

EXECUTIVE SUMMARY



To: Bob Vitas, City Manager
From: Norman Whitaker, Director / KWDoT
Date: December 6, 2013
Subject: Supplemental Joint Participation Agreement #3
Commuter Assistance Grant FY2014

Action Statement:

A resolution to approve execution of the Supplemental Joint Participation Agreement (SJPA) #3 with the State of Florida Department of Transportation (FDOT) via Commuter Assistance Grant Program Funding in an amount not to exceed 50% of the total project cost at \$345,863, or reimbursement of up to \$345,863.00, in operating assistance.

Project History:

The City of Key West Department of Transportation is tasked with the responsibility of identifying and securing grant funding assistance each year to subsidize the cost of providing a public transit system. Key West Transit was fortunate to continue to receive funding for the Lower Keys Shuttle via Commuter Assistance as it applies to operating expenses for repair and maintenance.

The Commuter Assistance Program is a five (5) year grant funding program that began in fiscal year 2010 – 2011 and will end in fiscal year 2014 – 2015. In 2016, the Commuter Assistance Program will transition to Lower Keys Shuttle Bus Service for Fixed Route. The reimbursement will remain the same at 50/50%. The amount is determined by FDOT and may change due to funding shortfall or extra funding available at the Federal Transit Administration (FTA) or FDOT level.

Option #1:

Option #1 would see the City approve this resolution to accept, authorize and execute the FDOT Supplemental Joint Participation Agreement (SJPA) #3 for Commuter Assistance funding assistance during FY 2013 – 2014 period in an amount not to exceed \$345,863.00

Advantages / Disadvantages:

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.

There are no disadvantages at this time. In fact, State and Federal funding assistance is absolutely necessary to continue operation of public transit services in Key West.

Fiscal Impact:

Option #1 would provide for shared costs with FDOT and local agencies (County and City of Marathon) in that the City could receive reimbursement of expenses of up to 50% maximum from FDOT, with the remaining 50% of expenses equal split between the three (3) local agencies, per the Inter-Local Agreement – Resolution #10-085.

It is important to note that with grant funding the percentage of match ratio referred to in discussion and agreements do not represent all costs to provide the services. The match reference and dollar value of reimbursement pertains only to each grant program; it is not the total of operating expenses for all services.

Option #2:

Option #2 would be to not approve the resolution and not accept the SJPA #3, which would result in the City not receiving transportation, related funding assistance from FDOT for the Lower Keys Shuttle Bus Services for FY 2013-2014.

Advantages / Disadvantages:

There are no known advantages to this option. If the City is to continue providing public transit service in the Lower Keys. It would require the City and the two (2) local agencies to fully fund the services completely from their general fund budget or discontinue providing bus service.

The disadvantage would be that by not approving and executing this agreement, it would require an increase of local funding via gas or sales tax subsidies (or other dedicated funding) by the City (via general budget funds) and the two (2) local agencies to supplement the funding of all public transit costs of operation.

Fiscal Impact:

By relying on local funding, the City and the two (2) local agencies would be splitting the cost of 100% of the operating expenses.

Recommendation:

Key West Transit staff recommends Option #1, to approve the attached supplement joint participation agreement (SJPA) #3, so as to realize our reimbursements as soon as possible for this fiscal year.