ITEM NO. 10

*STAFF REPORT* *CITY OF OCEANSIDE*

DATE: October 17, 2012

TO: Honorable Mayor and City Councilmembers

FROM: Neighborhood Services Department

SUBJECT: **RESOLUTION AUTHORIZING APPLICATION TO THE TRANSNET SENIOR MINI GRANT PROGRAM FOR SENIOR TRANSPORTATION SERVICES IN THE AMOUNT OF $400,000, COMMITTING MATCH FUNDS IN THE AMOUNT OF $140,000, AND AUTHORIZING THE CITY MANAGER TO ACCEPT AWARDED FUNDS AND EXECUTE ALL DOCUMENTS PERTAINING TO THE GRANT**

## SYNOPSIS

Staff recommends that the City Council adopt a resolution authorizing application to the TransNet Senior Mini Grant program for grant funds for Fiscal Years 2013-14 and 2014-15 in the total amount of $400,000, committing matching general funds in the amount of $70,000 in the FY 2013-2014 budget and $70,000 in general funds in the FY 2014-15 budget, and authorizing the City Manager to accept awarded funds and execute all documents pertaining to the grant.

## BACKGROUND

TransNet, the ½ percent sales tax for local transportation projects, has provided for the expansion of transportation systems since 1988. In November 2004, 67 percent of voters approved a 40-year extension of TransNet which included a mini-grant program for specialized transportation services for seniors. In March 2008, San Diego Association of Governments (SANDAG) opened a competitive grant opportunity for local agencies that included support for senior transportation services. In 2009, the City of Oceanside was awarded grant funds for the Solutions for Seniors on the Go transportation program for three years: Fiscal Years 2009-10, 2010-11, and 2011-12.

In January 2010, the SANDAG Board of Directors approved SANDAG Board Policy 035 (Attachment I) for competitive grant program procedures. SANDAG released the application for grant funds for Fiscal Year 2012-13 in October 2010. The City applied and was awarded grant funds for the continuation of services through the Solutions for Seniors on the Go transportation program.

In August 2012 SANDAG released the application for grant funds for Fiscal Years 2013-14 and 2014-15.

## ANALYSIS

Solutions for Seniors on the Go is the City of Oceanside transportation program for senior residents. The TransNet grant funds are vital to the sustainability of Oceanside senior transportation services, which include shuttle, taxi scrip, and volunteer driver service and are currently funded through TransNet grant funds through FY 2012-13 with a City Match funded by the General Fund (931935101). The services require application this year to receive subsequent funding in Fiscal Years 2013-14 and 2014-15.

The SANDAG Board Policy 035 requires all applicants to provide a Resolution that resolves to 1) commit to providing the amount of matching funds set for the in the grant application and 2) authorize staff to accept the grant funding and execute a grant agreement if an award is made by SANDAG. It is the policy of the City, through Administrative Directive – 01: Grant Management, to accept grant funds at time of award and appropriate both grant and match funds to the budget at that time. However, the new SANDAG grant policy requires that these functions be delegated to staff at time of application or the application will be considered rejected from the competitive grant process. Without grant funds, all senior transportation services would end.

With the adoption of this Resolution, staff will not be bringing the acceptance of grant funds back to the City Council before executing an agreement with SANDAG. Staff will advise the City Council of acceptance of the funds and administration of the grant documents should an award be made.

## FISCAL IMPACT

Through adoption of the Resolution, the City Council is authorizing the City Manager to accept grant funds and budget the appropriate proportion of City match funds as part of the Fiscal Year 2013-14 and Fiscal Year 2014-15 Budgets. Should the City be awarded the full grant request, both the FY 2013-14 and FY 2014-15 Budgets would include $200,000 ($400,000 total) to the Solutions for Seniors on the Go Business Units (917113500212, 917113600212, and 917113700212) for the grant funds and $70,000 ($140,000 total) to the Senior Taxi Program (931935101) for the city general fund match.

## COMMISSION OR COMMITTEE REPORT

Staff will discuss this item with the Parks and Recreation Commission in November 2012.

## CITY ATTORNEY'S ANALYSIS

The referenced documents have been reviewed by the City Attorney and approved as to form.

## RECOMMENDATION

Staff recommends that the City Council adopt a resolution authorizing application to the TransNet Senior Mini Grant program for grant funds for Fiscal Years 2013-14 and 2014-15 in the total amount of $400,000, committing matching general funds in the amount of $70,000 in the FY 2013-2014 budget and $70,000 in general funds in the FY 2014-15 budget, and authorizing the City Manager to accept awarded funds and execute all documents pertaining to the grant.

