

RESOLUTION NO. 2014-109

AUTHORIZING THE GENERAL MANAGER TO ENTER INTO AN AGREEMENT WITH MEDINA COUNTY TO EXCHANGE SECTION 5307 FUNDS FOR LOCAL DOLLARS ON BEHALF OF MEDINA COUNTY PUBLIC TRANSIT

WHEREAS, the Federal Transit Administration ("FTA") apportions funds each year to the urban transit systems in Ohio under Section 5307 of Title 49 of the United States Code ("Section 5307"), based on their transit data;

WHEREAS, those areas not in a large urbanized area fall under the Governor's Apportionment area where the Ohio Department of Transportation ("ODOT") is responsible for ensuring that FTA funds are spent;

WHEREAS, Lorain County had FFY2011 funds which would have lapsed if not obligated by the end of FFY2014 and Medina County Public Transit ("MCPT"), a public transit system run by Medina County, has a need for operating funds;

WHEREAS, because MCPT is a large urbanized transit system under the Cleveland urbanized area, MCPT cannot use federal funds for operating expenses;

WHEREAS, ODOT offered the availability of additional Section 5307 funds to Grantee if it could arrange an agreement with GCRTA to exchange federal Section 5307 funds for local dollars; and

WHEREAS, pursuant to Resolution No. 2007-165, GCRTA applied for and accepted additional Section 5307 funds on behalf of MCPT;

NOW, THEREFORE, BE IT RESOLVED by the Greater Cleveland Regional Transit Authority, Cuyahoga County, Ohio:


Section 1. That the General Manager is hereby authorized to execute an agreement with Medina County providing for the exchange of local dollars for the Section 5307 funds accepted on behalf of Medina County.

Section 2. That the General Manager of the Greater Cleveland Regional Transit Authority is hereby authorized to pay \$370,000.00 in local dollars ("Local Funds") to Medina County.

Section 3. That Medina County shall use the Local Funds only for the purpose of public transportation and shall be responsible for and hold the Greater Cleveland Regional Transit Authority harmless for any claims relating to the exchange of funds or misappropriation of the Local Funds.

Section 4. That this resolution is effective immediately upon its adoption.

Adopted: October 21, 2014

  
\_\_\_\_\_  
President

Attest:   
\_\_\_\_\_  
CEO, General Manager/Secretary-Treasurer



Greater Cleveland Regional Transit Authority  
**STAFF SUMMARY AND COMMENTS**

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|--|-------------------------------|
| TITLE/DESCRIPTION:<br><br>AUTHORIZING THE GENERAL MANAGER TO ENTER INTO AN AGREEMENT WITH MEDINA COUNTY TO EXCHANGE SECTION 5307 FUNDS FOR LOCAL DOLLARS                               | Resolution No.:<br>2014-109   |
|  | Date:<br>October 16, 2014     |
|  | Initiator:<br>Cash Management |
| ACTION REQUEST:<br><input checked="" type="checkbox"/> Approval <input type="checkbox"/> Review/Comment <input type="checkbox"/> Information Only <input type="checkbox"/> Other _____ |                               |

- 1.0 PURPOSE/SCOPE: This action will authorize an agreement between Medina County and GCRTA to exchange Section 5307 capital funds for operating funds.
- 2.0 DESCRIPTION/JUSTIFICATION: This resolution will authorize the General Manager to enter into an agreement with Medina County to exchange Section 5307 funds for local dollars. These funds are an unused portion from the 2011 funds allocated to the Cleveland Urbanized Area. The State of Ohio offered to allocate these funds to Medina County Public Transit ("MCPT"), which is in need of operating funds. GCRTA, at the request of the Ohio Department of Transportation ("ODOT"), applied for the capital funds because MCPT is not a designated recipient of 2011 Section 5307 funds. The funds have been approved for GCRTA by the FTA, and will be used for capital projects. In exchange, GCRTA will disburse \$370,000 in operating funds to MCPT.
- 3.0 PROCUREMENT BACKGROUND: Does not apply.
- 4.0 DBE/AFFIRMATIVE ACTION BACKGROUND: Does not apply.
- 5.0 POLICY IMPACT: Does not apply.
- 6.0 ECONOMIC IMPACT: The economic impact on GCRTA will be an increase of \$370,000 in federal funds to the RTA Development Fund and a \$370,000 decrease in the RTA Operating Fund.
- 7.0 ALTERNATIVES: The GCRTA could reject ODOT's request and risk losing the use of these funds in the Cleveland Urbanized Area.
- 8.0 RECOMMENDATION: It is recommended that this resolution be adopted to ensure that the Cleveland Urbanized Area does not forfeit these funds.
- 9.0 ATTACHMENTS: Medina agreement.

Recommended and certified as appropriate to the availability of funds, legal form and conformance with the Procurement requirements.

