



TO: LINDA GORTON, MAYOR
URBAN COUNTY COUNCIL

FROM: THERESA REYNOLDS, DIRECTOR
DIVISION OF GRANTS AND SPECIAL PROGRAMS

DATE: MARCH 4, 2026

**SUBJECT: Amendment 1 for KYTC Memorandum of Agreement for FY 2026 MPO
 Transportation Planning Activities**

Request: Council authorization to execute Amendment No. 1 and accept additional federal funds in the amount of \$83,828 from the Kentucky Transportation Cabinet under Surface Transportation Block Grant Program for FY 2026 Transportation Planning Activities. The cost to LFUCG is an additional \$20,957 increasing the federal award for FY26 to \$540,148 with local match of \$135,037.

Purpose of the Request: The Transportation Planning Section of the Division of Planning prepared a Unified Planning Work Program (UPWP) for Fiscal Year 2026. The UPWP includes funding from the Surface Transportation Block Grant Program (STBG-SLX) that in part finances the federally mandated transportation planning process for the Lexington Area Metropolitan Planning Organization. The 2026 UPWP was adopted by the Lexington Area MPO Transportation Policy Committee (TPC) on April 23, 2025. The Kentucky Transportation Cabinet subsequently issued an original agreement for STBG-SLX funds in June 2025 acceptance of which was authorized by the Council through Resolution 110-2025.

The Kentucky Transportation Cabinet (KYTC) has subsequently issued an amendment to the original STBG-SLX agreement which incorporates new and revised language and increases the funding being provided from \$456,320 federal to \$540,148 federal. The required 20% non-federal match being provided by LFUCG also changes from \$114,080 to \$135,037.

<u>Federal Program</u>	<u>Federal</u>	<u>Local Match</u>	<u>Total</u>
Surface Transportation Block Grant (STBG-SLX)	\$540,148	\$135,037 (20%)	\$675,185

The additional funding was authorized by the MPO TPC through Amendment 1 of the UPWP approved on October 22, 2025. The amendment was to address 3 funding changes not previously budgeted:

1. A reduction in funding availability from 2 sources for fiscal year 2026:
 - Federal Transit Administration Section 5303
 - Safe Streets and Roads for All grant award (agreement with FHWA under negotiation)
2. An increase in staff salaries of 3% approved by the LFUCG Council



The cost in this budget year and future budget years: An Additional \$83,828 in federal funds has been awarded for FY26. LFUCG is required to provide match of \$20,957. Increasing the federal award for FY26 to \$540,148 with local match of \$135,037. Total Future years funding is dependent upon availability of grant funding.

Are the funds budgeted? A budget amendment is in process. Grant match is budget in FY26

File Number: 0214-26

Director/Commissioner: Keith Horn/James Duncan

