



Legislation Details (With Text)

**File #:** ID 20-001168 **Version:** 1 **Name:**

**Type:** Action Item **Status:** Agenda Ready

**File created:** 9/2/2020 **In control:** City Council

**On agenda:** 9/17/2020 **Final action:** 9/17/2020

**Title:** \*\*\*RESOLUTION - Adopting the 14th Amendment to the Annual Appropriation Resolution (AAR) No. 2020-159 to appropriate \$1,970,400 of the \$32,479,800 of Coronavirus Aid, Relief, and Economic Security (CARES) Act funding for transit operating, capital, and COVID-19 related expenses (Requires 5 affirmative votes) (Subject to Mayor's veto)

**Sponsors:** Department of Transportation

**Indexes:**

**Code sections:**

**Attachments:** 1. 14th Amdmt AAR 2020-159.pdf, 2. CARES Act Guidelines.pdf, 3. Additonal Information - PowerePoint Presentation 3-C.pdf

Date	Ver.	Action By	Action	Result
9/17/2020	1	City Council	adopted	Pass

**REPORT TO THE CITY COUNCIL**

**September 17, 2020**

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**SUBJECT**

\*\*\*RESOLUTION - Adopting the 14<sup>th</sup> Amendment to the Annual Appropriation Resolution (AAR) No. 2020-159 to appropriate \$1,970,400 of the \$32,479,800 of Coronavirus Aid, Relief, and Economic Security (CARES) Act funding for transit operating, capital, and COVID-19 related expenses (Requires 5 affirmative votes) (Subject to Mayor's veto)

**RECOMMENDATION**

Staff recommends Council adopt the 14<sup>th</sup> Amendment to the AAR No. 2020-159 to appropriate \$1,970,400 of the \$32,479,800 of CARES Act grant funding for transit operating, capital, and COVID-19 related expenses in the Department of Transportation (DOT).

## **EXECUTIVE SUMMARY**

DOT is the recipient of \$32,479,800 of CARES Act funding through the Federal Transit Administration (FTA). This funding is intended to cover transit operating, capital, and COVID-19 related expenses. Of the total funding, \$18,244,400 will be used to reimburse the department for FY2020 operational and COVID-19 related expenses already incurred. The remaining \$14,235,400 will be used to fund anticipated expenditures in FY2021, including \$1,970,400 requiring new budget appropriations. Adoption of this AAR amendment will provide appropriations in the DOT FY2021 Operating and Capital Budgets to sufficiently cover the anticipated expenditures.

## **BACKGROUND**

The CARES Act was passed by Congress and signed into law on March 27, 2020, providing an economic relief package of more than \$2 trillion. Of that, the FTA has allocated \$22.7 billion to transit agencies in large and small urban areas nationwide. Based on its regular formula funding allocation, the DOT was awarded a total of \$32,479,800 CARES Act funding. In accordance with guidelines published by the FTA, this funding will be used to fund transit operating and COVID-19 related expenses on or after January 20, 2020 (including cleaning, sanitation, screening, and personal protective equipment), for both FAX fixed route and Handy Ride paratransit services, as well as purchase two additional FAX fixed route buses.

The eligible project list and funding breakdown for the CARES Act funding follows:

1. FAX Operating Support: \$28,526,000
2. Handy Ride Operating Support: \$67,000
3. COVID-19 Related Expenses: \$2,783,500
4. FAX Bus Purchases: \$1,103,300

Please note the totals listed above include both reimbursements for FY2020 expenses already incurred and anticipated FY2021 expenditures; only \$1,970,400 of which require new budget appropriations.

## **ENVIRONMENTAL FINDING**

This authorization for budget appropriations is not a project for the purposes of the California Environmental Quality Act, pursuant to CEQA Guidelines section 15378.

## **LOCAL PREFERENCE**

Local preference was not considered because this resolution does not include a bid award or award of construction or services contract.

## **FISCAL IMPACT**

There is no fiscal impact to the general fund. The projects listed above are fully funded by CARES Act funding through the FTA, and no local funding match is required.

Attachments:

14<sup>th</sup> Amendment to the Annual Appropriation Resolution No. 2020-159  
CARES Act Guidelines