



REPORT TO CITY COUNCIL

Approved by:

Department Director

Arnoldo Rodriguez, City Manager

Council Meeting of: February 20, 2019

Agenda Number: C-4

SUBJECT: Consideration of a resolution accepting a grant award in the amount of \$2,762,649 from the Federal Transit Administration to support operating and capital assistance for Madera Area Express and amending the Fiscal Year 2018/19 budget.

RECOMMENDATION: It is recommended that the City Council (Council) adopt a resolution to accept a grant award in the amount of \$2,762,649 from the Federal Transit Administration (FTA) to support operations and preventative maintenance over a two-year period for Madera Transit Division and amend the Fiscal Year 2018/19 Budget.

SUMMARY: The City of Madera (City) was awarded an FTA grant (CA-2018-054-00 – Operating and Capital Assistance) in the amount of \$2,762,649, which is included as Attachment 1. These funds are necessary for provision of Madera Area Express, and Dial-A-Ride services in addition to the maintenance and repair of the Intermodal Building and the City's bus fleet. With the acceptance of this grant award and budget amendment, staff will be able to utilize funds for their allocated purposes.

DISCUSSION: The U.S. Department of Transportation is authorized to make grants to states through the FTA to support operating and capital assistance per the Federal Transit Act (FTA Circular 9030.1E). The City is identified by the California Department of Transportation (Caltrans) as the Direct Recipient for FTA transportation program funds to support transit operations and capital expenditures in the Madera Small Urbanized Area (UZA), which is based on the 2010 Census. To access annual Federal apportionments, as determined by a population density-based formula, the Grants Department has applied to FTA in prior years and been awarded monies to offset transit operating and capital costs. Each application is submitted with pre-award authority which allows for spending by the City prior to the award being made by FTA and executed by the City.

Staff completed the application and submission process in late 2017 and the City was awarded \$2,762,649 in Federal monies for public transit services within the Madera UZA. The City received an Award Notice from FTA on June 5, 2018 and staff executed the award on September 7, 2018. Once the award is accepted, the Finance Department can account for the revenue in the FY 2018/19 budget and allocate a portion of the funds for transit service expenditures which have occurred during the current fiscal year. Funds not expended in FY 2018/19 will be budgeted in FY 2019/20.

FINANCIAL IMPACT:

There is no fiscal impact to the General Fund. Acceptance of the FTA award will provide \$2,762,649 over a two-year period to support all aspects of managing and providing public transit services in Madera. The award requires local funding totaling \$69,000 at an 80:20 ratio for Preventive Maintenance (categorized as a capital expense). The award also requires local funding totaling \$2,360,649 at a 50:50 match ratio for operating expenses. Local match funding is secured through Transportation Development Act funds, which include Local Transportation Funds (LTF) and State Transit Assistance (STA) as well as fare revenue and any other allowable use of "other transit revenue" funds not part of the General Fund.

CONSISTENCY WITH THE VISION MADERA 2025 PLAN:

Acceptance of the FTA awards is consistent with Multi-modal Transportation: Strategy 121 – Develop a city-wide multi-modal transportation plan to ensure safe, affordable and convenient transportation modes for residents and businesses within Madera.

ALTERNATIVES:

Council may choose to not accept the award, and direct City staff to identify alternate sources of revenue to cover current and future Madera Area Express expenditures.

ATTACHMENTS:

1. Award Notice for CA-2018-054-00 – Operating and Capital Assistance
2. Resolution with Exhibit AA – FY 2018/19 Budget Amendment

Attachment 1
Award Notice for CA-2018-054-00 – Operating and Capital Assistance

**UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION**

**GRANT AGREEMENT
(FTA G-24, October 1, 2017)**

On the date the authorized U.S. Department of Transportation, Federal Transit Administration (FTA) official signs this Grant Agreement, FTA has obligated and awarded federal assistance as provided below. Upon execution of this Grant Agreement by the Recipient named below, the Recipient affirms this FTA Award, enters into this Grant Agreement with FTA, and binds its compliance with the terms of this Grant Agreement.

