



Date: May 21, 2013

To: Thomas J. Bonfield, City Manager
Through: Keith Chadwell, Deputy City Manager
From: Mark D. Ahrendsen, Director of Transportation
Subject: Agenda Item – Authorize the City Manager to execute a Pass-through Agreement with Durham County for the Allocation, Disbursement and Accounting of Federal Transit Administration Section 5316 Funds

Executive Summary

Under the provisions of federal transportation legislation - Safe, Accountable, Flexible and Efficient Transportation Equity Act, a Legacy for Users (SAFETEA-LU), new transit grant funds have been made available to the Durham-Chapel Hill-Carrboro Metropolitan Planning Organization (DCHC MPO). These funds are provided by the Federal Transit Administration (FTA) through Section 5316, Job Access Reverse Commute (JARC) and Section 5317, New Freedom (NF). The purpose of the funds is to provide grant money to public and private transportation providers in the region to enhance public transportation services in the DCHC-MPO area. These funds are received annually by the City of Durham as the designated recipient and the Lead Planning Agency (LPA) for the DCHC MPO. As required by the federal regulations, the City, as designated recipient of these funds must distribute funds to any approved sub-recipients. Durham County has been approved by the DCHC MPO as a sub-recipient of these funds. The process for allocating the JARC funds (Section 5316) to Durham County requires a pass-through agreement between the City of Durham and Durham County. A copy of the proposed pass-through agreement is provided as Attachment A.

Recommendation

It is recommended that the City Council authorize the City Manager to execute the attached Pass-through Agreement with Durham County for the allocation, disbursement and accounting of the Federal Transit Administration Section 5316 funds.

Background

Annually, the DCHC MPO receives an apportionment of Federal Transit Administration (FTA) Section 5316, Job Access Reverse Commute (JARC) funds. The purpose of the funds is to provide grant money to public and private transportation providers in the region to enhance public transportation services within the DCHC metropolitan planning area. The New Freedom program provides funds to projects that reduce barriers to transportation services and expand the transportation mobility options available to low income with limited access to jobs. These programs require that projects be selected through a competitive process and approved by the DCHC MPO. The City of Durham is the designated recipient for the JARC and NF

grant funds for the DCHC MPO. As the receiving agency, the City of Durham must distribute funding approved by the DCHC MPO to selected sub-recipients. This process requires a pass-through agreement between the City of Durham and each of the receiving agencies. The purpose of the agreements is to define the allocation of funds and the methods of disbursement, reimbursement, accounting and reporting.

Under the terms of the agreements, the City will reimburse these agencies for eligible incurred expenses upon the City's receipt of payment by the State on behalf of these agencies. The duration of the contracts will continue until June 30, 2015 or until FTA Section 5316, JARC funds are no longer available.

Issues and Analysis

Durham County has been approved for the receipt of FTA Section 5316, JARC funds (\$37,950) by the DCHC MPO to provide demand-responsive service to residents of Durham County to and from jobs and activities related to their employment. The service will be provided to residents throughout the county, but will be marketed especially to those who are transportation disadvantaged - low-income, live in the rural areas of the county and to those who are otherwise limited in their ability to access other modes of transportation. In order to pass-through these funds to Durham County, the City must execute an agreement consistent with federal and State regulations and policies. As the recipient of federal funds for the DCHC MPO, the City must comply with federal grant accounting and reporting guidelines. Similarly, the City must ensure that agencies receiving pass-through funds adhere and comply with federal guidelines. Therefore, executing the attached Agreement with Durham County is recommended because of the aforementioned reasons and also because it provides the mechanism for allocating funds to the sub-recipient.

Alternatives

- A. Authorize the City Manager to execute the attached pass-through agreement with Durham County. Funds will be available for Durham County to carry out their JARC demand-responsive project approved by the TAC.

- B. If the City Council does not authorize the City Manager to execute the pass-through agreement, the County would not receive JARC funds as authorized by the Transportation Advisory Committee of the DCHC MPO. The need to fulfill demand-responsive programs and activities for Durham County will not be met. Timing will prevent Durham County from providing demand-responsive service for approximately 55,000 trips per year for medical-related purposes.

Financial Impacts

Authorizing the attached pass-through agreements would not have any financial impact to the City of Durham. Funds that are passed-through come from the annual Section 5316, JARC grants by the Federal Transit Administration (FTA) and the matching funds are provided by the pass-through grant recipient.

SDBE Summary

Due to the nature of this agreement, the City SDBE summary is not needed. Agencies receiving federal grant funds are required to comply with the US Department of Transportation DBE requirements.

Attachments

Attachment A:

Pass-through agreement between the City of Durham and Durham County: "Pass-Through Agreement for the Allocation, Disbursement and Accounting of the Section 5316, JARC Funds".