

MARICOPA ASSOCIATION OF GOVERNMENTS

INFORMATION SUMMARY... for your review

DATE:

October 11, 2011

SUBJECT:

Unprogrammed Federal Transit Fund Balances

SUMMARY:

As of August 2011, due to project savings and unspent funds, there was a balance of \$3,585,121 of unprogrammed federal funds: \$899,103 in 5307, \$438,000 in Congestion Mitigation and Air Quality (CMAQ), and \$2,248,018 in Surface Transportation Program (STP) funds. It is suggested to program the \$3,585,121 to Preventive Maintenance (PM) based on the currently adopted FY 2011 PM distribution methodology. Preventive Maintenance is not eligible under the CMAQ guidance. In order to maximize the ability to use federal funds for PM, it is recommended to program \$438,000 of CMAQ funds for one of the City of Phoenix's bus purchases in exchange for \$434,407 of 5307 funds. This leaves a total of \$3,581,528 to program for PM based on the current adopted FY 2011 PM distribution methodology.

PUBLIC INPUT:

None.

PROS & CONS:

PROS: The recommendation will allow continued collaboration with transit operators in the region to program federal transit funds for the 2011-2015 MAG TIP.

CONS: None.

TECHNICAL & POLICY IMPLICATIONS:

TECHNICAL: The MAG TIP needs to program federal funds before federal transit grant authorizations can occur.

POLICY: This reinstates the needs for transparent and data driven programming approach for supporting transit operations, and to keep public transit service operating in times of local, regional, and state budget shortfalls.

ACTION NEEDED:

Recommend approval to reprogram \$3,581,528 of 5307 and STP funds to preventive maintenance based on the FY 2011 approved distribution methodology, as shown in Table 4B, and modify the 2011-2015 TIP accordingly, as shown in Table 5.

PRIOR COMMITTEE ACTIONS:

This item is on the October 12, 2011, MAG Management Committee agenda. An update will be provided on action taken by the committee.

Transportation Review Committee: The Transportation Review Committee met on September 22, 2011 and recommended approval to reprogram \$3,581,528 of 5307 and STP funds to preventive maintenance based on the FY 2011 approved distribution methodology, as shown in Table 4B, and modify the 2011-2015 TIP accordingly, as shown in Table 5.

MEMBERS ATTENDING

- * Peoria: David Moody, Chair
- Scottsdale: David Meinhart, Vice-Chair
- ADOT: Kwi-Sung Kang
- Avondale: Shirley Gunther for David Fitzhugh
- * Buckeye: Scott Lowe
- Chandler: Dan Cook for Patrice Kraus
- El Mirage: Lance Calvert
- Fountain Hills: Randy Harrel
- Gila Bend: Eric Fitzer
- * Gila River: Doug Torres
- Gilbert: Ken Maruyama for Tami Ryall
- Glendale: Bob Darr for Terry Johnson
- Goodyear: Cato Esquivel
- Guadalupe: Gino Turrubiarres

- Litchfield Park: Paul Ward for Woody Scoutten
- Maricopa County: Clem Ligocki for John Hauskins
- Mesa: Jeff Martin for Scott Butler
- Paradise Valley: Bill Mead
- Phoenix: Shane Silsby for Rick Naimark
- Queen Creek: Tom Condit
- RPTA: Bryan Jungwirth
- Scottsdale: Dave Meinhart
- Surprise: Bob Beckley
- Tempe: Chad Heinrich
- Valley Metro Rail: Ben Limmer for John Farry
- * Wickenburg: Rick Austin
- * Youngtown: Jim Fox for Lloyce Robinson

EX-OFFICIO MEMBERS ATTENDING

- Street Committee: Dan Cook
- * ITS Committee: Nicolaas Swart, Maricopa County

- * Bicycle/Pedestrian Committee: Katherine Coles, City of Phoenix
- * Transportation Safety Committee: Julian Dresang, City of Tempe

- * Members neither present nor represented by proxy.
- + Attended by Videoconference # Attended by Audioconference

Transit Committee: The Transit Committee met on September 8, 2011 and recommended approval to reprogram \$3,581,528 of 5307 and STP funds to preventive maintenance based on the FY2011 approved distribution methodology, as shown in Table 4B, and modify the 2011-2015 TIP accordingly, as shown in Table 5.

