



**OFFICE OF THE
CHIEF FINANCIAL OFFICER**
Office of Development and Grants

Coleman A. Young Municipal Center
2 Woodward Avenue, Suite 1026
Detroit, Michigan 48226

Phone 313•628•1258
Fax 313•224•0542
www.detroitmi.gov

July 1, 2024

The Honorable Detroit City Council
ATTN: City Clerk Office
200 Coleman A. Young Municipal Center
Detroit MI 48226

RE: Request to accept an increase in appropriation for the Section 5307 Congestion Mitigation Air Quality (CMAQ) and Section 5339 Bus Replacement Grant

The Federal Transit Administration has awarded an increase in appropriation to the City of Detroit Department of Transportation (DDOT) for the Section 5307 Congestion Mitigation Air Quality (CMAQ) and Section 5339 Bus Replacement Grant, in the amount of \$5,194,400.00. There is also a required State match for the award, from the Michigan Department of Transportation, in the amount of \$1,298,600.00. There is no local match requirement. The total increase is \$6,493,000.00. This funding will increase appropriation 20675, previously approved in the amount of \$18,706,089.00, by council on September 28, 2021, to a total of \$25,199,089.00.

The objective of the grant is to replace DDOT buses that have met or surpassed their useful life with new buses for DDOT's fixed route service. The funding allotted to the department will be utilized to purchase up to ten (10) new 40-foot buses. This is a reimbursement grant.

I respectfully ask your approval to accept the increase in appropriation funding in accordance with the attached resolution.

Sincerely,

DocuSigned by:
Terri Daniels
4D2BEEE23C8D489...

Terri Daniels
Director of Grants, Office of Development and Grants

CC:
Sajjiah Parker, Assistant Director, Grants

DocuSigned by:
Jamari Yates
35BB8D3AC96D4D5...
Office of Budget

DocuSigned by:
Cheryl Smith-Williams
B8CAE73E1C57487...
Approved as to Form
By the Law Department



Office of Development and Grants

RESOLUTION

Council Member _____

WHEREAS, the Detroit Department of Transportation (DDOT) is requesting authorization to accept an increase in appropriation for the Section 5307 Congestion Mitigation Air Quality (CMAQ) and Section 5339 Bus Replacement Grant, from the Federal Transit Administration, in the amount of \$5,194,400.00, in order to replace DDOT buses that have met or surpassed their useful life with new buses for DDOT's fixed route service; and

WHEREAS, there is a required State match for the award, from the Michigan Department of Transportation, in the amount of \$1,298,600.00, and there is no local match requirement; and

WHEREAS, the total award increase is \$6,493,000.00; and

WHEREAS, this funding will increase appropriation 20675, previously approved in the amount of \$18,706,089.00, by council on September 28, 2021, to a total of \$25,199,089.00; and

WHEREAS, the Law Department has approved this agreement as to form; and

WHEREAS, this request has been approved by the Office of Budget; now

THEREFORE, BE IT RESOLVED that the Director or Head of the Department is authorized to execute the modified grant agreement on behalf of the City of Detroit, and

BE IT FURTHER RESOLVED, that the Budget Director is authorized to increase the budget accordingly for appropriation number 20675, in the amount of \$6,493,000.00, for the Section 5307 Congestion Mitigation Air Quality (CMAQ) and Section 5339 Bus Replacement Grant.

**UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION**

**GRANT AGREEMENT
(FTA G-31)**

On the date the authorized U.S. Department of Transportation, Federal Transit Administration (FTA) official signs this Grant Agreement, FTA has obligated and awarded federal assistance as provided below. Upon execution of this Grant Agreement by the Recipient named below, the Recipient affirms this FTA Award, enters into this Grant Agreement with FTA, and binds its compliance with the terms of this Grant Agreement.

The following documents are incorporated by reference and made part of this Grant Agreement:

- (1) "Federal Transit Administration Master Agreement," FTA MA(31), <http://www.transit.dot.gov>,
- (2) The Certifications and Assurances applicable to the FTA Award that the Recipient has selected and provided to FTA, and
- (3) Any Award notification containing special conditions or requirements, if issued.

WHEN THE TERM "FTA AWARD" OR "AWARD" IS USED, EITHER IN THIS GRANT AGREEMENT OR THE APPLICABLE MASTER AGREEMENT, "AWARD" ALSO INCLUDES ALL TERMS AND CONDITIONS SET FORTH IN THIS GRANT AGREEMENT.

