# Agenda
# Board of Supervisors
# Isle of Wight County
# November 4, 2021

1. Call to Order (6:00 P.M.)
2. Approval of Agenda
3. Invocation - Chairman Grice
4. County Administrator's Report
   A. Quarterly Financial Report

      Presentation of Financial Report for the First Quarter of FY2021-22
   B. Utility Fund/Norfolk Water

      Staff Presentation: Utility Fund/Participation in the Norfolk Water Agreement
   C. 5311 Transportation Program

      Discussion of the Federal Transportation Administration 5311 Rural Transportation Program
   D. Budget Amendment - Schools

      Resolution to Amend the Budget and Appropriate Funding from the American Rescue Plan Act to the Isle of Wight County Schools ($300,349)
   E. Nike Park Road Extended

      Staff Briefing re: Nike Park Road Extended
5. Closed Meeting
6. Adjournment

**ISSUE:**

Presentation of Financial Report for the First Quarter of FY2021-22

**BACKGROUND:**

Staff has compiled information relative to the County's financial performance for the first quarter of FY2021-22. A brief presentation will be made on the status and implications of the County's financial performance.

**BUDGETARY IMPACT:**

None.

**RECOMMENDATION:**

For the Board's information.

**ISSUE:**

Staff Presentation: Utility Fund/Participation in the Norfolk Water Agreement

**BACKGROUND:**

Staff will provide a brief presentation on the status of the County's Utility Fund and its participation in the Norfolk Water Agreement.

**BUDGETARY IMPACT:**

None.

**RECOMMENDATION:**

For the Board's information.

**ATTACHMENTS:**

| Description | Type | Upload Date |
|---|---|---|
| Norfolk Water Agreement Overview | Backup Material | 10/29/2021 |

# ISLE OF WIGHT COUNTY'S PARTICIPATION IN THE NORFOLK WATER AGREEMENT

*Participants*: Isle of Wight County, Western Tidewater Water Authority, City of Suffolk, and City of Norfolk

