

## EXECUTIVE SUMMARY

**To:** Jim Scholl, City Manager

**cc:** Jim Fitton, Director, Port & Transit

**From:** Myra Wittenberg, Manager / KWDoT

**Date:** November 21, 2011

**Subject:** A Resolution to Approve and Execute Revised Grant Agreement Between the City of Key West and the Florida Department of Transportation, for Funding Assistance of Operating Expenses for the Lower Keys - Maximum Project Cost Revised from \$361,675, to \$441,120, FY 2011-2012



A handwritten signature in black ink, appearing to read "Myra Wittenberg", is written over the "From:" line.

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### **Action Statement:**

This resolution is a request for approval and execution of a *revised* Joint Participation Agreement (JPA), noted as "Supplement 1", between the City of Key West and the Florida Department of Transportation (FDOT) District 6, Public Transit Office (PTO), for an increase to the eligible shared operating expenses for the Lower Keys Shuttle Bus Service for FY 2011-2012.

### **Project History:**

Federal and State agencies require that the City of Key West provide for an annual resolution to designate individuals within the City to perform grant application and related tasks on a routine and regular basis with regard to grant funding opportunities, as well as the City Attorney's Office to affirm via certification, that the City is eligible to make grant funding applications each year, with updates handled on an annual basis.

On November 1, 2011, Resolution No. 11-303, was approved by the City Commission as the annual housekeeping resolution to designate staff on an annual basis (2011-2012) for purposes of grant application and related grant management duties, to provide for ongoing processes of grant funding assistance to public transportation services.

What is now required is City Commission approval to accept and execute said agreement for funding, via formal resolution, which will also designate authority to the City Manager and the City Attorney, to execute said agreement providing for grant assistance of eligible expenses related to the Lower Keys Shuttle Bus Services, as noted herein.

Originally, FDOT allocation for these expenses reflected a total project cost of \$361,350, (at the 50% reimbursement / \$180,675) but was recently revised to increase from that amount to a total project cost of \$441,120, (at 50% reimbursement / \$220,560). This results in an increased share of project expenses by City of Key West of \$39,885, and FDOT by \$39,885 for the duration of the project billing period.

Examples of how this grant funding assistance may be applied to offset local share of costs is provided on the attached sample worksheet - in two (2) formats - first, an example using the original budget allocation of \$361,350 (50% ratio / \$180,675) as the maximum FDOT participation amount. And, the second, is based on the new revised amount which increases the total of shared costs eligible up to a maximum participation by FDOT of \$441,120,

(50% is \$220,560), a net increase of \$79,770, at 50% each or \$39,885 local split and \$39,885 for FDOT.

Finally, it should be noted that over the past few years when this project was transitioning from a 75% cost share of expenses under the formula used for Job Access Reverse Commute (JARC) funds during 2006 to 2010 - the City of Key West Department of Transportation continued to work with FDOT and Federal Transit Administration (FTA) staff to assure we could secure the greatest level of reimbursement possible for long term support of this project. It is exactly this type of working relationship that has resulted in an increase allowance to the eligible cost share from FDOT at this time, which will assist in meeting a greater level of those eligible expenses for the Lower Keys Shuttle Bus Services.

As a visual aide and to assist the Commission as well as the public with how the grant subsidies are utilized - see the attached worksheets provided.

**Option #1:**

The City Commission approve Supplement 1 - Commuter Assistance Grant Agreement, for the revised amount of \$441,120, and providing for execution designation to the City Manager and City Attorney, for funding assistance of the Lower Keys Shuttle Bus Service operating expenses.

**Advantages**

The advantage will be that the City can continue to assist communities between Key West and Marathon, by managing and operating the Lower Keys Shuttle Bus Service, at the best possible formula of cost share available from FDOT at this time.

**Disadvantages**

There are no disadvantages to this option.

**Fiscal Impact**

The fiscal impact is shown in the example worksheet attached and provided for your review.

**Option #2:**

The City Commission would not approve this resolution which would result in the City not receiving transportation related funding assistance from FDOT for Lower Keys Shuttle Bus Services for FY 2011-2012.

**Advantages**

There are no known advantages to this option if the City is to continue providing public transit service in the Lower Keys.

**Disadvantages**

Not approving this resolution as revised will result in an increased total amount per agencies (Monroe County BOCC, City of Marathon and City of Key West) required to operating the Lower Keys Shuttle Bus Services as they current operate today.

**Fiscal Impact**

See Disadvantages above.

**Recommendation:**

KWDoT recommends Option #1 - approval of the resolution to accept the revised grant award and execute the JPA as referenced "Supplement 1" - Contract No. AQ173, providing for funding assistance of operating expenses in the Lower Keys area of service.

CH/mhw