

MEMORANDUM

TO: Roger L. Stancil, Town Manager

FROM: K. Stephen Spade, Director of Transit
Kenneth C. Pennoyer, Director of Business Management

SUBJECT: Transit Fund Ordinance Amendment and Budget Carry Forward

DATE: November 23, 2009

PURPOSE

The purpose of memo is to make adjustments in the Transit Fund to reflect operating grants that have been awarded to Chapel Hill Transit.

BACKGROUND AND DISCUSSION

Transit Fund

Over the past 18 months Chapel Hill Transit has added new services or expanded existing services. Much of this new and expanded service has been absorbed in the FY2010 adopted operating budget for Transit and in many cases, overtime has been needed to meet the service requirements.

Chapel Hill Transit has applied for and received awards for operating grants to offset the costs to expand and improve services. The grants provide funding ranging from 50% to 100% in federal funds.

A Job Access Reverse Commute grant was received to fund the continuation of the expanded service on the evening NS and G Routes. A New Freedom grant was awarded allowing the addition of a Mobility Manager for the EZ Rider Service. These grants require a budget ordinance amendment to include them in the Transit operating fund.

In FY2008-09 two grants were approved and budgeted for the expansion of service. One Job Access and Reverse Commute grant was received for the new Rogers Road service and the other, a New Freedom grant, was awarded for improvements to services provided to the elderly with the Senior Shuttle service. Both services remained in the planning stages at the end of FY2008-09, and therefore require a budget carry-forward to move them into the current year.

In September, 2009 Council approved Chapel Hill Transit's participation in the Regional Call Center. Funding for this activity was included in a New Freedom grant totaling \$50,614 and the budget ordinance was approved to budget the funds in the Transit Grant

fund. This amendment will rescind the September 14, 2009 project ordinance establishing that grant in the Transit grant fund and move the funds to the Transit operating fund.

Matching funds required for the Job Access and Reverse Commute and New Freedom grants are budgeted in the Transit operating fund.

Chapel Hill Transit has also received a Congestion Mitigation Air Quality (CMAQ) grant that provides for 100% federal operating assistance for expanding the existing NS and G Routes to include 10 minute headways on Martin Luther King Jr. Blvd. No matching funds are required for this project.

RECOMMENDATION

That Council enact the budget ordinance amendment and carry-forward the identified FY2008-09 grants.