

# **State Management Plan**

for Federal Transit Administration Public  
Transportation Programs

December 2011    DRAFT  
**Public Transportation Division**

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To obtain information about this plan, you can:

- Write to:  
WSDOT Public Transportation Division  
PO Box 47387  
Olympia, WA 98504-7387
- Call 360-705-7926
- E-mail your questions to [transit@wsdot.wa.gov](mailto:transit@wsdot.wa.gov)

For an electronic version of this plan or to obtain additional information, visit [www.wsdot.wa.gov/transit](http://www.wsdot.wa.gov/transit)

# Introduction

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The United States Department of Transportation Federal Transit Administration (FTA) provides financial assistance to states through a number of programs to develop new transit systems and improve, maintain, and operate existing systems. FTA requires that each state adopt policies and procedures to be used in administering FTA Title 49 USC sections 5310, 5311, 5316 and 5317 grant programs and produce a plan describing the state's policies and procedures for the state-managed portion of these programs. This *State Management Plan* describes the state of Washington's administrative policies and procedures for these FTA programs.

## Definitions

When used in this plan, the meaning of rural area, small urban area, and large urban area is as follows. For other definitions and acronyms used in this plan, see the "Acronyms and Definitions" appendix of the *Guide to Managing Your Public Transportation Grant*.

- **Non-urbanized area** (aka "Rural") means any area outside of an urbanized area. The term "non-urbanized area" includes rural areas and urban areas under 50,000 in population not included in an urbanized area. In this plan, the term rural is commonly used to refer to all areas other than urbanized areas.
- **Small urban area** is an urbanized area with a population of at least 50,000 but less than 200,000.
- **Large urban area** means an area with a population greater than 200,000.

## Legal Authority

The Governor of the state of Washington has designated the Washington State Department of Transportation (WSDOT) as the agency of authority and responsibility for administering assistance received in Washington through Title 49 USC sections 5310, 5311, 5316, and 5317 funding programs. The FTA has the responsibility for national implementation of these funding programs and provides further program guidance in the circulars listed below. The circulars describe the intent of the programs and explain funding requirements. These requirements include program management and development of the *Washington State Management Plan*. Therefore, the contents of this plan must comply with the FTA circulars as well as any other state requirements that are not in conflict with these circulars. Further references in this *State Management Plan* to sections of Title 49 USC shall be identified by section number (i.e., § 5310).

- **Circular 9070.1F:** 49 USC § 5310, Elderly Individuals and Individuals with Disabilities Program
- **Circular 9040.1F:** 49 USC § 5311, Non-urbanized Area Formula Program
- **Circular 9050.1:** 49 USC § 5316, Job Access and Reverse Commute (JARC) Program
- **Circular 9045.1:** 49 USC § 5317, New Freedom Program

## Federal Program Goals

### **49 USC § 5310**

FTA defines the goals of the § 5310 program in *Circular 9070.1F* “to improve mobility for elderly individuals and individuals with disabilities throughout the country. Toward this goal, FTA provides financial assistance for transportation services planned, designed, and carried out to meet the special transportation needs of elderly individuals and individuals with disabilities in all areas—urbanized, small urban, and rural. The program requires coordination of federally assisted programs and services in order to make the most efficient use of federal resources.”

### **49 USC § 5311**

FTA defines the goals of the § 5311 program, in *Circular 9040.1E* “to enhance the access of people in non-urbanized areas to health care, shopping, education, employment, public services, and recreation; assist in the maintenance, development, improvement, and use of public transportation systems in non-urbanized areas; encourage and facilitate the most efficient use of all transportation funds used to provide passenger transportation in non-urbanized areas through the coordination of programs and services; assist in the development and support of intercity bus transportation; and provide for the participation of private transportation providers in non-urbanized transportation.”

Title 49 USC § 5311(f) requires the state to spend not less than 15 percent of the annual 5311 funding to develop and support intercity bus transportation, unless the Governor certifies to the U.S. Secretary of Transportation that the intercity bus service needs of the state are being met. Eligible activities under the program include:

- Planning and marketing for intercity bus transportation.
- Capital grants for construction (i.e., intercity bus shelters).
- Vehicle purchase, rehabilitation, refurbishment, and wheelchair lift retrofit.
- Equipment purchase.
- Operating assistance.

### **49 USC § 5316**

FTA defines the goals of the § 5316 program in *Circular 9050.1* “to improve access to transportation services to employment and employment related activities for welfare recipients and eligible low-income individuals and to transport residents of urbanized areas and non-urbanized areas to suburban employment opportunities.”

### **49 USC § 5317**

FTA defines the goals of the § 5317 program in *Circular 9045.1* “to provide additional tools to overcome existing barriers facing Americans with disabilities seeking integration into the work force and full participation in society. Lack of adequate transportation is a primary barrier to work for individuals with disabilities. The 2000 Census showed that only 60 percent of people between the ages of 16 and 64 with disabilities are employed. The New Freedom formula grant program seeks to reduce barriers to transportation services and

expand the transportation mobility options available to people with disabilities beyond the requirements of the Americans with Disabilities Act of 1990.”

## State Policy Goals

The programs are administered within the guidelines of the current *Washington Transportation Plan 2030* (WTP) and RCW 47.04.280, Transportation system policy goals. The guidelines include:

- **Preservation** – Maintain, preserve and extend the life and utility of prior investments in transportation systems and services.
- **Safety** – Provide for and improve the safety and security of transportation customers and the transportation system.
- **Economic Vitality** – Promote and develop transportation systems that stimulate, support, and enhance the movement of people and goods to ensure a prosperous economy.
- **Mobility** – Improve the predictable movement of goods and people throughout Washington State.
- **Environment** – Enhance Washington’s quality of life through transportation investments that promote energy conservation, enhance healthy communities, and protect the environment.
- **Stewardship** – Continuously improve the quality, effectiveness, and efficiency of the transportation system.

The Public Transportation Division is also aligned with *Moving Washington*, WSDOT’s framework for making transparent, cost-effective decisions that keep people and goods moving and support a healthy economy, environment and communities through the following principles:

- **Maintain and keep safe** – Maintaining and preserving the safe and long-lasting performance of existing services
- **Integrate investment for cost effective solutions** – Operate efficiently, manage demand, and add capacity strategically.

## Roles and Responsibilities

### *State Administration*

The role of WSDOT includes:

- Documenting the state’s procedures in a state management plan (SMP) and making each new version available for stakeholder input and then making it available to grantees, planning organizations, and the general public after FTA approval.
- Notifying potential participants about the program and soliciting applications.
- Developing project selection criteria and competitive selection process.
- Arranging for the evaluation of potential projects for funding.
- Reviewing, prioritizing and selecting projects for approval.

- Developing elements of the State Transportation Improvement Program (STIP) for each FTA Section.
- Developing and forwarding an annual program of projects (POP) and grant application to FTA.
- Certifying eligibility of applicants and project activities.
- Developing agreements with selected agencies.
- Monitoring local project activity.
- Ensuring grantee compliance with all federal requirements, including all certifications and assurances.
- Overseeing project audit and closeout.
- Submitting reports as required by FTA including National Transit Database (NTD) reporting for § 5311 grantees and other specialty reporting for § 5310, § 5316, and § 5317 grantees.
- Certifying that funds are distributed in a fair and equitable basis.
- Supporting and overseeing the *Coordinated Public Transit–Human Services Transportation Plans* (HSTP) in rural and small urban areas of the State of Washington, which are developed through a process including representatives from public transportation, private and non-profit transportation, human services providers, the public including limited English proficiency (LEP), minority and low-income populations, and WSDOT.
- Certifying that all projects funded through § 5310, § 5316, and § 5317 are from a locally developed HSTP. As a matter of policy, § 5311 projects are also required to come from a HSTP.

WSDOT’s role in programs funding capital purchases additionally includes:

- Developing statewide vehicle and equipment contracts in cooperation with Washington Office of State Procurement.
- Overseeing the grantee procurement process to ensure compliance.
- Ensuring that equipment purchased with grant funds is operated and maintained consistently with project objectives.
- Approving Asset Management Plans for vehicles, equipment and facilities.

