

Update on FASTER Transit Application Guidance

October 4, 2011

The purpose of this paper is to provide additional guidance and clarification to potential applicants for FASTER Transit funding. This information has been developed based on questions asked of CDOT staff on a conference call and in individual calls made to staff. This guidance is being provided in a question-answer format.

Question: CDOT indicated that those who applied for FTA Section 5309 discretionary capital funding (e.g., State of Good Repair, Clean Fuels, Livability) would automatically be considered for FASTER funding. Exactly what will applicants have to do, then?

Answer: For those who applied for Section 5309 funds, David Averill of CDOT staff will cut and paste your 5309 materials into the FASTER application for you; he will then ask you to review it, enhance the application as you see fit in response to the evaluation criteria, and submit any new information needed specifically for the FASTER application.

Question: Does this apply to Livability funds applied for two or more years ago?

Answer: No. This offer applies only to 2011 Section 5309 applications.

Question: When can we expect to hear what was awarded from the Section 5309 programs?

Answer: It is widely expected that FTA will announce at least the State of Good Repair and Livability awards before or during the APTA EXPO in New Orleans during the week of Oct. 3.

Question: Will Federal regulations apply to these projects?

Answer: Federal regulations will not apply to these projects unless there is Federal money included in the project—even if \$1 of Federal funding is included, it is “federalized” and Federal regulations will apply. In fact, some FASTER recipients are using their FASTER award as the local match for a federal grant. That is allowable, but Federal regulations obviously apply. If no Federal funds are used, regulations such as Buy America, DBE and Davis-Bacon do NOT apply. However, a competitive procurement is still required. NEPA clearance would not be required, but Colorado has an Environmental Stewardship Agreement in place that still requires an environmental clearance of projects—though it’s not as rigorous as, or obtained through, NEPA.

Question: Are in-kind contributions allowed? Can a local agency contribute construction time?

Answer: Normally there can be no in-kind contributions for a capital project. But there are a few exceptions. Land for a facility is allowed as a match. If a local agency uses its own labor for construction of a project, that could be used as match, as could construction management oversight. The key for all of these items is that the local contribution must be tied specifically to the approved project. So, for example, if a city purchased a 5-acre plot and used only two acres

for the transit facility, it couldn't claim the value of the entire 5-acre plot as its contribution. Also, construction management oversight would be the formal oversight of an engineer, not simply administrative tasks or general oversight. It is best to discuss such contributions with CDOT before submitting an application.

Question: What's the difference between the local and the state share and does it impact how one should apply?

Answer: All of the \$5 million designated for the "FASTER Local share" are put into projects, whereas not all the \$10 million designated for the "FASTER State share" are put into projects. That's because the Local share is taken from vehicle registration fee revenue that otherwise would have gone to local governments. CDOT believes these funds should all go for local projects and not for State administration or CDOT-sponsored projects. The State share will be used primarily for statewide, interregional and regional projects, in that general priority order. Conversely, the Local share will be used primarily for regional and local projects. But there is no prohibition against the State share funding a local project or of the Local share funding an interregional project.

Question: Do planning projects have any reasonable shot at being funded?

Answer: There was one planning project funded in the first round of FASTER. The Transportation Commission placed a limitation of 10% of total funding for planning/studies. However, that one project was a very strategic, significant study (I-70 West). There has been some sentiment expressed among policymakers that in tough economic times the funds spent on planning and studies should be minimal and that an emphasis be placed on a "fix it first" approach.

Question: A minimum request is specified. Is there a maximum?

Answer: No maximum is specified. Applicants should consider the total amount available and the fact that the Local share is allocated to the Regions and that DTR tries to spread the State share around the state, in rough proportion to the Region allocation. Applicants with large requests should also consider requesting funds for a phase of a project, if they can afford to do so, providing assurance of funding for the remaining phases(s).

Question: What about reconstruction of transit operations offices? Does it have a chance of being funded?

Answer: It is eligible, but there is a chance that operational facilities might receive a higher priority. The biggest factor, though, would be criticality—how critical is the reconstruction?

Question: What are the biggest differences between the last FASTER application and this one?

Answer: There are three primary differences.

- (1) The form is longer. Evaluators in round 1 indicated they didn't have enough information with which to judge projects and had to make too many phone calls for clarification. The general format was switched to that used for the Section 5309 applications, but with fewer duplicative questions.
- (2) The criteria have been folded into the criteria used for Section 5309 applications. Metrics are used heavily for bus replacement requests but other requests rely more on examining the merits of each individual request.
- (3) There is much more emphasis on the readiness of the project. For facilities, that means 30% design should be completed. There were some projects selected in round 1 that, despite a requirement for readiness, had major unanswered questions and were clearly not ready to go.