

**Date:** October 27, 2021

**To:** Board of Directors

**From:** Sam Desue, Jr.

**Subject: RESOLUTION NO. 21-10-48 OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING SUBMISSION OF SEVEN (7) GRANT APPLICATIONS TO THE FEDERAL TRANSIT ADMINISTRATION (FTA) FOR FY2022 FEDERAL FORMULA AND DISCRETIONARY FUNDS AND TO ADVISE AS TO THE CURRENT STATUS OF EIGHT (8) FY2021 GRANT APPLICATIONS**

**1. Purpose of Item**

This Resolution requests that the TriMet Board of Directors (Board) authorize the General Manager, or his designee, to submit seven (7) grant applications to the Federal Transit Administration (FTA) with FY2022 formula and discretionary funding. Information in this Resolution also advises the Board as to the current status of eight (8) grant applications submitted in FY2021.

**2. Type of Agenda Item**

- Initial Contract
- Contract Modification
- Other –Authorization to submit grant applications to the FTA.

**3. Reason for Board Action**

A Resolution is necessary to authorize submittal of grant applications to the FTA.

**4. Type of Action**

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

**5. Background**

Each fiscal year, TriMet seeks Board authorization to apply for FTA grants during the coming year. Attachment A, which accompanies this Memorandum, lists seven (7) grant applications submitted to the FTA for FY2022 federal funding in the amount of approximately \$100.4 million. Attachment A also shows the local required match amount, match percentages and funding sources. The amounts of FTA grant applications are included in TriMet’s FY2022 budget, but amounts ultimately appropriated by the FTA in response to the grant applications may differ.

## **Seven Grant Applications for FY2022**

The seven FY2022 grant applications for FTA funds authorized by this Resolution are categorized either as *Rail and/or Bus Preventive Maintenance* or *Designated for a Specific Operating or Capital Project*. Details of these seven applications are discussed below:

### *Rail and/or Bus Preventive Maintenance:*

1. \$26.0 million FTA Section 5337 State of Good Repair (SGR) Formula funds. Funds are available to bus and rail systems and will be used to pay for continued preventive maintenance costs. TriMet's General Funds will pay the 20% local match.
2. \$41.0 million FTA Section 5307 Urbanized Area Formula funds. Funds will be used to pay for bus and/or rail preventive maintenance costs. TriMet's General Funds will pay the 20% local match.
3. \$3.5 million Federal Highway Administration (FHWA) Surface Transportation Block Grant Program (STBG) funds transferred to FTA under Section 5307. Funds will be used to pay for bus and/or rail preventive maintenance costs. These funds are part of an exchange with TriMet's General Funds and Metro's Regional Flexible Funds that are outlined in an Intergovernmental Agreement with Metro, the Metropolitan Planning Organization (MPO) for the Portland metropolitan region. TriMet's General Funds will pay the 10.27% local match.

### *Designated for Specific Operating/Capital Projects:*

4. \$11.0 million FHWA Congestion Mitigation and Air Quality (CMAQ) and \$10.8 million of FHWA Surface Transportation Block Grant Program (STBG) funds transferred to FTA under Section 5307. Transferred funds will be used to pay debt service payments on TriMet's 2011, 2015, 2017 and 2018 Capital Grant Receipt Revenue and Refunding bonds. TriMet General Funds will pay the 10.27% local match.

As part of the regional fund package for the construction of the light rail projects, TriMet issued Capital Grant Revenue bonds secured by future CMAQ and STBG grants allocated to the region under an intergovernmental agreement with Metro. Funds have been pledged to pay the principal and interest on the Capital Grant bonds through FY2034.

5. \$1.8 million FTA Section 5339(a) Bus & Bus Facilities Formula funds. Funds will be used to purchase fixed route buses. TriMet's General Funds will pay the 20% local match.
6. \$1.3 million FTA Section 5310 Enhanced Mobility and Seniors and Individuals with Disabilities program. Funds will pay selected Ride Connection activities that serve vulnerable populations throughout the TriMet service area and manage network transit service partners that benefit the community. TriMet pays for additional Ride Connection activities under the same federally assisted contract and General Funds will pay the approximate 26% local match.

TriMet also uses a small amount of Section 5310 funds to pay for LIFT Operations. TriMet's General Funds will pay the 20% local match.

7. \$4.9 million FHWA Congestion Mitigation and Air Quality (CMAQ) funds transferred to FTA under Section 5307. Funds will be used for the MAX Red Line Extension & Reliability Improvements Project. These funds are part of an exchange with TriMet's General Funds and Metro's Regional Flexible Funds that are outlined in an Intergovernmental Agreement with Metro. TriMet's General Funds will pay the 10.27% local match.

**Grant Applications for FY2021 Submitted After Resolution No. 20-10-39**

*The following FY2021 grant applications were submitted after the October 2020 Resolution No. 20-10-39 and funds were included in the FY2022 Adopted Budget:*

8. \$195.4 million FTA funding from the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) under Section 5307 Urbanized Area Formula funds. Funds are being used for bus, rail and Accessible Transportation Program (ATP) operating costs and for TriMet to prevent, prepare for and respond to the coronavirus. No local match is required with these FTA stimulus funds.
9. \$229,798 FTA CRRSAA funding under Section 5310 Enhanced Mobility and Seniors and Individuals with Disabilities program. Funds are being used to pay for LIFT Operations. No local match is required with these FTA coronavirus response funds.
10. \$289.1 million FTA Section 5307 Urbanized Area Formula funds from the American Recovery Plan Act (ARP). Funds are being used to pay for bus and/or rail preventive maintenance costs, as well as for TriMet to prevent, prepare for and respond to coronavirus. No local match is required with these FTA stimulus funds.
11. \$229,802 FTA ARP funding under Section 5310 Enhanced Mobility and Seniors and Individuals with Disabilities program. Funds are being used to pay for LIFT Operations. No local match is required with these FTA ARP stimulus funds.
12. \$825,500 FTA Section 5312 Safety, Research and Demonstration Program. Funds are being used to develop a Risk Ranking methodology and Evaluation Tool for grade crossing safety. TriMet's General Funds will pay the 23.24% local match.