WSDOT responsibilities also include the following program-specific elements:

- **§ 5311**
  - Developing and implementing a program of training and technical assistance under § 5311 (b) (2), the rural transit assistance program (RTAP).
  - Developing and implementing the intercity bus program under § 5311 (f).
  - Ensuring that projects funded through § 5311 have been developed in coordination with transportation projects assisted by other federal sources.

- **§ 5310 and § 5311** – Planning for future transportation needs, and ensuring coordination among transportation modes and providers.
- **§ 5316 and § 5317** – Managing the Puget Sound Regional Council (PSRC) and Spokane Regional Transportation Council (SRTC) urbanized funding awards for non-transit organizations. PSRC and SRTC run their own competitive processes and then alert WSDOT of the organizations that are receiving the funds. WSDOT receives 10 percent of the awards to cover the costs of administering the grants.

### ***Statewide Advisement***

As required by state law, WSDOT reviews the division’s existing grant programs every other year. The purpose of this review is to determine the programs’ effectiveness and whether the methods used to award funds result in a fair and equal distribution of the grants.

Other state agencies and staff from associations which represent public transportation interests form the Grant Program Advisory Committee (G-PAC) to review the evaluation criteria, distribute information about the program, and evaluate prospective projects. These agencies include:

- Agency Council on Coordinated Transportation (ACCT)
- Washington State Department of Commerce
- Washington State Association of Counties
- Washington State Association of Cities
- Community Transportation Association of the Northwest
- State or Regional Aging programs, such as the Area Agency on Aging or the Aging and Disability Services Administration
- State or regional representative from a Medicaid transportation program
- Regional Transportation Planning Organizations (RTPO)/Metropolitan Planning Organizations (MPO)
- Washington State Transit Association
- Governor’s Office on Indian Affairs or an individual representing Tribal Governments
- Community Action Councils
- Washington Utilities and Transportation Commission
- WSDOT staff

### ***Regulation***

The Washington Utilities and Transportation Commission regulates private non-profit organizations transporting elderly persons or persons with disabilities. These regulations include: driver training; safety of operation, including vehicle inspection; and minimum insurance levels for liability.

## ***Program of Projects (POP)***

WSDOT staff create POPs when applying for new funds based on the Consolidated Grant Program awards. WSDOT will review the POPs periodically throughout the year to monitor spending and funding adjustments as necessary. During the first month of each Federal Fiscal Year WSDOT will submit an updated POP along with annual reporting required by FTA or will denote that the POP is current at the time if it is current.

## **Coordination**

### ***Coordinated Public Transit–Human Services Transportation Plans***

WSDOT requires applicants for public transportation grants to participate in the planning process with their local Regional Transportation Planning Organization (RTPO) or Metropolitan Planning Organization (MPO) as listed below:

- Benton-Franklin-Walla Walla RTPO – Benton, Franklin, and Walla Walla Counties
- Lewis-Clark Valley MPO – Asotin County
- North Central RTPO – Chelan, Douglas, and Okanogan Counties
- Northeast Washington RTPO – Ferry, Pend Oreille, and Stevens Counties
- Palouse RTPO – Asotin, Columbia, Garfield, and Whitman Counties
- Peninsula RTPO – Clallam, Jefferson, Kitsap, and Mason Counties
- Puget Sound Regional Council – King, Pierce, Snohomish, and Kitsap Counties
- Quad County RTPO – Lincoln, Adams, Grant, and Kittitas Counties
- Skagit/Island RTPO – Skagit and Island Counties
- Southwest Washington Regional Transportation Council – Clark, Skamania, and Klickitat Counties
- Southwest Washington RTPO – Cowlitz, Wahkiakum, Lewis, Pacific, and Grays Harbor Counties
- Spokane Regional Transportation Council – Spokane County
- Thurston Regional Planning Council – Thurston County
- Whatcom Council of Governments – Whatcom County
- Yakima Valley Conference of Governments – Yakima County

One exception to this is San Juan County, which produced a coordinated Human Services Transportation Plan this year and does not belong to any existing RTPO.

The method used in the initial process is described below:

1. Stakeholders are convened including the RTPOs, public transportation providers, non-profit human services agencies, health care providers, large employers, consumers, and limited English proficiency (LEP), minority, and low-income populations.

2. Information is collected and analyzed regarding human services, public transportation, and potential riders in each region. Examples of useful information include:
  - **Common Origins** – Locations of low-income populations, people with disabilities, and the elderly.
  - **Common Destinations** – Entry-level employment opportunities, childcare facilities, schools, medical centers, shopping districts.
  - **Existing Transportation Services** – Fixed route, intercity bus and rail, shuttle, demand-response, paratransit, shared-ride taxi, regular taxi, vanpools, rideshare, and other commuter services.
3. Various types of transportation challenges and “gaps” in existing transportation services are identified.
4. Origins and destinations of people with special needs using existing transportation services are compared.
5. The unmet needs and possible wasteful duplication of efforts in certain areas are identified. The definition of an unmet need is:
  - A project that does not exist where a need has been identified.
  - A service that was locally funded in the past, but has been officially scheduled to be removed even though it meets a need.
  - Projects that would not be funded without the public transportation grant program.
6. Prioritized solutions are developed to meet unmet needs. Transportation solutions vary in each area depending on the resources available, the size of the market for each alternative, and the extent of existing services. Examples of options could include increasing fixed route service (extending hours or territory), vanpool services, dial-a-ride services, volunteer ride services, and bus passes.

Once the plan is complete, the regions rank projects by assigning letter grades to each of the projects. The letter grade determines the number of additional percentile points the project will receive as shown below.

A – 50 percentile points

B – 25 percentile points

C – 12 percentile points

D – 0 percentile points

Not listed = disqualified from consideration

### ***Coordination at the State Level***

Coordination is the most important element to the success of the programs in Washington. Coordination is required and implemented through:

- State Law
- WSDOT policy

- [Washington Transportation Plan, 2030](#)

One element of state level coordination is the development and distribution of grant program information. WSDOT accomplishes this primarily through the statewide notice of the *Public Transportation Grant Application*, providing program information on the [WSDOT Public Transportation Website](#), and the public involvement process associated with program changes to this *State Management Plan*. The *Public Transportation Grant Application* contains all required information about the programs in Washington.

Another coordination element is WSDOT's participation in the Agency Council on Coordinated Transportation (ACCT). ACCT was created in September 1997 and codified in RCW 47.06B.012. ACCT fosters coordination of transportation for people with special transportation needs (children, low-income, the elderly, and persons with disabilities) by providing a forum to identify, discuss, and resolve coordination barriers.

ACCT supports coordination among public transportation organizations, private non-profit transportation providers, and public organizations that provide transportation to access jobs, services, and education. Increased efficiency and effectiveness can be achieved through coordination.

Another coordination element is the representation of various agencies and organizations on evaluation teams that assist WSDOT with project selection. These agencies are listed in the Method of Distributing Funds and Program Development Process section of this plan. The representatives provide a well-rounded perspective to the evaluation process.

When program changes are made, WSDOT will announce the availability of the draft *State Management Plan* and request comments from the public. This notice will be posted on the [Public Transportation Division's Website](#) and advertised to all interested parties. WSDOT will consider comments received for inclusion in the plan. The final plan will be available on the division's Website and upon request.

### ***Coordination at the Project Level***

All applicants are expected to coordinate with other transportation providers in their service area. As part of their grant application, applicants are asked to identify the local Coordinated Public Transit-Human Services Transportation Plan that contains their project. As financial resources become limited, an agency's ability to maintain service is affected by their successful coordination of services with other providers and funding sources. In addition, applicants are strongly encouraged to take part in coordinated transportation planning activities in their service area. WSDOT is also required by state law to take local efforts to coordinate into consideration when awarding state funded grants.

## Grantees

### **49 USC § 5310**

The following entities are eligible to receive § 5310 grant funds for capital purchases and purchase of service agreements:

- Private non-profit organizations.
- Governmental authorities that certify that no non-profit organizations in the service area are readily available to provide the services.
- Governmental authorities approved by the state to coordinate services for elderly individuals and individuals with disabilities.
- Tribal governments.