The following documents are incorporated by reference and made part of this Grant Agreement:

- (1) "Federal Transit Administration Master Agreement," FTA MA(24), October 1, 2017, <http://www.transit.dot.gov>,
- (2) The Certifications and Assurances applicable to the FTA Award that the Recipient has selected and provided to FTA, and
- (3) Any Award notification containing special conditions or requirements, if issued.

WHEN THE TERM "FTA AWARD" OR "AWARD" IS USED, EITHER IN THIS GRANT AGREEMENT OR THE APPLICABLE MASTER AGREEMENT, "AWARD" ALSO INCLUDES ALL TERMS AND CONDITIONS SET FORTH IN THIS GRANT AGREEMENT.

FTA OR THE FEDERAL GOVERNMENT MAY WITHDRAW ITS OBLIGATION TO PROVIDE FEDERAL ASSISTANCE IF THE RECIPIENT DOES NOT EXECUTE THIS GRANT AGREEMENT WITHIN 90 DAYS FOLLOWING FTA'S AWARD DATE SET FORTH HEREIN.

FTA AWARD

Federal Transit Administration (FTA) hereby awards a Federal Grant as follows:

Recipient Information

Recipient Name: Madera, City Of

Recipient ID: 6264

DUNS No: 078772142

Award Information

Federal Award Identification Number: CA-2018-054-00

Award Name: Operating and Capital Assistance

Award Executive Summary: This application includes a total of \$2,774,149 in Section 5307 funds for the period from July 1, 2017 through June 30, 2020 which includes: \$1,285,837 of FFY14 carryover leaving a \$0 balance; \$1,488,312 of FFY15 apportionment leaving a balance of \$85,303.

Total project funds of \$5,066,298 (including local match) will be used for:

OPERATING ASSISTANCE - \$4,301,298 funded 50% by FTA 5307 funds (\$2,150,649), and 50% funded by local funds (\$2,150,649). Funds will be used to support the maintenance, operations, and administrative functions of:

- A. Dial-A-Ride (DAR)
- B. Madera Area Express (MAX) fixed route system
- C. Intermodal Transit Facility

PREVENTIVE MAINTENANCE - \$345,000 funded 80% by FTA 5307 funds (\$276,000) and 20% funded by local funds (\$69,000)

A. Preventive maintenance for the MAX and DAR in accordance with the City's Fleet Maintenance Policy (Attachment E) which is inline with FTA Circular 9030.1E, Appendix E.

B. Topics/Procedures covered by the Policy include:

- Goals & Objectives
- Service Performance Standards
- Equipment & Vehicle Maintenance Program (Plan, Scheduled, HVAC, Lift & Tie Down, Unscheduled, Radio & Camera, Parts/Fluids/Tires, Garage Equipment)
- Major Repairs and Warranty Work
- Maintenance Record Keeping & Scheduling
- Vehicle Cleaning & Servicing

C. Vehicles to be serviced include:

Count Type

- 7 Ford E-450 – Starcraft Cutaway Bus – CNG
- 1 Chevy 550 Aero-Elite Cutaway Bus – CNG
- 4 Ford E-450 – Starcraft Cutaway Bus – GAS
- 4 Ford E-450 – Elkhart Cutaway Bus – CNG
- 1 Ford E-450 – Elkhart Cutaway Bus – GAS

17 TOTAL Revenue Vehicles

2 MAX BUSES (Replacement) - \$420,000, funded 80% by FTA 5307 funds (\$336,000), and 20% funded by local funds (\$84,000) local funds total include \$22,876 plus interest earned from the sale of three revenue vehicles (VIN Nos. 1FDXE45S17DB36878, 1FD4E45S18DA54931, and 1FD4E45S38DB54932); Vehicles to be replaced B32 (VIN#1GBG5V1G99F404258; mileage 150,888) & B33 (VIN#1GBG5V1G49F405060; mileage 237,026).