FTA OR THE FEDERAL GOVERNMENT MAY WITHDRAW ITS OBLIGATION TO PROVIDE FEDERAL ASSISTANCE IF THE RECIPIENT DOES NOT EXECUTE THIS GRANT AGREEMENT WITHIN 90 DAYS FOLLOWING FTA'S AWARD DATE SET FORTH HEREIN.

FTA AWARD

Federal Transit Administration (FTA) hereby awards a Federal Grant as follows:

Recipient Information

Recipient Name: Detroit, City Of

Recipient ID: 2107

UEI: CRWJSGLZ3KX1

DUNS: 021100409

Award Information

Federal Award Identification Number: MI-2019-022-03

Award Name: Section 5307 CMAQ and Section 5339 - Bus Replacement

Award Start Date: 8/9/2019

Original Award End Date: 3/30/2022

Current Award End Date: 3/30/2031

Award Executive Summary: Amendment #3

This amendment adds one new funding source to acquire transit buses for DDOT. This amendment will add \$5,194,400 of FY2023 Section 5307 CMAQ Flex funds with \$1,298,600 in State funds (MDOT's Comprehensive Transportation Fund (CTF)), to purchase up to ten (10) 40-foot replacement buses to be used on DDOT's fixed route service. To meet the requirement that 0.75% of funds will be used for safety, the bus purchase will include spending 0.75% of the 5307 funds on safety and security related features for the buses. Total projects costs are \$6,493,000.

DDOT will follow all third-party procurement policies as defined in C4220.1F (Third Party Contracting Guidance) and will ensure contractors procured are not suspended or debarred from federal contracting.

In executing this grant, DDOT agrees to abide by Section 3011 of the FAST Act (49 U.S.C. 5323(j)(2)(C) regarding the phased increase in domestic content under the Buy America statute for rolling stock.

As Grant Agreement includes an FTA-funded transit vehicle purchase, DDOT agrees to comply with the related requirements set forth in 49 CFR 26.49(a). Specifically, Recipient must ensure as a condition of being authorized to bid or propose on FTA-assisted transit vehicle procurements, that each transit vehicle manufacturer certified that it complied with DOT requirements for submitting a DBE program and goal to FTA prior to bidding. Recipient is also required to submit the name of the successful bidder and the total dollar value of the contract within 30 days of making an FTA-assisted transit vehicle award using the required FTA reporting tool. Recipient understands that failure to comply with these requirements may result in formal enforcement action or appropriate sanction as determined by FTA, including reimbursement of FTA funds used for the vehicle procurement.

Attachments include: Approved STIP Sheet, CMAQ Transfer Approval from MDOT, FHWA Funds Transfer Request Form, Bus Replacement List, FTA Concurrence Letter Regarding Spare Ratio, DDOT's Spare Ratio Request Letter, and RTP (long range plan).

Amendment #2

This amendment adds \$2,840 in FY 2018 Section 5339 funds and \$6,240,000 in FY 2020 CMAQ funding to this award. This amount includes FTA funding in the amount of \$4,992,000, and \$1,248,000 in State Match funding from the Comprehensive Transportation Fund (CTF). This amendment also increases the period of performance by one year to reflect the additional project. Funding will be used to replace up to 13 diesel buses that have met or exceeded their minimum useful life with newer, less polluting models.

Attachments include bus replacement lists, approved STIP, and flex fund transfer documentations for 2021.

Purpose: DDOT will purchase buses to maintain overall transportation needs by replacing thirteen 40 foot buses that have exceeded their useful life. New buses will provide more efficient access to destinations throughout DDOT's service area, while reducing emissions.

Activities

to be performed: DDOT to purchase up to thirteen 40-foot buses to replace buses that have met or exceeded their minimum useful life with newer, less polluting buses.

Expected Outcomes: DDOT expects to have a newer more efficient bus fleet as a result of the bus replacement project.

Intended Beneficiaries: Newer buses will improve DDOT's bus fleet bringing to a state of good repair and enhance access and mobility within DDOT's service area.

Subrecipient Activities: This project does not include subrecipients.

Amendment #1

This amendment adds \$4,220,625 in FY 2020 CMAQ funding to this award. This amount includes FTA funding in the amount of \$3,376,500, and \$844,125 in State Match funding from the Comprehensive Transportation Fund (CTF). This amendment also increases the period of performance to reflect the additional project. Funding will be used to replace up to nine diesel buses that have met or exceeded their minimum useful life with newer, less polluting models.