WSDOT requires private non-profit applicants to:

- Hold or obtain a certificate from the Washington Utilities and Transportation Commission (WUTC), which authorizes non-profit agencies to provide transportation.
- Hold a 501 (c) (3) certificate verifying non-profit status.
- Register with the Washington State Secretary of State.

### **49 USC § 5311**

The following entities are eligible to receive § 5311 capital and operating grant funds and (for the intercity bus program only) purchase of service agreements:

- State agencies.
- Local governmental agencies and their divisions.
- Tribal governments.
- Private non-profit organizations.
- Transit agencies.
- Private for-profit organizations (§ 5311(f) intercity bus program only).

### **49 USC § 5316**

The following entities are eligible to receive § 5316 capital, mobility management, and operating grant funds:

- Private non-profit organizations.
- State or local governmental agencies and their divisions.
- Operators of public transportation services, including private operators of public transportation services.
- Tribal governments.

## **49 USC § 5317**

The following entities are eligible to receive § 5317 capital, mobility management, and operating grant funds:

- Private non-profit organizations.
- State or local governmental authorities.
- Operators of public transportation services, including private operators of public transportation services.
- Tribal governments.

## **Services and Service Areas**

For the majority of programs, the services provided with capital or operating grants focus on rural areas of Washington. This does not disqualify service into Idaho, Oregon, or British Columbia provided that the public served resides in Washington.

Projects may include public transportation into and out of urbanized areas. However, the projects may not provide service exclusively within an urban area.

The § 5311(f) Intercity Bus Program describes network corridors. Refer to the Intercity Bus Program section of this plan for details.

## **Projects**

### ***Capital***

#### **Equipment**

All equipment purchased under these programs must be used to provide passenger transportation services. Examples of eligible capital projects include:

- Passenger service vehicles.
- Commuter vans.
- Refurbishment of existing vehicles.
- Vehicle retrofit for wheelchair lifts.
- Replacement parts for passenger service vehicles.
- Communications equipment.
- Computer hardware and data systems; dispatching software.
- Other equipment such as bicycle racks and fare boxes.
- Pre-owned or used wheelchair accessible, passenger service vehicles (only if they are clearly identified on the application).
- Bus shelters, accessible features for sidewalks and facilities.
- Maintenance equipment (such as bus lifts).
- Security equipment.

## **Construction**

Construction projects involve building a transit-related facility. The consolidated program has not made recent construction awards due to the size of investment compared to the available funding, but construction is potentially an eligible project. Examples of eligible construction projects include:

- Bus transfer stations.
- Maintenance facilities.
- Operations and administration facilities.
- Park and ride lots.

## **Operating**

Operating assistance usually consists of activities and services that are directly provided or purchased by the grantee. Examples of eligible operating activities include:

- Operating assistance for rural public transportation services.
- Operating assistance for paratransit/special needs transportation services within and/or beyond ADA requirements.
- Rural feeder bus service for the intercity bus network.
- Operating assistance for transportation to and from jobs and employment support services.

## **Purchase of Service**

Purchase of Service (POS) agreements are utilized when WSDOT is the grant recipient and directly contracts with transportation service providers to provide eligible public transportation services as determined by the federal funding source. Examples of eligible POS activities include:

- Intercity Bus Program (§ 5311(f)). WSDOT conducts a Request for Proposal (RFP) process and awards contracts to provide intercity feeder service to support a statewide intercity transportation network.
- WSDOT may consider Purchase of Service (POS) agreements when sufficient § 5310 funding is available, there is a recognized need, and/or WSDOT wishes to fund specific demonstration projects for the elderly and/or persons with disabilities.

## **Mobility Management**

Mobility management builds coordination among existing transportation providers and expands the availability of services. Examples of eligible mobility management activities include:

- Promoting, enhancing, and facilitating access to transportation services.
- Supporting short-term management activities to plan and implement coordinated services.
- Supporting coordination policy bodies or councils.

- Operating transportation brokerages to coordinate providers, funding agencies, and customers.
- Providing coordinated services such as navigator systems, individualized travel training, and trip planning.
- Developing and operating one-stop transportation traveler call centers.
- Planning to acquire intelligent transportation technologies to coordinate systems such as vehicle scheduling, smart card systems, Geographic Information System (GIS) mapping, Global Positioning Systems, integrated information-telecommunications technology, and dispatching systems.

### ***Planning***

Examples of eligible planning activities include:

- Local or regional marketing plan for special needs or rural public transportation.
- Local or regional coordination plan.
- Agency financial and operating plan.
- Comprehensive transportation plan.
- Mobility management.
- Public transportation feasibility plan.

## **Local and State Share Funding Requirements**

Grantees are encouraged to provide local funds to support their projects. In some circumstances, WSDOT supplements the project with state Rural Mobility and/or state Paratransit/Special Needs grants.

### ***Capital Assistance***

The required local and/or state share for capital assistance is 20 percent of eligible expenses. The 20 percent match requirement may be met using a combination of local funds and eligible state funds. WSDOT permits a local share greater than 20 percent if the total eligible capital expenses exceed the amount budgeted. The project may be supplemented with additional local, state, and/or federal funds depending on availability.

There are a few restrictions on the source of the local share of the project costs. Restrictions include:

- The local share cannot be derived from USDOT federal funds.
- No use restrictions may be put on the equipment by the funding source.
- The funding source must not affect the legal ownership of the equipment.

### ***Operating Assistance***

The local and/or state share for operating assistance is 50 percent of the net eligible expenses (gross expenses less fares and/or donations). The 50 percent match requirement may be met using a combination of local funds and eligible state funds. Based on availability, the project

may be supplemented with additional local, state, or federal funds if the total net eligible expenses exceed the budget.

The source of the local share for operating assistance must comply with the Federal Transit Act and amendments, which permits the use of federal funds received from a state social service agency such as Medicaid and Title IIIB. In-kind match is allowed with WSDOT approval.

### ***Purchase of Service, Mobility Management, and Planning Assistance***

The required local and/or state share for these types of assistance is 20 percent of eligible expenses. The 20 percent match requirement may be met using a combination of local funds and eligible state funds. Based on availability, the project may be supplemented with additional local, state, or federal funds if the total net eligible expenses exceed the budget. In-kind match is allowed with WSDOT approval.

## **Method of Distributing Funds and Program Development Process**

### ***Application Cycle***

WSDOT grant funds are distributed through a consolidated application process. This process is scheduled to coincide with the state biennial cycle. Applications are made available in the late summer to early fall of even years. Grant contracts cover a 24-month period beginning in July of the following year. The benefits of this consolidated application process include:

- Putting federal and state grant applications on the same cycle, maximizing the ability of state funds to match federal projects.
- Having one combined call for projects.
- Minimizing paperwork to applicants.
- Providing a single application process for state and federal public transportation funding.
- Guaranteeing two years of operating assistance to grantees.
- Providing the state flexibility to select the funding sources to be used for specific projects that meet the highest prioritized unmet needs.
- Providing a list of public transportation needs to the state legislature during the budget cycle.

The consolidated application process was developed with representatives from:

- Agency Council on Coordinated Transportation
- Washington State Transit Association
- Community Transportation Association of the Northwest
- Staff from the Senate Transportation Committee and the House Transportation Committee

## **Method Used**

Each biennium, WSDOT establishes evaluation teams that review applications and make recommendations to WSDOT regarding project priorities. WSDOT works with the following agencies and organizations for potential representation on evaluation teams:

- Agency Council on Coordinated Transportation
- Washington State Department of Commerce
- Washington State Association of Counties or Washington State Association of Cities
- Community Transportation Association of the Northwest
- State or regional aging programs, such as the Area Agency on Aging or the Aging and Disability Services Administration
- State or regional representative from a Medicaid transportation program
- Regional Transportation Planning Organizations/Municipal Planning Organizations
- Washington State Transit Association
- Governor's Office of Indian Affairs or an individual representing Tribal Governments
- Community action councils
- Washington Utilities and Transportation Commission
- Rider advocates
- WSDOT staff

A single grant application form is used regardless of the type of funding to be used for the project. The application forms are available in electronic format via the Internet. If organizations are unable to access the Internet, WSDOT will forward an electronic copy upon request. WSDOT provides a written explanation of the application questions and a complete description of the evaluation process in the *Public Transportation Grant Application*. WSDOT's Public Transportation Division offers technical assistance in grant writing. To avoid conflict of interest issues, technical assistance is performed by WSDOT staff not involved with the evaluation of grant applications.

