



REPORT TO CITY COUNCIL

Approved by:

Marcela Zuniga

Marcela Zuniga, Grants Administrator

Arnoldo Rodriguez

Arnoldo Rodriguez, City Manager

Council Meeting of: March 15, 2023

Agenda Number: D-4

SUBJECT:

Federal Transit Administration Grant Application for Transit Capital Assistance

RECOMMENDATION:

Adopt a Resolution authorizing the submittal of a Federal Transit Administration (FTA) Section 5307 grant application in the amount of \$1,222,588

SUMMARY:

On September 24, 2020, the City was awarded \$6,440,671 through the FTA Section 5307 – CARES Act Grant for Operation Assistance (OA) and Preventative Maintenance (PM). Of the awarded grant, \$5,886,312 was allocated towards OA, while \$554,359 was funded toward PM.

The Section 5307 funds requested are from the FY 2017/18 fiscal year allocations. The funds will be applied toward both OA and PM expenses. OA requires a 50 percent local match while PM requires a 20 percent match. If unused by September 2023, said funds are returned to the FTA. If approved, this item authorizes the City to apply for \$1,222,588.

In its Fiscal Year (FY) 2022/23 budget, the City allocated Local Transportation Funds (LTF) to cover the FY 2017/2018 Section 5307 funds local match requirement, which is 20 percent. During the February 1, 2023, meeting, Council approved amendments to the applications for Transportation Development Act (TDA) – Local Transportation Funds (LTF) and State Transit Assistance (STA) Fund for FY 2022/23. This amendment allowed for an increase in STA Funds, bringing the FY 2022/23 allocation to \$1,165,319.90. STA allocated funds will be used to meet the local match requirements to draw the FY 2017/2018 FTA Section 5307 funds.

DISCUSSION:

The City utilizes FTA Section 5307 – CARES Act grant funds for transit operation expenses. As of the last Fiscal Financial Report (FFR) submitted to the FTA for the 2023-QTR1 report period, the City has a remaining unobligated CARES Act balance of \$1,092,661. Therefore, staff proposes to apply for operating funds from the FTA Section 5307 fiscal year 2017/2018 allocation for the purpose of transit operation expenses. The City is requesting Council's approval to use FTA Section 5307 formula funds in the amount of \$1,222,588.

Table 1 summarizes the requested amount of Section 5307 Federal Funds with the required Local Match:

Table 1: Funding Source – FTA Section 5307					
Program	Requesting Amount	Local Match Requirement			Total Project Cost
		% of Local Match	\$ of Local Match	Source	
Operation Assistance	\$1,000,000	50%	\$1M	STA funds	\$2,000,000
Preventative Maintenance	\$222,588	20%	\$55,647	STA funds	\$278,235
Totals	\$1,222,588	70%	\$1,055,647	-	\$2,278,235

FINANCIAL IMPACT:

The items listed in Table 1 do not impact the City's General Funds as all transit operation, and preventative maintenance costs are expended through Local Transportation and Federal Transit Administration grant funds.

ALTERNATIVES:

As an alternative, Council may:

1. Decline the request to apply for FTA – Section 5307 Funds
2. Find an alternative to cover transit operational and preventative maintenance expenses.

ATTACHMENTS:

1. Resolution

RESOLUTION NO. 23-_____

**RESOLUTION AUTHORIZING THE FILING OF APPLICATION WITH THE
FEDERAL TRANSIT ADMINISTRATION, AN OPERATING ADMINISTRATION
OF THE UNITED STATES DEPARTMENT OF TRANSPORTATION, FOR
FEDERAL TRANSPORTATION ASSISTANCE AUTHORIZED BY 49 U.S.C.
CHAPTER 53; TITLE 23, UNITED STATES CODE, OR OTHER FEDERAL
STATUTES ADMINISTERED BY THE FEDERAL TRANSIT ADMINISTRATION**

WHEREAS, the Federal Transit Administration (FTA) has been the delegated authority to award federal financial assistance to the City of Madera (City) for a transportation project; and

WHEREAS, the City has not requested the allocated FY18 - Section 5307 FTA Funds in the amount of \$1,222,588; and

WHEREAS, the City intends to apply for Section 5307 funds to cover Operational Assistance in the amount of \$1,000,000 with a 50% Local Share requirement, and Preventative Maintenance in the amount of \$222,588 with a 20% Local Share requirement; and

WHEREAS, the Local Share requirement will be met by applying State Transit Assistance Funds totaling \$1,055,647; and

WHEREAS, the City of Madera will provide all annual certifications and assurances to the FTA required for the projects.

NOW, THEREFORE, the City Council (Council) of the City of Madera finds, determines, resolves and orders as follows:

1. The above recitals are true and correct.
2. The Council authorizes the Mayor, to execute and file an application for federal assistance on behalf of City of Madera with the FTA for federal assistance authorized by 49 U.S.C. Chapter 53, title 23, United States Code, or other federal statutes authorizing a project administered by the Federal Transit Administration.
3. The Council authorizes the Mayor, to execute and file with its applications the annual certifications and assurances and other documents the FTA requires before awarding a federal assistance grant or cooperative agreement.
4. The Council authorizes the Mayor, to execute the grant and cooperative agreements with the FTA on behalf of the City of Madera.
5. This resolution is effective immediately upon adoption.