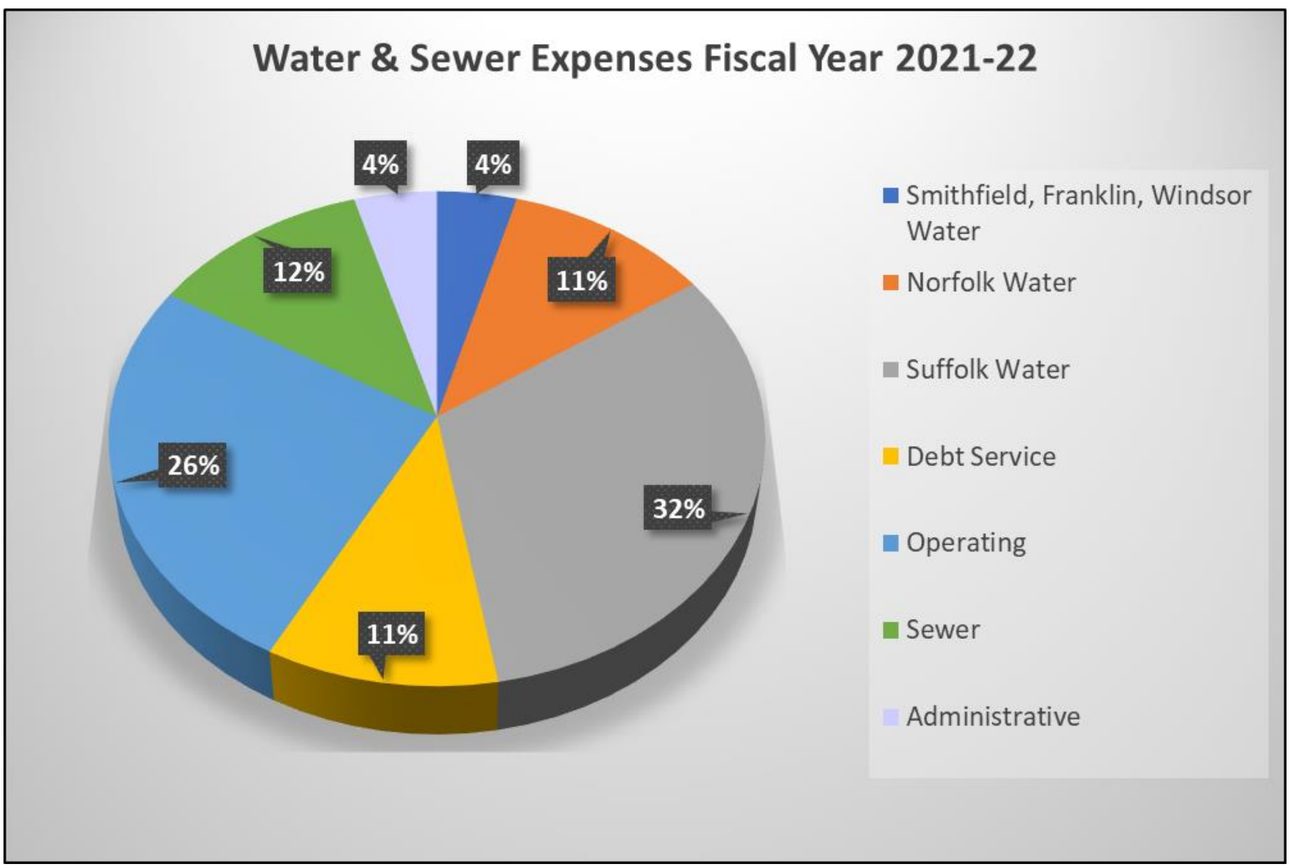
*Term*: 40 years, 2008 – 2048

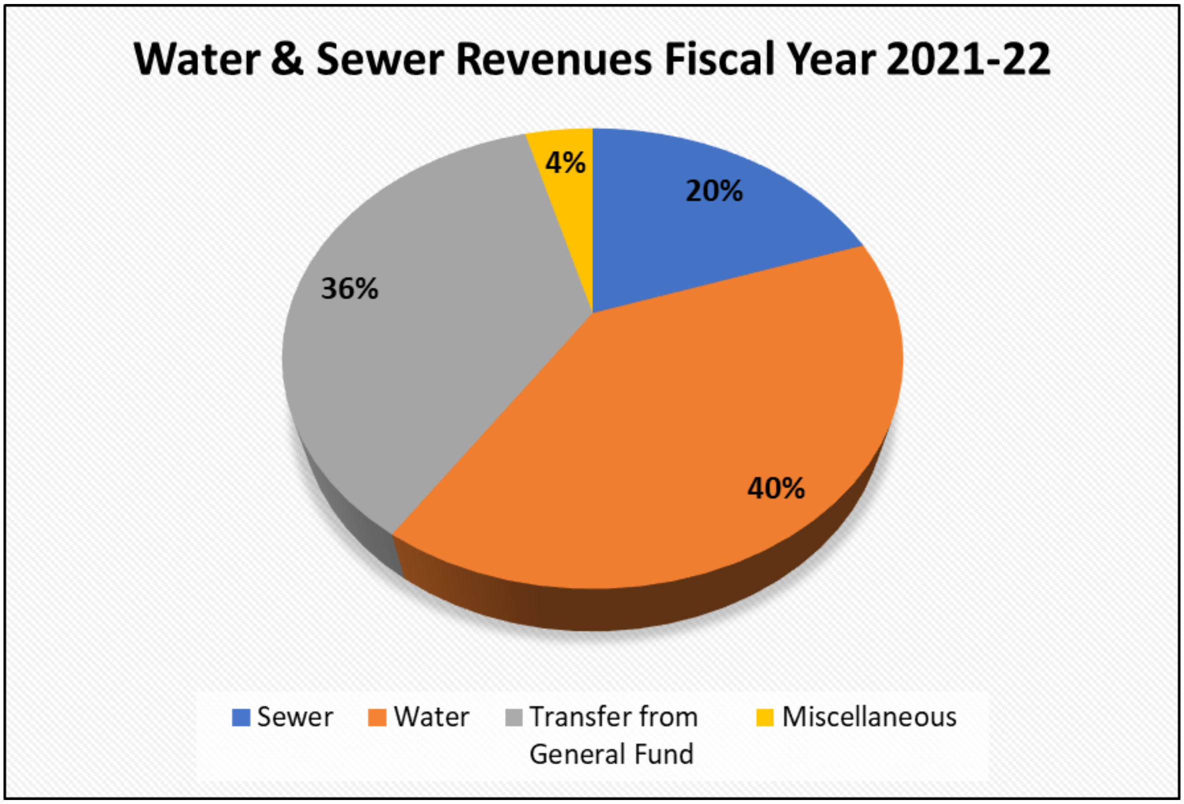
*Water Rate*: $1.11 per 1,000 gallons initially, plus annual Consumer Price Index

