

**Date:** October 22, 2014

**To:** Board of Directors

**From:** Neil McFarlane

**Subject: RESOLUTION 14-10-49 OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING SUBMISSION OF EIGHT (8) GRANT APPLICATIONS TO THE FEDERAL TRANSIT ADMINISTRATION (FTA) FOR FY15 FEDERAL FORMULA AND DISCRETIONARY FUNDS**

---

**1. Purpose of Item**

The purpose of this item is to request that the TriMet Board of Directors (“Board”) adopt a Resolution authorizing the General Manager to submit eight (8) grant applications to the Federal Transit Administration (“FTA”) for FY15 formula and discretionary funds.

**2. Type of Agenda Item**

- Initial Contract
- Contract Modification
- Board authorization to submit FTA grant applications

**3. Reason for Board Action**

The Board may authorize TriMet’s submittal of FTA grant applications by adoption of a resolution.

**4. Type of Action:**

- Resolution
- Ordinance 1<sup>st</sup> Reading
- Ordinance 2<sup>nd</sup> Reading
- Other \_\_\_\_\_

**5. Background**

Each year, staff presents to the TriMet Board for their authorization a summary of the grant applications to be submitted during the year. Attachment A to this memo lists eight (8) grant applications, which total \$179.5 million, and shows both the federal and local shares. Grant amounts are high estimates; actual appropriations will most likely be lower.

These grants can be categorized, by use, as follows:

- 1) Grant receipts pledged to debt service
- 2) Federal formula grants, which are used to offset ongoing TriMet maintenance costs
- 3) Grants designated for specific purposes, described below.

The applications are for the following amounts and projects:

*Grant Receipts Pledged to Debt Service*

1. \$10.0 million federal Congestion Mitigation Air Quality (CMAQ) funds to pay FY15 debt service on TriMet's Capital Grant Receipt revenue bonds.
2. \$5.0 million federal Surface Transportation Program (STP) funds to pay for FY15 preventive maintenance to free up \$5.0 million in general funds for debt service.

As part of the regional funding package for the construction of the light rail projects, TriMet issued revenue bonds secured by future CMAQ and STP grants allocated to the region. These grants have been pledged and are used to pay the principal and interest on the bonds until fully retired. TriMet contributes the 10.27% local match.

*Federal Formula Grants Used to Offset TriMet Maintenance Costs*

1. \$18.2 million federal Section 5337 State of Good Repair funds to pay for bus and rail preventive maintenance costs as well as State of Good Repair program activities. These are federal formula funds available to bus and rail systems after seven years of operations. TriMet pays the 20% local match.
2. \$38.0 million federal Section 5307 Urbanized Area funds for bus and rail preventive maintenance costs. TriMet pays the 20% local match.
3. \$2.9 million federal Section 5339 Bus and Bus Facilities funds to pay the purchase of fixed route buses. TriMet pays the 20% local match.

*Grants Designated for Specific Purposes*

1. \$.460 million federal STP funds for TriMet's Regional Transportation Options (RTO) program. These funds were provided through Metro. TriMet pays the 10.27% local match.
2. \$2.975 million federal STP funds to pay for rail preventive maintenance costs. These funds will free up TriMet General Funds for Metro's Transit Oriented Development (TOD) program. There is no cost to TriMet of this fund exchange.
3. \$1.931 million federal Section 5310 Elderly & Disabled program funds for the third year of this program. The 5310 program permits "in-kind" match. The Section 5310 program is matched by Ride Connection's on-going volunteer transportation service program so there is no additional cost to TriMet to match this program.
4. \$100.0 million federal Section 5309 New Starts funds to pay for the Portland-Milwaukie Light Rail project.

This Resolution authorizes TriMet to submit the aforementioned federal grant applications. However, actual receipt of grant funds and the accounting recognition of grant revenue are contingent upon a federal transportation appropriations bill for the current federal fiscal year. As required by federal law, a notice of opportunity for public comment on the grant applications was published on [www.trimet.org](http://www.trimet.org) on March 19, 2014. The public received notification of the opportunity to submit comments via email by April 2, 2014. TriMet received no requests for a Public Hearing and no public comments were received. TriMet's Final Program of Projects on the grant applications was then published on [www.trimet.org](http://www.trimet.org) on June 2, 2014.