PREPARED BY:

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SUBMITTED BY:

Peter A. Weiss
City Manager

REVIEWED BY:

Michelle Skaggs-Lawrence, Deputy City Manager

Margery Pierce, Neighborhood Services Director

Teri Ferro, Financial Services Director

Attachments: SANDAG Board Policy 035
Resolution

**BOARD POLICY NO. 035**

# COMPETITIVE GRANT PROGRAM PROCEDURES

## Applicability and Purpose of Policy

This Policy applies to the following grant programs administered through SANDAG, whether from *TransNet* or another source: Smart Growth Incentive Program, Environmental Mitigation Program, Bike and Pedestrian Program, Senior Mini Grant Program, Job Access Reverse Commute, New Freedom, and Section 5310 Elderly & Persons with Disabilities Transportation Program.

Nothing in this Policy is intended to supersede federal or state grant rules, regulations, statutes, or contract documents that conflict with the requirements in this Policy. There are never enough government grant funds to pay for all of the projects worthy of funding in the San Diego region. For this reason, SANDAG awards grant funds on a competitive basis that takes the grantees' ability to perform their proposed project on a timely basis into account. SANDAG intends to hold grantees accountable to the project schedules they have proposed in order to ensure fairness in the competitive process and encourage grantees to get their projects implemented quickly so that the public can benefit from the project deliverables as soon as possible.

## Procedures

1. Project Milestone and Completion Deadlines

1.1. When signing a grant agreement for a competitive program funded and/or administered by SANDAG, grant recipients must agree to the project delivery objectives and schedules in the agreement. In addition, a grantee's proposal must contain a schedule that falls within the following deadlines. Failure to meet the deadlines below may result in revocation of all grant funds not already expended. The final invoice for capital, planning, or operations grants must be submitted prior to the applicable deadline.

1.1.1. Funding for Capital Projects. If the grant will fund a capital project, the project must be completed according to the schedule provided in the grant agreement, but at the latest, any necessary construction contract must be awarded within two years following execution of the grant agreement, and construction must be completed within eighteen months following award of the construction contract. Completion of construction for purposes of this policy shall be when the prime construction contractor is relieved from its maintenance responsibilities. If no construction contract award is necessary, the construction project must be complete within eighteen months following execution of the grant agreement.

1.1.2. Funding for Planning Grants. If the grant will fund planning, the project must be completed according to the schedule provided in the grant agreement, but at the latest, any necessary consultant contract must be awarded within one year following execution of the grant agreement, and the planning project must be complete within two years following award of the consultant contract. Completion of planning for purposes of this policy shall be when grantee approves the final planning project deliverable. If no consultant contract award is necessary, the

planning project must be complete within two years of execution of the grant agreement.

1.1.3 Funding for Operations Grants. If the grant will fund operations, the project must be completed according to the schedule provided in the grant agreement, but at the latest, any necessary services contract for operations must be awarded within one year following execution of the grant agreement, and the operations must commence within six months following award of the operations contract. If no services contract for operations is necessary, the operations project must commence within one year of execution of the grant agreement.

1.1.4 Funding for Equipment or Vehicles Grants. If the grant will fund equipment or vehicles, the project must be completed according to the schedule provided in the grant agreement, but at the latest, any necessary purchase contracts for equipment or vehicles must be awarded within one year following execution of the grant agreement, and use of the equipment or vehicles for the benefit of the public must commence within six months following award of the purchase contract.

2. Project Milestone and Completion Deadline Extensions

2.1. Schedules within grant agreements may include project scopes and schedules that will identify interim milestones in addition to those described in Section 1 of this Policy. Grant recipients may receive extensions on their project schedules of up to six months for good cause. Extensions of up to six months aggregate that would not cause the project to miss a completion deadline in Section 1 may be approved by the SANDAG Executive Director. Extensions beyond six months aggregate or that would cause the project to miss a completion deadline in Section 1 must be approved by the Policy Advisory Committee that has been delegated the necessary authority by the Board. For an extension to be granted under this Section 2, the following conditions must be met:

2.1.1. For extension requests of up to six months, the grantee must request the extension in writing to the SANDAG Program Manager at least two weeks prior to the earliest project schedule milestone deadline for which an extension is being requested. The Executive Director or designee will determine whether the extension should be granted. The Executive Director's action will be reported out to the Board in following month's report of delegated actions.

2.1.2. A grantee seeking an extension must document previous efforts undertaken to maintain the project schedule, explain the reasons for the delay, explain why the delay is unavoidable, and demonstrate an ability to succeed in the extended time frame the grantee proposes.

2.1.3. If the Executive Director denies an extension request under this Section 2, the grantee may appeal within ten business days of receiving the Executive Director's response to the responsible Policy Advisory Committee by sending the appeal to the SANDAG Program Manager.

2.1.4. Extension requests that are rejected by the Policy Advisory Committee will result in termination of the grant agreement and obligation by the grantee to return to SANDAG any unexpended funds within 30 days. Unexpended funds are funds for project costs not incurred prior to rejection of the extension request by the Policy Advisory Committee.