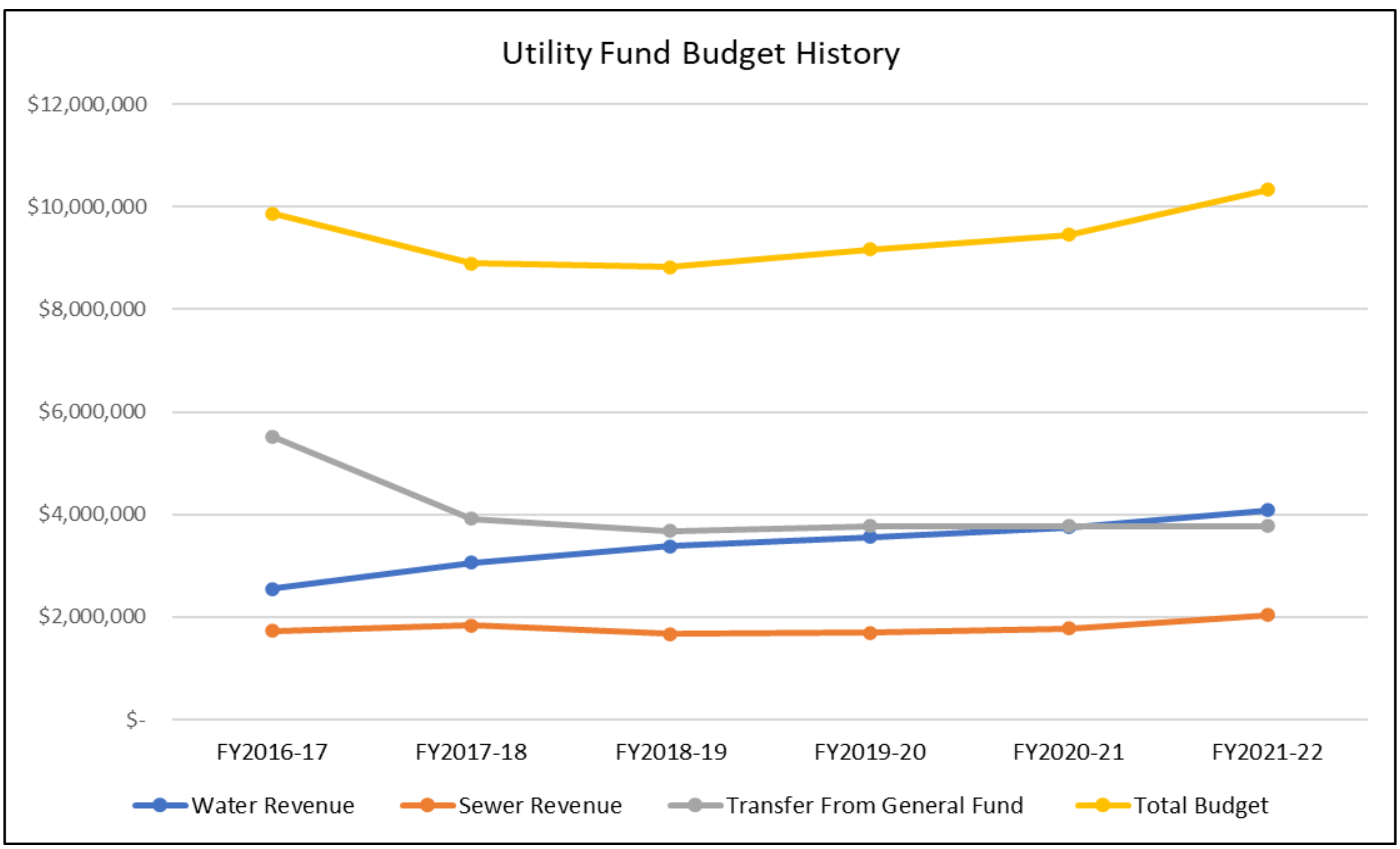
*Water and Cost Allocation*: City of Suffolk 75% and Isle of Wight County 25%

*Benefits*:
- Achieved a viable solution for the near-term water supply shortage in a timely manner.
- Locked in a long-term supply meeting the needs of Isle of Wight County and Suffolk for decades to come.
- Achieved favorable terms from industry perspective (Phase-In and Rate)

