



Date of Memo: April 09, 2024
Current Meeting: April 18, 2024
Board Meeting: April 25, 2024

BOARD MEMORANDUM

TO: Indianapolis Public Transportation Corporation (IPTC) Board of Directors
THROUGH: Interim President/CEO Jennifer Pyrz
FROM: Manager of Special Projects and Regional Mobility Integration Ryan Wilhite
SUBJECT: Consideration and approval of Procurement of Transit vehicles for FTA’s Section 5310 Grantees – 2023 Call for Projects

ACTION ITEM A – 3

RECOMMENDATION:

IPTC staff, on behalf of the designated subrecipients listed herein, is requesting that the Board authorize the Interim President and CEO to enter into a purchase contract agreement with Midwest Transit Equipment, Inc. for the purchase of eleven accessible transit vehicles as illustrated in *Table 1: 2023 Section 5310 Call for Projects Vehicle Order* for a total not to exceed amount of \$1,011,169.

BACKGROUND:

The Enhanced Mobility of Seniors and Individuals with Disabilities is administered by the Federal Transit Administration (FTA). The program is commonly referred to as Section 5310. Section 5310 provides funding assistance for projects that provide transportation support for the elderly and persons with disabilities where public transportation is unavailable or otherwise insufficient. Eligible entities include public, private not for profit, and private for profit. Eligible projects include vehicles, equipment, mobility management, and operations.

In December of 2012, then Governor Mitch Daniels selected IPTC as the designated recipient for Section 5310 funds for the Indianapolis Urbanized Area. Similar to Section 5307 and Section 5339 funds, as the designated recipient, IPTC is responsible for distribution and oversight of the FTA funds. To be eligible for funding, any request submitted to IPTC must fill an identified need within the Coordinated Public Transit-Human Services Transportation Plan, which was last updated in 2021 by the Indianapolis Metropolitan Planning Organization.

To ensure that the use of this funding is compliant with federal and state procurement rules and regulations, IPTC has assumed responsibility for the vehicle purchases made with these funds. Specifically, IPTC routinely orders vehicles on behalf of subrecipients using an Indiana state quantified purchase agreement, wherein the subrecipient is responsible for the local match requirement and the full cost of any accessories. Vehicles, when they are delivered, are shipped to IPTCs West Campus, and then picked up by the subrecipients. IPTC requires that the transit agency is listed as a lienholder on the vehicle title. Subrecipients are also required to list IPTC as an insured on all vehicles. Prior to placing a vehicle order, IPTC requires subrecipients to deliver a local match check and before delivery, subrecipients sign a grant agreement with IPTC that outlines the terms of the Section 5310 award.

When IPTC issues a call for projects, the amount available is provided to potential applicants. If the total awarded amount is less than the amount made available, IPTC staff decide how to proceed with the remaining FTA funds. IPTC can reserve all or some of the remaining funds for a future call for projects or it can use some or all of the remaining funds to cover its own capital expenses, provided they are eligible expenses under the Section 5339 program.

DISCUSSION:

The 2022 Call for Projects for Section 5310 was cancelled due to unstable vehicle pricing; however, the funds for 2022, 2023, and 2024 were combined into the 2023 Call for Projects. The 2023 CFP was delayed to update procedures for new eligible projects. This was the first year that that IPTC sought requests for funding that extended beyond just vehicle purchases to include equipment, mobility management, and operating expenses.

To facilitate the process of distributing grant funds IPTC staff conducted a Call for Projects (CFP) that opened December 15, 2023, with submissions due February 9, 2024. A committee of IPTC staff reviewed the applications from seven agencies. Hancock County Senior Services, Janus, and Sycamore Services identified a need to replace existing vehicles whereas Bosma (650 new trips), Marion County Health & Hospital Corporation (2,500 new trips), and Noble, Inc. (5,200 new trips) have indicated that they need to expand their respective fleets to keep up with demand. There were two applicants that sought and have been awarded financial support for equipment purchases: one for vehicle cameras and another for vehicle cameras and IT equipment.

The amount of federal funding available to the region is \$1.8 million and the subrecipients project submissions totaled approximately \$865,000. Federal rules allow a higher federal share for ADA accessible vehicles, such as those being ordered. Normally, the base vehicle is matched at 80% federal and 20% local. With the undersubscription of the available funds, IPTC staff decided to increase the federal match for the base vehicle to 85%, reducing the local requirement for the base vehicle to 15%. All options added are funded by the subrecipient at 100%. IPTC staff anticipate carrying \$250,000 to the next Section 5310 Call for Projects in 2024.

Like it has for its own vehicle purchases, IPTC intends to use the Indiana Department of Administration's (IDOA) Quantity Purchase Agreement (QPA) to make these vehicle purchases. Based on the current QPA, Midwest Transit Equipment, Inc. (MTE) is the approved vendor for this order. The costs contained herein are estimates. In conversations with MTE, the current fixed QPA pricing is being amended. The estimate was provided by MTE and should be sufficient to cover the amended pricing. If the final cost to purchase the vehicles is above the IPTC board threshold, then IPTC staff will seek the Boards' approval a second time. If the total estimated cost is less than approved and the local match is therefore less, then IPTC will issue a check to the subrecipients. The 2023 Call for Projects vehicle purchases for Section 5310 are as follows:

Table 1: 2023 Section 5310 Call for Projects Vehicle Order

Agency	Vehicle Type	No. of Vehicles	Total Estimated Cost	Federal Share	Local Match	Options Added
Bosma Enterprises	Low-floor Minivan	1	\$77,600	\$62,900	\$12,900	Yes
Health and Hospital Corp.	Low-floor minivan	1	\$76,600	\$62,900	\$12,400	Yes
Hancock County Senior Services	Low-floor minivan	1	\$78,930	\$62,900	\$13,565	Yes
Janus	Medium Transit Cutaway	3	\$395,439	\$334,593	\$59,946	Yes
Noble	Low-floor minivan	3	\$234,600	\$188,700	\$39,600	Yes
Sycamore Services	Low-floor minivan	2	\$148,000	\$125,800	\$22,200	No
Total		11	\$1,011,169	\$837,793	\$160,611	

The federal share is based on the base vehicle price. The local match is based on the 15% of the base vehicle plus 100% of any options added. Therefore, the total estimated cost for agencies selecting a local option and the resulting federal/local splits will not be 85% federal and 15% local.

ALTERNATIVES:

It is likely that there are no alternatives as IPTC staff cannot identify an alternative that would not undermine the competitive process established for the Section 5310 program where the subrecipients get the vehicles that they need.

FISCAL IMPACT:

This action item has no fiscal impact for IPTC.

DBE/XBE DECLARATION:

Not applicable.

STANDING COMMITTEE DISCUSSION/RECOMMENDATION:

This action will be reviewed by the Finance Committee and Service Committee on April 18, 2024 and will be recommended for the Consent Agenda.