During the application period, WSDOT conducts training workshops to explain the program requirements, application process and project selection to potential applicants. These workshops are beneficial in coordinating public transportation providers in the same geographical area.

## **Evaluation Criteria and Rating of Applications**

WSDOT establishes the criteria used by evaluation team members. The criteria is distributed to all potential applicants, and used by the evaluation team members. Team members are given these criteria at the time they receive the evaluation materials. All applications are scored on three components:

### **1. Project Component**

- Does the project establish, preserve, or improve public transportation services in a community?

- Does the project address a recognized need in the community?
- Does the applicant report the leveraging of funds from other sources to support the implementation of the project?
- Does the project reflect a community process of coordination and input?
- Does the project appear to be feasible as described?

## 2. Applicant Component

- Does the applicant report sufficient experience in managing transportation projects to provide assurance of success?
- Does the applicant report sufficient experience in managing previous grant awards?
- Does the applicant report sufficient financial capability and resources to implement and successfully carry out the project?
- Does the applicant report a long-term commitment to the project to continue the effort beyond the availability of the requested grant resources?

## 3. Performance Component

- Does the project describe community benefits resulting from the grant?
- Does the project define the performance measures to be used in determining the success of the project?
- Does the project describe an active effort aimed at improving efficiency and effectiveness?

## **Outreach Process**

To comply with Title VI requirements, WSDOT has a four-step process for outreach to persons with limited English proficiency (LEP), and minority and low-income populations.

1. **Planning:** WSDOT provides resources to the local planning organizations that are responsible for developing and updating their Human Services Coordinated Plans. In the scope of work for these planning contracts, WSDOT includes a requirement to conduct outreach to LEP, minority and low-income populations.
2. **Project Proposals:** During the call for projects, the Public Transportation Division works with the Office of Equal Opportunity to review incoming projects to ensure adequate consideration of LEP, minority and low-income populations.
3. **Grant Awards:** The WSDOT Office of Equal Opportunity is part of the application review team, providing input into the final ranking of projects. The complete final project list will be compared to the statewide demographics to ensure adequate consideration of project awards to provide services to LEP, minority and low-income areas.
4. **Project Implementation:** Grantees are instructed to conduct outreach and report their outreach activities on a quarterly basis. Guidance is provided to grantees through WSDOT staff technical assistance, site visits, grant training, and the Guide to Managing your Public Transportation Grant handbook.

## Rating Process for Applications

WSDOT provides evaluation team members with copies of project applications, evaluation instructions, materials, and evaluation criteria. A date is established for the completion of the rating process.

A forced-pair method is used to compare project applications. Each project is assigned a number and placed on a grid which pairs it with each of the other projects received by the team member. (See example of grid below.)

	1	2	3	4	5	6	7	8	9	10
2	1 2	-	-	-	-	-	-	-	-	-
3	1 3	2 3	-	-	-	-	-	-	-	-
4	1 4	2 4	3 4	-	-	-	-	-	-	-
5	1 5	2 5	3 5	4 5	-	-	-	-	-	-
6	1 6	2 6	3 6	4 6	5 6	-	-	-	-	-
7	1 7	2 7	3 7	4 7	5 7	6 7	-	-	-	-
8	1 8	2 8	3 8	4 8	5 8	6 8	7 8	-	-	-
9	1 9	2 9	3 9	4 9	5 9	6 9	7 9	8 9	-	-
10	1 10	2 10	3 10	4 10	5 10	6 10	7 10	8 10	9 10	-

Project 1 is then compared to project 2. The evaluator chooses the best proposal based on the evaluation criteria and circles the corresponding number on the grid. Project 1 is then compared to project 3 and so on. This step is repeated with each project until a comparison has been made between all assigned projects. (Example follows.)

	1	2	3	4	5	6	7	8	9	10
2	① 2	-	-	-	-	-	-	-	-	-
3	1 ③	2 ③	-	-	-	-	-	-	-	-
4	1 ④	2 ④	3 ④	-	-	-	-	-	-	-
5	1 ⑤	2 ⑤	3 ⑤	4 ⑤	-	-	-	-	-	-
6	① 6	2 ⑥	③ 6	④ 6	⑤ 6	-	-	-	-	-
7	1 ⑦	2 ⑦	③ 7	④ 7	⑤ 7	6 ⑦	-	-	-	-
8	1 ⑧	2 ⑧	③ 8	④ 8	⑤ 8	6 ⑧	7 ⑧	-	-	-
9	① 9	2 ⑨	③ 9	④ 9	⑤ 9	6 ⑨	⑦ 9	⑧ 9	-	-
10	① 10	2 ⑩	③ 10	④ 10	⑤ 10	⑥ 10	⑦ 10	⑧ 10	⑨ 10	-

A list of projects is created based on the number of times each project was selected in this process. The evaluation teams are then reassembled to discuss the merits of each proposal and their individual evaluations resulting in a consensus on a prioritized list of projects for recommendation to WSDOT. The maximum available percentile points from this portion of the process is 100.

The percentile points received through the regional scoring process described in the Coordination section of this plan are added to the evaluation team's list of projects. The final prioritized list is reviewed, revised as necessary, and approved by WSDOT. WSDOT reviews

the successful projects to determine the most appropriate funding source. WSDOT reserves the right to award FTA funds to priority projects outside the competitive process.

Final awards are made after the Governor signs the state transportation budget and WSDOT has been notified of the allocation amount for the FTA programs. WSDOT may reduce funding for some projects based on evaluation team recommendations, their placement on the list of projects, and the available state and federal funds. A project budget is developed based on the prioritized list and all applicants are notified of the result of their application.

Successful applicants are requested to submit the applicable certifications and assurances and to hold public hearing, if required. After the successful applicants complete the required documentation, WSDOT submits the program of projects to FTA for funding.

### ***Equity of Distribution***

This evaluation method accomplishes fair and equal treatment of all applicants. WSDOT announces the availability of the *Public Transportation Grant Application* on the [WSDOT Public Transportation's Website](#). In addition, an extensive distribution is made to all applicants from the prior grant cycle and those agencies, associations, tribes and individuals listed on a mailing list of interested parties maintained by WSDOT.

The WSDOT Office of Equal Opportunity is part of the application review team, providing input into the final ranking of projects. The completed final project list will be compared to the statewide demographics to ensure adequate consideration of project awards that serve LEP, minority and low-income areas. Disparities are documented and reviewed for consistency with federal and state rules and regulations.

WSDOT coordinates with metropolitan planning organizations (MPO) for projects in designated transportation management areas of the state. For example, during the 2009-11 funding cycle WSDOT provided administration and oversight for 13 projects selected for funding by the Puget Sound Regional Council and one project selected by the Spokane Regional Council.

### ***Adjustment of Awards and Subsequent Call for Projects***

WSDOT may adjust grant awards based on grantee performance and needs, unforeseen external factors (such as partners withdrawing pledged match or other partners no longer providing transportation service), and/or danger of lapsing program funds. No single project will have its budget increased by more than 20 percent and statutory match levels will be maintained.

If all available funds are not awarded through the competitive process or if actual project expenses are below budgets creating a potential of unspent funds, WSDOT may conduct a call for smaller projects within the federal funding cycle. WSDOT will review and award funds based on appropriate criteria.

### ***Transfer of § 5310, § 5316, and § 5317 Funds***

WSDOT may transfer § 5310, § 5316, or § 5317 funds to the § 5311 program for rural projects selected under these funding programs. Transfers of § 5316 and/or § 5317 funds

only occur after discussion with responsible local officials and public transportation operators in each area for which WSDOT originally awarded JARC or New Freedom funds in the competitive selection process.

