27%) in local funding. Funds for the local match are available in the FYE 2022 budget in Public Works/Transit Division General Fund, Service Equipment/Bus (27550276-45007). A budget appropriation of \$346,703 would be needed from the Capital Fund Balance (account number 50-29000), for the up-front expenses covered by the FTA grant. Once the new vehicles are received, City staff will replace those vehicles that are most needed to be retired and that are in line with the City's vehicle ranking replacement process. Staff will then submit for reimbursement from FTA for the federal share of the project.

If approved, staff will initiate a purchase order to Creative Bus Sales to put the vehicles in the queue for production. Due to a delay and backlog of chassis' available for these vehicles, delivery to Norman is expected to be approximately August-September 2022. Once received and inspected, these vehicles will be utilized to provide the City's paratransit service.

#### **RECOMMENDATION:**

Staff recommends that City Council approve the appropriation of \$346,703 from the Capital Fund Balance (50-29000) to Service Equipment/Bus (27550276-45007) in the Public Transit and Parking Fund to be used to purchase five (5) 3500 Dodge Promaster vans for the public transportation fleet.