MEMBERS ATTENDING

- Phoenix: Debbie Cotton, Chair
- * ADOT: Mike Normand
- Avondale: Kristen Sexton for Rogene Hill
- # Buckeye: Sean Banda for Andrea Marquez
- Chandler: Dan Cook for RJ Zeder
- # El Mirage: Leah Hubbard
- # Gilbert: Kurt Sharp for Ken Maruyama
- Glendale: Cathy Colbath
- Goodyear: Cato Esquivel
- Maricopa County: Mitch Wagner
- Mesa: Mike James
- * Paradise Valley: William Mead
- # Peoria: Maher Hazine

- # Queen Creek: Pam Weisshaar for Tom Condit
- * Scottsdale: Madeline Clemann
- Surprise: David Kohlbeck
- Tempe: Robert Yabes for Jyme Sue McLaren
- * Tolleson: Chris Hagen
- Valley Metro Rail: Ben Limmer for Wulf Grote
- Youngtown: Grant Anderson
- Regional Public Transportation Authority: Carol Ketcherside

- * Members neither present nor represented by proxy.
- + Attended by Videoconference #Attended by Audioconference

CONTACT PERSON:

Eileen O. Yazzie, Transportation Programming Manager, (602) 254-6300.

October 11, 2011

TO: Members of the Transportation Policy Committee

FROM: Eileen O. Yazzie, Transportation Programming Manager

RE: PROGRAMMING FEDERAL FUND BALANCES

There are currently five federal fund accounts that have unprogrammed balances. The 5307 account has \$58,275 in 2006 funds, there is \$840,828 in 5307-2007 funds, \$438,000 in Congestion Mitigation and Air Quality (CMAQ)-2009 funds, \$213,353 in Surface Transportation Program (STP)-2009 funds, and \$2,034,665 in STP-2011 funds. Please note the \$2,034,665 available in STP-2011 funds is actually due to STP-2008 funds not being programmed. The Federal Transit Administration (FTA) requested that we use the 2008 older funds first before the requesting authorization on 2011 funds. This totals \$3,585,121 available in federal funds that need to be programmed. Please see Table 1: Unprogrammed Balances.

It is suggested that these funds are programmed for preventive maintenance based on the approved preventive maintenance distribution methodology for FY 2011. Please see Appendix A for the approved preventive maintenance distribution methodology for FY 2011. In order to maximize the unprogrammed funds, it is necessary to reprogram a current federal transit funded project in 2011 that is eligible for CMAQ funding with CMAQ funds. CMAQ funds are not allowed to be used for preventive maintenance on existing service. Once a project is identified, then the other type of federal transit funds can be used for preventive maintenance.

The 2011 Transit Program of Projects was analyzed to try and find a project that would match \$438,000 of CMAQ funds. It is not allowed to program federal funds for a partial vehicle purchase; the federal funds need to support a total vehicle purchase. It is suggested to program CMAQ funds for one of the 29 replacement buses the City of Phoenix is planning to purchase with 5307 funds (PHX11-708T). With this reprogram, \$434,407 in 5307-2011 funds will be available to be programmed for preventive maintenance. Please see Table 2: CMAQ Reprogram. With the CMAQ Reprogram, the amount available to program is \$3,581,528, shown in Table 3: Amounts to be Programmed for Preventive Maintenance.

Table 4A: Preventive Maintenance Distribution on FY2011 Approved Methodology identifies the type of funding, the amount per operator and the total based on the approved preventive maintenance distribution methodology for FY 2011. It is necessary to document the amounts per funding category for grant administration. Please note, as related to the 5307-2006 and 5307-2007 funding, METRO Light Rail was not in operation at that time. Therefore, funds will be distributed on the same

methodology, but with 100 percent of the funds being allocated to bus. This is noted in Appendix A, and the results are shown in Table 4 in the 5307-2006 and 5307-2007 columns.

Due to the Intergovernmental Agreements (IGA) for the 5307-2006 and 2007 funds being expired, it is suggested that the City of Phoenix is allocated their distribution amounts of \$34,872, \$503,151, and the balance of \$23,403 (5307-2006) and \$337,677 (5307-2007). \$361,080 will be deducted from the City of Phoenix's STP distribution, and redistributed per the same amounts as originally allocated in Table 4A, columns 5307-2006 and 5307-2007. This is revenue neutral and allows for a timely grant process. Please see **Table 4B: Recommended Preventive Maintenance** for the suggested amounts to be programmed per agency.

The necessary TIP modifications are shown in **Table 5: Project Changes**.

This item is on the agenda for a recommendation to reprogram \$3,581,528 of 5307 and STP funds to preventive maintenance based on the FY2011 approved distribution methodology as shown in Table 4B, and modify the 2011-2015 MAG TIP as shown in Table 5.

