

# AGENDA ITEM SUMMARY

December 1, 2020

City Council

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## STAFF

Drew Brooks, Director of Transit  
Claire Havelda, Legal

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## SUBJECT

First Reading of Ordinance No. 148, 2020, Making Supplemental Appropriations of Coronavirus Aid, Relief, and Economic Security (CARES) Act Funding for Transfort Operating Assistance, Preventative Maintenance, and Contracted Service Costs Related to Preparation for and Response to the COVID-19 Pandemic.

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## EXECUTIVE SUMMARY

The purpose of this item is to appropriate grant revenue Transfort has been allocated by the Federal Transit Agency (FTA). Transfort was awarded \$10,368,067 and will net the amount of \$8,719,626 in Coronavirus Aid, Relief and Economic Security (CARES) Act through FTA apportionments to urbanized areas. CARES funding is provided at a 100-percent federal share, with no local match required, and is available to support capital, operating, and other expenses to prepare for and respond to COVID-19. Transfort confirmed this money would be available earlier in the year. At that time, Transfort planned to use the CARES funds to pay for what had previously been allocated from the General Fund for operating assistance, preventative maintenance, and contracted service costs.

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## STAFF RECOMMENDATION

Staff recommends adoption of the Ordinance on First Reading.

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## BACKGROUND / DISCUSSION

On Friday, March 27, 2020, President Trump signed the CARES Act into law. The CARES act provided emergency appropriations to support Executive Branch agency operations during the COVID-19 pandemic. The FTA allocated \$25 billion to recipients of urbanized area and rural area formula funds, with \$22.7 billion to large and small urban areas. Funding is provided at 100-percent federal share with no local match required.

Operating expenses incurred beginning on January 20, 2020, for all rural and urban recipients are eligible, including operating expenses to maintain transit services as well as paying for administrative leave for transit personnel due to reduced operations during an emergency.

CARES funding was disbursed through FTA apportionments to its Urbanized Area (Section 5307) Formula program. Transfort's apportionment is \$10,368,067. Because Transfort is the designated, or primary, recipient for the geographical Transportation Management Area (TMA), Transfort is responsible for allocating dedicated funds to smaller transit agencies and metropolitan planning organizations in the TMA. After Transfort distributes the appropriate allocations to Berthoud Area Transportation System (BATS) in the amount of \$174,736, and the North Front Range Metropolitan Planning Organization (NFRMPO) in the amount of \$1,473,705, Transfort will receive \$8,719,626 for the City.

Through existing FTA-approved agreements with BATS and NFRMPO, the City retains 38% of BATS' and NFRMPO's funding allocation to exchange their respective federal share with local funds. This exchange relieves BAT and NFRMPO from federal compliance responsibilities.

Transfort will use these funds to continue provision of fixed route service. The Fort Collins area has seen significant impacts from COVID-19 and has taken measures to ensure social distancing when possible while providing public transportation. Additionally, CARES funds will be used for preventative maintenance activities for rolling stock, facilities, and IT equipment. Regular, scheduled, preventative maintenance will continue to allow Transfort to realize the benefits of a safe, reliable, and well-maintained fleet in support of its services.

CARES funds will also be used to fund Transfort's complementary ADA paratransit service, Dial A Ride, which is provided by a contractor, satisfying ADA requirements of providing paratransit service for eligible clients. As a result of the COVID-19 pandemic, Transfort temporarily reduced service effective April 18, 2020. In an effort to ensure that citizens can still access essential services, Transfort began offering a taxi service option, performed by a contractor, allowing riders to schedule a trip from a bus stop along a suspended route, to or from another linked bus stop or transit center. CARES funds will also be used to provide this contracted Demand Response Service.

Transfort recognizes that public transit is an essential service and that many transit-dependent members of the community rely on public transit to get to and from work, buy groceries and other essentials, and receive medical care or care for loved ones. Transfort has seen a significant drop in ridership and revenue during the COVID-19 pandemic. The CARES funding received will greatly benefit the safety, quality, and levels of service that Transfort is able to provide during this time.

**CITY FINANCIAL IMPACTS**

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The following is a summary of the project funding using CARES funds. These funds are provided at a 100-percent federal share and no local match is required.