  
\_\_\_\_\_  
CEO, General Manager/Secretary-Treasurer

AGREEMENT BETWEEN  
THE GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY  
AND  
BOARD OF MEDINA COUNTY COMMISSIONERS

THIS AGREEMENT, entered into as of this 23 day of September, 2014, by and between the **Greater Cleveland Regional Transit Authority** (hereinafter the "Authority" or "GCRTA"), having an office located at 1240 W. 6<sup>th</sup> St., Cleveland, Ohio 44113 and Board of Medina County Commissioners, (hereinafter "Grantee") whose business address is 144 N. Broadway St., Medina, Ohio 44256.

WITNESSETH: THAT

**WHEREAS**, the Federal Transit Administration ("FTA") apportions funds each year to the urban transit systems in Ohio under Section 5307 of Title 49 of the United States Code ("Section 5307"), based on their transit data;

**WHEREAS**, those areas not in a large urbanized area fall under the Governor's Apportionment area where the Ohio Department of Transportation ("ODOT") is responsible for ensuring that FTA funds are spent;

**WHEREAS**, transit systems have three years to obligate their apportioned funds or the funds will lapse and return to FTA;

**WHEREAS**, Lorain County was awarded FFY2011 funds that it was unable to utilize and these funds would have lapsed if not obligated by the end of FFY2014;

**WHEREAS**, Governor's Apportionment area funds can normally only be used for other transit systems under the Governor's Apportionment, but in the case of lapsing funds, ODOT can redistribute funds to areas not under the Governor's Apportionment area;

**WHEREAS**, ODOT contacted transit systems under the Governor's Apportionment to see if they could use additional Section 5307 funds;

**WHEREAS**, Medina County Public Transit ("MCPT"), a public transit system run by Grantee, has a need for operating funds;

**WHEREAS**, because MCPT became a large urbanized transit system under the Cleveland urbanized area after the 2010 census revised urbanized area boundaries, Grantee cannot use its federal funds for operating expenses;

**WHEREAS**, knowing the difficulties MCPT has had in the transition from a rural system to an urban system operating under different federal rules, ODOT offered the availability of additional Section 5307 funds to Grantee if it could arrange an agreement with GCRTA to exchange federal Section 5307 funds for local dollars; and

**WHEREAS**, GCRTA agreed to accept Section 5307 funds from FTA on behalf of MCPT.

**NOW, THEREFORE**, in consideration of the mutual covenants hereinafter set forth, this Agreement is made to set forth the terms and conditions upon which GCRTA will accept Section 5307 funds from FTA on behalf of Grantee and disburse local dollars ("Operating Funds") to Grantee and the terms and conditions under which Grantee will use the local dollars.

**SECTION 1:** Based upon mutual consent between the Grantee and GCRTA, GCRTA has applied for and accepted Three Hundred Seventy Thousand Dollars (\$370,000.00) in 2011 Section 5307 funds on behalf of Grantee. GCRTA agrees to administer the Federal funds pursuant to and in accordance with the terms of the applicable FTA grant agreement and conditions and within its capital program.

**SECTION 2:** GCRTA will transfer Three Hundred Seventy Thousand Dollars (\$370,000.00) in Operating Funds to Grantee upon receipt of the 2011 Section 5307 funds from FTA.

**SECTION 3:** The Grantee agrees to use the Operating Funds only for the purpose of public transportation.

**SECTION 4:** The parties agree that this constitutes the entire Agreement between the Parties hereto, that there are no agreements or understandings, implied or expressed except as specifically set forth below, and that all prior agreements and understandings are merged into and contained in this Agreement.

**SECTION 5:** The Grantee shall be responsible for and hold GCRTA harmless from and against all findings for recovery issued by FTA or ODOT or any other agency of competent jurisdiction, and any and all other claims, actions, judgments, costs, penalties, liabilities, damages, losses and expenses related to the application and/or disbursement of funds on behalf of Grantee under this Agreement or any misappropriation or use of the Local Funds that is not in accordance with the terms of this agreement up to the total sum of funds transferred pursuant to this Agreement.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be made, effective as of the \_\_\_\_ day of \_\_\_\_\_, 2014, by their respective duly authorized officials.

MEDINA COUNTY

BY: *Pat Geissman*

Name: PAT GEISSMAN  
PRESIDENT OF THE BOARD

TITLE: MEDINA COUNTY COMMISSIONERS

DATE: 9/23/14

*William L. Thorne* Asst. Co. Pres  
MEDINA COUNTY LEGAL COUNSEL

GREATER CLEVELAND REGIONAL  
TRANSIT AUTHORITY

BY: \_\_\_\_\_  
Joseph A. Calabrese, CEO  
General Manager/Secretary Treasurer

APPROVED AS TO LEGAL FORM AND  
CORRECTNESS:

\_\_\_\_\_  
Sheryl King Benford, General Counsel  
Deputy General Manager Legal Affairs