



Community Development Department

DATE: October 5, 2021

FROM: Ben Ehreth, AICP, Community Development Director

ITEM: American Rescue Plan Additional Assistance Grant Application

REQUEST:

The Bismarck-Mandan Metropolitan Planning Organization, on behalf of Bis-Man Transit, requests approval to submit an application for American Rescue Plan Act of 2021 (ARP) Additional Assistance grant funding.

Please place this item on the October 12, 2021 City Commission meeting agenda.

BACKGROUND INFORMATION:

The American Rescue Plan Act of 2021 was signed into law March 11, 2021 in response to the COVID-19 pandemic. The intent of the ARP funding is to support the nation's public transportation system in the continued response to the pandemic. \$30.5 billion has been made available for this effort. Of this \$30.5 billion, \$2.2 billion is allocated to FTA grant recipients in communities that demonstrate additional pandemic-associated needs for operating expenses. The funds are available for expenses incurred from January 2020 through September 30, 2024.

Bis-Man Transit would be applying for funds to cover the anticipated operating shortfalls in 2022 and 2023. The total requested amount is \$1,057,581.50 at 100% federal funding level, with no local match required. If awarded, the funds would be used exclusively for operating expenses. Award and budget authority are requested from the Bismarck Board of City Commissioners for this grant application.

RECOMMENDED CITY COMMISSION ACTION:

Staff recommends approval to submit the application for the ARP Additional Assistance grant.

STAFF CONTACT INFORMATION:

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Deidre Hughes | Executive Director, Bis-Man Transit, 258-6817 or dhughes@bismantransit.com



October 12, 2021

TO: Bismarck City Commission

FROM: Deidre Hughes, Executive Director

SUBJECT: American Rescue Plan Additional Assistance Grant Letter of Intent

Bis-Man Transit is submitting this Letter of Intent to notify the Bismarck City Commission of the grant application for the American Rescue Plan Additional Assistance grant.

The American Rescue Plan Act of 2021 (ARP), which President Biden signed on March 11, 2021, includes \$30.5 billion in federal funding to support the nation's public transportation systems as they continue to respond to the COVID-19 pandemic and support the President's call to vaccinate the U.S. population. Of the \$30.5 billion, \$2.2 billion is allocated to FTA grant recipients in communities that demonstrate additional pandemic-associated needs for operating expenses.

Bis-Man Transit is applying for funds to cover the anticipated operating shortfalls for 2022 and 2023 with no local match required. The total requested amount is \$1,057,581.50. If awarded, funds would be used exclusively for operating expenses.

Deidre Hughes



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American Rescue Plan - Additional Assistance Funding

Applicant and Proposal Profile

Is this a resubmission due to an invalid/error message from FTA? Yes No

Section I. Applicant Information

Organization Legal Name:

FTA Recipient ID Number:

Organization Chief Executive Officer:
(Name and Direct Phone Number)

Applicant Eligibility: Recipient of 5307 Funding
 Recipient of 5311 Funding

Project Location: Rural
 Small Urbanized Area
 Large Urbanized Area

Official census bureau urbanized area name:

UZA's designated recipient, if not the applicant:
(if applicable)

Section II. Project Information

About the Project

Project Title:
(Descriptive title of this project)

Project Executive Summary:

Bis-Man Transit Board is a non-profit organization, contracted by the City of Bismarck to provide fixed route service for the cities of Bismarck and Mandan and complementary paratransit services, with demand response available for senior and disabled passengers including those in the City of Lincoln. The service area of Bismarck and Mandan is 56 square miles with a population of 102,085 for the three communities (based on 2019 American Community Survey Estimates).

Project Statement of Work (one sentence summarizing request):

To avoid potential service reductions, Bis-Man Transit Board is requesting funds to cover operational shortfalls for fixed route and paratransit/demand response service for 2022 and 2023.

- Project Type (select all that apply):
- Operations
 - Personnel
 - Cleaning
 - Debt Service Payments Incurred to Maintain Operations and Avoid Layoffs and Furloughs
 - Sanitization

Congressional Districts (Place of Performance)

Congressional District

ND-001

Section III . Evaluation Criteria

Are you using a starting date that is different from January 20, 2020? Yes No

If yes, please specify that date here:

***** Address each of the evaluation criteria as described in the Notice of Funding Opportunity.*****

Reduction in Farebox or Other Revenue Services

Please identify sources of non-Federal revenue. Explain the reason for differences between the amounts of 2018 revenues and actual or projected revenues.

Bis-Man Transit Board's non-Federal revenue is derived from North Dakota State Aid, local mill levy funds, and Medicaid revenue.

Bis-Man Transit saw a 53% decline in fixed route ridership from January through August 2018 compared to January through August 2021. Total ridership on the fixed route for this time frame in 2018 was 73,576 and 2021 was 34,637. Paratransit/demand response also saw a significant decline in ridership for these time periods. Comparing January through August 2018 to January through August 2021, there was a 32% decline in ridership. Total ridership on paratransit/demand response for this time frame in 2018 was 82,994 and 2021 was 56,078.

The reduction in ridership has caused a significant decline in farebox revenue, as well as Medicaid revenue. Additionally, fare collection was suspended from March 23, 2020 to July 1, 2020.

