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Peter Rogoff,
Administrator.

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DEPARTMENT OF TRANSPORTATION

Federal Transit Administration

FY 2012 Discretionary Funding Opportunities: Bus and Bus Facilities Programs (State of Good Repair and Bus Livability Initiatives) and Clean Fuels Grant Program, Augmented With Discretionary Bus and Bus Facilities Program Funds

AGENCY: Federal Transit Administration (FTA), DOT.

ACTION: Notice of Funding Availability for FTA State of Good Repair, Livability, and Environmental Sustainability Initiatives, Clean Fuels Grant Program: Solicitation of Project Proposals.

SUMMARY: The Federal Transit Administration (FTA) announces the availability of Section 5309 Bus and Bus Facilities Program and Section 5308 Clean Fuels Program discretionary funds in Fiscal Year (FY) 2012. There are two initiatives under the Bus and Bus Facilities capital program: (1) State of Good Repair Initiative (SGR) and (2) Bus Livability Initiative. FTA will distribute funds in support of the U.S. Department of Transportation's (DOT) state of good repair, livability, and environmental sustainability efforts.

The Surface and Air Transportation Programs Extension Act of 2011 (Temporary Authorization, 2012) continues the authorization of the Federal transit programs of the U.S. Department of Transportation (DOT) through March 31, 2012, and provides contract authority for these programs equal to approximately one half of the amounts available in FY 2011. Subject to funding availability by Congress, FTA will fund the SGR and Bus Livability Initiatives with approximately \$775 million (\$650 million for SGR and \$125 million for Bus Livability) of unallocated Section 5309 Bus and Bus Facilities Program funds, authorized by 49 U.S.C. 5309(b) as amended by Section 3011 of the Safe, Accountable, Flexible, Efficient, Transportation Equity Act: A Legacy for Users (SAFETEA-LU), Public Law 109-59, August 10, 2005 and its extensions. Subject to funding availability, FTA will make available approximately \$51.5 million from its FY 2012 Section 5308 Clean Fuels Program to fund projects from non-attainment areas selected

through the Clean Fuels competition supplemented with additional Bus and Bus Facilities program resources, as available for attainment areas.

This notice solicits proposals to compete for FY 2012 funding under the aforementioned program and initiatives. Based on the timing of Congressional appropriations and extensions of SAFETEA-LU, FTA may award FY 2013 funding to proposals submitted under this notice.

This notice includes priorities established by FTA for these discretionary funds, the criteria FTA will use to identify meritorious projects for funding, and describes how to apply for funding under each discretionary program. This announcement is available on the FTA Web site at: <http://www.fta.dot.gov>. A synopsis of each funding opportunity will be posted in the FIND module of the government-wide electronic grants Web site at <http://www.GRANTS.GOV>. FTA will announce final selections on the FTA Web site and may also announce selections in the **Federal Register**.

DATES: Complete proposals for each program must be submitted by the following due dates: SGR proposals are due by 11:59 pm EDT on March 22, 2012; Bus Livability proposals are due by 11:59 pm EDT on March 29, 2012; and Clean Fuels proposals are due by 11:59 pm EDT on April 5, 2012. All proposals must be submitted electronically through the GRANTS.GOV APPLY function. Any agency intending to apply should initiate the process of registering on the GRANTS.GOV site immediately to ensure completion of registration before the submission deadline. Instructions for applying can be found on FTA's Web site at <http://www.fta.dot.gov/bus> and <http://fta.dot.gov/cleanfuels> and in the "FIND" module of GRANTS.GOV.

FOR FURTHER INFORMATION CONTACT: Contact the appropriate FTA Regional Office found at <http://www.fta.dot.gov> for proposal-specific information and issues. For program-specific questions about applying for the programs outlined in this notice, please contact the individual listed below.

SGR Bus Initiative

Contact: Adam Schildge, Office of Program Management, (202) 366-0778, email: adam.schildge@dot.gov. A TDD is available at 1-800-877-8339 (TDD/FIRS).

Bus Livability Initiative

Contact: Bryce McNitt, Office of Budget and Policy, (202) 366-2618, e-mail: bryce.mcnitt@dot.gov. A TDD is

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

Clean Fuels Grant Program

Contact: Vanessa Williams, Office of Program Management, (202) 366-4818, email: vanessa.williams@dot.gov. A TDD is available at 1-800-877-8339 (TDD/FIRS).

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I. FTA Discretionary Programs Overview

A. Authority

Bus and Bus Facilities Program

Section 5309(b) of Title 49, United States Code, as amended by Section 3011 of SAFETEA-LU, authorizes FTA's Bus and Bus Facilities program as follows:

The Secretary may make grants under this section 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.

Clean Fuels

The Clean Fuels Grant Program was first established as the Clean Fuels Formula Program in Section 3008 of the Transportation Equity Act for the 21st Century, Public Law 105-178, and June 9, 1998 (now codified at 49 U.S.C. 5308)). The program is currently authorized as a discretionary program

under Section 5308, as amended by Section 3010 of SAFETEA-LU.

B. Policy Priorities

Maintaining transit assets in a state of good repair, fostering livable communities and promoting sustainable development, and improving our Nation's environment through investments in clean energy sources, have been key strategic goals of the Department of Transportation (DOT) and FTA. By this notice, FTA announces subject to the availability of funds approximately \$826.5 million in FY 2012 discretionary resources to: (1) Help growing reinvestment needs and the large backlog of transit assets needing repair or replacement; (2) support tangible livability improvements within existing programs while demonstrating the feasibility and value of such improvements; and (3) promote the usage and development of energy efficient technologies that reduce energy use, greenhouse gas emissions and other pollutants. Projects funded as a result of this notice will further the Department's state of good repair, livability, and environmental sustainability efforts. As each discretionary funding opportunity has separate eligibility and program requirements, FTA encourages proposers to carefully consider which program to apply under. FTA will provide approximately \$650 million, subject to funding availability, in unallocated FY 2012 discretionary Bus and Bus Facilities Program funds for the State of Good Repair Initiative, approximately \$125 million, subject to funding availability, in unallocated FY 2012 Section 5309 Bus and Bus Facilities Program funds for the Bus Livability Initiative, and approximately \$51.5 million, subject to funding availability, for the Clean Fuels Grant Program. FTA also intends to further its environmental sustainability goals by allowing proposers in attainment areas that are not eligible under the Clean Fuels Grant Program to apply for projects which promote the use of clean fuels and fund those projects with Bus and Bus Facilities program funds as appropriate. Please refer to Appendix A for information on additional availability of FTA funds.

State of Good Repair

Maintaining the nation's public transportation fleet, infrastructure, and equipment in a state of good repair is essential to providing reliable, high-quality, and safe transit services to the tens of millions of Americans who depend on it daily. Transit not only provides mobility options for the

American public, but contributes to the livability of our nation's communities and to environmental and energy sustainability. However, given recent reductions in State and local resources and the need to meet projected growth in demand for transit service, many local transit agencies are finding it difficult to meet their basic reinvestment needs. FTA's June 2010 National State of Good Repair Assessment Study (National SGR Study) estimated a combined \$77.7 billion repair and replacement backlog in our nation's bus and rail systems.