***Note***: Norfolk Water is 11% of the Fiscal Year 2021-22 Utility Fund.




Water & Sewer Revenues Fiscal Year 2021-22
4%
20%
36%
40%
Sewer
Water
Transfer from General Fund
Miscellaneous


Utility Fund Budget History
$12,000,000
$10,000,000
$8,000,000
$6,000,000
$4,000,000
$2,000,000
$-
FY2016-17
FY2017-18
FY2018-19
FY2019-20
FY2020-21
FY2021-22
Water Revenue
Sewer Revenue
Transfer From General Fund
Total Budget

**ISSUE:**

Discussion of the Federal Transportation Administration 5311 Rural Transportation Program

**BACKGROUND:**

Section 5311 is a Federal Transportation Administration (FTA) Formula Grants for Rural Areas program that provides capital and operating assistance to states to support public transportation in rural areas with populations of less than 50,000, where many residents often rely on public transit to reach their destinations. Funds may be used for capital, operating, and administrative assistance to state agencies, local public bodies, and nonprofit organizations (including Indian tribes and groups), and operators of public transportation services.

The purpose of the FTA Section 5311 program is to support the maintenance of existing public transportation services and the expansion of those services through the following program goals:

- Enhancing access in rural areas to health care, shopping, education, employment, public services, and recreation
- Assisting in the maintenance, development, improvement, and use of public transportation systems in rural areas
- Encouraging and facilitating the most efficient use of all transportation funds used to provide passenger transportation in rural areas through the coordination of programs and services
- Providing financial assistance to help carry out national goals related to mobility for all, including seniors, individuals with disabilities, and low-income individuals
- Increasing availability of transportation options through investments in intercity bus services
- Assisting in the development and support of intercity bus transportation
- Encouraging mobility management, employment-related transportation alternatives, joint development practices, and transit-oriented development
- Providing for the participation of private transportation providers in rural public transportation.

**BUDGETARY IMPACT:**

None

**RECOMMENDATION:**

Per the Board's discussion.

**ATTACHMENTS:**

| Description | Type | Upload Date |
|---|---|---|
| Section 5311 Program Description | Backup Material | 10/29/2021 |

## SECTION 3.3 RURAL AREAS PROGRAM (FTA SECTION 5311)

This section provides a general overview of the FTA Section 5311 program, identifies who can apply, describes what types of projects could qualify for funding, and specifies terms and requirements.

The FTA Section 5311 program is authorized under the Fixing America's Surface Transportation (FAST) Act passed on December 3, 2015 (Statutory Reference: 49 U.S.C. Section 5311 / FAST Act Section 3007). The rural formula program generally maintains the structure of the "non-urbanized" formula grant program under the previous authorizing law, Moving Ahead for Progress in the 21st Century (MAP-21) Act. On November 24, 2014, the Federal Transit Administration (FTA) published final FTA Circular FTA C 9040.1G.

Please refer to FTA's website and Circular for specific compliance information and a more comprehensive FTA Section 5311 program guidance.

### DESIGNATED RECIPIENT & ELIGIBLE APPLICANTS

DRPT is the designated recipient for Virginia's FTA Section 5311 program. Federal guidelines allow DRPT to offer FTA 5311 funds to eligible subrecipients. Eligible subrecipients may submit applications to DRPT for evaluation and selection. Eligible subrecipients include:

- Local and State Governments
- Transportation District Commissions
- Public Service Corporations
- Private Nonprofit Organizations
- Federally Recognized Indian Tribes

### PROGRAM DESCRIPTION

Section 5311 is a FTA Formula Grants for Rural Areas program that provides capital and operating assistance to states to support public transportation in rural areas with populations of less than 50,000, where many residents often rely on public transit to reach their destinations. DRPT is the designated recipient for Virginia's FTA Section 5311 program. Eligible applicants may submit applications to DRPT for evaluation and selection.

Funds may be used for capital, operating, and administrative assistance to state agencies, local public bodies, and nonprofit organizations (including Indian tribes and groups), and operators of public transportation services.

Funding is apportioned by a statutory formula that is based on the latest U.S. Census figures of areas with a population under 50,000. The amount that Virginia may use for state administration, planning, and technical assistance is limited to ten percent (10%) of the annual apportionment. Virginia must spend at least 15 percent (15%) of the apportionment to support rural intercity bus service unless the Governor certifies that the intercity bus needs of the state are adequately met. In 2017, DRPT started a daily intercity bus program called the Virginia Breeze. The route connects Blacksburg with Union Station in Washington D.C. with stops on the I-81 corridor. Expansion of the Virginia Breeze service will be the primary use of 5311(f) funding in the future. An Operational Analysis and Expansion Study was completed in 2019 with service expansion implemented in 2020.