About the transit service provided by the City of Madera:

The City contracts with First Transit, Inc. to provide MAX and DAR services. First Transit Employees are part of AFL/CIO Local 39 Stationary Engineers Union. The City owns and maintains the transit vehicles used for City of Madera transit operations.

The City of Madera's Intermodal Facility houses the City's Transit operations center and serves as a transit hub, dispatching center and bus parking facility. In addition space is leased to Greyhound and Madera Cab Company.

Start Date is: The Award Start Date is the same as the date of award.

End Date is: 6/30/2020

This project is also funded with Community College District funds and local sales tax funds.

Award Budget

Total Award Budget: \$5,066,298.00

Amount of Federal Assistance Obligated for This FTA Action (in U.S. Dollars): \$2,762,649.00

Amount of Non-Federal Funds Committed to This FTA Action (in U.S. Dollars): \$2,303,649.00

Total FTA Amount Awarded and Obligated (in U.S. Dollars): \$2,762,649.00

Total Non-Federal Funds Committed to the Overall Award (in U.S. Dollars): \$2,303,649.00

Award Budget Control Totals

(The Budget includes the individual Project Budgets (Scopes and Activity Line Items) or as attached)

Funding Source	Section of Statute	CFDA Number	Amount
49 USC 5307 - (MAP 21) Urbanized Area Formula (FY2013 and forward)	5307-2A	20507	\$2,762,649
Local			\$2,303,649
Local/In-Kind			\$0
State			\$0
State/In-Kind			\$0
Other Federal			\$0
Transportation Development Credit			\$0
Total Eligible Cost			\$5,066,298

(The Transportation Development Credits are not added to the amount of the Total Award Budget.)

U.S. Department of Labor Certification of Public Transportation Employee Protective Arrangements:

Original Certification Date:

Special Conditions

There are no special conditions.

FINDINGS AND DETERMINATIONS

By signing this Award on behalf of FTA, I am making all the determinations and findings required by federal law and regulations before this Award may be made.

FTA AWARD OF THE GRANT AGREEMENT

Awarded By:
Edward Carranza
Supervisory Senior Operations Manager
FEDERAL TRANSIT ADMINISTRATION
U.S. DEPARTMENT OF TRANSPORTATION
Contact Info: edward.carranza@dot.gov
Award Date: 6/5/2018

EXECUTION OF THE GRANT AGREEMENT

Upon full execution of this Grant Agreement by the Recipient, the Effective Date will be the date FTA or the Federal Government awarded Federal assistance for this Grant Agreement.

By executing this Grant Agreement, the Recipient intends to enter into a legally binding agreement in which the Recipient:

- (1) Affirms this FTA Award,
- (2) Adopts and ratifies all of the following information it has submitted to FTA:
 - (a) Statements,
 - (b) Representations,
 - (c) Warranties,
 - (d) Covenants, and
 - (e) Materials,
- (3) Consents to comply with the requirements of this FTA Award, and
- (4) Agrees to all terms and conditions set forth in this Grant Agreement.

Executed By:

Madera, City Of

ATTACHMENT 2
Resolution with Exhibit AA – FY 2018/19 Budget Amendment

RESOLUTION NO. 19-_____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MADERA, CALIFORNIA,
ACCEPTING A GRANT AWARD IN THE AMOUNT OF \$2,762,649 FROM THE FEDERAL
TRANSIT ADMINISTRATION TO SUPPORT OPERATING AND CAPITAL ASSISTANCE FOR
MADERA AREA EXPRESS AND AMENDING THE FISCAL YEAR 2018/19 BUDGET**

WHEREAS, the U.S. Department of Transportation is authorized to make grants to states through the Federal Transit Administration (FTA) to small urbanized public transportation systems under Section 5307 of the Federal Transit Act (FTA Circular 9030.1E); and