**6. Financial/Budget Impact**

Approval of the Resolution will authorize TriMet to apply for the FTA grants listed. These funds are integral to TriMet's FY15 Adopted Budget, and the light rail project finance plans. Some of the aforementioned grants have been pledged as security for TriMet bonds and TriMet has covenanted to pursue such grants.

**7. Impact if Not Approved**

The General Manager would not have Board authorization to submit FTA grant applications totaling \$179.5 million dollars, which are integral to the FY15 Budget.

DB/CP/AL/pc

Resolution 14-10-49  
Board Memo  
Attachment A  
FTA Grant Applications to be Submitted by TriMet

<b>No.</b>	<b>Description</b>	<b>Federal</b>	<b>Local</b>	<b>Total</b>	<b>Sources</b>
1	Debt Service	\$10,000,000	\$1,144,545	\$11,144,545	FY15 Congestion Mitigation Air Quality
1	Rail Preventive Maintenance (Debt Service)	\$5,000,000	\$572,272	\$5,572,272	FY15 Surface Transportation Program (Debt Service)
2	State of Good Repair Program	\$18,215,009	\$4,553,752	\$22,768,761	FY15 Section 5337 State of Good Repair Formula
3	Bus and Rail Preventive Maintenance	\$38,019,293	\$9,504,823	\$47,524,116	FY15 Section 5307 Urbanized Area Formula
4	Bus Purchase	\$2,900,000	\$725,000	\$3,625,000	FY15 Section 5309 Bus and Bus Facilities Formula
5	Regional Transportation Options Program	\$459,973	\$52,646	\$512,619	FY15 Surface Transportation Program
6	Rail Preventive Maintenance (TOD Trade)	\$2,975,000	\$340,502	\$3,315,502	FY15 Surface Transportation Program (TOD Centers Program)
7	Elderly & Disabled Program	\$1,931,250	\$482,813	\$2,414,063	FY15 Section 5310 Enhanced Mobility of Seniors and Individuals with Disabilities
8	Milwaukie Light Rail Project	\$100,000,000	\$78,965,020	\$178,965,020	FY15 Section 5309 New Starts
<b>TOTAL</b>		<b>\$179,500,525</b>			

## **RESOLUTION 14-10-49**

### **RESOLUTION OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING SUBMISSION OF EIGHT (8) GRANT APPLICATIONS TO THE FEDERAL TRANSIT ADMINISTRATION (FTA) FOR FY15 FEDERAL FORMULA AND DISCRETIONARY FUNDS**

**WHEREAS**, the Secretary of Transportation is authorized to award Federal financial assistance for transportation projects; and

**WHEREAS**, the contracts for financial assistance will impose certain obligations upon the applicant or subrecipient to the applicant, including the provision of the local share of project costs; and

**WHEREAS**, it is required by the U.S. Department of Transportation in accord with the provisions of Title VI of the Civil Rights Act of 1964, that in connection with the filing of an application for assistance under U.S.C Title 49, the applicant gives an assurance that it will comply with Title VI of the Civil Rights Act of 1964 and the U.S. Department of Transportation requirements thereunder; and

**WHEREAS**, it is the policy of the Tri-County Metropolitan Transportation District of Oregon (TriMet) that disadvantaged businesses be provided an equal opportunity to receive and participate in U.S. Department of Transportation -assisted contracts, and that a program be established and administered to implement this policy;

#### **NOW, THEREFORE, BE IT RESOLVED:**

1. That the TriMet Board of Directors (“Board”) hereby authorizes the General Manager and his designee(s) to execute and file eight (8) grant applications on behalf of TriMet with the Federal Transit Administration of the U.S. Department of Transportation requesting federal formula and discretionary funds; and to execute and file with such applications any assurance or other documents required by the U.S. Department of Transportation effectuating the purpose of Title VI of the Civil Rights Amendment of 1964.
2. That the General Manager and his designee(s) are further authorized to:
  - a. Furnish such additional information as the U.S. Department of Transportation may require in connection with these applications, agreements or projects.
  - b. Establish disadvantaged business policies in connection with the project’s procurement needs.
  - c. Execute grant amendments, revisions and agreements on behalf of TriMet with the U.S. Department of Transportation for the financing of these grant applications.

3. That the local match for the grants will be provided as noted in the Resolution Board memo.

Dated: October 22, 2014

---

Presiding Officer

Attest:

---

Recording Secretary

Approved as to Legal Sufficiency:

---

Legal Department