The state of repair of transit infrastructure is an important issue for both large and small systems across the country. FTA's National SGR Study indicates that roughly one-third of the nation's transit assets are in either marginal or poor condition, implying that these assets are near or have already exceeded their expected useful life. While most of the \$77.7 billion backlog is attributed to rail transit, more than 40 percent of the nation's buses are also in poor to marginal condition. The Study also estimates that an annual average of \$14.4 billion in normal replacement expenditures by all levels of government nationwide would be required to keep the backlog from getting larger.

This is the third year FTA has provided funding to support this key strategic goal. To date, FTA has allocated over \$1.5 billion to over 300 projects aimed at replacing or rehabilitating transit infrastructure and for transit asset management systems.

Livable Communities and Sustainable Development

FTA has long fostered livable communities and sustainable development through its various transit programs and activities. Public transportation supports the development of communities, providing effective and reliable transportation options that increase access to jobs, recreation, health and social services, entertainment, educational opportunities, and other activities of daily life, while also improving mobility within and among these communities. Through various initiatives and legislative changes over the last fifteen years, FTA has allowed and encouraged projects that help integrate transit into a community through neighborhood improvements and enhancements to transportation facilities or services; make improvements to areas adjacent to public transit facilities that may facilitate mobility needs of transit users; or support other infrastructure investments that enhance the use of

transit and other transportation options for the community.

On June 16, 2009, DOT Secretary Ray LaHood, U.S. Department of Housing and Urban Development (HUD) Secretary Shaun Donovan, and U.S. Environmental Protection Agency (EPA) Administrator Lisa Jackson announced a new partnership to help American families in all communities—rural, suburban and urban—gain better access to affordable housing, more transportation options, and lower transportation costs. DOT, HUD, and EPA created this high-level interagency partnership to better coordinate federal transportation, environmental protection, and housing investments.

Bus Livability will invest in projects that fulfill the following six livability principles that serve as the foundation for the DOT-HUD-EPA Partnership for Sustainable Communities:

- *Provide more transportation choices:* Develop safe, reliable, and economical transportation choices to decrease household transportation costs, reduce our nation's dependence on foreign oil, improve air quality, reduce greenhouse gas emissions and promote public health.

- *Promote equitable, affordable housing:* Expand location- and energy-efficient housing choices for people of all ages, incomes, races and ethnicities to increase mobility and lower the combined cost of housing and transportation.

- *Enhance economic competitiveness:* Improve economic competitiveness through reliable and timely access to employment centers, educational opportunities, services and other basic needs by workers as well as expanded business access to markets.

- *Support existing communities:* Target Federal funding toward existing communities—through such strategies as transit-oriented, mixed-use development and land recycling—to increase community revitalization, improve the efficiency of public works investments, and safeguard rural landscapes.

- *Coordinate policies and leverage investment:* Align policies and funding to remove barriers to collaboration, leverage funding and increase the accountability and effectiveness of all levels of government to plan for future growth, including making smart energy choices such as locally generated renewable energy.

- *Value communities and neighborhoods:* Enhance the unique characteristics of all communities by investing in healthy, safe and walkable neighborhoods—rural, urban or suburban.

Environmental Sustainability

A goal of the Obama Administration is to improve our Nation's environment and to secure its energy future. The effective provision of public transportation is a key part of this goal. The Administration believes that we must commit ourselves to an economic future in which the strength of our economy is not tied to the unpredictability of oil markets.

FTA advances these energy and environmental goals by funding projects that:

- Enhance the quality of public transportation services.
- Assist nonattainment and maintenance areas in achieving or maintaining the National Ambient Air Quality standards for ozone and carbon monoxide.
- Support emerging clean fuel and advanced propulsion technologies for transit buses and markets for those technologies.
- Reduce greenhouse gas emissions of public transportation systems.

II. Discretionary Programs Information

A. Bus and Bus Facilities Program: State of Good Repair (SGR) Initiative

1. Program Description and Purpose

Improving and maintaining America's buses and bus facilities so that the nation's public transportation systems are in good physical condition and successfully accomplish their performance objectives is a key strategic goal of DOT and FTA. This dimension of the SGR Initiative is intended to contribute to the improvement of the condition of transit capital assets by providing financial assistance for recapitalization of buses and bus facilities. As part of the program, FTA will prioritize the replacement and rehabilitation of intermodal facilities that support the connection of bus service with multiple modes of transportation, including but not limited to: Rail, ferry, intercity bus and private transportation providers. In order to be eligible for funding, intermodal facilities must have adjacent connectivity with bus service. In addition, FTA will prioritize funding for the development and implementation of new, or improvement of existing, transit asset management systems. Public transportation asset management means a strategic and systematic process of operating, maintaining, and improving physical assets with a focus on both engineering and economic analysis to identify a structured sequence of maintenance, repair, rehabilitation, and replacement actions that will achieve

and sustain a desired state of good repair over the lifecycle of the assets at minimum possible cost.

2. Eligibility Information

i. Eligible Proposers

"Direct Recipients" within the meaning of FTA's Section 5307 Urbanized Area Formula program, States, or Indian Tribes are eligible to submit proposals for this initiative. Proposals for funding eligible projects in rural (nonurbanized) areas must be submitted as part of a consolidated State proposal with the exception of nonurbanized projects to Federally recognized Tribes. States and Direct Recipients may also submit consolidated proposals for projects in urbanized areas.

Proposals shall contain projects to be implemented by the Recipient or its subrecipients. Eligible subrecipients include public agencies, private non-profit organizations, and private providers engaged in public transportation.

ii. Eligible Expenses

Pursuant to 49 U.S.C. 5309(b)(3), FTA is authorized 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 or rehabilitate 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 SGR Bus initiative are capital projects. Eligible projects include, but are not limited to, the purchase, replacement, or rehabilitation of, buses and vans and related equipment (including Intelligent Transportation Systems (ITS), fare equipment, and communication devices that are compliant with the FCC's mandatory narrow-banding requirements); replacement or the modernization of bus maintenance and revenue service (passenger) facilities; replacement or modernization of intermodal facilities; and the development and implementation of transit asset management systems. This year, FTA will also consider expansion requests for bus maintenance facilities and/or new equipment requests to the extent the expansion or equipment is necessary to address current capacity constraints that are limiting the agency's ability to maintain vehicles and equipment in a state of good repair. All proposals must address the objectives

identified in the Program Purpose subsection above.