<b>Funds Provided by FTA - Intended Use</b>	
FY20 CARES Funds - Operations	\$7,200,000
FY20 CARES Funds - Preventative Maintenance	\$2,068,067
FY20 CARES Funds - ADA Paratransit Contracted Service	\$500,000
FY20 CARES Funds - Demand Response Contracted Service	\$600,000
<b>Total Funding Provided</b>	<b>\$10,368,067</b>
Less local dollars pass through to NFRMPO	(\$1,473,705)
Less local dollars pass through to BATS	(\$174,736)
<b>Net City Financial Impact</b>	<b>\$8,719,626</b>

Since sufficient appropriations were already provided during the 2020 Budget process, no additional increase in the Transit Fund expense budget will be needed, rather these funds will cover much of the 2020 Transit costs. Appropriations of these funds are necessary due to City Code Article V, Part I, Section 4.

Note that the funding provided by the FTA takes the place of General Fund and Transportation Fund monies that would have been the basis for Transit spending during the fiscal year.

ORDINANCE NO. 148, 2020  
OF THE COUNCIL OF THE CITY OF FORT COLLINS  
MAKING SUPPLEMENTAL APPROPRIATIONS OF CORONAVIRUS AID, RELIEF, AND  
ECONOMIC SECURITY (CARES) ACT FUNDING FOR TRANSFORT  
OPERATING ASSISTANCE, PREVENTATIVE MAINTENANCE,  
AND CONTRACTED SERVICE COSTS RELATED TO PREPARATION FOR AND  
RESPONSE TO THE COVID-19 PANDEMIC

WHEREAS, in response to the public health emergency resulting from the spread of the Novel Coronavirus 2019 (“COVID-19”), the City Manager proclaimed a local emergency on March 13, 2020, and City Council extended such proclamation with its adoption of Resolution 2020-030; and

WHEREAS, the City received grant revenue from the Federal Transit Agency (“FTA”) in the form of Coronavirus Aid, Relief and Economic Security (“CARES”) Act appropriations to urbanized areas; and

WHEREAS, the FTA CARES Act funding supports capital, operating, and other transit agency expenses to prepare for, and respond, to COVID-19 without requiring a local match; and

WHEREAS, in the FTA CARES Act funding replaced General Fund and Transit Fund monies that would have been the basis of Transit spending during the current fiscal year; and

WHEREAS, the FTA CARES Act funding was disbursed through apportionments to FTA Urbanized Area Formula programs; Fort Collins’ Transfort Department being designated as a primary recipient for this geographical Transportation Management Area (“TMA”); and

WHEREAS, the City’s Transfort Department received a total of \$10,368,067 for the TMA; and

WHEREAS, Transfort is responsible for allocating and dedicating funds to smaller transit agencies in the TMA; and

WHEREAS, \$174,736 of the funds will be allocated to the Berthoud Area Transportation System (“BATs”), and \$1,473,705 of the funds to the North Front Range Metropolitan Planning Organization (“NFRMPO”); the remaining \$8,719,626 is allocated to Fort Collins’ Transfort Department; and

WHEREAS, the City’s Transfort Department will use these CARES Act funds for operating assistance, preventative maintenance, and contracted service costs for 2020 and 2021; and

WHEREAS, this appropriation benefits public health, safety and welfare of the residents of Fort Collins and serves the public purpose of providing critical transportation services and complementary ADA paratransit services to the Fort Collins’ community; and

WHEREAS, Article V, Section 9, of the City Charter permits the City Council, upon recommendation of the City Manager, to make supplemental appropriations by ordinance at any time during the fiscal year, provided that the total amount of such supplemental appropriations, in combination with all previous appropriations for that fiscal year, does not exceed the current estimate of actual and anticipated revenues to be received during the fiscal year; and

WHEREAS, the City Manager has recommended the appropriation described herein and determined that this appropriation is available and previously unappropriated from the Transit Services Fund and will not cause the total amount appropriated in the Transit Services Fund to exceed the current estimate of actual and anticipated revenues to be received in that fund during this fiscal year.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FORT COLLINS as follows:

Section 1. That the City Council hereby makes and adopts the determinations and findings contained in the recitals set forth above.

Section 2. That there is hereby appropriated from grant revenue in the Transit Services Fund the sum of TEN MILLION THREE HUNDRED SIXTY-EIGHT THOUSAND SIXTY-SEVEN DOLLARS (\$10,368,067) for expenditure from the Transit Services Fund for operating assistance, preventative maintenance, and contracted service costs related to preparation for and response to the COVID-19 pandemic during the 2020 and 2021 fiscal years.

Introduced, considered favorably on first reading, and ordered published this 1st day of December, A.D. 2020, and to be presented for final passage on the 15th day of December, A.D. 2020.

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Mayor

ATTEST:

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City Clerk

Passed and adopted on final reading on the 15th day of December, A.D. 2020.

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Mayor

ATTEST:

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City Clerk