

DEPARTMENT OF TRANSPORTATION**Federal Transit Administration****Bus and Bus Facilities Discretionary Program Grants (Section 5309)**

AGENCY: Federal Transit Administration (FTA), DOT.

ACTION: Notice of Availability of Fiscal Year 2007 Funds; Solicitation of Grant Applications.

SUMMARY: This notice invites applications for the discretionary funds available in Fiscal Year (FY) 2007 for the discretionary Bus and Bus Facilities Program, authorized by 49 U.S.C. 5309(b). The Bus and Bus Facilities Program makes funds available to public transit providers to finance capital projects to replace, rehabilitate, and purchase buses and related equipment and to construct bus-related facilities, including programs of bus and bus-related projects for assistance to subrecipients that are public agencies, private companies engaged in public transportation, or private non-profit organizations.

The notice includes priorities established by the Federal Transit Administration (FTA) for the discretionary program, includes the criteria FTA will use in evaluating applications, and describes how to apply. Applications will be accepted from Designated Recipients for the FTA Urbanized Area Formula program and States, on behalf of nonurbanized or urbanized area transit providers.

This announcement is available on the Internet on the FTA Web site at: <http://www.fta.dot.gov>. FTA will announce final selections on the Web site and in the **Federal Register**. A synopsis of this announcement will be posted in the FIND module of the government-wide electronic grants Web site at <http://www.grants.gov>. Proposals may be submitted to FTA electronically through the *Grants.Gov* APPLY function or through FTA's Transportation Electronic Award and Management (TEAM)-Web.

DATES: Complete proposals for the discretionary Bus and Bus Facilities Program grants must be submitted by May 22, 2007. Anyone intending to apply electronically through *Grants.Gov* for the first time should initiate the process of registering on the *Grants.Gov* site immediately to ensure completion of registration before the deadline for submission. FTA will announce grant selections in the **Federal Register** when the selection process is complete.

ADDRESSES: Proposals may be submitted electronically through the *Grants.Gov*

website or through FTA's TEAM-Web grants management and award system. Applicants applying to *Grants.Gov* may also send an e-mail to their regional grant contact to receive confirmation that FTA retrieved the application.

FOR FURTHER INFORMATION CONTACT: Contact the appropriate FTA Regional Administrator (Appendix A) for application-specific information and issues. For general program information, contact Henrika Buchanan-Smith, (202) 366-4020, e-mail: henrika.buchanan-smith@dot.gov or Mary Martha Churchman, (202) 366-2053, e-mail: marymartha.churchman@dot.gov in the FTA Office of Program Management, Office of Transit Programs. A TDD is available at 1-800-877-8339 (TDD/FIRS).

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Overview

Federal Agency Name: Federal Transit Administration, U.S. Department of Transportation.

Funding Opportunity Title: Discretionary Bus and Bus Facilities Program.

Announcement Type: Initial Announcement.

Catalog of Federal Domestic Assistance (CFDA) Number: 20.500.

Dates: Applications must be submitted by May 22, 2007.

Full Text of Announcement**I. Funding Opportunity Description****A. Authority**

The program is authorized under 49 U.S.C. 5309(b)(3), as amended by section 3011 of the Safe, Accountable, Flexible, Efficient, Transportation Equity Act: A Legacy for Users (SAFETEA-LU), Pub. L. 109-59, August 10, 2005.

The Secretary may make grants under this section to assist State and local governmental authorities in financing * * *

(3) capital projects to replace, rehabilitate, and purchase buses and related equipment and to construct bus-related facilities, including programs of bus and bus-related projects for assistance to subrecipients that are public agencies, private companies engaged in public transportation, or private non-profit organizations.

B. Background

The "Revised Continuing Appropriations Resolution, 2007" (Pub. L. 110-05) enacted, February 15, 2007, made available \$881,779,000 for the FTA Bus and Bus Facilities program in FY 2007. Of this amount, \$8,817,790 is deducted for oversight and \$459,670,089 is allocated to statutory provisions and project designations in SAFETEA-LU. The balance of \$413,291,121 in FY 2007 funds is available to FTA for discretionary allocation. In addition, a balance of \$24,893,251 of FY 2006 Bus and Bus Facilities program funding that was not allocated to specific projects in the FY 2006 appropriations legislation is also available for discretionary award in FY 2007, for a total of \$438,184,372.