Funds made available under this initiative may not be used to fund operating expenses, preventive maintenance, or any other expanded capital eligibility items (for example, security drills, debt service reserve, mobility management). Funds also may not be used to reimburse projects that have incurred previous expenses absent evidence that FTA issued a Letter of No Prejudice (LONP) for the project before the costs were incurred. There is no blanket pre-award authority for projects to be funded under this announcement before their identification in the **Federal Register** of selected projects.

iii. Cost Sharing

Costs will be shared at the following ratio: 80 percent FTA/20 percent local contribution. FTA will not approve deferred local share requests under this program. The Federal share may exceed 80 percent for certain projects related to the Americans with Disabilities Act (ADA) and the Clean Air Act (CAA) as follows: ADA—The Federal share is 90 percent for the cost of vehicle-related equipment or facilities attributable to compliance with the ADA. (42 U.S.C. 12101 *et seq.*); CAA—The Federal share is 90 percent for the cost of vehicle related equipment or facilities (including clean-fuel or alternative-fuel vehicle related equipment or facilities) attributable to compliance with the CAA (42 U.S.C. 7401 *et seq.*). For administrative simplicity, FTA allows recipients to compute the Federal share at 83 percent for eligible ADA and CAA vehicle purchases. The 83 percent Federal share does not apply to facilities. The award recipient must itemize the cost of specific, discrete, facility-related items being purchased to be in compliance with the ADA or the CAA in order to qualify for the Federal share of 90 percent of the cost for these itemized elements.

A Federal share of 90 percent may also be applied to projects to provide access for bicycles to public transportation facilities, to provide shelters and parking facilities for bicycles in or around public transportation facilities, or to install equipment for transporting bicycles on public transportation vehicles.

3. Evaluation Criteria, Review and Selection

i. Project Evaluation Criteria

FTA will evaluate projects based on the proposals submitted according to the following criteria. Each proposer is encouraged to demonstrate the

responsiveness of a project to all of the selection criteria with the most relevant information that the proposer can provide, regardless of whether such information has been specifically requested or identified in this notice. FTA will assess the extent to which a project addresses the following criteria.

a. *Demonstration of Need:* FTA will evaluate each project to determine its needs for resources. In addition to the project-specific criteria below, this will include evaluating the project's impact on service delivery and whether the project represents a one-time or periodic need that cannot reasonably be funded from FTA program formula allocations or State and/or local resources. This is the most important criterion. To be recommended for funding under this initiative, a proposal must receive a recommended or higher rating in this criterion.

1. For bus replacement or rehabilitation projects:

- The age of the asset to be replaced or rehabilitated by the proposed project, relative to its useful life.
- The degree to which the proposed project addresses a demonstrated and verifiable backlog of deferred maintenance.
- Consistency with the proposer's bus fleet management plan.
- Condition and performance of the asset to be replaced by the proposed project, as ascertained through field inspections or otherwise, if available.
- The project conforms to FTA's spare ratio guidelines.
- The project improves energy efficiency or reduces energy consumption/green house gas emissions. Proposers are encouraged to provide information regarding the expected use of clean or alternative sources of energy. Examples include the use or implementation of energy efficient transit vehicles and retrofitting of existing vehicles with energy efficient technologies which could also reduce direct emissions such as electronic accessories, anti-idle technologies, and clean fuels.

2. For bus facility and equipment projects (replacement and/or expansion):

- The age of the asset to be rehabilitated or replaced relative to its useful life.
- The degree to which the proposed project addresses a demonstrated and verifiable backlog of deferred maintenance.
- The degree to which the proposed project will enable the agency to improve the maintenance and condition

of the agency's fleet and/or other related transit assets.

- For expansion requests, the degree to which the proposed project addresses a current capacity constraint that is limiting ability of the agency to maintain vehicles and equipment in a state of good repair.

- The project supports emerging or advanced technologies and green building initiatives for transit facilities and equipment.

3. For transit asset management system projects:

If asset management system development or upgrades are proposed, the proposal shall describe, as applicable, the system element(s) the proposer is seeking to improve; including:

- How asset management plans/systems will be developed or upgraded.
- How asset inventories will be maintained physically and fiscally.
- How assets initial condition will be assessed.
- How assets will be inspected and monitored, and at what frequency.
- How logistical decision support tools (including options and tradeoff analysis) will be used in the proposer's day-to-day operations.
- Demonstrated long-term financial and management commitment of the proposer to using the asset management system.

b. *Planning and Local/Regional Prioritization:* The extent to which the proposed project is consistent with planning documents and local priorities. This will involve assessing whether:

1. Project is consistent with the transit priorities identified in the long range plan and/or contingency/illustrative projects. Proposer should note if project could not be included in the financially constrained Transportation Improvement Program (TIP)/Statewide Transportation Improvement Program (STIP) due to lack of funding (if selected, project must be in TIP and STIP before grant award).

2. Local support is demonstrated by availability of local match and letters of support for the project.

3. In an area with more than one transit operator, the proposal demonstrates coordination with, and support of, other transit operators, or other related projects within the proposer's Metropolitan Planning Organization (MPO) or the geographic region within which the proposed project will operate.

c. *Project Readiness:* The extent to which the project is ready to implement. FTA will assess whether:

1. Project is a Categorical Exclusion (CE) or the required environmental work

has been initiated or completed for construction projects requiring an Environmental Assessment (EA) or Environmental Impact Statement (EIS) under, among others, the National Environmental Policy Act of 1969, as amended.

2. Project implementation plans are complete, including initial design of facilities projects.

3. TIP/STIP can be amended (evidenced by MPO/State endorsement).

4. Project funds can be obligated and the project implemented quickly, if selected.

5. Applicant demonstrates the ability to carry out the proposed project successfully.

d. *Technical, legal, and financial capacity to implement the particular project proposed:* FTA will evaluate whether:

1. The proposer has the technical capacity to administer the project.

2. For fleet replacement, the acquisition is consistent with the bus fleet management plan.

3. There are no outstanding legal, technical, or financial issues with the grantee that would make this a high-risk project to implement quickly.

4. The proposer has adequate financial systems in place and has identified the source of local match if selected (no deferred local share will be allowed).

5. The grantee is in fundable status for grant-making purposes.

ii. Review and Selection Process

In addition to other FTA staff that may review the proposals, a technical evaluation committee will review proposals under the project evaluation criteria. Members of the technical evaluation committee and other involved FTA staff reserve the right to screen and rate the applications it receives and to seek clarification from any applicant about any statement in its application that FTA finds ambiguous and/or request additional documentation to be considered during the evaluation process to clarify information contained within the proposal.

After consideration of the findings of the technical evaluation committee, the FTA Administrator will determine the final selection and amount of funding for each project. Geographic diversity and the applicant's receipt of other discretionary awards may be considered in FTA's award decisions. FTA expects to announce the selected projects and notify successful applicants in July 2012.

B. Bus and Bus Facilities Program: Bus Livability Initiative

1. Program Description and Purpose

The Bus Livability Initiative makes funds available to public transportation 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.

Improving mobility and shaping America's future by ensuring that the Nation's public transportation systems are accessible, integrated, and efficient, while offering flexibility of choices is a key strategic goal of the DOT. FTA is committed to creating livable communities that improve the quality of life for all Americans. Public transportation provides transportation options that connect communities and fosters sustainability and the development of urban and rural land use. Through Bus Livability Initiative grants, FTA will invest in projects that fulfill the six livability principles that serve as the foundation for the DOT-HUD-EPA Partnership for Sustainable Communities.

