



Legislation Text

File #: [20-0635], Version: 1

Authorize the Transfer of Ownership of Light Transit Vehicles (LTVs) from the City of Durham to the Town of Chapel Hill.

Staff:

Brian Litchfield, Director

Timothy Schwarzauer, Grant Compliance Manager

Department:

Transit

Overview: Seven LTVs were purchased using Federal Transit Administration (FTA) formula 5339 funds, which are passed through the Durham-Chapel Hill-Carrboro Metropolitan Planning Organization (DCHC MPO). Since the City of Durham is the Lead Planning Agency for DCHC MPO, the City of Durham's FTA grant number was used to purchase the vehicles in May 2017. The Town of Chapel Hill has been in possession of and used these vehicles since the manufacturer delivered them to Chapel Hill. Because the vehicles were purchased with grant funds passed through the City of Durham to the Town of Chapel Hill, the FTA requires formal transfer of ownership. The City of Durham has already approved the transfer.



Recommendation(s):

That the Council accept the transfer of ownership of seven light transit vehicles from the City of Durham.

Decision Points:

- The City of Durham is considered the owner of these vehicles under FTA rules until the governing boards of both the City of Durham and the Town of Chapel Hill approve a Recipient-to-Recipient transfer of ownership.
- This transfer does not impact the Rolling Stock Status Report for either the City of Durham or the Town of Chapel Hill, as these vehicles have only been operated by the Town of Chapel Hill.
- The vehicles will continue to be operated and maintained by the Town of Chapel Hill in accordance with Federal regulations.

Key Issues:

- Failure to transfer ownership will prevent Town staff from replacing these vehicles with additional federal funds as the vehicles reach the end of their useful life. This may also result in an FTA finding on the Town's next Triennial Review.

Fiscal Impact/Resources: This action requires no additional funds or resources, as the vehicles are already in the possession of the Town of Chapel Hill; however, not formalizing ownership may result in the loss of future federal funds intended to replace these vehicles.



Attachments:

- Resolution
- City of Durham Resolution Transferring Ownership
- Letter to City of Durham Requesting Transfer

A RESOLUTION AUTHORIZING THE TRANSFER OF OWNERSHIP OF SEVEN LIGHT TRANSIT VEHICLES FROM THE CITY OF DURHAM TO THE TOWN OF CHAPEL HILL (2020-09-30/R-2)

WHEREAS, the City of Durham serves as the Lead Planning Agency (LPA) for the Durham Chapel Hill-Carrboro Metropolitan Planning Organization (DCHC MPO) and is responsible for distributing funds from the Federal Transit Administration (FTA) to its member transit agencies, including Chapel Hill Transit; and

WHEREAS, certain types of funds distributed by the LPA include FTA 5339 funds, which provide money to member transit agencies for the purchase of buses and bus facilities; and

WHEREAS, transit agencies such as Chapel Hill Transit use the City of Durham's FTA number to acquire vehicles through the FTA 5339 program because the City of Durham serves as the LPA for DCHC MPO; and

WHEREAS, in 2017 the City of Durham, acting as the LPA for DCHC MPO, distributed \$314,312 of FTA 5339 funds, with approval from the DCHC MPO Board, to the Town of Chapel Hill towards the purchase of seven (7) Light Transit Vehicles (LTVs); and

WHEREAS, Chapel Hill Transit purchased those LTVs using the City of Durham's FTA grant number, and those seven (7) LTVs have, from their date of delivery, been utilized, maintained, and operated by the Town of Chapel Hill; and

WHEREAS, FTA still considers these LTVs to be the property of the City of Durham because they were purchased with the City of Durham's FTA number; and

WHEREAS, the Durham City Council adopted a resolution on June 15th, 2020 transferring the ownership of said LTVs to the Town of Chapel Hill.

NOW, THEREFORE, BE IT RESOLVED by the Council of the Town of Chapel Hill that the Council accept the transfer of ownership of said seven (7) LTVs from the City of Durham.

This the 30th day of September, 2020.

The Agenda will reflect the text below and/or the motion text will be used during the meeting.

By adopting the resolution, the Council accepts the transfer of ownership of seven light transit vehicles from the City of Durham.