## PROGRAM GOALS

The purpose of the FTA Section 5311 program is to support the maintenance of existing public transportation services and the expansion of those services through the following program goals:

a. Enhancing access in rural areas to health care, shopping, education, employment, public services, and recreation

b. Assisting in the maintenance, development, improvement, and use of public transportation systems in rural areas

c. Encouraging and facilitating the most efficient use of all transportation funds used to provide passenger transportation in rural areas through the coordination of programs and services

d. Providing financial assistance to help carry out national goals related to mobility for all, including seniors, individuals with disabilities, and low-income individuals

e. Increasing availability of transportation options through investments in intercity bus services

f. Assisting in the development and support of intercity bus transportation

g. Encouraging mobility management, employment-related transportation alternatives, joint development practices, and transit-oriented development

h. Providing for the participation of private transportation providers in rural public transportation

## ELIGIBLE PROJECTS

Eligible operating expenses include items such as fuel, oil, replacement tires, replacement parts, maintenance and repairs, driver and mechanic salaries and fringe benefits, dispatcher salaries and fringe benefits, and licenses. Eligible administrative expenses include items such as transit manager's salary, secretary and bookkeeper salaries, marketing expenses, office supplies, vehicle insurance, and facility and equipment rental.

Net operating expenses are those expenses that remain after operating revenues are subtracted from eligible operating expenses. At a minimum, operating revenues must include farebox revenues. Operating revenues are all revenues accrued to the benefit of the project including farebox revenue (passenger fares), and contract revenues. Farebox revenues include fares paid by passengers who are later reimbursed by a human service agency, or other user-side subsidy arrangements, but do not include payments made directly to the transit provider by human service agencies.

Eligible capital expenses include items such as buses, vans, associated capital maintenance items, communications equipment, construction or rehabilitation of transit facilities. Commuter Bus service is not an eligible expense under Virginia's FTA Section 5311 program.

## GRANT MATCH REQUIREMENTS

DRPT typically funds applications at the maximum federal participation ratio of fifty percent (50%) of operating expenses net farebox revenues and up to eighty percent (80%) of eligible capital expenses.

## APPLICATION EVALUATION PROCESS

Applicants may apply for operating assistance, capital assistance or both. Below is a description of the evaluation process for operating assistance and capital assistance.

**Operating Assistance**

For State Operating assistance, the 2018 General Assembly passed House Bill 1539, which requires the Commonwealth Transportation Board (CTB) to allocate operating assistance solely on the basis of performance metrics beginning in FY2020. Refer to Section 1.1, Operating Assistance, for more information.

For FTA Section 5311 Operating grants, DRPT validates operating expenses and revenue sources submitted on the application. DRPT determines the eligibility of listed expenses based upon the criteria noted above, requests additional data or clarification from applicants if necessary, and reviews data submitted by the applicant for the previous year and any audited financial statements. The FTA 5311 operating grant is based on total budgeted expenses less budgeted fares divided by 2 on the application.

Under FTA Section 5311 operating assistance, funds are available for operating expenses for new systems and new service for existing systems. However, any proposal to develop a new transit system or start a new service for an existing system must begin with proper planning. Local entities must develop a plan prior to requesting any FTA Section 5311 funds from DRPT. Planning funds may be applied for through DRPT's Technical Assistance Program. DRPT encourages local entities to involve DRPT in any transit system planning efforts. DRPT also has staff and consultant resources available to help manage transit system planning studies on behalf of local entities.

Transit feasibility studies are acceptable planning documents for new transit systems. Existing systems must have a completed and adopted Transit Development Plan in order to request FTA Section 5311 for new service. Transit Development Plan requirements are available on the DRPT website. Transit Development Plans must be submitted with an existing system's FTA Section 5311 application.

Specifically, proposals should demonstrate how they have addressed the topics defined in Sections 1.2-1.7 of the guidelines:

- Examining all of the options
- Planning for success
- Framing the purpose and need
- Land use considerations
- Service area and transit network design
- Other important considerations (including capital and operating costs)

**Capital Assistance**

FTA Section 5311 applications requesting capital assistance will be evaluated by DRPT using the capital prioritization process required by the General Assembly in House Bill 1539. Refer to Section 1.2 Capital Assistance, for details.