2. Eligibility Information

i. Eligible Proposers

Eligible proposers and eventual grant applicants under this initiative are Direct Recipients under the Section 5307 Urbanized Area Formula program, States, and Indian Tribes. Proposals for funding eligible projects in rural (nonurbanized) areas must be submitted as part of a consolidated State proposal with the exception of nonurbanized projects to Federally Recognized Tribes. States, Direct Recipients, and Tribes may also submit consolidated proposals for projects in urbanized areas.

Proposals shall contain projects to be implemented by the Recipient or its subrecipients. Eligible subrecipients include public agencies, private non-profit organizations, and private providers engaged in public transportation.

ii. Eligible Expenses

Pursuant to 49 U.S.C. 5309(b)(3), FTA is authorized 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 Livability Initiative are capital projects such as: purchase and rehabilitation of buses and vans, bus related equipment (including ITS, fare equipment, communication devices); and construction and rehabilitation of bus-related facilities (including administrative, maintenance, transfer, and intermodal facilities, including facilities consistent with FTA's Joint Development and Bike/Pedestrian policies, which are available at <http://www.fta.dot.gov/livability>). FTA will prioritize the replacement and rehabilitation of intermodal facilities that support the connection of bus service with multiple modes of transportation such as: rail, ferry, intercity bus, and private transportation providers. In order to be eligible for funding, intermodal facilities must have adjacent connectivity with bus service.

Funds made available under this initiative may not be used to fund operating expenses, preventive maintenance, or any other expanded capital eligibility items (for example, security drills, debt service reserve, mobility management). Funds also may not be used to reimburse projects that have incurred previous expenses absent evidence that FTA issued a Letter of No Prejudice (LONP) for the project before the costs were incurred. There is no blanket pre-award authority for projects to be funded under this announcement before their identification in the **Federal Register** of selected projects.

iii. Cost Sharing

Costs will be shared at the following ratio: 80 percent FTA/20 percent local contribution. FTA will not approve deferred local share requests under this program. The Federal share may exceed 80 percent for certain projects related to the Americans with Disabilities Act (ADA) and the Clean Air Act (CAA) as follows: ADA—The Federal share is 90 percent for the cost of vehicle-related equipment or facilities attributable to compliance with the ADA (42 U.S.C. 12101 *et seq.*); CAA—The Federal share is 90 percent for the cost of vehicle related equipment or facilities (including clean-fuel or alternative-fuel vehicle related equipment or facilities) attributable to compliance with the CAA (42 U.S.C. 7401 *et seq.*). For administrative simplicity, FTA allows recipients to compute the Federal share at 83 percent for eligible ADA and CAA vehicle purchases. The 83 percent Federal share does not apply to facilities. The award recipient must itemize the cost of specific, discrete,

facility-related items being purchased to be in compliance with the ADA or the CAA. The Federal share is 90 percent of the cost for these itemized elements.

A Federal share of 90 percent may also be applied to projects to provide access for bicycles to public transportation facilities, to provide shelters and parking facilities for bicycles in or around public transportation facilities, or to install equipment for transporting bicycles on public transportation vehicles.

3. Evaluation Criteria, Review, and Selection

i. Project Evaluation Criteria

Projects will be evaluated according to the following criteria. Each proposer is encouraged to demonstrate the responsiveness of a project to any and all of the selection criteria with the most relevant information that the proposer can provide, regardless of whether such information has been specifically requested, or identified, in this notice. FTA will assess the extent to which a project addresses the criteria below and produces a livability or sustainability outcome.

a. *Linkage to Livability Principles:* Livability investments are projects that deliver not only transportation benefits, but also are designed and planned in such a way that they have a positive impact on qualitative measures of community life. This element delivers benefits that are inherently difficult to measure. However, it is implicit to livability that its benefits are shared and therefore magnified by the number of potential users in the affected community. Therefore, descriptions of how projects enhance livability should include a description of the affected community and the scale of the project's impact. To determine whether a project improves the quality of the living and working environment of a community, FTA will qualitatively assess whether the project:

1. Will significantly enhance user mobility through the creation of more convenient transportation options for travelers;

2. The degree to which the proposed project contributes significantly to broader traveler mobility through intermodal connections, or improved connections between residential and commercial areas.

3. Will improve existing transportation choices by enhancing points of modal connectivity or, in urban areas, by reducing congestion on existing transit systems or roadways.

4. Will improve accessibility and transport services for economically

disadvantaged populations, non-drivers, senior citizens, and persons with disabilities.

5. Is the result of a planning process which coordinated transportation and land-use planning decisions and encouraged community participation in the process.

Note: Special consideration may be given to those proposers that serve a community that holds HUD Preferred Sustainability Status. A list of these communities can be found via <http://www.hud.gov/sustainability>.

b. *Linkage to Environmental Sustainability:* In order to determine whether a project promotes a more environmentally sustainable transportation system, *i.e.*, reducing reliance on automobile travel, improving the pedestrian environment of a community or, use of environmental design techniques in the planning, construction, and operation of the project, FTA will assess the project's ability to:

1. Improve energy efficiency or reduce energy consumption/green house gas emissions. Proposers are encouraged to provide information regarding the expected use of clean or alternative sources of energy; for example through the use or implementation of energy efficient transit vehicles or retrofitting of existing vehicles with energy efficient technologies which could also reduce direct emissions such as electronic accessories, anti-idle technologies, and clean fuels.

2. Maintain, protect or enhance the environment, as evidenced by environmentally friendly policies and practices utilized in the project design, construction, and operation that exceed the requirements of the National Environmental Policy Act, including but not limited, items such as: whether the project uses a Leadership in Energy and Environmental Design (LEED)-certified design; the vehicles or facilities are rated with the energy-star; the project re-uses a brownfield; construction equipment is retrofitted with catalytic converters; the project utilizes recycled materials; the project includes elements to conserve energy, such as passive solar heating, solar panels, wind turbines, reflective roofing or paving materials; or, other advanced environmental design elements such as green roofs, *etc.*

c. Leveraging of public and private investments.

1. *Jurisdictional and Stakeholder Collaboration:* To measure a project's alignment with this criterion, FTA will assess the project's involvement of non-Federal entities and the use of non-Federal funds, including the scope of involvement and share of total funding.

FTA will give priority to projects that receive financial commitments from, or otherwise involve, State and local governments, other public entities, or private or nonprofit entities, including projects that engage parties that are not traditionally involved in transportation projects, such as nonprofit community groups or the private owners of real property abutting the project. FTA will assess the amount of co-investment from State, local or other non-profit sources.