Please contact me with any questions at (602) 254-6300 or eyazzie@azmag.gov.

Appendix A: Approved preventive maintenance distribution methodology for FY2011
 December 2010, MAG Transit Committee recommended the below distribution methodology for
 2011 PM Funds (over and above what was originally programmed in the TIP for 2011) - non-
 precedent setting. Regional Council approved May 25, 2011

Distribution Methodology - Using 2009 Published NTD Data		Distribution Methodology - Using 2009 Published NTD Data	
Operating Expense Mode Split		Operating Expense Mode Split	
Operating Expense	%	Operating Expense	%
Bus	94.70%	Bus	100.00%
Rail	5.30%	Rail	
TOTAL	100.00%	TOTAL	100.00%
Vehicle Revenue Miles	Vehicle Revenue Miles %	Vehicle Revenue Miles	Vehicle Revenue Miles %
City of Glendale	1.26%	City of Glendale	1.26%
Peoria Transit	0.52%	Peoria Transit	0.52%
City of Phoenix	59.84%	City of Phoenix	59.84%
RPTA	20.28%	RPTA	20.28%
City of Scottsdale	1.00%	City of Scottsdale	1.00%
Surprise DAR	0.19%	Surprise DAR	0.19%
City of Tempe	16.91%	City of Tempe	16.91%
TOTAL	100.00%	TOTAL	100.00%

METRO Rail was not in operations in 2006 or 2007 as related to the 5307-2006 and 5307-2007 funds. This calculation represents no operating expenses for Rail

Table 1: Unprogrammed Balances

Unprogrammed Balances as of July 2011		Year of funding	Reason there are funds available	Programming Comments
5307	\$ 58,275	2006	Funds returned due to closure of Maricopa County STS operations	Approval, TIP Amendment not required
5307	\$ 840,828	2007	Funds returned due to closure of Maricopa County STS operations	Approval, TIP Amendment not required
CMAQ	\$ 438,000	2009	Funds transferred for MAG Closeout project (bus) that did not move forward due to lack of operating funds	TIP Amendment required
STP	\$ 213,353	2009	Funds transferred not programmed	TIP Amendment required
STP	\$ 2,034,665	2011	Funds transferred not programmed. These funds are actually due to STP-2008 funds not being programmed. FTA requested that we use the STP-2008 older funds first before the requesting authorization on STP-2011 funds.	TIP Amendment required
Total	\$ 3,585,121			

TABLE 2: CMAQ Reprogram

Current TIP Listing										
TIP #	Agency	Location	Workd Description	Year	Federal Funding Type	Federal Cost	Regional Cost	Local Cost	Total Cost	ALI
PHX11-708T	Phoenix	Regionwide	Purchase bus: standard 40 foot - 29 replace	2011	5307	\$ 12,597,805	\$ 2,580,273	\$ -	\$ 15,178,078	11.12.01

Cost of single bus with 5307 funds (83% Federal and 17% Local)	\$ 434,407	\$ 88,975	\$ -	\$ 523,382
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Revised TIP Listing										
TIP #	Agency	Location	Workd Description	Year	Federal Funding Type	Federal Cost	Regional Cost	Local Cost	Total Cost	ALI
PHX11-708T	Phoenix	Regionwide	Purchase bus: standard 40 foot - 28 replace	2011	5307	\$ 12,163,398	\$ 2,491,298	\$ -	\$ 14,654,696	11.12.01
NEW	Phoenix	Regionwide	Purchase bus: standard 40 foot - 1 replace	2011	CMAQ	\$ 438,000	\$ 85,382	\$ -	\$ 523,382	11.12.01

Cost of single bus with CMAQ funds (83.6% Federal and 16.4% Local)	\$ 438,000	\$ 85,382	\$ -	\$ 523,382
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Amount of 5307 Funds available to be programmed	\$ 434,407
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Table 3: Amounts to be Programmed for Preventive Maintenance

Unprogrammed Balances as of July 2011		Year of funding	Reason there are funds available	Programming Comments
5307	\$ 58,275	2006	Funds returned due to closure of Maricopa County STS operations	Approval, TIP Amendment not required
5307	\$ 840,828	2007	Funds returned due to closure of Maricopa County STS operations	Approval, TIP Amendment not required
5307	\$ 434,407	2011	Funds available to reprogram of CMAQ-2009 funds	TIP Amendment required
STP	\$ 213,353	2009	Funds transferred not programmed	TIP Amendment required
STP	\$ 2,034,665	2011	Funds transferred not programmed. These funds are actually due to STP-2008 funds not being programmed. FTA requested that we use the STP-2008 older funds first before the requesting authorization on STP-2011 funds.	TIP Amendment required
Total	\$ 3,581,528			