The authorizing legislation allows for the Secretary of Transportation to make awards under this program at her discretion. FTA is issuing two separate Notices of Funding Availability for discretionary funding in the Bus Program in FY 2007. One notice, which appears in another part of today's **Federal Register**, invites applications to support the Department's Congestion Initiative, in conjunction with the solicitation previously issued by the Department for the Urban Partners program. This notice invites applications to support additional strategic investments in bus and bus facility projects that represent the highest and best use of the available discretionary funding and respond to specific priorities FTA has identified in this Notice. Applicants may respond to either or both notices, according to the instructions included in each notice. Separate applications are required for each notice. In the selection process, FTA will ensure that funding is not awarded to the same applicant for the same activities under both notices.

C. Purpose

Improving mobility and shaping America's future by ensuring that the transportation system is accessible, integrated, and efficient, and offers flexibility of choices is a key strategic goal of the Department of Transportation. Bus and Bus Facilities projects will improve mobility for all individuals by providing financial assistance to help transit providers address planned capital improvements beyond what can be provided with existing resources such as Urbanized Area (49 U.S.C. 5307) and Nonurbanized Area (49 U.S.C. 5311) formula resources that are currently available to grantees. These competitive grants will support cost effective

strategic investments in buses and bus facility projects that represent the highest and best use of the available discretionary funding.

II. Award Information

Federal transit funds are available to State or local governmental authorities as recipients and other public transportation providers as subrecipients for up to 80 percent of the net project capital cost. The \$438 million available to FTA for discretionary allocation in FY 2007 will be allocated to projects submitted in response to this notice and the Congestion Relief notice published separately in this **Federal Register**. There are no minimum or maximum funding limits for applications under this notice; however, FTA intends to fund as many meritorious projects as possible. FTA may allocate less than the total amount requested in the application. Following announcement of the project selections, successful applicants will submit further documentation through FTA's electronic grant management system, TEAM, and FTA will award funding in the form of grants. At the request of the original applicant, FTA will award grants to other eligible direct recipients whose projects were included in a consolidated application. While funds under the program have a three year period of availability for obligation, FTA intends to award grants for the selected projects before the end of FY 2007 or in the first quarter of FY 2008. Grants are subject to a 20 percent local match requirement and projects must comply with all requirements applicable to the Section 5309 Bus and Bus Facilities Program.

FTA will give special consideration to applications that address the following priority areas that FTA has established for the FY 2007 discretionary Bus and Bus Facilities program:

- Fleet replacement needs that cannot be met with formula funds.
- Fleet expansion that allows significant service increase and/or improvements and/or operating efficiencies.
- Facility construction or renovation to support increased service or introduction of clean fuels.
- Strategic investments in rural areas where formula funding is inadequate.
- Purchase of clean fuel vehicles.
- Intermodal terminal projects that include intercity bus providers.
- Gulf Coast Recovery—capital to support bus and bus facilities replacement and expansion related to the impacts of the 2005 Hurricanes. Eligibility is limited to those areas

identified as eligible under Section 7025 of Pub. L. 109–234 and FTA's implementing guidance.

III. Eligibility Information

1. Eligible Applicants

Eligible applicants under this program are Designated Recipients under the Section 5307 Urbanized Area Formula program and States. Proposals for funding of eligible projects in rural (nonurbanized) areas must be submitted as part of a consolidated State application. States and Designated Recipients may also submit consolidated proposals for projects in urbanized areas.

Proposals may contain projects to be implemented by the Designated Recipient or its subrecipients. Eligible subrecipients include public agencies, private non-profit organizations, and private providers engaged in public transportation. Tribal rural transit projects must be included in a State proposal, but FTA may make a direct grant to a Federally recognized tribe for a project included in the proposal if selected.

2. Eligible Expenses

Section 5309 grants authority to the Secretary to make grants "to assist State and local governmental authorities in financing capital projects to replace, rehabilitate, and purchase buses and related equipment and to construct bus-related facilities, including programs of bus and bus-related projects for assistance to subrecipients that are public agencies, private companies engaged in public transportation, or private non-profit organizations."

Projects eligible for funding under the Bus program are capital projects such as: purchase and rehabilitation of buses and vans, bus related equipment (including Intelligent Transportation Systems (ITS) equipment, fare boxes, radios), construction and rehabilitation of bus related facilities (including administrative, maintenance, transfer, and intermodal facilities, including facilities consistent with FTA's joint development policy.)