2. *Disciplinary Integration:* To demonstrate the value of partnerships across government agencies that serve the various public service missions and to promote collaboration of the objectives outlined in this notice, FTA will give priority to projects that are supported, financially or otherwise, by non-transportation public agencies that are pursuing similar objectives. Special consideration will be given to those projects that leverage or provide services that support projects funded under the DOT-HUD-EPA Partnership for Sustainable Communities. For example, FTA will give priority to transportation projects that are supported by relevant public housing or human service agencies, or transportation projects that encourage energy efficiency or improve the environment and are supported by relevant public agencies with energy or environmental missions.

d. *Demonstrated Need for Resources:* FTA will evaluate each project to determine its need for resources. This determination will be made by examining the proposal to determine if:

1. The project represents a one-time or periodic need that cannot reasonably be funded from FTA program formula allocations or State and/or local revenues.

2. The project or applicant did not receive sufficient Federal funding in previous years.

3. The project will have a significant impact on service delivery.

e. *Planning and Prioritization at Local/Regional Level:* FTA will examine each Bus Livability project proposal for consistency with the area's planning documents and local priorities. This examination will involve assessing whether:

1. The project is consistent with the transit priorities identified in the long-range plan and/or contingency/illustrative projects.

2. The MPO endorses the project, if in a UZA, and the State, if for a rural area.

3. Local support is demonstrated by availability of local match for this and/or related projects and letters of support.

4. Capital projects are consistent with service needs of the area.

i. *Example:* vehicle expansion proposal shows evidence of the need for additional capacity.

f. *Project Readiness:* The extent to which the project is ready to implement. This will involve assessing whether:

1. Any required environmental work has been initiated for construction projects requiring an Environmental Assessment (EA), Environmental Impact Statement (EIS), or documented Categorical Exclusion (CE).

2. Implementation plans are ready, including initial design of facilities projects.

3. TIP/STIP can be amended (evidenced by MPO/State endorsement).

4. Local share of funding is in place.

5. Project can be obligated and implemented quickly if selected.

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

7. If the project is multimodal in nature, the proposal demonstrates coordination with and support of other transportation modes and partners.

g. Technical, legal, and financial capacity to implement the particular project proposed:

1. The proposer has the technical capacity to administer the project.

2. For fleet replacement, the acquisition is consistent with the bus fleet management plan.

3. There are no outstanding legal, technical, or financial issues with the grantee that would make this a high-risk project to implement quickly.

4. The proposer has adequate financial systems in place and has identified the source of local match if selected (no deferred local share will be allowed).

5. The grantee is in fundable status for grant-making purposes.

ii. Review and Selection Process

An interagency evaluation committee will review proposals under the project evaluation criteria. Members of the technical evaluation committee and other involved FTA staff reserve the right to screen applications and to seek clarification from any applicant about any statement in its application that FTA finds ambiguous and/or request additional documentation to be considered during the evaluation process to clarify information contained within the proposal. After consideration of the findings of the technical evaluation committee, the FTA Administrator will determine the final selection and amount of funding for each project. Geographic diversity and other discretionary awards may be considered in FTA's award decisions. FTA expects to announce the selected

projects and notify successful applicants in July 2012.

C. Clean Fuels/Bus and Bus Facilities Program

1. Program Description and Purpose

The Clean Fuels Grant Program assists non-attainment or maintenance areas in achieving or maintaining the National Ambient Air Quality Standards for ozone and carbon monoxide (CO). Additionally, the program supports emerging clean fuel and advanced propulsion technologies for transit buses and markets for those technologies. FY 2012 unallocated funding provides \$51.5 million dollars in discretionary Clean Fuels Grant Program resources. Additionally, FTA is expanding the eligible applicant pool and may fund projects that meet the Clean Fuels Grant Program objectives in attainment areas using a portion of discretionary Bus and Bus Facilities Program resources that are available.

2. Eligibility Information

i. Eligible Applicants

Eligible applicants under this program are designated recipients in maintenance or non-attainment areas for ozone or CO under section 107(d) of the Clean Air Act (42 U.S.C. 7407(d)), that are entities designated to receive Federal urbanized formula funds under 49 U.S.C. 5307. Tribes, States and Designated Recipients may submit consolidated proposals for projects in non-urbanized areas. FTA will also accept applications from direct recipients, Tribes, and State Departments of Transportation in attainment areas for projects that meet eligibility criteria under the Bus and Bus Facilities Program.

ii. Eligible Projects

Section 5308 authorizes FTA to make grants under this section to assist recipients to finance eligible projects such as the following: (1) Purchasing or leasing clean fuel buses, including buses that employ a lightweight composite primary structure and vans for use in revenue service; (2) Constructing or leasing clean fuel bus facilities or electrical recharging facilities and related equipment for such buses; or (3) Projects relating to clean fuel, biodiesel, hybrid electric, or zero emissions technology buses that exhibit equivalent or superior emissions reductions to existing clean fuel or hybrid electric technologies.

Funds made available under this program cannot be used to fund operating expenses or preventive maintenance; to purchase or lease non-

revenue vehicles; or to reimburse projects that have incurred prior eligible expenses without a Letter of No Prejudice (LONP) issued by FTA for the project before the costs are incurred.

iii. Cost Sharing or Matching

For projects awarded funding, costs will be shared as follows:

a. Vehicles—90 percent FTA/10 percent local contribution for the *net incremental* cost of the *clean fuels* component (not the whole vehicle). For administrative simplicity, FTA allows recipients to apply an 83 percent Federal share for the whole vehicle. The 83 percent share is a blended figure representing 80 percent of the vehicle and 90 percent of the vehicle-related equipment to be acquired in compliance with the Clean Air Act (CAA) 42 U.S.C. 7401 *et seq.*

b. Facilities—The 83 percent Federal share does *not* apply to facilities, for which the costs are more variable. The Federal share is 90 percent of the cost for the CAA elements of the facility.

c. FTA will not approve deferred local share.

3. Evaluation Criteria, Review, and Selection

i. Project Evaluation Criteria

Projects will be evaluated according to the following criteria:

a. Demonstration of benefits:

Proposers should explain how the proposed project will reduce transportation related pollutants.

b. Demonstration of clean fuels/advanced technologies: Proposers should explain how the project supports emerging clean fuels technologies or advanced technologies for transit buses.

c. Demonstration of Need:

1. Project represents a one-time or periodic need that cannot reasonably be funded from formula allocations or State and/or local revenues.

2. Other Federal funds have not been made available for this project.

3. The project will have a positive impact on air quality.

4. The project is consistent with the applicant's bus fleet management plan.

5. The project is a transportation control measure in an approved State Implementation Plan (if applicable).

d. *Planning and Local/Regional Prioritization:* The extent to which the proposed project is consistent with planning documents and local priorities. This will involve assessing whether:

1. Project is consistent with the transit priorities identified in the long range plan and/or contingency/illustrative projects. Proposer should note if project

could not be included in the financially constrained Transportation Improvement Plan (TIP)/Statewide Transportation Improvement Program (STIP) due to lack of funding (if selected, project must be in federally approved STIP before grant award).