Table 4A: Preventive Maintenance Distribution on FY2011 Approved Methodology

	5307-2006	5307-2007	5307-2011 (Increase)	STP	TOTAL
Agency	Distribution				
Glendale	\$ 734	\$10,594	\$ 5,183	\$ 26,824	\$ 43,336
Peoria	\$ 303	\$4,372	\$ 2,139	\$ 11,070	\$ 17,885
Phoenix	\$ 34,872	\$503,151	\$ 246,172	\$ 1,273,918	\$ 2,058,113
RPTA	\$ 11,818	\$170,520	\$ 83,429	\$ 431,735	\$ 697,502
Scottsdale	\$ 583	\$8,408	\$ 4,114	\$ 21,289	\$ 34,394
Surprise	\$ 111	\$1,598	\$ 782	\$ 4,045	\$ 6,535
METRO*	\$ -		\$ 23,024	\$ 119,145	\$ 142,169
Tempe	\$ 9,854	\$142,184	\$ 69,565	\$ 359,992	\$ 581,596
TOTAL	\$ 58,275	\$ 840,828	\$ 434,407	\$ 2,248,018	\$ 3,581,528

*Please note, as related to the 5307-2006 and 5307-2007 funding, METRO Light Rail was not in operations at that time. Therefore, funds will be distributed on the same methodology, but with 100% of the funds being allocated to bus.

Due to the Intergovernmental Agreements (IGA) for the 5307-2006 and 2007 funds expiring, it is suggested that the City of Phoenix is allocated their distribution amounts of \$34,872, \$503,151, and the balance of \$23,403 (5307-2006) and \$337,677 (5307-2007). \$361,080 will be deducted from the City of Phoenix's STP distribution, and redistributed per the same amounts as originally allocated in Table 4A, columns 5307-2006 and 5307-2007. This is revenue neutral and allows for a timely grant process.

Table 4B: Recommended Preventive Maintenance

	5307-2006	5307-2007	5307-2011 (Increase)	STP (\$361,080 Phx Deduction)	(\$361,080 STP Distribution)	TOTAL
Agency	Distribution					
Glendale			\$ 5,183	\$ 26,824	\$ 11,329	\$ 43,336
Peoria			\$ 2,139	\$ 11,070	\$ 4,675	\$ 17,885
Phoenix	\$ 58,275	\$840,828	\$ 246,172	\$ 912,838	\$ -	\$ 2,058,113
RPTA			\$ 83,429	\$ 431,735	\$ 182,338	\$ 697,502
Scottsdale			\$ 4,114	\$ 21,289	\$ 8,991	\$ 34,394
Surprise			\$ 782	\$ 4,045	\$ 1,708	\$ 6,535
METRO			\$ 23,024	\$ 119,145	\$ -	\$ 142,169
Tempe			\$ 69,565	\$ 359,992	\$ 152,038	\$ 581,596
TOTAL	\$ 58,275	\$ 840,828	\$ 434,407	\$ 1,886,938	\$ 361,080	\$ 3,581,528