Funds made available under this Notice cannot be used to fund operating expenses or the expanded capital eligibility activities such as preventive maintenance, security drills, or debt service reserve otherwise eligible under the Bus Program. Funds also cannot be used to reimburse grantees that have incurred prior expenses for the project absent evidence that FTA had issued a Letter of No Prejudice (LONP) for the project prior to the costs being incurred. There is no blanket pre-award authority

for projects to be funded under this announcement prior to announcement in the **Federal Register** of the selected projects.

3. Cost Sharing or Matching

Costs will be shared at the following ratio: 80 percent FTA/20 percent local contribution. Match for the incremental cost of ADA or Clean Air Act improvements may be 90/10, consistent with the guidance for other FTA programs. FTA can waive local share for Gulf Coast projects under provisions of Section 7025. FTA will not approve deferred local share under this program.

IV. Application and Submission Information

1. Proposal Submission Process

The eligible applicants, Designated Recipients and States, because they are already established FTA grantees, may apply through FTA's TEAM–Web electronic grants management and award system. Any applicant information specified in section 2.A below that is not part of the recipient profile in TEAM–Web may be included as a narrative attachment. The material regarding Project Information specified in section 2.B below should be provided as a narrative attachment. To ensure that FTA identifies the application as a candidate for consideration in the competitive selection process, the application must be given the following temporary project name: BUSNOFA—(two letter State code)—(4 digits Recipient TEAM ID). Supplemental information may be submitted as a PDF attachment. Mail and fax submissions will not be accepted except for supplemental information that cannot be sent electronically.

Submission through TEAM–Web does not guarantee that the application will be selected for funding. Only those projects selected for award through the competitive process will advance to formal submission for grant award, and revisions may be required prior to submission, for example reductions in the project budget.

Alternatively, applicants may submit project proposals electronically through <http://www.grants.gov>. The Office of Management and Budget (OMB) requires all Federal agencies to make applications for competitive grant programs available through Grants.Gov. A synopsis of this announcement will be posted in the FIND module of the government-wide electronic grants Web site at <http://www.grants.gov> and applicants will be able to apply through the APPLY module of that site.

This opportunity is only for funds available to FTA in FY 2007 for discretionary allocation. In the past, the entire Bus and Bus Facilities program has typically been allocated by Congress in the Authorization and in subsequent appropriation legislation. If there are future discretionary funding opportunities, FTA will issue a new Notice of Funding Availability.

2. Application Content

A. Applicant Information

This addresses basic identifying information, including:

- a. Applicant name and FTA recipient ID number.
- b. Contact information (including contact name, e-mail, fax and phone number).
- c. Brief description of services provided by the agency, including areas served.

For applicants applying through Grants.Gov, some of this information is included in the Standard Form 424.

B. Project Information

Every proposal must:

1. Describe the project(s) for which funding is requested.
2. Identify which of the FTA priorities the project addresses, or indicate that the project addresses other local priorities.
3. Address each of the evaluation criteria separately, providing evidence that demonstrates how the project responds to each criterion, for example, age and condition of current fleet to demonstrate need if applying for replacement vehicles, projected ridership increases that will result from the project if applying for fleet expansion to support service enhancements, status of environmental compliance activities if applying for construction projects, advance preparations that will enable the project to be implemented quickly.
4. Provide a line item budget for the project, including the Federal amount requested and the total cost for each purpose for which funds are sought, and the total Federal amount requested and total project cost.
5. Document the matching funds, including amount and source of the match.
6. Provide a project time-line, including significant milestones such as anticipated date of contract award for purchase of vehicle(s), and actual or expected delivery date of vehicles.
7. Proposal may include additional supplemental information, for example, architectural drawings, letters of support, maps.

3. Submission Dates and Times

Complete proposals for the Bus and Bus Facilities Program grants must be submitted to TEAM-Web by May 22, 2007 or submitted electronically through the Grants.Gov Web site by the same date. Applicants planning to apply through grants.gov are encouraged to begin the process of registration on the Grants.Gov site well in advance of the submission deadline. Registration is a multi-step process, which may take several weeks to complete before an application can be submitted. FTA will announce grant selections when the competitive selection process is complete.

4. Funding Restrictions

Only proposals from eligible recipients for eligible activities will be considered for funding (see Section III). Due to funding limitations, applicants that are selected for funding may receive less than the amount requested.

5. Other Submission Requirements

Applicants should submit 3 copies of any supplemental information that cannot be submitted electronically to the appropriate regional office. Supplemental information submitted in hardcopy must be postmarked or delivered by alternate delivery services by May 22, 2007.