Transfer of § 5310 program funds occur only when insufficient applications have been selected to meet the annual federal allocation of those funds. WSDOT will make every attempt to further verify that selected projects are described sufficiently and estimates of costs are reasonable.

On occasion, the Federal Highway Administration (FHWA) will give Surface Transportation Program (STP) funds to WSDOT that are in turn awarded to rural transits for competitive projects. Upon request, WSDOT will assist the grantees with the management of those funds. In order for WSDOT to do so, the funds must be transferred from FHWA to the FTA 5311 program. Once the funds are transferred, the funds are managed like 5311 programs.

### **Public Participation**

Federal law requires that the public be involved in the transportation planning process and private providers must have an opportunity to be involved in the development of transportation plans and programs. WSDOT meets this requirement through involvement in the Grant Program Advisory Committee (G-PAC), grant evaluation teams, and participation in planning processes such as the *Washington State Intercity and Rural-to-Urban Public Transportation Network Plan* and the regional *Coordinated Public Transit-Human Services Transportation Plans*.

In addition, potential capital grantees are required to hold a public hearing if the project will “substantially affect a community or the public transportation services of a community.” Grantees sign the public hearing certification prior to contract signature by WSDOT.

### **Intercity Bus Program § 5311(f)**

WSDOT’s *Washington State Intercity and Rural-to-Urban Public Transportation Network Plan* identifies a statewide intercity public transportation network of places connected by corridors and linked by intermodal facilities. These are referred to as network corridors. The plan defines standards for service and facilities on the network.

The network plan recommends an alternative method to the current consolidated application process for selecting service providers. This method involves assessment, planning, and implementation as described below.

The program goals include the following:

- Implement meaningful scheduled transport connections between rural and urban areas with the national intercity transportation network.
- Support operating services to meet the intercity travel needs of residents in rural and small urban areas.
- Sustain the infrastructure of the state’s intercity bus network through capital investments in facilities, vehicles, equipment, planning, and marketing.
- Plan the development and implement the enhancement and preservation of essential intercity bus services on deficient corridors.

- Support a network of intercity bus services and multimodal scheduled connections within a national system.
- Encourage the incorporation of new intercity services with inter-line ticketing capabilities.
- Identify a variety of funding strategies.

WSDOT sets aside 15 percent of its annual § 5311 program funding for intercity bus purposes. The intercity bus network plan was developed with the cooperation of intercity carriers, human service providers, transit agencies, local governments, regional transportation planning organizations, the Washington State Utilities and Transportation Commission, the Federal Transit Administration, and local citizens groups to address intercity bus needs. The intercity network plan:

- Reviewed the current and potential funding requirements.
- Looked at statewide intercity needs and deficiencies in service and facilities as defined by the *Washington State Intercity and Rural-to-Urban Public Transportation Network Plan*.
- Discussed various barriers and challenges to intercity transportation.
- Made recommendations on the program’s purpose, goals, eligibility, and evaluation criteria.

## **Assessment**

WSDOT conducts outreach to various stakeholders to identify intercity bus needs statewide. The planning phase includes a consultation process before funds are distributed.

Funding for planning is permitted under § 5311(f) with up to 80 percent federal match. Planning may involve the following elements:

1. Annual Consultation and Network Plan Update
2. Statewide Intercity Bus Plan Update

The annual consultation process is conducted by WSDOT staff who contact intercity providers and analyze their current service to determine if the intercity needs are being met. Intercity providers are consulted regarding the long- and short-term needs of the intercity network and their assessment of meeting those needs.

## **Planning**

WSDOT undertook a study of rural intercity transportation needs in response to the reduction in Greyhound rural bus services to 22 rural communities. Based upon the 2007 study recommendations, the Intercity Bus Program was established and has been planning and implementing rural intercity bus routes in key corridors throughout the state. The Intercity Bus Program continues to assess the need in deficient corridors to enhance intercity bus service to rural communities to provide access and mobility to the national network. Planning efforts include collaborating with rural human service transportation providers, private intercity bus providers, local rural transit agencies, regional transit planning organizations, local transit planning organizations, and local governments. The planning may also include

the use of Geographic Information System (GIS) and census data to geographically map special needs populations and identify and assess other underserved corridors in the state.

### ***Implementation***

WSDOT uses a Request for Proposal (RFP) process for the intercity service, which is different from the consolidated grants application process. WSDOT advertises for the needed intercity bus service and contracts with a third-party provider after an open bidding process occurs. This ensures that the most needed services are supported, while selecting the most qualified candidates to provide service on a particular route.

WSDOT ensures the fair selection of a service provider by screening RFP applications in a committee of qualified professionals including WSDOT staff and private and non-profit transportation representatives. Contracts are for two years typically, with the option for an additional two years.

### ***Eligible Grantees***

The following entities are eligible to apply for the intercity bus grant program:

- Private for-profit organizations.
- Public transportation agencies.
- Tribal governments.
- Non-profit organizations.
- Local governmental agencies such as cities, counties, and special districts.

### ***Eligible Projects***

Projects must serve people residing in rural and small urban communities. All organizations are reimbursed for eligible expenses during the project period. Eligible activities include planning, marketing, vehicle and equipment purchases, and operating assistance for intercity and feeder services. Eligible projects are identified below.

#### **Capital**

Capital assistance consists of up to 80 percent federal contribution toward eligible capital purchases. A 20 percent local and/or state match is required for all projects. Eligible projects include:

- Purchase of new ADA accessible lift-equipped buses.
- Vehicle refurbishment.
- Vehicle retrofit for wheelchair lifts.
- Computer hardware and data systems.
- Communication equipment.
- Passenger shelters.
- Modifications to transit facilities.

## **Operating**

New and existing intercity services must be located on deficient corridors. These corridors are identified through the planning process and are eligible under the FTA program. For matching purposes, this program uses up to 50 percent of the capital costs of non-subsidized connecting intercity carriers. These services link rural communities and urban centers along corridors provided by fixed route intercity bus services. Minor route deviated service along the corridor may be determined eligible on a case-by-case basis. Feeder bus services that are fixed route, route deviated, and/or demand response must make meaningful scheduled connections to intercity providers on the state's Intercity Public Transportation Network. Generally, the services must be:

- Fixed route.
- Fixed schedule.
- Inter-line ticketing capabilities.
- Able to carry luggage, bicycles and bus package express.
- Operate at least five days per week.
- Provide meaningful scheduled connections to the national intercity network.
- ADA accessible.

## **State Rural Transportation Assistance Program (RTAP)**

The Rural Transportation Assistance Program (RTAP) is established by Title 49 U.S.C. § 5311(b) (3). WSDOT administers the RTAP funding directly to assist in the design and implementation of training and technical assistance projects and other support services tailored to meet the specific needs of transit operators in non-urbanized areas and providers of special needs transportation.

A WSDOT Public Transportation Division staff member administers the RTAP program and establishes the activities and priorities for each of the assistance categories. This is done through consultation with rural and specialized transportation providers during the development and review of training programs, scholarship programs, and technical support.

### ***Training***

WSDOT uses a variety of methods to provide training for public and private transportation providers. Much of the training is provided through the [Washington State Transportation Training Coalition](#) (WSTTC), which is funded through the RTAP program. WSTTC has representatives from a variety of organizations and associations, including:

- Washington State Department of Transportation
- Washington State Transit Insurance Pool
- Community Transportation Association of the Northwest
- Washington State Transit Association
- Northwest Tribal Assistance Program (Eastern Washington University)

The WSTTC board seeks input from various organizations in the summer of each year to identify training needs for the following calendar year. A training needs survey is developed and distributed to public transportation providers during the WSDOT Public Transportation Conference and on the [WSTTC Website](#). The training calendar is developed based on the results of that survey and the coalition board.

The training participants are charged a small fee to reduce the cost of the training. This enables WSTTC to provide a large selection of courses each year, secure high quality trainers, and enable employees of all transit systems to take advantage of this training.