2. Local support is demonstrated by availability of local match for this and/or related projects and letters of support.

3. In an area with more than one transit operator, the proposal demonstrates coordination with and support of, other transit operators, or other related projects within the proposer's Metropolitan Planning Organization (MPO) or the geographic region within which the proposed project will operate.

e. *Project readiness:* The extent to which the project is ready to implement. This will involve assessing whether:

1. Project is a Categorical Exclusion (CE) or requires environmental work has been initiated or completed for construction projects requiring an Environmental Assessment (EA) or Environmental Impact Statement (EIS).

2. Project implementation plans are ready, including initial design of facilities projects.

3. TIP/STIP can be amended (evidenced by MPO/State endorsement).

4. Project funds can be obligated and the project implemented quickly, if selected.

5. Applicant demonstrates the ability to carry out the proposed project successfully.

f. Technical, legal, and financial capacity to implement the particular project proposed:

1. The proposer has the technical capacity to administer the project.

2. For fleet replacement, the acquisition is consistent with the bus fleet management plan.

3. There are no outstanding legal, technical, or financial issues with the grantee that would make this a high-risk project to implement quickly.

4. The proposer has adequate financial systems in place and has identified the source of local match if selected (no deferred local share will be allowed).

5. The grantee is in fundable status for grant-making purposes.

ii. Review and Selection Process

In addition to other FTA staff that may review the proposals, a technical evaluation committee will review proposals under the project evaluation criteria. Members of the technical evaluation committee and other involved FTA staff reserve the right to screen applications and seek clarification from any applicant about

any statement in its application that FTA finds ambiguous and/or request additional documentation to be considered during the evaluation process to clarify information contained within the proposal.

After consideration of the findings of the technical evaluation committee, the FTA Administrator will determine the final selection and amount of funding for each project. Geographic diversity and the applicant's receipt of other discretionary awards may be considered in FTA's award decisions. FTA expects to announce the selected projects in July 2012 and notify successful applicants.

III. Proposal and Submission Information for All Programs and Initiatives

A. Proposal Submission Process

Project proposals must be submitted electronically through <http://www.GRANTS.GOV> by the established due date. Mail and fax submissions will not be accepted.

A complete proposal submission will consist of at least two files: (1) The SF 424 Mandatory form (downloaded from [GRANTS.GOV](http://www.GRANTS.GOV)) and (2) the supplemental form targeting the relevant FTA program found on the FTA Web site at the program Web site: <http://www.fta.dot.gov/bus> and <http://www.fta.dot.gov/cleanfuels>. The supplemental form provides guidance and a consistent format for proposers to respond to the criteria outlined in this NOFA. Once completed, the supplemental form must be placed in the attachments section of the SF 424 Mandatory form. Proposers must use the correct supplemental form and attach it to their submission in [GRANTS.GOV](http://www.GRANTS.GOV) to successfully complete the application process. A proposal submission may contain additional supporting documentation as attachments.

Within 24–48 hours after submitting an electronic application, the applicant should receive three email messages from [GRANTS.GOV](http://www.GRANTS.GOV): (1) Confirmation of successful transmission to [GRANTS.GOV](http://www.GRANTS.GOV), (2) confirmation of successful validation by [GRANTS.GOV](http://www.GRANTS.GOV) and (3) confirmation of successful validation by FTA. If confirmations of successful validation are not received and a notice of failed validation or incomplete materials is received, the applicant must address the reason for the failed validation, as described in the notice, and resubmit before the submission deadline. If making a resubmission for any reason, include all original attachments regardless of which attachments were updated and check

the box on the supplemental form indicating this is a resubmission.

Complete instructions on the application process can be found <http://www.fta.dot.gov/bus> and <http://www.fta.dot.gov/cleanfuels>. Important: FTA urges proposers to submit their applications at least 72 hours prior to the due date to allow time to receive the validation message and to correct any problems that may have caused a rejection notification. Submissions after the stated submission deadlines will not be accepted. [GRANTS.GOV](http://www.GRANTS.GOV) scheduled maintenance and outage times are announced on the [GRANTS.GOV](http://www.GRANTS.GOV) Web site <http://www.GRANTS.GOV>. Deadlines will not be extended due to scheduled maintenance or outages.

B. Proposal Content

Proposers may submit one proposal for each project or one proposal containing multiple projects. Proposers submitting multiple projects in one proposal must be sure to clearly define each project by completing a supplemental form for each project. Supplemental forms must be added within the proposal by clicking the “add project” button in Section II of the supplemental form.

Information such as proposer name, federal amount requested, local match amount, description of areas served, *etc.* may be requested in varying degrees of detail on both the SF 424 form and supplemental form. All fields are required unless stated otherwise on the forms. Use both the “Check Package for Errors” and the “Validate Form” validation buttons on both forms to check all required fields on the forms. Ensure that the federal and local amounts specified are consistent.

1. Applicant Information

This provides basic sponsor identifying information:

- i. Applicant name and FTA recipient ID number.
- ii. Applicant eligibility information, including Air Quality status (for the Clean Fuels Program only).
- iii. A general description of services provided by the agency including ridership, fleet size, areas served, *etc.*

2. Project Information/Evaluation Criteria

For complete and up to date guidance on the project information and project evaluation criteria that must be documented, refer to the applicable program on the FTA Web site: <http://www.fta.dot.gov/bus> and <http://www.fta.dot.gov/cleanfuels>. At a minimum, every proposal must:

i. Submit an SF-424 with the correct supplemental form attached.

ii. Describe concisely, but completely, the project scope to be funded. As FTA may elect to fund only part of some project proposals. If applicable, the scope should be declared as “scalable” with specific components of independent utility clearly identified.

iii. Address each of the evaluation criteria separately, demonstrating how the project responds to each criterion.

iv. Provide a line-item budget for the total project, with enough detail to indicate the various key components of the project. As FTA may elect to fund only part of some project proposals, the budget should provide for the minimum amount necessary to fund specific project components of independent utility.

v. Provide the Federal amount requested.

vi. Document the matching funds, including amount and source of the match, demonstrating strong local or private sector financial participation in the project.

vii. Provide support documentation, including financial statements, bond-ratings, and documents supporting the commitment of non-federal funding to the project, or a timeframe upon which those commitments would be made.

viii. Provide a project time-line, including significant milestones such as the date anticipated to issue a request for proposals for vehicles, or contract for purchase of vehicle(s), and actual or expected delivery date of vehicles, or notice of request for proposal and notice to proceed for capital construction/rehabilitation projects.