*Status of additional FY2021 grant applications:*

13. \$8.1 million FTA Section 5309 Capital Investments Grant (CIG) New Starts Program. These funds are included in the total \$1.49 billion total project costs identified in Portland Milwaukie Light Rail's Full Funding Grant Agreement that was signed in 2012. In FY2019, it was determined that TriMet did not need the full \$745 million of Section 5309 New Starts funding due to significant cost savings over the life of the project, and reduced the amount requested by \$20.4 million. TriMet subsequently requested re-appropriation of the \$20.4 million for additional work on the project, but FTA approved only \$8.1 million in June 2021. TriMet allocated the \$8.1 million to complete the Park Avenue Park and Ride Garage. TriMet's General Funds will pay the 44.12% local match.
14. \$12.96 million of FTA ARP Act funding under Section 5309 CIG Small Starts Program. In June 2021, FTA allocated additional funds under the American Rescue Plan (ARP) to projects eligible under the CIG program. The additional \$12.96 million will supplant the non-CIG matching funds in the existing Division Transit Project grant that was awarded in FY2020. No local match is required with these FTA stimulus funds.

15. \$15.72 million of FTA ARP Act funding under Section 5309 CIG Small Starts Program. In June 2021, FTA allocated additional funds under ARP to projects eligible under the CIG program. The additional \$15.72 million will supplant the non-CIG matching funds in the existing Max Red Line Extension & Reliability Improvements Project grant that was awarded in FY2022. No local match is required with these FTA stimulus funds.

*Project Notice Requirements:*

On March 17, 2021, TriMet published a notice of opportunity for public comment on its FY2022 Proposed Program of Projects (POP) on its website at [www.trimet.org](http://www.trimet.org). Two requests for a Public Hearing were received on March 23, 2021 and March 30, 2021, and TriMet also received and reviewed two public comments. See Attachments B2 and B3. TriMet held a virtual public hearing on the POP on April 14, 2021, and transcribed the comments received. See Attachment B1. After consideration of the comments, TriMet published its Final POP for all FY2022 FTA-assisted grant applications on July 1, 2021 on its website.

**6. Procurement Process**

N/A

**7. Diversity**

N/A

**8. Financial/Budget Impact**

Approval of this Resolution will authorize TriMet to submit applications for the seven FTA grants listed above, as well as TriMet's payment of the local funding match. These grant funds are integral to TriMet's FY2022 Adopted Budget, including grants pledged as security for TriMet's bonds.

**9. Impact if Not Approved**

Board authorization is required for TriMet to submit grant applications totaling \$100.4 million of FY2022 FTA funds. These funds are integral to TriMet's FY2022 Budget. Without the Board's approval of this Resolution, TriMet would need to make debt service payments with unbudgeted general fund dollars, and certain projects for which the grant funds were earmarked could be delayed for an undetermined time.

**RESOLUTION NO. 21-10-48**

**RESOLUTION NO. 21-10-48 OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING SUBMISSION OF SEVEN (7) GRANT APPLICATIONS TO THE FEDERAL TRANSIT ADMINISTRATION (FTA) FOR FY2022 FEDERAL FORMULA AND DISCRETIONARY FUNDS AND TO ADVISE AS TO THE CURRENT STATUS OF EIGHT (8) FY2021 GRANT APPLICATIONS**

**WHEREAS**, the Federal Transit Administration (FTA) and the U.S. Department of Transportation are authorized to award federal financial assistance in the form of federal formula and discretionary fund grant awards for transportation projects; and

**WHEREAS**, such grant awards impose certain obligations upon the applicant or subrecipient, including the obligation to provide the local share of project costs; and

**WHEREAS**, pursuant to Title VI of the Civil Rights Act of 1964 (Title VI), in connection with the filing of an application for assistance under U.S.C. Title 49, the applicant must provide assurance that it will comply with Title VI and related FTA and U.S. Department of Transportation requirements; and

**WHEREAS**, it is the policy of TriMet that disadvantaged businesses be provided an equal opportunity to receive and participate in FTA and U.S. Department of Transportation-assisted contracts, and TriMet has established and administers a program to implement this policy; and

**WHEREAS**, a Resolution by the Board of Directors (Board) is necessary to authorize TriMet to incur financial obligations associated with the receipt of federal formula and discretionary grant fund awards for transportation projects;

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

That the Board hereby authorizes the General Manager or his designee, on behalf of TriMet, to:

1. File and execute seven (7) FY2022 FTA formula and discretionary grant fund applications, listed in Attachment A hereto, in the total amount of \$100.4 million, with the FTA and U.S. Department of Transportation.
2. File and execute with such applications any assurance or other documents required to effectuate the purpose of Title VI of the Civil Rights Act of 1964.
3. Furnish such additional information as the FTA and U.S. Department of Transportation may require in connection with these applications, agreements or projects.
4. Continue administering TriMet's established disadvantaged business policies in connection with the procurement needs of these applications, agreements or projects.
5. Execute grant amendments, revisions and agreements with the FTA and U.S. Department of Transportation for the financing of these grant applications.

6. Provide that the local match for the grants will be as noted in the Board Memorandum and the Attachment A accompanying this Resolution.

Dated: October 27, 2021

Attest:

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Presiding Officer

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Recording Secretary

Approved as to Legal Sufficiency:

***Gregory E. Skillman***

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Legal Department