WHEREAS, the California Department of Transportation (Caltrans) has been designated by the Governor of the State of California to designate Direct Recipients of FTA awards and administer grants for small urbanized areas (UZA); and

WHEREAS, Caltrans has designated City of Madera as the FTA Direct Recipient for the Madera UZA; and

WHEREAS, the Grants Department made an application requesting \$2,762,649 in FTA 5307 program funds with an 80:20 ratio award to local matching funds to support capital expenses of preventive maintenance and a 50:50 ratio award to local match funds to support transit operating assistance; and

WHEREAS, on Sep 7, 2018, the Grants Department executed Federal Award Identification No. CA-2018-054-00 in the amount of \$2,762,649 in FTA pre-award funding to City of Madera for transit operating and capital assistance.

**THE CITY COUNCIL OF THE CITY OF MADERA, CALIFORNIA, HEREBY FURTHER FINDS,
ORDERS AND RESOLVES AS FOLLOWS:**

1. The above recitals are true and correct.
2. Council accepts FTA grant award CA-2018-054-00, in the amount of \$2,762,649 for transit operating and capital assistance, with all requirements and obligations.
3. The amendment to the FY 2018/19 budget for the appropriation of FTA 5307 Program in the amount of \$2,762,649 in accordance with Exhibit "AA" is hereby approved.
4. A signed copy of this resolution shall be placed on file in the office of the Director of Finance who shall prepare all entries necessary to reflect the budget changes identified above in the City's accounts.
5. This resolution is effective immediately upon adoption.

EXHIBIT AA

CITY OF MADERA

Appropriation Adjustment:

FY 2019 Federal Transit Administration - Grant 054 Operating and Capital Assistance

FUND	ORG CODE	OBJECT CODE	DESCRIPTION	(+)	(-)
<u>Transportation</u>					
MAX Operations					
2129	5300	4423	Grant - Federal Section 5307		1,334,324.50
DAR - Operations					
2128	5290	4423	Grant - Federal Section 5307		1,334,324.50
INT - Operations					
4110	8060	4423	Grant - Federal Section 5307		94,000.00
				-	<u>2,762,649.00</u>
MAX Operations					
2129	5300	5000	Salaries/Full-time	119,781.22	
2129	5300	5100	Salaries/Overtime	132.29	
2129	5300	5105	Salaries/Leave Payout	337.34	
2129	5300	5110	Salaries/Uniform Pay	758.02	
2129	5300	5300	Public Employee Retirement Sys	34,083.17	
2129	5300	5302	Long Term Disability Insurance	386.29	
2129	5300	5303	Life Insurance Premiums	91.28	
2129	5300	5304	Workers Compensation Insurance	9,900.57	
2129	5300	5305	Medicare Tax- Employer's Share	1,649.65	
2129	5300	5308	Deferred Compensation/Full-tim	4,505.79	
2129	5300	5309	Unemployment Insurance	375.70	
2129	5300	5310	Section 125 Benefit Allow.	15,230.53	
2129	5300	6412	Advertising/Other	7,000.00	
2129	5300	6416	Office Supplies/Expendable	7,000.00	
2129	5300	6418	Postage / Other Mailing Charge	7,000.00	
2129	5300	6425	Vehicle Fuel, Supplies & Maint	175,000.00	
2129	5300	6440	Contracted Services	679,225.64	
2129	5300	6520	Ticket Purchases	5,000.00	
2129	5300	6530	Conference/Training/Ed	4,000.00	
2129	5300	6532	Maintenance / Other Supplies	10,000.00	
2129	5300	6902	Interfund Charges- Central Sup	10,000.00	
2129	5300	6903	Interfund Charges - Cost Distr	144,378.00	
2129	5300	6904	Interfund Charges - Admin. Ove	52,248.00	
2129	5300	6918	Interfund Charges- Comp Maint	4,435.00	
2129	5300	6920	Interfund Charges - Computer R	1,045.00	
2129	5300	7000	Vehicles and Equipment	10,000.00	
2129	5300	8200	Transfer Out	28,500.00	
2129	5300	8220	Transfers Out - Insurance Rese	2,261.00	
				<u>1,334,324.50</u>	-

