

Oregon Department of Transportation
Public Transit Division

American Recovery and Reinvestment Act (ARRA)
Program for Eligible 5311 Recipients

Background

The 2009 American Recovery and Reinvestment Act (ARRA) was signed into law by President Obama on February 17, 2009. Approximately \$14,600,000 will be available for capital funding for current participants of FTA's Nonurbanized Area Formula Program (5311) administered by the division.

The information provided here is current as of February 27, 2009. Updates will be provided as FTA publishes guidance or other changes made. We will alert eligible recipients as new information is released.

Program application forms and instructions are being developed and will be available soon. Application forms and instructions will be available on the PTD Web site at www.oregon.gov/odot/pt.

Program Description

ARRA funds will be distributed through the FTA 5311 Program and must meet all 5311 program requirements. ARRA funding does **not** require local match. ARRA funds are only available for capital projects, and not for operational expenses. Funding is available to Oregon's current 5311 formula participants only. The list of eligible applicants is available on PTD's Web site at www.oregon.gov/odot/pt.

ARRA requires the normal 15% set-aside for Intercity projects which is approximately \$2.2 million. These funds will be used for facility projects.

Funding for capital projects include: vehicles; facilities (including deferred maintenance and remodels, and other infrastructure needs); passenger shelters; preventive maintenance; equipment (computer/communications, security, signs, etc.); and mobility management start-ups.

FTA requires "equity and fairness" in the distribution of ARRA funds. PTD will use the rural general public population served as the metric to distribute these funds. See chart for population served and allocation amounts by eligible recipient on the PTD Web site at www.oregon.gov/odot/pt.

The State is required to obligate ARRA funds within 180 days after the Federal Register Notice is published with the final allocations. The estimated date for the notice to be published is March 10, 2009, although it could be earlier. PTD's target date for submitting the project list to FTA is on or about April 15, 2009, after Oregon Transportation Commission approval.

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ARRA projects are meant to maintain and create jobs, infuse funds into state programs, and to build and repair infrastructure. Priority will be given to projects that can be completed within three years of obligation.

ARRA is expected to contain stringent reporting requirements. PTD anticipates that the FTA will require monthly reporting, and will ask for the following information: obligated fund amounts, the number and kind of projects, contract award status, project status, the numbers of jobs created and/or number of jobs sustained resulting from these projects. PTD will provide updated information as it becomes available.

ARRA includes an appropriation for the Tribal Transit program. Oregon Tribes that are not current Oregon 5311 subrecipients should contact FTA Region 10 for more information.

Project Eligibility

Project eligibility for capital projects is based on the following criteria.

1. ARRA funding is limited to current 5311 recipients.
2. Grant applications must be completed with all required information.
3. Projects must be identified in a Transportation System Plan or other local transportation plan, such as the Transit/Human Services Coordinated plan.
4. Projects must be assigned a local priority rank (ranked order assigned by applicant—for instance, four projects would each be assigned a priority rank number 1 through 4—one number 1, one number 2, etc.). Intercity projects would be ranked separately if more than one for an agency. This will assist PTD in managing projects if more funds become available.
5. Readiness: Projects must be ready to begin procurement or start work as soon as possible after grants are signed. Priority will be given to projects that sustain and/or create jobs this coming summer.
 - a. Facility construction projects (includes shelters, deferred maintenance and remodels, and other infrastructure needs): public involvement process and environmental documentation is complete and/or ready for approval, local permit requirements have been identified and ready to request. Copies of site maps and building plans are required to be submitted with application. Priority will be given to expanding existing projects already started and those with anticipated completion within three years.
 - b. Vehicles: Expansion vehicles are eligible. Replacement vehicles must meet FTA requirements for replacement (including spare ratio for fleets with 50 or more vehicles). See Oregon Vehicle Description and Useful Life Standards. PTD intends to order all vehicles through recently established price agreements.
 - c. Equipment: Must be readily available for purchase. Software development projects are not eligible.

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- d. Vehicle Preventive Maintenance: This ongoing activity is eligible. All eligible maintenance expenses are allowed. Fuel expense is not eligible. Major component rehabilitation on vehicles is not eligible.
- e. Mobility Management: The project must be a new planned activity and ready for implementation. (See application instructions for a project description.)
- 6. Sustainability: Applicant must certify that its agency has adequate resources to maintain capital assets and to operate vehicles or facilities after the grant period.
- 7. Intercity projects are limited to 5311 formula program participants and are limited to facility projects. These projects will be selected through a competitive process.

Application Process

Application forms and instructions are being developed. Watch PTD's website for information. Eligible recipients will receive an e-mail notice as soon as documents are ready.

Process Steps:

1. Current 5311 recipients will be allocated ARRA funding based on population served. (See target allocations at www.oregon.gov/odot/pt)
2. Eligible applicants may apply for ARRA funding in the following categories (final award amount will not exceed total amount available to the recipient unless additional funds become available for distribution):
 - a. Vehicles
 - b. Facilities (includes shelters, deferred maintenance, remodels, and other infrastructure needs)
 - c. Equipment
 - d. Preventive Maintenance
 - e. Mobility Management Start-up
3. PTD will review applications for completeness, accuracy and eligibility. PTD may contact applicants with questions or for clarification.
4. PTD intends to order all vehicles on behalf of providers through recently established price agreements. More details will be provided once grant agreements are written.
5. Eligible rural intercity/intermodal facility projects will compete in the \$2.2 million Intercity set-aside. These projects will be prioritized for funding based on project readiness.
6. As described in the State Management Plan, any appeals or protests regarding project award decisions should be addressed to the Public Transit Division Administrator.