3. Project Delays and Extensions in Excess of Six Months

3.1. Requests for extensions in excess of six months, or that will cause a project to miss a completion deadline in Section 1 (including those projects that were already granted extensions by the Executive Director and are again falling behind schedule), will be considered by the Policy Advisory Committee upon request to the SANDAG Program Manager.

3.2 A grantee seeking an extension must document previous efforts undertaken to maintain the project schedule, explain the reasons for the delay, explain why the delay is unavoidable, and demonstrate an ability to succeed in the extended time frame the grantee proposes. The grantee must provide the necessary information to SANDAG staff to place in a report to the Policy Advisory Committee. If sufficient time is available, and the grant utilized *TransNet* funds, the request will first be taken to the Independent Taxpayer Advisory Committee (ITOC) for a recommendation. The grantee should make a representative available at the meeting to present the information to, and/or answer questions from, the ITOC and Policy Advisory Committee.

3.3 The Policy Advisory Committee will only grant an extension under this Section 3 for extenuating circumstances that the grantee could not have reasonably foreseen.

4. Resolution and Execution of the Grant Agreement

4.1 Two weeks prior to the review by the Policy Advisory Committee of the proposed grants, prospective grantees must submit a resolution from their authorized governing body that includes the provisions in this Subsection 4.1. Failure to provide a resolution that meets the requirements in this Subsection 4.1 will result in rejection of the application and the application will be dropped from consideration with funding going to the next project as scored by the evaluation committee. In order to assist grantees in meeting this resolution deadline, when SANDAG issues the call for projects it will allow at least 90 days for grant application submission.

4.1.1 Grantee governing body commits to providing the amount of matching funds set forth in the grant application.

4.1.2 Grantee governing body authorizes staff to accept the grant funding and execute a grant agreement if an award is made by SANDAG.

4.2 Grantee's authorized representative must execute the grant agreement within 45 days from the date SANDAG presents the grant agreement to the prospective grantee for execution. Failure to meet the requirements in this Subsection 4.2 may result in revocation of the grant award.

5. Increased Availability of Funding Under this Policy

5.1. Grant funds made available as a result of the procedures in this Policy may be awarded to the next project on the recommended project priority list from the most recent project selection process, or may be added to the funds available for the next project funding cycle, at the responsible Policy Advisory Committee's discretion. Any project that loses funding due to failure to meet the deadlines specified in this Policy may be resubmitted to compete for funding in a future call for grant applications.

Adopted: January 2010

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OCEANSIDE AUTHORIZING APPLICATION TO THE TRANSNET SENIOR MINI GRANT PROGRAM IN THE AMOUNT OF $400,000, COMMITTING MATCH FUNDS IN THE AMOUNT OF $140,000, STATING THE ASSURANCE OF THE CITY OF OCEANSIDE TO COMPLETE THE PROJECT, AND AUTHORIZING THE CITY MANAGER TO ACCEPT AWARDED FUNDS AND EXECUTE ALL DOCUMENTS PERTAINING TO THE GRANT

WHEREAS, the San Diego Association of Governments (SANDAG) is making available funds for a TransNet Senior Transportation Mini-Grant Program through a competitive process for Fiscal Years 2013-14 and 2014-15;

WHEREAS, the City of Oceanside wishes to receive $400,000 in Senior Transportation Grant Program funds for the Solutions for Seniors on the Go transportation program;

WHEREAS, the City of Oceanside understands that the TransNet Senior Transportation Mini-Grant Program funding is fixed at the programmed amount, and therefore any cost increase cannot be expected to be funded through the TransNet Senior Transportation Mini-Grant Program;

WHEREAS, the City of Oceanside understands that all funds awarded from SANDAG are subject to a use it or lose it policy enunciated in SANDAG Board of Directors Policy #35; and

WHEREAS, the City of Oceanside understands that projects funded through the Senior Transportation Mini-Grant Program require matching funds to be provided by the project sponsor;

NOW, THEREFORE, the City Council of the City of Oceanside does resolve as follows:

SECTION 1. The City of Oceanside approves the filing of an application in the amount of $200,000 for the Solutions for Seniors on the Go program.

SECTION 2. The City of Oceanside certifies that it will have available the required matching funds or approved in-kind resources in the amount of $140,000 to carry out the terms and conditions of the grant award.

SECTION 3. The City of Oceanside delegates the authority to the City Manager to accept awarded grant funds, conduct all negotiations, sign and submit all documents, including, but not limited to, applications, amendments, agreements, and payment requests, which may be necessary for the grant scope.

PASSED AND ADOPTED by the City Council of the City of Oceanside, California, this _____day of _____, 2012 by the following vote:

AYES:

NAYS:

ABSENT:

ABSTAIN:

_____
Mayor Of The City Of Oceanside

ATTEST:

_____
City Clerk

APPROVED AS TO FORM:

_____
City Attorney