MEMORANDUM

Date: September 3, 2026

To: Honorable Mayor and Commissioners

Via: Brian L. Barroso
City Manager

From: Rogelio Hernandez
Director of Transportation

Subject: 26-5790 Approving Public Transportation Grant Agreement (PTGA) SFY2027 Commuter Assistance Grant Program for Operation of the Lower Keys Shuttle, PTGA #G3U24 / FM #415173-8-84-01

Introduction

The City Manager's Office requests the approval of the attached Public Transportation Grant Agreement (PTGA) with the State of Florida Department of Transportation (FDOT) via the Commuter Assistance Grant Program in an amount not to exceed 50% of the total project cost of $1,500,000 with a reimbursement maximum of $750,000 in the Lower Keys Shuttle Route operating expenses.

Background

FDOT annually funds the Commuter Assistance Grant Program. The City of Key West receives Commuter Assistance Grant Program funding on an annual basis. The Lower Keys Shuttle provides the only public mass transit bus service from Key West to Marathon. Continued participation in this grant program allows the City of Key West to deliver a quality transit system and reduce the financial burden on the citizenry.

Procurement

The cost share is 50% FDOT and the other 50% is shared through partnership with City of Key West – bus fare revenue ($230,000) and bus shelter advertising ($25,000), Monroe County ($315,000), and City of Marathon ($180,000) as per Interlocal Agreement, Resolution 19-332. The City of Key West could receive maximum reimbursements from FDOT totaling $750,000 which is 50% of the total project cost of $1,500,000.

Recommendation

The City Manager's Office requests the approval of the attached Public Transportation Grant Agreement (PTGA) with the State of Florida Department of Transportation (FDOT) via the Commuter Assistance Grant Program for transit operating expenses. This item supports the City's Strategic Agenda Priority #2: Financial Stability.