## APPLICATION REQUIREMENTS

Applications for all programs are made online on DRPT's Online Grant Administration website (OLGA).

At the time of application submittal, applicants must sign their certifications and assurances as required by the FTA annually. See the **FTA Grant Program Common Application Requirements** section under FTA Grant Programs at the beginning of this chapter for more information.

Required application data includes:

- Contact information
- Total operating expenses for previous fiscal year
- Operating budget detailed by expense item, amount and classification
- Operating revenues:
  - Revenue estimates detailed by passenger revenues and non-passenger revenues
  - Capital budget detailed by budget item, quantity, unit cost, source of federal and state funds
- Certifications and resolutions (in OLGA)
- Special Section 13 (c) Warranty
- Title VI Information Update (attach a copy of agency's signed and approved (or draft) Title VI plan to the OLGA application)
- Insurance Information (vehicle, facility, and equipment)
- FTA Annual Certifications and Assurances
- Resolution Authorizing the Application for State Aid for Public Transportation
- **12-month training schedule**

**ISSUE:**

Resolution to Amend the Budget and Appropriate Funding from the American Rescue Plan Act to the Isle of Wight County Schools ($300,349)

**BACKGROUND:**

Isle of Wight County Schools will receive $300,349 in federal funding via the American Rescue Plan Act (ARPA).

The School Board is requesting that the remaining funding be appropriated to the following functional categories:

- $43,747 - Instructional Services
- $256,602 - Transportation Services

**BUDGETARY IMPACT:**

Acceptance and appropriation of the funds will increase the Schools Budget by $300,349.

**RECOMMENDATION:**

Adopt a resolution to amend the budget and appropriate ARPA funds to Isle of Wight Public Schools.

**ATTACHMENTS:**

| Description | Type | Upload Date |
|---|---|---|
| Resolution | Resolution | 10/29/2021 |
| Correspondence from Schools | Backup Material | 10/15/2021 |

**RESOLUTION TO AMEND THE FY 2021-22 BUDGET AND APPROPRIATE FUNDS TO THE SCHOOLS BUDGET**

**WHEREAS,** the Isle of Wight County School Board will receive federal funding via the American Rescue Plan Act (ARPA); and,

**WHEREAS**, the School Board has requested that the Board of Supervisors appropriate ARPA to the functional categories in the School Division's FY 2021-22 budget as provided below:

- $43,747 – Instructional Services
- $256,602 – Transportation Services

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Supervisors of Isle of Wight County, Virginia, that the FY 2021-22 budget is hereby amended and ARPA funds in the amount of $300,349 are appropriated to the School Division's FY 2021-22 budget in the functional categories listed above.

**BE IT FURTHER RESOLVED** that the County Administrator of Isle of Wight County, Virginia is authorized to make the appropriate accounting adjustments and to do all things necessary to give this resolution effect.

Adopted this 4th day of November, 2021.

____________________________
Richard L. Grice, Chairman

____________________________
Carey Mills Storm, Clerk

Approved as to Form:

______________________________________
Robert W. Jones Jr., County Attorney

PREPARING STUDENTS FOR COLLEGE, CAREER AND LIFE

October 15, 2021,

Mr. Randy Keaton
County Administrator
Isle of Wight County
Isle of Wight, Virginia

Dear Mr. Keaton:

The federal government has allocated additional funds through the American Rescue Plan. The funds are flowing through our Individuals with Disabilities Education Act (IDEA) grant. The total allocation is $300,348.49. At last evening's School Board meeting, the board approved a request to the Board of Supervisors for an additional appropriation in the functional categories as listed below.

Please let me know if you need any additional information in order to bring this budget request to the Board of Supervisors for their approval.

| Instructional Services | Transportation Services | Total |
|---|---|---|
| 43,746.49 | 256,602.00 | **$300,348.49** |

Sincerely,

Steven Kepnes
Executive Director of Budget & Finance

Cc: Dr. James Thornton, Superintendent

**ISSUE:**

Staff Briefing re: Nike Park Road Extended

**BACKGROUND:**

Staff previously provided information regarding the challenges VDOT is having relative to the costs associated with construction of the Nike Park Extended Smart-Scale Project. The Board may wish to further discuss potential funding options for the project.

**BUDGETARY IMPACT:**

TBD

**RECOMMENDATION:**

Per the Board's discussion and direction.