C. Submission Dates and Times

Complete proposals for the State of Good Repair Initiative must be submitted electronically through the [GRANTS.GOV](http://www.GRANTS.GOV) Web site by 11:59 p.m. EDT on March 22, 2012. Complete proposals for the Bus Livability Initiative must be submitted electronically through [GRANTS.GOV](http://www.GRANTS.GOV) by 11:59 p.m. EDT March 29, 2012. Complete proposals for the Clean Fuels Grant Program must be submitted electronically through [GRANTS.GOV](http://www.GRANTS.GOV) by 11:59 p.m. EDT April 5, 2012. Proposers are encouraged to begin the process of registration on the [GRANTS.GOV](http://www.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. Registered proposers may still be required to take steps to keep their registration up to date before submissions can be made successfully: (1) Registration in the Central Contractor

Repository (CCR) is renewed annually and (2) persons making submissions on behalf of the Authorized Organization Representative (AOR) must be authorized in *GRANTS.GOV* by the AOR to make submissions.

D. Award Information

Federal transit funds are available to State or local governmental authorities as recipients and other public transportation providers as subrecipients. There is no monetary floor or upper limit for any single grant award; however, FTA intends to fund as many meritorious projects as possible. In addition, geographic diversity and the applicant's receipt of other discretionary awards may be considered in FTA's award decisions.

Consistent with 49 U.S.C. Section 5309(m)(8), the Secretary shall consider the age and condition of buses, bus fleets, and bus-related facilities and equipment of proposers in its award of State of Good Repair, Bus Livability and Clean Fuels grants.

E. Funding Restrictions

Only proposals from eligible recipients for eligible activities will be considered for funding. Due to funding limitations, proposers that are selected for funding may receive less than the amount originally requested.

IV. Award Administration

A. Award Notices

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 before announcement.

B. Administrative and National Policy Requirements

1. 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 Circular 9300.1B, Circular 5010.1D, and the labor protections of 49 U.S.C. 5333(b). All discretionary grants, regardless of award amount, will be subject to the Congressional Notification and release process. Technical assistance regarding these requirements is available from each FTA regional office.

2. Planning

FTA encourages proposers to notify the appropriate State Departments of Transportation and MPO in areas likely to be served by the project funds made available under these initiatives and programs. Selected projects must be incorporated into the long-range plans and transportation improvement programs of States and metropolitan areas before they are eligible for FTA funding.

3. Standard Assurances

The applicant assures 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 may 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 the Certifications and Assurances before receiving a grant if it does not have current certifications on file.

4. Reporting

Post-award reporting requirements include submission of Federal Financial Reports and Milestone Reports in TEAM on a quarterly basis for all projects. Documentation is required for payment. In addition, project sponsors receiving grants for asset management systems and innovative technologies may be required to report on the performance of these systems and technologies.

V. Agency Contacts and Technical Assistance

Contact the appropriate FTA Regional Office at <http://www.fta.dot.gov> for proposal-specific information and issues. For general program information, please use the contacts for each program identified in the front of this notice.

For additional technical assistance, FTA will post answers to commonly asked questions about the SGR and Bus Livability Initiatives at <http://www.fta.dot.gov/bus>, and for the Clean Fuels Grant Program at <http://www.fta.dot.gov/cleanfuels>. FTA also expects to conduct Webinars during the application period and will post this information on its Web site.

Issued in Washington, DC, this 2nd day of February, 2012.

Peter Rogoff,
Administrator.

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Appendix A
FY 2012 Discretionary Programs PROPOSED Schedule

Statutory Program	2012 Program Amounts, Subject to Funding	Anticipated NOFA Publication	Application Deadlines	Anticipated Public Announcement of Allocation
Bus and Bus Facilities Program - (Section 5309(m)(1)c)				
Bus & Bus Facilities - State of Good Repair	\$650,000,000	Feb. 2012	11:59 pm EDT March 22, 2012	Early July 2012
Bus & Bus Facilities - Livability	\$125,000,000	Feb. 2012	11:59 pm EDT March 29, 2012	Late July 2012
Bus & Bus Facilities - Veteran Transportation and Community Living Initiative	\$25,000,000	Feb. 2012	11:59 pm EDT April 19, 2012	Early July 2012
Clean Fuels (Section 5308)				
Clean Fuels (5308)	\$51,500,000	Feb. 2012	11:59 pm EDT April 5, 2012	Late July 2012
Other				
Alternatives Analysis (5339)	\$25,000,000	Feb. 2012	TBD	August 2012
Tribal Transit (5311(c))	\$15,000,000	Feb. 2012	TBD	August 2012
Over-the-Road-Bus (3038)	\$8,800,000	Mar. 2012	TBD	August 2012

Appendix B
FEDERAL TRANSIT ADMINISTRATION - PROGRAM MATRIX

Program	Clean Fuels Grant Program	Bus and Bus Facilities Program (SGR and Bus Livability)
Program Purpose	Assist nonattainment and maintenance areas in achieving or maintaining the National Ambient Air Quality Standards for ozone and CO and to support emerging clean fuel and advanced propulsion technologies for transit buses and markets for those technologies. * FTA will also accept applications from attainment areas and may fund these projects using Bus and Bus Facilities funds.	The SGR Initiative Program is intended to contribute to the improvement of the condition of transit capital assets by providing financial assistance for recapitalization of buses and bus facilities. The Bus Livability Initiative makes funds available to public transportation 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
Amount Available	approximately \$51.5 million	SGR: approximately \$650 million Bus Livability: approximately \$125 million
Eligible Applicants	Eligible applicants are designated recipients, which are entities designated to receive Federal urbanized formula funds under 49 U.S.C. 5307. Applicants must be in areas that are maintenance or non-attainment for ozone or CO. * FTA will also accept applications from attainment areas and may fund these projects using Bus and Bus Facilities funds.	SGR and Bus Livability: Direct Recipients under the Section 5307 Urbanized Area Formula program, States, and Indian Tribes. Proposals for funding eligible projects in rural (nonurbanized) areas must be submitted as part of a consolidated State proposal with the exception of nonurbanized projects to Indian Tribes. States, Direct Recipients, and Tribes may also submit consolidated proposals for projects in urbanized areas.
Eligible Activities	1) Purchasing or leasing clean fuel buses, including buses that employ a lightweight composite primary structure and vans for use in revenue service. The purchase or lease of non-revenue vehicles is not an eligible project. (2) Constructing or leasing clean fuel bus facilities or electrical recharging facilities and related equipment. (3) Projects relating to clean fuel, biodiesel, hybrid electric, or zero emissions technology buses that exhibit equivalent or superior emissions reductions to existing clean fuel or hybrid electric technologies.	SGR: Eligible projects include, but are not limited to, the: purchase, replacement, or rehabilitation of, buses and vans and related equipment (including Intelligent Transportation Systems (ITS), fare equipment, communication devices that are FCC mandatory narrow-banding compliant), replacement or the modernization of bus maintenance and revenue service (passenger) facilities; expansion of bus maintenance facilities; replacement or modernization of intermodal facilities; and, the development and implementation of transit asset management systems. Bus Livability: The same as SGR with the addition of expansion projects and bike facility projects. Transit asset management systems are not eligible under this competition.