From 2019 to 2020, North Dakota Department of Transportation State Aid was reduced by \$42,165.

Although local mill levy funds remained consistent since 2018, this funding is not enough to cover the cost of operating for 2022 and 2023. Additionally, non-Federal revenue is used to cover the local match required for capital purchases to maintain the fleet.

2018 Farebox Revenue:	410,099
2018 Non-Federal Revenue:	2,091,479
Fare revenues January 20, 2020 - September 30, 2020:	135,400.55
Non-Federal revenues January 20, 2020 - September 30, 2020:	1,484,375.43
Fare revenues October 1, 2020 - September 30, 2021:	266,564.09
Non-Federal revenues October 1, 2020 - September 30, 2021:	1,388,742.1
Anticipated Fare revenues October 1, 2021 - September 30, 2022:	292,463.51
Anticipated Non-Federal revenues October 1, 2021 - September 30, 2022:	1,259,477.69
Anticipated Fare revenues October 1, 2022 - September 30, 2023:	301,237.42
Anticipated Non-Federal revenues October 1, 2022 - September 30, 2023:	1,755,894.98

Estimate of Need

Please describe unmet operating expense needs.

As the cost of operations continues to increase, funding levels have remained stagnant. In an effort to increase fixed route ridership, Bis-Man Transit Board underwent a major route change February 1, 2021. The Bis-Man Transit Board has worked diligently to transition demand response/paratransit ridership to the fixed route to decrease cost of operations. Ridership on fixed route surpassed paratransit/demand response in 2019. Unfortunately, these efforts were put on hold due to the COVID-19 pandemic. Fixed route service was suspended from March 23, 2020 to May 11, 2020. Paratransit/demand response service hours were decreased during the same time frame to limit community spread of COVID-19. Since this time, both modes have been fully reinstated.

The substantial ridership decline also impacted Bis-Man Transit's revenue hours and revenue miles, resulting in a loss of small transit intensive city funding, creating an operating deficit.

2018 Operating Expense Total:	3,863,074
Total CARES Act, CRRSAA, and ARP Funding Allocated to the Applicant:	5,099,231
Operating Expense January 20, 2020 - September 30, 2020:	2,829,192.9
Federal Funding Used for Operating Expense January 20, 2020 - September 30, 2020:	0
Operating Expense October 1, 2020 - September 30, 2021:	3,778,991.65
Federal Funding Used for Operating Expense October 1, 2020 - September 30, 2021:	624,012
Anticipated Operating Expense October 1, 2021 - September 30, 2022:	4,746,834.91

Anticipated Federal Funding Used for Operating Expense October 1, 2021 - September 30, 2022:	1,253,316
Anticipated Operating Expenses October 1, 2022 - September 30, 2023:	4,906,350.75
Anticipated Federal Funding Used for Operating Expenses October 1, 2022 - September 30, 2023:	1,343,073.94

Demonstration of Expenditure of Cares Act Funding

Amount of CARES Act Funding Allocated to the Applicant:	3,766,362
Amount of CARES Act Funding Expended and Reimbursed by FTA at the Time of Submission:	3,332,902

Project Spend Plan

Please describe activities to be performed and funding needed.

If awarded, requested funds for the Bis-Man Transit Board would be used to cover the operating deficit required to continue with the current service levels. The Bis-Man Transit Board offers six fixed routes, one in Mandan and five in Bismarck. Fixed route service is offered to the general public Monday-Friday from 6:30am to 7:00pm and Saturday from 7:30am to 7:00pm. ADA Paratransit/demand response service is offered to elderly and disabled riders Monday-Saturday from 5:30am to 2:00am and Sunday from 7:30am to 2:30pm.

As the cost of operations continues to increase, funding levels have not increased to cover this expense. Within Bismarck, Mandan, and Lincoln, a large number of elderly and disabled individuals rely on public transportation for medical appointments. Taxi service is extremely limited within the community, leaving public transit as the only option for many. The Bis-Man Transit Board has worked diligently to provide riders enhanced mobility options which include after hours and Sunday demand response transportation that are not ADA required. Without additional funding, after hours and Sunday service would be eliminated.

\$1,057,581.50 is needed for the Bis-Man Transit Board to continue providing fixed route and paratransit/demand response services.

Project Proposed Milestones Timeline (Please be as specific as possible)

Timeline Description	Timeline Date
2022 Operating Assistance	12/31/2022
2023 Operating Assistance	09/30/2023

If applicable, for any requests after September 30, 2023 please provide an explanation and calculation.

Additional operating assistance is necessary for the Bis-Man Transit Board to continue providing public transportation to the service area for January through September of 2023.

Section IV. Requested Amount

Project Budget

FY20 (Beginning with January 20th, 2020 through September 30, 2020):	1,209,416.92
FY21 (October 1, 2020 through September 30, 2021):	1,499,673.46
FY22 (October 1, 2021 through September 30, 2022):	1,941,577.71
FY23 (October 1, 2022 through September 30, 2023):	1,506,144.41
CARES Act, CRRSAA, and ARP Funding Allocated to the Applicant:	-5,099,231
Total:	1,057,581.5