



AGENDA REPORT

SAN CLEMENTE CITY COUNCIL MEETING
Meeting Date: November 1, 2016

Agenda Item 6E1
Approvals:
City Manager [Signature]
Dept. Head [Signature]
Attorney [Signature]
Finance [Signature]

Department: Public Works / Engineering
Prepared By: Jennifer Rosales, Senior Transportation Engineer

Subject: **ACCEPT GRANT REVENUE AND APPROVE A SUPPLEMENTAL APPROPRIATION FOR THE SAN CLEMENTE TROLLEY.**

Fiscal Impact: Yes. This action will accept grant revenue of \$542,900 and authorize a supplemental appropriation of \$543,100 in the Air Quality Improvement Fund in order to provide the total cost of the San Clemente Trolley for Fiscal Year 2017 of \$610,000, which includes \$67,100 of local match funds.

Summary: This action requests approval to accept grant revenue and authorize a supplemental appropriation related to the San Clemente Trolley Project V as discussed below.

Discussion: On February 16, 2016, the City Council authorized staff to submit a grant application with the Orange County Transportation Authority (OCTA) for the San Clemente Trolley Project. The grant for this project requires an 11% local match. The first year funding for the match funds was presented as a decision package in May 2016 and approved in the FY 2017 budget by the City Council in the amount of \$66,900 in the Air Quality Improvement Fund. On June 13, 2016, the OCTA Board approved the grant for the San Clemente Trolley. The cooperative agreement with OCTA for the San Clemente Trolley was approved by the City Council on September 6, 2016.

The total cost of the San Clemente Trolley for FY 2017 is \$610,000, of which \$542,900 will be provided via a grant from OCTA Project V funds. This results in \$67,100 to be provided from the City for FY 2017, requiring an additional \$200 appropriation in the Air Quality Improvement Fund, in addition to the \$66,900 already included in the FY 2017 budget.

The San Clemente trolley is targeted to begin service during the summer of 2017, and funds are needed now to sign the order contract for trolley acquisition which includes a significant lead time for manufacturing. Since the OCTA Project V grant is on a reimbursement basis, the City must first provide the entire amount for capital costs (trolley acquisition, signage, and stop improvements) and then request reimbursement from the OCTA Project V grant. To do this, the City Council must accept the OCTA Project V grant revenue and approve a supplemental appropriation equal to the grant amount. The supplemental appropriation combined with budgeted project funds will provide the total cost of the San Clemente Trolley project.

Recommended

Action: STAFF RECOMMENDS THAT the City Council:

1. Accept grant revenue from the Orange County Transportation Authority in the amount of \$542,900 for FY 2017 to account number 019-819-33790-000-00000, Other County Grants; and
2. Approve a supplemental appropriation of \$543,100 in the Air Quality Improvement Fund, to Account No. 019-819-45300-000-00000 for the San Clemente Trolley Project.

Attachments: None.

Notification: None.