In addition, WSDOT purchases training aids such as manuals, videotapes, and DVDs; and coordinates, develops, and conducts other training programs addressing specific issues. Training programs may be oriented to specific job categories and may focus on personal development or general management skills. WSDOT also coordinates training sessions directly with providers for compliance subjects such as ADA, drug and alcohol programs, and Title VI planning.

### ***Scholarship Program***

WSDOT provides training scholarships to employees of rural or special needs transportation organizations. The scholarships cover a portion of the tuition and travel expenses associated with attending a training class. WSDOT reimburses the participant at 100 percent of the first \$500 of eligible costs and 50 percent of the remaining costs. A scholarship for a single employee may not exceed \$1,500. Prospective participants must apply in advance for the scholarship and submit a post-training evaluation and expense worksheet upon completion of the event. Participants are usually limited to three scholarships per year. In addition, each organization may submit only three applications for a single training event.

### ***Technical Assistance***

WSDOT staff periodically surveys rural public transportation and specialized transportation providers to determine technical assistance needs. Technical assistance needs may also be identified during site visits with grantees.

RTAP funds may be used to provide technical assistance to public transportation providers, associations and organizations representing rural public and specialized transportation agencies. Examples of projects include technical assistance grants for a variety of rural public transportation issues, development of Website capabilities, assessment panels and peer reviews, and attendance at transportation-related committee meetings as a learning opportunity.

### ***Peer Review Program***

RTAP funds may be used to reimburse the costs of training, travel, and per diem expenses of professional experts providing peer-to-peer technical assistance. At the request of a public transportation provider, WSDOT assembles a technical assistance team made up of peers of the organization to be reviewed. The scope of review is based on the need of the requesting organization.

## ***Public Transportation Conference and Expo***

RTAP support is provided to the WSDOT Public Transportation Conference and Expo. WSDOT uses RTAP funds to reimburse speakers who have been asked to make presentations on rural and specialized transportation issues as well as to provide scholarships for conference participants.

## **State Administration and Technical Assistance**

*FTA Circular 9040.1F* permits WSDOT to retain up to 15 percent of the state's fiscal year apportionment of § 5311 program funding for state administration, planning and technical assistance.

*FTA Circulars 9070.1F, 9050.1F, and 9045.1F* permit WSDOT to retain up to 10 percent of the state's fiscal year apportionment of § 5310, § 5316, and § 5317 program funding for state administration, planning, and technical assistance.

WSDOT uses these funds for staff, travel, and support costs associated with managing the grant programs and providing technical assistance. Examples of the activities include:

- Development and distribution of the *Public Transportation Grant Application* to perspective applicants.
- Development, printing, and distribution of the *Guide to Managing Your Public Transportation Grant*.
- Conducting site visits and desk reviews.
- Meeting with the staff of providers and applicants to clarify requirements.
- Obtaining and updating the required assurances and documentation.
- Assisting RTPOs and MPOs with the coordinated transportation planning process.
- Developing the grant application to FTA.
- Developing and monitoring the grant agreements with grantees.
- Developing statewide procurement contracts for vehicles and equipment to assist grantees in meeting their procurement needs. • Coordinating and overseeing grantees' capital procurement processes.
- Overseeing grantees' accounting procedures and records (including the requirements in the *Guide to Managing Your Public Transportation Grant*).
- Reviewing grantee's drug and alcohol policies.
- Preparing required reports to FTA.
- Implementing the state's Rural Transit Assistance Program (RTAP).
- Providing technical assistance.
- Updating the State Management Plan.
- Advertisements and room rental costs for applicant workshops.
- Conducting Request for Proposals (RFP) for Intercity Bus Program.
- Travel costs for application evaluators.

# Implementing Federal Policies

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Applicants and grantees understand that violation of an agreement may require corrective measures and penalties, including debarment from receiving further federal assistance for transportation purposes. Grantee compliance is confirmed during site visits and/or desk reviews

## Civil Rights

Grantees must submit all required certifications and assurances prior to contract signature and annually thereafter. These include:

- Standard Assurances
- Nondiscrimination Assurance
- Assurance of Nondiscrimination on the Basis of Disability
- Protections for Private Providers of Public Transportation

The appropriate civil rights disclosure is included on the inside cover of the *Public Transportation Grant Application* and civil rights clauses are included in grantee agreements. Ongoing oversight is provided through desk reviews and/or site visits to grantees. The checklist used during grantee reviews includes a section that verifies compliance with Civil Rights issues such as discrimination, employment, complaints, proper notification, outreach and accessibility of services.

Potential grantees serving significant minority populations are reached through the *Coordinated Public Transit-Human Services Transportation Plan* process and by broad distribution of grant funding announcements and application materials. WSDOT conducts “Successful Grant Writing” training to assist applicants completing the *Public Transportation Grant Application*.

Grantees must take reasonable steps to ensure that Disadvantaged Business Enterprises (DBE) have the opportunity to compete for and perform contracts. All FTA grantees who anticipate that they will award contracts totaling over \$250,000 during the federal fiscal year (October 1–September 30) are required to have a DBE program (49 CFR 26). Contracts to purchase transit vehicles do not count toward the \$250,000 total. WSDOT staff coordinates with WSDOT’s Office of Equal Opportunity and provides technical assistance to help grantees meet the federal DBE requirements.

Grantees are required to report purchases made from DBE vendors quarterly and provide a description of their good faith efforts to locate and purchase from DBE vendors.

## Title VI

WSDOT notifies each grant recipient that receives federal funds that they must comply with Title VI of the 1964 Civil Rights Act. The Public Transportation Division reviews grantee compliance with Title VI requirements during site visits and desk reviews to ensure that policies and procedures meet non-discrimination standards set forth in federal regulations.

Grantees that receive federal funds are required to develop a Title VI policy that describes how they will ensure non-discrimination to limited English proficiency, minority and low-income populations in their services. Grantees must develop a policy that contains the following elements, at a minimum:

- Title VI notification to beneficiaries
- Limited English proficiency plan
- Complaint process and procedures
- Inclusion of LEP populations, minority, and low-income populations in outreach activities

## Section 504 and ADA

WSDOT notifies each grant recipient at the time of the award that they must comply with all applicable federal and state laws regarding accessibility. The Public Transportation Division conducts site visits and desk reviews which include an evaluation to ensure a system's policies and practices meet accessibility standards. Each transportation system is expected to have and follow a comprehensive ADA policy which includes but is not limited to:

- Regular staff training on accessibility issues.
- A service animal policy.
- Proper use and maintenance of lifts and securement systems.
- Personal Care Attendant policy.
- Paratransit service policy (if applicable).
- Complaint processes and policies.
- Other accessibility policies.

## Charter Rule

WSDOT has included 49 CFR Part 604 in its *Guide to Managing Your Public Transportation Grant*. This manual is distributed to all grantees prior to contract signature. Grantees are instructed that they must comply with this CFR if receiving funding from § 5311 or § 5316.

All grantees who are considering charter service are responsible for complying with the public participation process described in the rule. WSDOT reviews compliance with the charter rule during site visits or desk reviews. When complaints are received alleging unfair competition in regard to charter business, WSDOT investigates the allegation. The grantee is contacted to verify if charter service is taking place and that the proper process has been followed.

## Private Sector Participation

As part of the *Coordinated Public Transit-Human Services Transportation Plan* development and application process, applicants coordinate their services with other public and private providers. Applicants also identify the agency or local plans that include their project.

Coordination with all transportation providers in the same geographic area, including private sector providers, significantly impacts an applicant's success in the selection process.

## Other Provisions

### ***Section 5333(b) Special Warranty***

Section 5333(b) provisions protect the interest of employees of agencies receiving § 5311 and § 5316 funds. Each grantee is supplied with a copy of the [\*Guide to Managing Your Public Transportation Grant\*](#). This guide contains a link to the U.S. Department of Labor's Rural Transportation Employee Protection Guidebook which explains the regulations and posting requirements of Section 5333(b) notices in employee gathering areas.

Affected grantees submit a letter to WSDOT that accepts the Section 5333(b) Special Warranty prior to first reimbursement. WSDOT staff verifies that the agency has met the posting requirements during site visits and other project monitoring opportunities.