V. Application Review Information

1. Project Evaluation Criteria

Projects will be evaluated according to the following criteria:

- A. Cost Effective Strategic Investment.
 - i. Project represents a one-time or periodic capital investment that cannot reasonably be funded from formula allocations or State and/or local revenues. Applicants for the Gulf Coast recovery priority must also demonstrate that funds have not been made available for the investment by the Federal Emergency Management Agency (FEMA) or other supplemental resources.
 - ii. Applicant did not receive sufficient funding for the proposed project in the SAFETEA-LU earmarks and formula funds are not available to support the project.
 - iii. For vehicle replacement applications, average fleet age is at or close to 75 percent of useful life, and/or vehicles to be replaced exceed their useful life based on mileage and/or age.
 - iv. The project will have a significant impact on service delivery.
- B. Planning and prioritization at local/regional level.
 - i. Project is consistent with the transit priorities identified in the Metropolitan

Transportation plan or statewide long range plan and/or contingency/ illustrative projects in those plans. The project could not be included in the financially constrained Transportation Improvement Program (TIP)/State Transportation Improvement Program (STIP) due to lack of funding (if selected, project must be on TIP before grant award).

- ii. Local support is demonstrated by the availability of local match for this project and, if applicable, letters of support from project partners (e.g., intercity bus operators, in the case of an application for an intermodal facility).

- iii. Capital projects are consistent with service needs of the area based on local plans and projected population trends. For example, a proposal for fleet expansion shows evidence of the need for additional capacity.

- iv. In an area with more than one transit operator, the application demonstrates coordination with and support of other transit operators, or in rural areas, with human service transportation providers.

C. The project clearly addresses one or more of the FTA FY 2007 Bus priority areas.

- i. Application clearly addresses one or more of the priority areas and demonstrates merit in that area, for example, investment for bus replacements is justified by age and condition of fleet.

Note: If the project does not address one of the FTA priority areas, application demonstrates how the project addresses significant regional or local priorities.

D. The project is ready to implement.

- i. At a minimum, any required environmental work has been initiated for construction projects requiring an Environmental Assessment (EA). Prior FTA environmental approval indicates a higher state of readiness.

- ii. Initial design of facilities projects is complete, and where applicable, implementation plans have been developed or are under development.

- iii. TIP/STIP can be readily amended (as evidenced by Metropolitan Planning Organization (MPO)/State endorsement).

- iv. Project can be obligated and implemented quickly if selected, for example, an existing bus procurement includes options the grantee could exercise.

E. The applicant demonstrates the ability to carry out the proposed project successfully.

Note: Applicants must have basic technical, legal, and financial capacity as a precondition of grant award. Since proposals are limited to existing FTA grantees,

applicants are assumed to have that basic capacity. This criterion refers to implementation of the particular project proposed.

- i. For larger capital projects, the applicant has the technical capacity to administer the project.
- ii. For fleet replacement and expansion, the acquisition is consistent with the system's capital replacement plans and/or operational plans or plans for system improvements.
- iii. There are no outstanding legal, technical or financial issues with the grantee that would make this a high risk project.
- iv. Source of 20 percent local match is identified and is available for prompt project implementation if selected (no deferred local share will be allowed).

2. Review and Selection Process

Proposals will be screened and ranked by the appropriate FTA regional office (see Appendix A) and FTA headquarters staff. Meritorious projects will be considered for inclusion in a national list of selected projects that addresses the identified priorities and represents the highest and best use of the available funding. The Administrator shall determine the final selection and amount of funding for each project.

Selected projects will be announced approximately eight weeks after the application deadline. FTA will publish the list of all selected projects and funding levels in the **Federal Register**.

VI. Award Administration Information

1. Award Notices

FTA will announce project selections in a **Federal Register** Notice and FTA regional offices will contact successful applicants. FTA will award grants for the selected projects to the Designated Recipient or State applicant, or to other eligible direct recipients, through the FTA electronic grants management and award system, TEAM, after receipt of a complete application in TEAM. These grants will be administered and managed by the FTA regional offices in accordance with the federal requirements of the Section 5309 program. At the time the project selections are announced, FTA will extend pre-award authority for the selected projects. There is no blanket pre-award authority for these projects prior to announcement.

2. Administrative and National Policy Requirements

A. Grant Requirements

If selected, applicants will apply for a grant through TEAM and adhere to the customary FTA grant requirements of

the Section 5309 Bus and Bus Facilities program, including those of FTA C 9300.1A; C 5010.1C; and labor protections required under 49 U.S.C. 5333(b). Discretionary grants greater than \$1 million will go through Congressional Notification and release process. Technical assistance regarding these requirements is available from each FTA regional office.