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Potential Adjustments to Target Estimates

PTD may adjust award amounts up or down based on the availability of funds and each recipient's ability to proceed with projects. Applicants are advised to add and rank several projects beyond the value of the preliminary estimate of funding available to them. This will allow PTD to award additional projects if more ARRA funds become available.

Timeline for ARRA Activities

- 2/17/2009 President Obama signed the ARRA bill into law
- 2/23/2009 PTD presented its plan and program description to its advisory committee (PTAC)
- 2/27/2009 PTD publishes program information on Web site and notifies eligible applicants
- 3/10/2009 ARRA funds are published in the Federal Register Notice no later than this date
- 3/12/2009 PTD publishes solicitation and application materials to Web site
- 3/27/2009 Deadline for applications
- 4/8/2009 PTD publishes list of projects for public comment and provides to Oregon Transportation Commission.
- 4/15/2009 Oregon Transportation Commission reviews and approves projects conditional to completion of public comment period.
- 4/16/2009 PTD finalizes federal grant application and begins subrecipient grant agreement preparation

Recipients may begin to accrue expenses against the ARRA project after their grant agreement is executed. However, PTD cannot reimburse any expenses until the FTA grant is awarded to PTD.
- 9/6/2009 FTA funds must be obligated to the state no later than this date. PTD can start requesting ARRA funds from FTA.
- 3/10/2012 All projects must be completed within three years of the date the Federal Register Notice was published

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What to Expect Once ARRA Grants Are Written

Effect on existing PTD programs

After ARRA awards are published in April, there will be an opportunity for applicants to modify their 2009 - 2011 discretionary grant applications, if needed. STF Agencies will be allowed to resubmit their Older Adults and People with Disabilities applications, if ARRA funds would allow them to add projects to fully utilize targeted allocations in 5310 or STF discretionary funds. If ARRA funds would change needs for either Job Access Reverse Commute or New Freedom applications, additional time for resubmitting applications will also be allowed. Information for managing adjustments to the current discretionary grants programs will be available in a separate document on our Web site at www.oregon.gov/odot/pt.

ARRA grants and Timing

PTD intends to execute a single grant for each ARRA recipient; that is, all of a recipient's ARRA funded projects will be included in a single grant.

As with all grant programs, recipients must wait for the grant to be fully executed (signed by both parties) before incurring any expenses related to the ARRA project. For example; ordering equipment, starting a procurement process (Request for Proposal, purchase order, or any other bid document) to buy shelters, or to start work on a phase of a building project funded with the program must not start before the grant is in place.

Reporting Requirements

Be prepared to report on jobs sustained and/or created. PTD is awaiting FTA guidance on specific reporting requirements. PTD assumes that vehicle procurements and equipment purchases will be based on nationally-developed information rather than recipients' estimates. However, for facility or other construction type projects, as well as vehicle preventive maintenance and mobility management projects, PTD expects that recipients will be asked to estimate jobs sustained and/or created, and to report on those numbers. Additional information on ARRA reporting requirements will be provided as it becomes available.

Please keep in mind that your agency will be required to include all capital items in its inventory and report to PTD as long as the equipment or facility remains in service.

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Vehicle Projects

PTD intends to make bulk orders of vehicles using the new price agreement contracts on behalf of subrecipients. There are several reasons for offering to provide this service:

1. Speed is of the essence for Oregon projects to get into the pipeline. With all 50 states procuring vehicles, the longer it takes to order, the longer it will take to get them delivered.
2. The new price agreements contain more vehicles and a total of four vendors. PTD's plan for bulk purchases will take the burden off recipients and speed up the ordering process. Agencies will still talk to vendors to determine vehicle configurations and optional equipment needed.
3. This funding is at 100 percent with no match required. It will be easier for vendors to identify ARRA-funded vehicles if they are ordered by PTD.
4. PTD is developing guidance documents and preparing training opportunities for recipients for later in the spring or summer. When the other PTD programs' grants are awarded, recipients will be prepared to order those vehicles from the new contracts.

If agencies have open contracts for vehicles that allow them to include these vehicles, or an RFP is in process that includes enough units for this funding source, you may do so. Contact Joni Bramlett if you intend to order vehicles so that we can accommodate your request.

More information will be provided on how to order ARRA-funded vehicles as it becomes available.

Facilities Projects (Including passenger shelters, deferred maintenance, remodels and other infrastructure needs)

Clearly indicate in your application if a facility project is already started, and that ARRA funds are being used to complete the project. PTD may require documentation and reporting requirements to ensure project readiness, project status, and that ARRA funds are not commingled with other grants.

If a project requires a Documented Categorical Exclusion (DCE) such as land purchase, the construction of a building or other structure, or pouring concrete, the DCE must be approved as soon as possible.

Equipment Projects

An equipment project must be \$5,000 or more to qualify as a capital project. Priority will be given to requests for equipment that is readily available for purchase.

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Vehicle Preventive Maintenance Projects

Be prepared to maintain separate records for vehicle preventive maintenance projects utilizing ARRA funds. You may be required to report on how ARRA funds used for PM projects impacted job sustainability and/or creation.

Mobility Management Projects

Mobility management is an administrative expense that includes short-range planning, management activities, and projects for improving coordination among public transportation providers. The project may not include any operating expenses. Be prepared to report on how ARRA funds used for your mobility management project impacted job sustainability and/or creation.

Contacts for Assistance

ARRA Program and Project Administration

Joni Bramlett, Capital Program Manager

503-986-3416

joni.d.bramlett@odot.state.or.us

The 5311 Program

Sharon Peerenboom, 5311 Program Manager

503-986-4414

sharonk.peerenboom@odot.state.or.us

Shifting projects from other programs

You may discuss this with individual program managers as noted on the application forms. General questions may be directed to:

Jean Palmateer, Special Transportation Program Manager

503-986-3472

jean.m.palmateer@odot.state.or.us