### ***School Transportation Agreement***

Grantees may not engage in school bus operations using buses, facilities, or equipment purchased with federal funding in competition with private school bus operators, except as provided for in 49 CFR Part 605, School Bus Operations. Part 605 is included in WSDOT's [\*Guide to Managing Your Public Transportation Grant\*](#), Appendix G, Section 4. This guide is distributed to all grantees prior to signing an agreement. "Tripper" service that is open to the general public is allowed.

### ***Drug and Alcohol Testing***

Grantees receiving § 5311 funds are required to adhere to drug abuse and alcohol misuse testing requirements. Grantees that receive § 5310, § 5316, or § 5317 funding must comply with the Federal Motor Carrier Safety Administration (FMCSA) rules for employees who hold Commercial Driver's Licenses.

WSDOT provides technical assistance to grantees in the form of training, networking, policy development, and distribution of FTA's publication *Implementation Guidelines for Drug and Alcohol Regulations in Mass Transit*. When a grantee is notified of a § 5311 grant award, WSDOT requires that they submit their policies and procedures to WSDOT for review and approval by the first site visit.

To monitor a grantee's compliance, WSDOT developed a checklist that is used during desk reviews or site visits identifying each of the required elements. The drug and alcohol checklist includes, but is not limited to:

- Policies.
- Procedures for managing program.
- Employee training.
- Method of selecting participants for random testing.
- Procedures for conducting testing.

WSDOT requires grantees to submit annual reports using the Management Information System forms provided by FTA.

### ***Environmental Regulations***

Under § 5310, § 5311, § 5316, and § 5317 WSDOT anticipates funding only projects with Categorical Exclusion (CE) from both the National Environmental Protection Act and the State Environmental Protection Act. Therefore, no further documentation is necessary. However, with the potential of construction projects funded through transfers from the USDOT Surface Transportation Program, WSDOT will ensure that the grantee meets all the environmental requirements and submits all necessary documentation.

### ***Vehicle Purchases***

WSDOT oversees the grantee vehicle equipment purchase process. Grantees are required to at a minimum:

Conduct a procurement that is open and competitive;

Contains no geographic preference;

Does not result in a procurement contract exceeding 5 years;

Is awarded to only responsive and responsible bidders; and

Includes all federal clauses and certifications with their bidding documents and contracts.

Additional details of federal procurement requirements are outlined in the [Guide to Managing Your Public Transportation Grant](#) and in FTA's *Best Practices Procurement Manual*. Each grantee receives a copy of the guide during mandatory training following award of FTA funding.

WSDOT has prepared a checklist for grantees' use in complying with FTA's pre-award audit requirements. The checklist addresses requirements such as "Buy America," Federal Motor Vehicle Safety Standards (FMVSS), Purchaser's Requirements, Altoona Bus Testing, Transit Vehicle Manufacturers (TVM) certification, Debarment and Suspension certification, and the grantees' own specifications. Grantees are required to verify certified information on the checklist used before accepting a bid and/or vehicle. Depending on the complexity and size of the procurement, the grantee may visit at the manufacturer's factory as required by FTA.

WSDOT has prepared checklists (Visual Inspection Form and Road Test Form) for the grantees' use in the post-delivery inspection of the vehicle(s) and requires post-delivery certifications for "Buy America," Purchaser's Requirements, and FMVSS. A copy of the completed post-delivery checklists and certifications must be included with copies of all relevant vendor invoices, vehicle registration, insurance certificate, and acceptance letter to the vendor with their request for reimbursement.

### ***Lobbying and Code of Ethics***

WSDOT requires each grantee receiving more than \$100,000 to complete FTA's Lobbying certification prior to contract signature. All bid documents for equipment purchases prepared by grantees are required to contain this certification as well.

WSDOT's contract with grantees requires adoption of a written code of ethics. All staff, officers, employees, board members, or agents of the grantee are required to comply with the code of ethics. WSDOT verifies compliance with this regulation during project site visits and/or desk reviews.

### ***Drug-Free Workplace***

WSDOT annually certifies its compliance with the federal drug-free workplace requirements to FTA. In addition, WSDOT includes reference to the Drug Free Workplace Act in subrecipient contracts and certifies compliance by sub-recipients with the federal drug-free workplace requirements during site visits by reviewing agency policies for inclusion of a drug-free workplace statement.

### ***Reporting***

All grantees are required to prepare a variety of reports on a quarterly or annual basis. Quarterly reporting may include a project narrative, detail of operating expenditures, expenditures by service type, statistical summary by service type, Disadvantaged Business Enterprise, complaints, and/or capital expenditures. Annually grantees are also required to submit updated asset inventories.

WSDOT compiles information from grantees and submits the following standard FTA reporting elements for all programs:

- Annual program of projects status reports.
- Milestone activity reports.
- Program measures.
- DBE reports.
- Complaints
- Program Income

In addition, WSDOT collects and reports the following program specific information:

- **§ 5310** – How many gaps in service are filled and the number of rides provided.
- **§ 5311** – National Transit Database (NTD) reporting of capital investment, operations, and service data.
- **§ 5316** – How many jobs that can be accessed and the number of rides provided.
- **§ 5317** – What services are provided; additions or changes to environmental infrastructure (e.g., transportation facilities, sidewalks), technology, and vehicles that impact availability of transportation services; the number of rides provided.

# State Program Management

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## Financial Management and Project Monitoring

### ***State Administration – Accounting and Financial Reporting***

WSDOT maintains a management system of financial reporting, accounting records, internal controls, and budget controls subject to standards specified in state laws enforced by the state Auditor, and the state Office of Financial Management. All systems and procedures for financial management are in compliance with 49 CFR 18.20, the “Common Rule.”

Procedures for documenting state administration expenditures for FTA funded programs are subject to the requirements of WSDOT’s *Purchasing Manual* M 72-80, and WSDOT’s *Chart of Accounts, State Administrative and Accounting Manual*, and Transportation Reporting and Accounting Information System (TRAINS). WSDOT submits reimbursement requests to FTA through the Transportation Electronic Award and Management (TEAM) System for project expenditures based on the information contained in the WSDOT transportation reporting and accounting information system (TRAINS).

### ***Grantee Financial Management***

WSDOT develops and signs grant agreements with organizations awarded funding assistance after FTA and state funds are secured. All grant agreements for capital projects detail the equipment approved for purchase and the intended use. Agreements for operating projects must outline the type of service, the intended beneficiary, and the service area. Planning projects are outlined in the agreement’s scope of work and exhibits. All project-related expenses are incurred locally and are reported to WSDOT after the agreements have been signed.

WSDOT reimburses the grantee with state and/or federal funds based on the proportions identified in the grant agreement. The federal share of any project shall not exceed 80 percent for capital projects and 50 percent for operating projects. Grant expenses are identified by federal grant number, grant program, and grant agreement number in TRAINS.

Grantees retain the original receipts for all eligible project expenses. For capital projects, grantees are required to attach copies of vendor invoices to the reimbursement requests. For operating projects, grantees are not required to submit copies of vendor invoices. However, copies of receipts, as well as any spreadsheets or logs developed to track costs, must be retained for verification during WSDOT site visits. For planning projects, grantees must submit completed plans to WSDOT as a product of the agreement.

WSDOT does not accept “in-kind” contributions toward the local share of capital project costs. However, WSDOT may approve in-kind contributions for operating projects. Grantees that want to use in-kind for matching purposes must submit a request to WSDOT for pre-approval. This request must describe the type of service received and how the value of the donated service was determined.

Vehicle licensing and insurance costs are not eligible for capital project reimbursements. Sales and use taxes charged to the grantee for vehicles are eligible. This amount must exclude the local transit portion of the sales tax. Vehicles used for vanpooling or transporting

persons with special transportation needs, with a capacity of 15 passengers or less including the driver, are not subject to sales tax per RCW 82.08.0287.

