

Information Update – Section 5310 Report

To: Chair and Board of Directors
Through: President/CEO Inez Evans
From: Manager of Special Projects and Regional Mobility Integration Ryan Wilhite
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SECTION 5310 REPORT

BACKGROUND:

The Enhanced Mobility of Seniors and Individuals with Disabilities (49 U.S.C 5310) is commonly referred to as Section 5310. The Federal Transit Administration (FTA) provides Section 5310 formula funds to states and large urban areas. In 2012, the Governor Mitch Daniels designated the Indianapolis Public Transportation Corporation (IPTC) as the designated recipient for Section 5310 formula funding for the Indianapolis Urbanized Area. As the sole direct recipient of funds, IPTC is responsible for grant administration, including oversight of any subrecipients.

Section 5310 formula funding is intended to support programs that transport seniors and individuals with disabilities. Eligible recipients include private not-for-profits and public transit operators whose projects provide transportation for seniors and individuals with disabilities. Eligible projects include those requiring operating funds (e.g. vouchers) or capital funds (e.g. vehicles). The formula funding is used to fund three activities: purchasing vehicles for IPTC's ADA Paratransit fleet, vouchers for eligible clients of IPTC's ADA Paratransit program, and subrecipient capital purchases. The remainder of this memorandum will focus on the latter of these activities, the provision of funds to support capital purchases..

IPTC holds a competitive process to determine the distribution of capital funding for subrecipients. Every year, IPTC announces and completes a call for projects for available Section 5310 funding. Eligible entities submit comprehensive applications. These applications are reviewed by committees and then IPTC staff reviews and provides the final recommendations for funding. The capital projects (typically vehicles) are authorized by the IPTC Board of Directors, purchased by IPTC staff, and then distributed to the subrecipients. The subrecipients are the owners of the vehicles, although IPTC maintains interest in the vehicle until the end of the vehicle's useful life. IPTC staff conduct annual compliance reviews to ensure that the subrecipients are adhering to federal regulations, including maintaining the vehicles in working order.

In 2020, IPTC maintained a relationship with 12 subrecipients:

- Access Johnson County (Gateway Services, Inc) – Serving Johnson County
- Boner Center – Serving the east-side of Indianapolis
- Bosma Enterprises – Serving clients in Indianapolis
- Catholic Charities – Serving clients in Indianapolis
- CICOA Aging and In-Home Solutions – Serving Central Indiana
- Health and Human Corporation – Serving Indianapolis
- Janus (Operating as Hamilton County Express) – Serving Hamilton County
- Johnson County Senior Services – Serving Johnson County
- Noble of Indiana – Serving Central Indiana
- PrimeLife Enrichment – Serving clients in Hamilton County
- Sycamore Services – Serving Hendricks/Morgan Counties

- Tangram – Serving clients in Central Indiana

These 12 subrecipients have 61 vehicles funded through Section 5310 funds within their useful life. The largest fleet is 15, operated by CICOA Aging and In-Home Solutions. The majority of vehicles are body on chassis or cutaways, with minivans as the second-most common vehicle type.

OPERATING STATISTICS FOR 2020:

In the beginning of 2020, IPTC staff informed all subrecipients that the monthly reports previously required would be replaced with annual vehicle reports. The intent of the change was two-fold: reduce administrative burden for the subrecipients and provide IPTC staff with vehicle-specific operating statistics.

The subrecipients reported approximately 46,131 one-way trips in 2020, a decrease from the 74,000 one-way trips in 2020 were completed using Section 5310 funded vehicles. Individuals who were served by the project when otherwise service wouldn't have been available (also known as Estimated Gaps in Service) was approximately 5,270. The operating statistics may change slightly as the information provided is reviewed.

DELAY IN 2021 CALL FOR PROJECTS VEHICLE ORDERING:

IndyGo holds a call for projects for capital purchases every year, using the funding allocated to the Indianapolis urbanized area. IndyGo has finished reviewing the applications and with its recommendations. The next step is to request pricing from Midwest Transit Equipment (MTE), who is the vendor through the Indiana Department of Administration (IDOA) Quantified Purchase Agreement (QPA). At this time, MTE is not providing pricing. The vehicle manufacturer informed MTE of a significant cost increase and MTE is working with IDOA on the contract pricing. Until that time, IndyGo staff is unable to provide pricing to the subrecipients and therefore unable to order the vehicles. When a resolution occurs, IndyGo staff will return to the IPTC Board of Director's to approve purchasing of the vehicles.

REPLACEMENT VEHICLE ORDERING – TOTALED VEHICLES

In 2020 and 2021, vehicles for two subrecipients were involved in collisions with both vehicles suffering damage sufficient to be deemed a total loss. Insurance settlements for both vehicles were above \$5,000, which requires the subrecipients to either return 80% of the settlement or purchase a new vehicle with the settlement monies. IndyGo staff are working with the subrecipients to understand their preferred course of action. IndyGo has additional Section 5310 funds available to be able to assist in purchasing these vehicles, if necessary. Staff may include these replacement vehicle purchases in the action item for the 2021 CFP vehicle order.

SPECIAL CALL FOR PROJECTS – SECTION 5310 STIMULUS FUNDING

As part of the CARES Act and ARP Act, additional funding for Section 5310 was allocated to urbanized areas; this amount is approximately \$450,000 in total for the Indianapolis urbanized area. IndyGo staff are working on a special call for projects. In response to requests from the human service providers and in keeping with the spirit of the additional funding provided by Congress, IndyGo will be accepting proposals for three categories: reimbursable operating, new operating, and new capital. IndyGo staff hopes to open this call for projects before the end of the year. Staff has contacted FTA for technical assistance as well.

RECOMMENDATION:

Receive the report.

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