B. Planning

Applicants are encouraged to notify the appropriate State Departments of Transportation and MPOs in areas likely to be served by the project funds made available under this program. Before grant award, the project must satisfy requirements for inclusion in the STIP and Metropolitan Transportation Improvement Program (TIP), where applicable.

C. Standard Assurances

FTA annually issues a set of standard Certifications and Assurances which each FTA grantee must sign, assuring that it will comply with all applicable Federal statutes, regulations, executive orders, FTA circulars, and other Federal administrative requirements in carrying out any project supported by the FTA grant. The Applicant acknowledges that it is under a continuing obligation to comply with the terms and conditions of the grant agreement issued for its project with FTA. The Applicant understands that Federal laws, regulations, policies, and administrative practices might be modified from time to time and affect the implementation of the project. The Applicant agrees that the most recent Federal requirements will apply to the project, unless FTA issues a written determination otherwise. The Applicant must submit all relevant current Certifications and Assurances prior to receiving a grant under this announcement.

3. Reporting

Post-award reporting requirements include submission of Financial Status Reports, Milestone reports, and narrative progress reports in TEAM on a quarterly basis for projects within a large urbanized area, or annual reports for grants in Small urban or rural areas. Documentation is required for payment.

VII. Agency Contact(s)

Contact the appropriate FTA Regional Administrator (see Appendix A) for application-specific information and issues. For general program information, contact Henrika Buchanan-Smith, Office of Transit Programs, (202) 366-2053, e-mail: henrika.buchanan-smith@dot.gov.

A TDD is available at 1-800-877-8339 (TDD/FIRS).

Issued in Washington, DC, this 12th day of March, 2007.

James S. Simpson,
Administrator.

Appendix A—FTA Regional Offices

Region I—Massachusetts, Rhode Island, Connecticut, New Hampshire, Vermont and Maine.

Richard H. Doyle, FTA Regional Administrator, Volpe National Transportation Systems Center, Kendall Square, 55 Broadway, Suite 920, Cambridge, MA 02142-1093, (617) 494-2055.

Region II—New York, New Jersey.

Brigid Hynes-Cherin, FTA Regional Administrator, One Bowling Green, Room 429, New York, NY 10004-1415, (212) 668-2170.

Region III—Pennsylvania, Maryland, Virginia, West Virginia, Delaware, Washington, DC.

Herman Shipman, FTA Deputy Regional Administrator, 1760 Market Street, Suite 500, Philadelphia, PA 19103-4124, (215) 656-7100.

Region IV—Georgia, North Carolina, South Carolina, Florida, Mississippi, Tennessee, Kentucky, Alabama, Puerto Rico, Virgin Islands.

Yvette G. Taylor, FTA Regional Administrator, 61 Forsyth Street, S.W., Suite 17T50, Atlanta, GA 30303, (404) 562-3500.

Region V—Illinois, Indiana, Ohio, Wisconsin, Minnesota, Michigan.

Marisol R. Simon, FTA Regional Administrator, 200 West Adams Street, Suite 320, Chicago, IL 60606-5232, (312) 353-2789.

Region VI—Texas, New Mexico, Louisiana, Arkansas, Oklahoma.

Robert Patrick, FTA Regional Administrator, 819 Taylor Street, Room 8A36, Ft. Worth, TX 76102, (817) 978-0550.

Region VII—Iowa, Nebraska, Kansas, Missouri.

Mokhtee Ahmad, FTA Regional Administrator, 901 Locust Street, Suite 404, Kansas City, MO 64106, (816) 329-3920.

Region VIII—Colorado, North Dakota, South Dakota, Montana, Wyoming, Utah.

Letitia Thompson, Acting FTA Regional Administrator, 12300 West Dakota Avenue Suite 310, Lakewood, CO 80228-2583, (720) 963-3300.

Region IX—California, Arizona, Nevada, Hawaii, American Samoa, Guam.

Leslie Rogers, FTA Regional Administrator, 201 Mission Street, Suite 1650, San Francisco, CA 94105-1831, (415) 744-3133.

Region X—Washington, Oregon, Idaho, Alaska.

Richard Krochalis, FTA Regional Administrator, Jackson Federal Building, 915 Second Avenue, Suite 3142, Seattle, WA 98174-1002, (206) 220-7954.

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