WSDOT maintains individual data for each grantee. This data tracks project expenses, amounts charged to each funding source awarded, local matching sources, and project budgets. Additional information is compiled summarizing the total expenses for each federal grant and is used to reconcile the expenses shown in TRAINS. This information is also used to revise the program of projects and project budgets.

### **Site Visits**

WSDOT staff conduct site visits with grantees as well as desk reviews to monitor awarded projects and to review documents and practices verifying compliance with program requirements. During these reviews, WSDOT staff use checklists outlining administrative, financial and asset management requirements based on the following:

- *OMB Circulars A-122 and A-87* for grantees receiving operating funding assistance.
- Administrative requirements found in *OMB 49 CFR Part 18 and Part 19*.
- Regulatory requirements attached to the receipt of federal funds, including the FTA Master Agreement and Best Practices Procurement Manual.
- Vehicle inventory and maintenance records for grantees receiving capital funding assistance.
- Drug abuse and alcohol misuse testing regulations, when applicable.

WSDOT's [\*Guide to Managing Your Public Transportation Grant\*](#) provides grantees with guidance to meet these grant management requirements.

### **Audits**

Grantees spending less than \$500,000 in federal funds during the federal fiscal year (October 1 through September 30) are exempt from federal audit requirements. However, records must be retained and available for review or audit upon request for up to six years beyond the term of the operating grant or the minimum useful life of the capital asset. Grantees exceeding the \$500,000 threshold during the federal fiscal year must have either an annual single audit or program-specific audit conducted. A copy of this report must be submitted to WSDOT when available. WSDOT administration and public entities awarded project grants are subject to this process and compliance with *OMB Circular A-133*.

State agency and local government audits are conducted by the state Auditor. Private transportation providers and tribal governments are audited by an independent certified public account.

The state Auditor issues reports when audits are complete and notifies WSDOT when the reports are available. WSDOT has access to all audit reports and retrieves electronic copies as necessary. Questions regarding audit reports and results are asked during site visits and desk reviews. Audit-related questions are included on the site visit checklists.

## **Close Out**

WSDOT closes projects after reimbursing a grantee for the last of the organization's eligible expenses. One of the following processes is used:

- The grantee verifies that all project expenses have been incurred and reimbursed. This is achieved when the grantee fills in the "final request" field on the reimbursement form, stating that it is the organization's final reimbursement request.
- All grant agreement funding available has been reimbursed.
- The project has reached the end of its two-year term (operating projects).

In the first example above, WSDOT notifies the Accounting and Audit offices of the project closure. In the second example above, WSDOT closes the project when all available funds are spent.

The closure of capital agreements is for fiscal purposes only. Capital assistance agreements have an agreement period equivalent to the useful life of the equipment purchased. The agreement period may be up to 12 years after the acceptance of the equipment. WSDOT may amend or terminate capital assistance agreements if the project equipment is transferred between grantees before its useful life has been reached.

Operating assistance agreements have an agreement period of 24 months and are not extended nor closed prior to the end date of the agreement unless unforeseen circumstances make a change in term necessary.

## **Procurement**

Vehicle and equipment purchases may be conducted directly by the grantees with WSDOT oversight, from an existing contract with another governmental agency, or through grantee participation in a statewide procurement process.

WSDOT's role is to assure purchases are made competitively and in compliance with federal procurement policies. Grantees are supplied with the [\*Guide to Managing Your Public Transportation Grant\*](#), which outlines the applicable federal procurement policies and procedures. WSDOT requires pre-approval of all bid documents and specifications prepared by the grantees to assure compliance with federal standards. As grantees proceed in their approval of equals process and contract execution, they are required to consult WSDOT to assure maintenance of the competitive procurement process. WSDOT also requires pre-approval of any purchase from another agency contract.

WSDOT has coordinated with the State of Washington Department of Enterprise Services, Office of State Procurement to solicit a statewide, multi-vendor, multi-vehicle contract for transit vehicles and associated vehicle equipment that contains all federal and state procurement rules and regulations. This vehicle contract is available to all eligible grantees supported by federal capital grants. Participants of this procurement contract are provided complete procurement documentation to verify compliance with all federal and state requirements.

## **Property Management**

Legal ownership of all vehicles purchased with state or FTA program funding is retained by WSDOT. When titling a vehicle, grantees are listed as “Registered Owner,” responsible for licensing and collision insurance; and WSDOT as “Legal Owner” and loss payee should anything happen to the vehicle.

WSDOT has designed a database that contains all vehicle and equipment inventory records. Reports in this database distinguish between currently owned vehicles and those that have served their useful life and have been released to the grantee. Examples of the information in the database include the grantee’s name, address, phone number, vehicle year, make, model, date accepted, equipment location, federal grant number, state agreement number, federal percentage share, date last inspected, recorded mileage, condition, type of funding used for the purchase, and other information used by WSDOT for program review and reporting.

### **Inventory Reports**

WSDOT requires capital assistance grantees to submit annual asset inventories. The inventories include Physical Equipment Inventory, Physical Facility Inventory, and Physical Rolling Stock Inventory & Verification of Continued Use. The Physical Rolling Stock Inventory includes the following information:

- Year/Make/Model
- Vehicle Code
- Vehicle Identification Number
- Agency Vehicle Number
- Current Odometer
- Condition
- Age
- Remaining Useful Life
- Replacement Cost
- ADA Access
- Seating Capacity
- Fuel Type
- WSDOT Title

The information from these inventories becomes part of the WSDOT inventory record along with the title and certificate of collision insurance coverage.

## **Maintenance**

As a condition of receiving state funding, all Washington public transportation agencies and providers are required to submit an Asset Management Plan to WSDOT. The plan must inventory all transportation system assets (vehicles, equipment and facilities) and provide a preservation plan based on lowest life-cycle cost. The lowest life-cycle cost method ensures that an asset is maintained in an acceptable condition maximizing safety and useful life.

WSDOT has adopted this as best practice for all grantees and provides statewide training and technical assistance.

WSDOT reviews asset maintenance records during desk reviews or site visits. Equipment and/or vehicles are randomly selected for physical inspection during site visits which are conducted at least once per biennium as long as WSDOT holds an interest in the equipment.

## **Vehicle Use**

Grant funded vehicles can be used only for passenger transportation services as described in the grant agreement. Grantees of capital funds for vehicles are expected to provide a minimum of 100 passenger service miles per week per vehicle, or 100 one-way passenger trips per week per vehicle. Grantee records are reviewed by WSDOT staff annually, or as required by program regulations, to verify compliance with minimum vehicle use requirements.

Grantees may not transfer the operational control of a vehicle purchased under this program without prior written approval from WSDOT.

## **Disposition**

### ***Prior to the End of a Vehicle's Useful Life***

Grantees may purchase the federal interest at any time before the end of the equipment's useful life. If this occurs, WSDOT requires that the grantee pay the federal share of the equipment's current fair market value to WSDOT. The fair market value is determined by obtaining an independent appraisal of the equipment.

When an accident occurs which eliminates a vehicle from further operations, WSDOT receives the insurance proceeds. If the grantee purchases a replacement vehicle, the proceeds are forwarded to them after the replacement has been received, paid for, and legal ownership is vested in WSDOT. A replacement vehicle must be a similar type and of equal or greater value than the one damaged. If the damaged vehicle is not replaced, WSDOT keeps the federal share of the insurance payment and forwards the local share to the grantee.

The federal share kept by WSDOT is used to provide capital and/or operating assistance to grantees for public transportation purposes.

### ***At the End of a Vehicle's Useful Life***

WSDOT releases interest in a vehicle at the end of the minimum useful life. WSDOT may decide to release legal ownership prior to the end of the useful life if:

- It has been documented that the vehicle is unreliable and the anticipated life cycle costs do not warrant continued operation of the vehicle.
- Based on reduced environmental impacts, it is deemed to be in the best interests of the public.
- Early retirement allows for transit investment in new technologies expected to benefit the industry and the public.

The Vehicle Disposition Schedule is shown in Appendix E of the *Guide to Managing Your Public Transportation Grant*. WSDOT has revised the Vehicle Disposition Schedule to match current FTA minimum useful life guidelines based on accepted vehicle categories.

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