Table 5: Project Changes

TIP #	Agency	Location	Workd Description	Year	Federal Funding Type	Federal Cost	Regional Cost	Local Cost	Total Cost	ALI	Notes
PHX11-708T	Phoenix	Regionwide	Purchase bus: standard 40 foot - 28 replace - 2011 5307 Funds	2012	5307	\$ 12,163,398	\$ 2,491,298	\$ -	\$ 14,654,696	11.12.01	Original project was for 29 replacement vehicles. Project Split to use CMAQ Funds
PHX12-103T	Phoenix	Regionwide	Purchase bus: standard 40 foot - 1 replace - 2011 5307 Funds	2012	CMAQ	\$ 438,000	\$ 85,382	\$ -	\$ 523,382	11.12.01	New Project
GLN11-702T	Glendale	Glendale: Citywide Paratransit & GUS	Preventive Maintenance - 2011 5307 Funds	2012	5307	\$ 245,364	\$ -	\$ 61,341	\$ 306,705	11.7A.00	Admin Mod: Increase Costs from \$240,180 to \$245,364
PEO11-702T	Peoria	Peoria: Citywide Paratransit	Preventive Maintenance - 2011 5307 Funds	2012	5307	\$ 92,038	\$ -	\$ 23,010	\$ 115,048	11.7A.00	Admin Mod: Increase Costs from \$89,899 to \$92,038
PHX11-706T	Phoenix	Phoenix: Citywide Fixed Route	Preventive Maintenance - 2011 5307 Funds	2012	5307	\$ 11,298,006	\$ -	\$ 2,824,502	\$ 14,122,508	11.7A.00	Admin Mod: Increase Costs from \$11,051,835 to \$11,298,006
SUR11-701T	Surprise	Surprise: Citywide Paratransit	Preventive Maintenance - 2011 5307 Funds	2012	5307	\$ 24,002	\$ -	\$ 6,001	\$ 30,003	11.7A.00	Admin Mod: Increase Costs from \$23,220 to \$24,002
TMP11-701T	Tempe	Tempe: Fixed Route	Preventive Maintenance - 2011 5307 Funds	2012	5307	\$ 1,831,900	\$ -	\$ 457,975	\$ 2,289,875	11.7A.00	Admin Mod: Increase Costs from \$1,762,335 to \$1,831,900
VMT11-709T	Valley Metro	Regionwide: Fixed Route	Preventive Maintenance - 2011 5307 Funds	2012	5307	\$ 2,708,507	\$ -	\$ 677,127	\$ 3,385,634	11.7A.00	Admin Mod: Increase Costs from \$2,625,078 to \$2,708,507
VMR11-104T	METRO	Central Phoenix East Valley (CPEV) Fixed Route	Preventive Maintenance - 2011 5307 Funds	2012	5307	\$ 545,695		\$ 136,424	\$ 682,119	11.7A.00	Admin Mod: Increase Costs from \$522,671 to \$545,695
SCT11-113T	Scottsdale	Scottsdale: Fixed Route	Preventive Maintenance - 2011 5307 Funds	2012	5307	\$ 97,504		\$ 24,376	\$ 121,880	11.7A.00	Admin Mod: Increase Costs from \$93,391 to \$97,504
GLN12-100T	Glendale	Glendale: Citywide Paratransit & GUS	Preventive Maintenance - 2009 & 2011 STP Funds	2012	STP	\$ 38,152	\$ -	\$ 2,306	\$ 40,458	11.7A.00	New Project: STP requires a 5.7% local match
PEO12-100T	Peoria	Peoria: Citywide Paratransit	Preventive Maintenance - 2009 & 2011 STP Funds	2012	STP	\$ 15,745	\$ -	\$ 952	\$ 16,697	11.7A.00	New Project: STP requires a 5.7% local match

TIP #	Agency	Location	Work Description	Year	Federal Funding Type	Federal Cost	Regional Cost	Local Cost	Total Cost	ALI	Notes
PHX12-104T	Phoenix	Phoenix: Citywide Fixed Route	Preventive Maintenance - 2009 & 2011 STP Funds	2012	STP	\$ 912,838	\$ -	\$ 55,177	\$ 968,015	11.7A.00	New Project: STP requires a 5.7% local match
SUR12-100T	Surprise	Surprise: Citywide Paratransit	Preventive Maintenance - 2009 & 2011 STP Funds	2012	STP	\$ 5,753	\$ -	\$ 348	\$ 6,101	11.7A.00	New Project: STP requires a 5.7% local match
TMP12-100T	Tempe	Tempe: Fixed Route	Preventive Maintenance - 2009 & 2011 STP Funds	2012	STP	\$ 512,031	\$ -	\$ 30,950	\$ 542,981	11.7A.00	New Project: STP requires a 5.7% local match
VMT12-102T	Valley Metro	Regionwide: Fixed Route	Preventive Maintenance - 2009 & 2011 STP Funds	2012	STP	\$ 614,074	\$ -	\$ 37,118	\$ 651,192	11.7A.00	New Project: STP requires a 5.7% local match
VMR12-106T	METRO	Central Phoenix East Valley (CPEV) Fixed Route	Preventive Maintenance - 2009 & 2011 STP Funds	2012	STP	\$ 119,145		\$ 7,202	\$ 126,347	11.7A.00	New Project: STP requires a 5.7% local match
SCT12-102T	Scottsdale	Scottsdale: Fixed Route	Preventive Maintenance - 2009 & 2011 STP Funds	2012	STP	\$ 30,280		\$ 1,830	\$ 32,110	11.7A.00	New Project: STP requires a 5.7% local match