Original:

This grant provides \$2,607,031 of Federal FY 2019 Section 5339 (\$3,258,789 Total) funds to replace up to seven 40-foot buses that have met or surpassed their useful life with newer ones for DDOT's fixed route service. Additionally, it provides \$3,986,500 in Federal FY 2019 CMAQ funds (\$4,983,125 Total) to replace up to thirteen 40 foot buses that have met or surpassed their useful life with newer, less polluting buses to be used on DDOT's fixed route service.

State match in the amount of \$1,648,383 provided by the Comprehensive Transportation Fund.

Attachments include bus replacement lists, approved TIP, and flex fund transfer documentations for 2021.

This application for Section 5339 Federal Assistance is consistent with the RTAs Allocation Letter dated June 21, 2019, which is attached. Other attachments include the 2019 split resolution, bus replacement lists, approved TIP, and flex fund transfer documentations for 2019 and 2020.

Research and Development: This award does not include research and development activities.

Indirect Costs: This award does not include an indirect cost rate.

Suballocation Funds: Recipient organization is suballocated these apportioned funds and can apply for and receive these funds directly.

Pre-Award Authority: This award is using Pre-Award Authority.

Award Budget

Total Award Budget: \$25,199,089.00

Amount of Federal Assistance Obligated for This FTA Action (in U.S. Dollars): \$5,194,400.00

Amount of Non-Federal Funds Committed to This FTA Action (in U.S. Dollars): \$1,298,600.00

Total FTA Amount Awarded and Obligated (in U.S. Dollars): \$20,159,271.00

Total Non-Federal Funds Committed to the Overall Award (in U.S. Dollars): \$5,039,818.00

Award Budget Control Totals

(The Budget includes the individual Project Budgets (Scopes and Activity Line Items) or as attached)

Funding Source	Section of Statute	CFDA Number	Amount
5339 – Buses and Bus Facilities Formula	5339-1	20526	\$2,609,871

FHWA Transfer to 5307 Urbanized Area Formula Grants	5307-3	20507	\$17,549,400
Local			\$0
Local/In-Kind			\$0
State			\$5,039,818
State/In-Kind			\$0
Other Federal			\$0
Transportation Development Credit			\$0
Adjustment			\$0
Total Eligible Cost			\$25,199,089

(The Transportation Development Credits are not added to the amount of the Total Award Budget.)

U.S. Department of Labor Certification of Public Transportation Employee Protective Arrangements:

DOL Decision: DOL Concur - Certified
DOL Review Date: 8/5/2019
DOL Certification Date: N/A

Amendment 1 DOL Decision: DOL Concur - Certified
Amendment 1 DOL Review Date: 8/12/2020
Amendment 1 DOL Certification Date: N/A;
Amendment 2 DOL Decision: DOL Concur - Certified
Amendment 2 DOL Review Date: 8/5/2021
Amendment 2 DOL Certification Date: N/A;
Amendment 3 DOL Decision: DOL Concur - Certified
Amendment 3 DOL Review Date: 6/10/2024
Amendment 3 DOL Certification Date: 6/10/2024

Special Conditions

There are no special conditions.

FINDINGS AND DETERMINATIONS

By signing this Award on behalf of FTA, I am making all the determinations and findings required by federal law and regulations before this Award may be made.

FTA AWARD OF THE GRANT AGREEMENT

Awarded By:
Kelley Brookins
Regional Administrator
FEDERAL TRANSIT ADMINISTRATION
U.S. DEPARTMENT OF TRANSPORTATION
Contact Info: kelley.brookins@dot.gov
Award Date: 6/20/2024

EXECUTION OF THE GRANT AGREEMENT

Upon full execution of this Grant Agreement by the Recipient, the Effective Date will be the date FTA or the Federal Government awarded Federal assistance for this Grant Agreement.

By executing this Grant Agreement, the Recipient intends to enter into a legally binding agreement in which the Recipient:

- (1) Affirms this FTA Award,
- (2) Adopts and ratifies all of the following information it has submitted to FTA:
 - (a) Statements,
 - (b) Representations,
 - (c) Warranties,
 - (d) Covenants, and
 - (e) Materials,
- (3) Consents to comply with the requirements of this FTA Award, and
- (4) Agrees to all terms and conditions set forth in this Grant Agreement.

Executed By:
Kaneshia Yowpp
Grants Manager
Detroit, City Of
6/28/2024