

# STATE OF COLORADO

## DEPARTMENT OF TRANSPORTATION

### Division of Transit and Rail

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## Call for Rural Capital Transit Projects

DATE: October 5, 2012  
TO: Persons Interested in Transit  
  
FROM: Tom Mauser, Transit Programs Manager  
David Averill, Transit Planning and Infrastructure Manager  
SUBJECT: Notice of Funding Availability for FTA Grants for Rural Capital Projects

The CDOT Division of Transit and Rail is announcing a new **two-year** call for capital projects in rural areas (those with a population under 50,000). This is a follow-up to a presentation made at the CASTA/CDOT Fall Transit Conference in September. CDOT has a significant amount of capital funding available, so local agencies are encouraged to consider their upcoming capital needs and submit applications.

At the conference Tom Mauser pointed out that MAP-21, the new federal reauthorization bill, made some significant changes to FTA programs. In particular:

- The Section 5309 discretionary capital program was eliminated and replaced with a new formula program known as Section 5339. This new program provides formula funding to each urbanized area and provides \$1.25M to each state DOT for its rural areas.
- Funding for the Section 5311 rural public transportation program was increased for Colorado by over 24%, in large part due to a new provision that rewards states like Colorado that have high rural transit ridership (Colorado has the highest such ridership!).

In addition, in 2011 CDOT budgeted for significant funding reductions in 2012, based on speculation that funding might be reduced significantly as a result of threatened federal budget cuts. Those reductions did not occur, so the Division of Transit and Rail has unspent funds available from 2012, as well as some funds from prior years. DTR intends to make those funds available for capital projects.

CDOT has \$1.25M available from the new Section 5339 capital program for rural projects for 2013. DTR prefers to provide these funds for large bus purchases. CDOT will commit at least \$2.5M from 2013 Section 5311 funds and at least \$4M from 2012 and prior years that it will make available for capital projects. This large amount of capital funding provides an opportunity to respond to facility, design and large bus requests.

DTR indicated at the conference that it saw the changes brought about by MAP-21 as an opportunity to combine the FASTER and FTA capital programs, where appropriate, thus reducing the number of applications submitted to DTR and moving towards an effort to find the most appropriate funding source for each valuable project rather than look at each funding program individually. Conference attendees supported that approach.

DTR considered the possibility of allowing requests for Sections 5311 and 5339 funds to be submitted within the FASTER application that was due last week, but it was too late and impractical to do so. Instead, we are proposing that rural FASTER requests (excluding those for planning studies) be **automatically** considered for these other capital funding programs **unless** the applicant informs CDOT it does not wish its' project(s) to be considered for FTA funding. Therefore, if you do not want your FASTER project considered for Section 5311 and /or 5339 funding, please let David Averill (303-757-9347) of my staff know by 10/16/2012.

If you have a capital project that you did not submit for FASTER funding but would like to apply to CDOT's pool of available Section 5311 or 5339 capital funding, fill out the appropriate application form (attached) and submit it to David Averill **by Oct. 31, 2012**. Please keep in mind that any project funded through either 5311 or 5339 will be subject to all Federal rules and regulations, including submission of Certifications and Assurances, procurement requirements, DBE, Davis-Bacon Act for construction, etc. If you wish to submit a facility project, we request that you contact David Averill as soon as possible so that advanced screening can begin.

We've received questions about the timing of these grant submittals and awards, and how that impacts the procurement process-- particularly when you are purchasing replacement vehicles for your fleet. Most of the funds are or will soon be available to us, so we anticipate being able to develop most contracts in the first quarter of 2013. We've been working with the State Controller's Office to institute a provision that would allow "post award - pre contract" authority to begin the procurement process without having a fully executed contract. We anticipate that this will be resolved in the coming months and will keep you posted if and when our proposal is instituted. It will be especially important for applicants to be clear about when they are realistically able to implement their project.

We are making this solicitation for Section 5311 and 5339 projects a **two-year** call in an effort to better "sync up" all of our capital funding programs. This will have several benefits. For DTR, it will make it easier for us to anticipate the types and volume of capital requests in future years. For grantees, it will minimize the level of effort needed to apply for these funds--effectively reducing three calls for projects to 1. The two-year call approach will also have a "rolling" mechanism whereby you can update your application or add a new one each year to reflect changing needs or priorities.

Please note that the FASTER call for projects is for FY 14 and FY 15, based on a July 1 **state** fiscal year. For FTA, the funds are available on a calendar year basis, starting in January 2013; that is why the two attached applications refer to 2013 and 2014, not 2014 and 2015; in reality the two years are not that far apart; in the future we'll make these designations easier to understand.

Finally, please be aware that only rural projects are eligible to receive funding from Sections 5311 and 5339. Urbanized areas are not being slighted: the FTA's Designated Recipients in small and large urbanized areas receive Sections 5307 and 5339 formula funds directly from the FTA for their areas rather than through CDOT.

If you have any questions, please contact David Averill at 303-757-9347. Note that effective Oct. 8<sup>th</sup>, David's email address will change to [david.averill@state.co.us](mailto:david.averill@state.co.us). In fact, all CDOT email addresses will change that day to @state.co.us rather than the prefix extension of @dot.state.co.us.