

ITEM 9-C

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**POTOMAC AND RAPPAHANNOCK
TRANSPORTATION COMMISSION**

RESOLUTION

MOTION: _____

RESOLUTION NO. 08-03-___

SECOND: _____

**OFFICIAL COMMISSION MEETING
MARCH 6, 2008**

RE: AMENDMENT TO FY2009 STATE GRANT APPLICATIONS

WHEREAS, the Potomac and Rappahannock Transportation Commission (hereafter referred to as the Commission) authorized the Executive Director to apply for FY 2009 state assistance at the Commission's February 2008 meeting, which has been done; and

WHEREAS, since the FY 2009 state assistance applications were submitted, PRTC management has learned that a capital project envisioned for FY 2009 -- an enhanced security system for the PRTC Transit Center ("the project") -- will not qualify for 100% funding from the Department of Homeland Security as previously thought because DHS has instituted a new 25% capital match requirement; and

WHEREAS, the FY 2009 state assistance application for capital did not include the project as an entry because it was thought at the time that it would be 100% DHS funded; and

WHEREAS, the project is of sufficient importance to warrant an alternate funding strategy to come up with the required match so the project can proceed as planned, which PRTC management proposes to do by seeking supplemental state assistance for at least a portion of the match and freeing up local funds from elsewhere in the proposed FY 2009 PRTC budget as necessary to fully fund the match; and

WHEREAS, the Potomac and Rappahannock Transportation Commission concurs with management's proposed course of action.

NOW, THEREFORE, BE IT RESOLVED that the Potomac and Rappahannock Transportation Commission does hereby authorize the Executive Director to execute and file an amendment to the FY 2009 state capital assistance application to the Department of Rail and Public Transportation, Commonwealth of Virginia (hereafter

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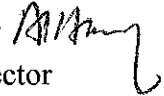
referred to as the Department) in substantially the same form as outlined in management's memorandum accompanying this resolution, to defray eligible costs for public transportation purposes, and to accept from the Department grants in such amount as may be awarded.

BE IT FURTHER RESOLVED that the Commission certifies that funds shall be used in accordance with the requirements of Section 58.1-638.A.4 of the Code of Virginia, that the Commission shall provide matching funds as required, that the records of receipts of expenditures of funds granted to the Commission may be subject to audit by the Department and by the State Auditor of Public Accounts, and that the funds shall be used for such purposes as authorized in the Code of Virginia.

BE IT FURTHER RESOLVED that the Commission directs management to identify additional match funding as may be required for the project as an internal transfer within the proposed FY 2009 PRTC budget, before said budget is adopted in final form by the Commission later this fiscal year.

March 6, 2008

TO: Chairman Jones and Commissioners

FROM: Alfred H. Harf 
Executive Director

RE: FY2009 State Grant Applications

Recommendation:

Authorize the Executive Director to submit an amendment to the FY2009 state capital grant application as proposed.

Background:

At its February 2008 meeting, the Commission authorized the submission of the FY 2009 state grant applications. The grant applications have been submitted, and the "capital" application does not have an entry for a capital project PRTC envisions in FY 2009 -- an enhanced security system for the PRTC Transit Center¹ -- because that project was expected to be 100% funded by the Department of Homeland Security (DHS) with its "Transit Security Grant Program" funding. Only after the February 2008 PRTC meeting did PRTC management learn that the DHS amended its Transit Security Grant Program rules to require a capital match for the first time (i.e., 25%), a disclosure that took the entire transit industry by surprise.

Because of this late-breaking development, the "25% match" requirement for the subject project has not been accounted for in either the FY 2009 state application as I noted earlier or in the proposed PRTC FY 2009 budget that the Commission is being asked to authorize for transmittal to the member jurisdictions (the project appears in the proposed budget as though it will be 100% DHS funded). Mindful of the importance of this project, however, PRTC management is hopeful that it will not have to be deferred because of the "match" omission, and proposes to resolve this in part by seeking

¹ The enhanced security system for the PRTC Transit Center is an outgrowth of a security assessment that the Prince William County Police Department completed at PRTC's request. One of the recommendations made by the County's Police Department was that PRTC upgrade all access controls to the building, yard, and employee lot using a "swipe" or "proximity" type of control instead of keypads in order to remedy a security vulnerability.

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supplemental state capital assistance, which is the reason for this proposed action item. The estimated cost of this project is \$250,000, meaning that the match requirement amounts to 25% of that or \$62,500.

PRTC management has asked the Department of Rail and Public Transportation (DRPT) if it would be willing to accept an amendment to PRTC's FY 2009 capital grant application. A response to that question is still awaited, and we're hopeful that DRPT will respond sympathetically since every transit operator in the Commonwealth seeking DHS funds is in the same boat for no fault of their own. To this end, the Commission is being asked to authorize a supplemental state capital funding request that reads as follows:

PRTC Access Control of Facilities (\$0.250 million). Upgrade access control to PRTC facilities using a swipe or proximity reader.

I said earlier that seeking supplemental state capital assistance is seen as a partial solution – the reason for that statement is because state capital typically covers only a portion of the match, compelling applicants to come up with the balance of the required match from other (local) sources. PRTC management proposes to do so by internally transferring the local funds necessary to make up the “match” shortfall from within the FY 2009 PRTC budget as proposed, before the Commission is asked to approve the FY 2009 PRTC budget in its final form this spring, so the late-breaking need for local match does not necessitate an increase in local jurisdictional subsidy. The amount that would have to be internally transferred will depend on whether DRPT assents to the supplement and what the magnitude of the DRPT supplement turns out to be.

Fiscal Impact:

Not applicable since the funds in question will be a combination of supplemental state capital assistance if it is forthcoming and internally transferred local funding.