

EXECUTIVE SUMMARY



To: Bob Vitas, City Manager

From: Norman Whitaker, Director / KWDoT

Date: April 4, 2014

Subject: Request to Amend Maximum Participation for Section 5311 / Contract #ARB19 for Operating Expenses

Action Statement:

This is a request to amend the maximum participation or grant award from Florida Department of Transportation (FDOT) from \$542,452.00 to \$433,406.00. This reflects a reduced amount to be used for operating expenses of fixed route bus transit system.

Due to miscommunication and fund transfers between Florida Department of Transportation D6 and Central Office in Tallahassee, Contract #ARB19 JPA has been decreased by \$109,046.00, bringing the amount to \$433,406.00.

Project History:

Project history for the Section 5311 funds remains the same.

As stated in the attached SJPAs #1, FDOT will recover the \$109,046.00 in FY2014 – 2015. KWDoT will present the SJPAs #2 to the City Commissioners for approval and acceptance of the agreement.

Option #1: Advantage / Disadvantages

The City Commission approves the amended agreement to reflect the revised amount of \$433,406.00.

The advantage of approving the requested amount to the resolution is that FDOT can finalize and execute SJPAs #1 and will not affect the billing cycle.

There are no disadvantages to approving this agreement. This is a simple housekeeping task.

Option #2: Advantages / Disadvantages

Option #2 would see the City Commission opt to not approve the amended resolution as requested, which may result in FDOT terminating Joint Participation Agreement in the amount of \$542,452.00 and #1 in the amount of \$433,406.00.

There are no advantages that can be identified.

The disadvantage of not approving the requested amendment to the resolution is that FDOT will not be able to finalize and execute the funding agreement; thus KWDoT will not be able to request reimbursement for eligible operating expenses.

Fiscal Impact:

There are no fiscal impacts identified and associated with Option #1.

Option #2 - The City may be required to fund the \$433,406.00 shortfall or suspend one of the City routes until FDOT has recovered the full funding of \$542,452.00

Recommendation:

Key West Transit staff recommends Option #1, as noted above.