



Date: January 20, 2014

To: Thomas J. Bonfield, City Manager
Through: Keith Chadwell, Deputy City Manager
From: Mark D. Ahrendsen, Director of Transportation
Subject: Authorize the City Manager to execute an Agreement with the North Carolina Department of Transportation (NCDOT) for Section 5303 Metropolitan Planning Program Grant in the amount of \$248,463.

Executive Summary

The purpose of this item is to enter into an agreement with the North Carolina Department of Transportation (NCDOT) for the FY 2014 disbursement and accounting of Federal Transit Administration (FTA) Section 5303 planning funds. The Section 5303 funds are received annually by the City of Durham as the Lead Planning Agency (LPA) for the Durham-Chapel Hill-Carrboro Metropolitan Planning Organization (DCHC MPO). A portion of the funds is subsequently distributed by separate agreement between the City and the Town of Chapel Hill. The Durham Area Transit Authority receives the remaining 5303 funds. NCDOT has made available to the DCHC MPO, FY 2014 Section 5303 funds in the amount of \$248,463 (\$220,856 FTA funds and \$27,607 State funds).

Recommendation

It is recommended that the City Council authorize the City Manager to execute an agreement with NCDOT for the disbursement and accounting of FY 2014 FTA Section 5303 Metropolitan Planning Program Grant funds in the amount of \$248,463.

Background

The City of Durham, Department of Transportation, as the Lead Planning Agency for the DCHC MPO is the designated recipient for the FTA Section 5303 planning grant funds. As the receiving agency, the City of Durham must receive Section 5303 funds from NCDOT and distribute portions of the funds to the approved sub-recipients, DATA and Chapel Hill Transit (CHT). The purpose of the agreement is to receive the FY 2014 section 5303 allocation to DCHC MPO from NCDOT and define the methods of disbursement, reimbursement, accounting and reporting. Under the terms of the agreement, the City will reimburse Chapel Hill for eligible incurred expenses upon the City's receipt of payment by the State. Section 5303 funds allocated to the Town of Chapel Hill are determined annually through the Unified Planning Work Program (UPWP) by the Transportation Advisory Committee (TAC).

Issues and Analysis

The City as designated recipient must receive Section 5303 funds and distribute portions of the funds to the approved sub-recipients, DATA and Chapel Hill Transit. Authorizing the execution of this agreement will allow the City to receive the FY 2014 FTA Section 5303

funds, distribute portions to selected sub-recipients and leverage federal funding and State funding for approximately 90% of transit planning activities. 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 to and comply with federal guidelines.

Alternatives

The City Council can authorize the execution of the FY 2014 Section 5303 agreement or not authorize the execution of this agreement.

- A. If the City Council authorizes the City Manager to execute the attached agreement with NCDOT. Funds will be available for DATA and Chapel Hill Transit to carry out their annual transit planning under the Unified Planning Work Program as approved by the TAC.

- B. If the City Council does not authorize the City Manager to execute the agreement with NCDOT, DATA and Chapel Hill Transit would not receive FY 2014 Section 5303 funds. The need to fulfill transit planning activities in Durham and Chapel Hill will not be met.

Financial Impact

The FY 2014 Section 5303 allocation to the DCHC MPO is \$248,463. Of this amount, \$121,747 is passed on to Chapel Hill Transit and \$126,716 is available to DATA. The required local matching funds are provided by Chapel Hill and the City of Durham. The City of Durham match is included in DATA's FY 2014 budget.

SDBE Summary

Due to the nature of these agreements, 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 1 - FY 2014 Section 5303 Metropolitan Planning Program Grant agreement between the City of Durham and NCDOT.