EXHIBIT AA

CITY OF MADERA

Appropriation Adjustment:

FY 2019 Federal Transit Administration - Grant 054 Operating and Capital Assistance

FUND	ORG CODE	OBJECT CODE	DESCRIPTION	(+)	(-)
DAR - Operations					
	2128	5290	5000 Salaries/Full-time	119,781.22	
	2128	5290	5100 Salaries/Overtime	132.29	
	2128	5290	5105 Salaries/Leave Payout	337.34	
	2128	5290	5110 Salaries/Uniform Pay	758.02	
	2128	5290	5300 Public Employee Retirement Sys	34,083.17	
	2128	5290	5302 Long Term Disability Insurance	386.29	
	2128	5290	5303 Life Insurance Premiums	91.28	
	2128	5290	5304 Workers Compensation Insurance	9,900.57	
	2128	5290	5305 Medicare Tax- Employer's Share	1,649.65	
	2128	5290	5308 Deferred Compensation/Full-tim	4,505.79	
	2128	5290	5309 Unemployment Insurance	375.70	
	2128	5290	5310 Section 125 Benefit Allow.	15,230.53	
	2128	5290	6412 Advertising/Other	7,417.23	
	2128	5290	6416 Office Supplies/Expendable	7,417.23	
	2128	5290	6418 Postage / Other Mailing Charge	7,417.23	
	2128	5290	6425 Vehicle Fuel, Supplies & Maint	180,961.89	
	2128	5290	6440 Contracted Services	650,000.00	
	2128	5290	6520 Ticket Purchases	5,000.00	
	2128	5290	6530 Conference/Training/Ed	4,000.00	
	2128	5290	6902 Interfund Charges- Central Sup	12,000.00	
	2128	5290	6903 Interfund Charges - Cost Distr	144,378.00	
	2128	5290	6904 Interfund Charges - Admin. Ove	43,305.00	
	2128	5290	6918 Interfund Charges- Comp Maint	4,435.00	
	2128	5290	7000 Vehicles and Equipment	50,000.00	
	2128	5290	8200 Transfer Out	28,500.00	
	2128	5290	8220 Transfers Out - Insurance Rese	2,261.07	
				<u>1,334,324.50</u>	<u>-</u>
INT - Operations					
	4110	8060	5005 Salaries/Part-time	8,694.00	
	4110	8060	5304 Workers Compensation Insurance	816.00	
	4110	8060	5305 Medicare Tax- Employer's Share	131.00	
	4110	8060	5307 Deferred Compensation/Full-tim	326.00	
	4110	8060	5309 Unemployment Insurance	210.00	
	4110	8060	6401 Gas and Electric Utilities	19,327.07	
	4110	8060	6440 Contracted Services	20,000.00	
	4110	8060	6532 Maintenance/Other Supplies	4,000.00	
	4110	8060	6560 Liability / Property Insurance	1,890.90	
	4110	8060	6900 Interfund Charge - Fac. Maint.	29,665.00	
	4110	8060	6902 Interfund Charges- Central Sup	500.00	
	4110	8060	6904 Interfund Charges - Admin. Ove	8,196.00	
	4110	8060	8220 Transfers Out - Insurance Rese	244.03	
				<u>94,000.00</u>	<u>-</u>

EXHIBIT AA

CITY OF MADERA

Appropriation Adjustment:

FY 2019 Federal Transit Administration - Grant 054 Operating and Capital Assistance

FUND	ORG CODE	OBJECT CODE	DESCRIPTION	(+)	(-)
			Totals for Adjustment	<u>2,762,649.00</u>	<u>2,762,649.00</u>