Appendix B - Continued
FEDERAL TRANSIT ADMINISTRATION - PROGRAM MATRIX

Program	Clean Fuels Grant Program	Bus and Bus Facilities Program (SGR and Bus Livability)
Minimum and Maximum	Not Applicable	
Cost Sharing or Matching	• Vehicles - 90 percent FTA/10 percent local contribution for the net incremental cost of the <u>clean fuels</u> component (not the whole vehicle). For administrative simplicity, FTA allows recipients to apply a 83 percent Federal share for the whole vehicle. The 83 percent share is a blended figure representing 80 percent of the vehicle and 90 percent of the vehicle-related equipment to be acquired in compliance with the Clean Air Act. • Facilities - The 83 percent Federal share does <u>not</u> apply to facilities, for which the costs are more variable. The eligibility of facility-related cost elements at the 90 percent share will be reviewed on a case-by-case basis as part of the grant application process. • FTA will not approve deferred local share.	• Vehicles - 80 percent FTA/20 percent local contribution. The Federal share may exceed 80 percent for certain projects related to the Americans with Disabilities Act (ADA) and the Clean Air Act (CAA) as follows: ADA - The Federal share is 90 percent for the cost of vehicle-related equipment attributable to compliance with the ADA of 1990 CAA - The Federal share is 90 percent for the cost of vehicle related equipment or facilities (including clean-fuel or alternative-fuel vehicle related equipment or facilities) attributable to compliance with the CAA. For administrative simplicity, FTA allows recipients to compute the Federal share at 83 percent for eligible ADA and CAA vehicle purchases. • Facilities - The 83 percent Federal share does not apply to facilities. The award recipient must itemize the cost of specific, discrete, facility-related items being purchased to be in compliance with the ADA or the CAA. The Federal share is 90 percent of the cost for these itemized elements. • Bicycle Projects - A Federal share of 90 percent may also be applied to projects to provide access for bicycles to public transportation facilities, to provide shelters and parking facilities for bicycles in or around public transportation facilities, or to install equipment for transporting bicycles on public transportation vehicles. • FTA will not approve deferred local share.
Application Procedures	Go to: http://www.fta.dot.gov/cleanfuels	Go to: http://www.fta.dot.gov/bus
Application Deadline	11:59 pm EDT on April 5, 2012	SGR: 11:59 pm EDT on March 22, 2012 BLIV: 11:59 pm EDT on March 29, 2012

[FR Doc. 2012-2752 Filed 2-6-12; 8:45 am]

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DEPARTMENT OF TRANSPORTATION

National Highway Traffic Safety Administration

[Docket No. NHTSA-2012-0003; Notice 1]

Spartan Motors Chassis, Inc., Receipt of Petition for Decision of Inconsequential Noncompliance

AGENCY: National Highway Traffic Safety Administration, DOT.

ACTION: Receipt of Petition.

SUMMARY: Spartan Motors Chassis, Inc.,¹ (Spartan), has determined that model year 2011 and 2012 model MM, K2, K3, and SU incomplete vehicles manufactured between January 28, 2011 and June 28, 2011, do not fully comply with paragraph S5.1.4 of Federal Motor Vehicle Safety Standard (FMVSS) No. 121, *Air Brake Systems*. Spartan has filed an appropriate report pursuant to 49 CFR part 573, *Defect and Noncompliance Responsibility and Reports* (dated July 13, 2011).

Pursuant to 49 U.S.C. 30118(d) and 30120(h) (see implementing rule at 49 CFR part 556), Spartan has petitioned for an exemption from the notification and remedy requirements of 49 U.S.C. chapter 301 on the basis that this noncompliance is inconsequential to motor vehicle safety.

This notice of receipt of Spartan's petition is published under 49 U.S.C. 30118 and 30120 and does not represent any agency decision or other exercise of judgment concerning the merits of the petition.

Affected are approximately 312 model year 2011 and 2012 model MM, K2, K3, and SU incomplete vehicles manufactured between January 28, 2011 and June 28, 2011.

NHTSA notes that the statutory provisions (49 U.S.C. 30118(d) and 30120(h)) that permit manufacturers to file petitions for a determination of inconsequentiality allow NHTSA to exempt manufacturers only from the duties found in sections 30118 and 30120, respectively, to notify owners, purchasers, and dealers of a defect or noncompliance and to remedy the defect or noncompliance. Therefore, these provisions only apply to the subject 312² model year 2011 and 2012

incomplete vehicles that Spartan no longer controlled at the time it determined that the noncompliance existed.

Paragraph S5.1 of FMVSS No. 121 requires in pertinent part:

S5.1 *Required equipment for trucks and buses.* Each truck and bus shall have the following equipment: * * *

S5.1.4 Pressure gauge. A pressure gauge in each service brake system, readily visible to a person seated in the normal driving position, that indicates the service reservoir system air pressure. The accuracy of the gauge shall be within plus or minus 7 percent of the compressor cut-out pressure. * * *

Spartan explains that the noncompliance is that the accuracy of the air gauges used in the air brake systems on the subject vehicles do not meet the accuracy requirements identified in FMVSS No. S5.1.4.

Spartan explains that the air brake systems operate as designed and meet all other applicable requirements of FMVSS No. 121. In this case, the operator may not be able to detect, by way of the air gauges, the variation between the physical cut out pressure of the air compressor versus what is shown on the gauge. Air pressure within the air systems is controlled by an air governor that is independent of the gauges therefore rendering the gauges as only an indicator to the operator.

Spartan additionally states that it has corrected the gauge calibration so that future production will not contain the subject noncompliance.

In summation, Spartan believes that the described noncompliance of its vehicles is inconsequential to motor vehicle safety, and that its petition, to exempt from providing recall notification of noncompliance as required by 49 U.S.C. 30118 and remedying the recall noncompliance as required by 49 U.S.C. 30120 should be granted.

Comments: Interested persons are invited to submit written data, views, and arguments on this petition. Comments must refer to the docket and notice number cited at the beginning of this notice and be submitted by any of the following methods:

a. *By mail addressed to:* U.S. Department of Transportation, Docket Operations, M-30, West Building Ground Floor, Room W12-140, 1200

notification and recall responsibilities of 49 CFR part 573 for 312 of the affected vehicles. However, a decision on this petition cannot relieve vehicle distributors and dealers of the prohibitions on the sale, offer for sale, introduction or delivery for introduction into interstate commerce of the noncompliant vehicles under their control after Spartan notified them that the subject noncompliance existed.

New Jersey Avenue SE., Washington, DC 20590.

b. By hand delivery to U.S. Department of Transportation, Docket Operations, M-30, West Building Ground Floor, Room W12-140, 1200 New Jersey Avenue SE., Washington, DC 20590. The Docket Section is open on weekdays from 10 am to 5 pm except Federal Holidays.

c. *Electronically:* by logging onto the Federal Docket Management System (FDMS) Web site at <http://www.regulations.gov/>. Follow the online instructions for submitting comments. Comments may also be faxed to 1-(202) 493-2251.

Comments must be written in the English language, and be no greater than 15 pages in length, although there is no limit to the length of necessary attachments to the comments. If comments are submitted in hard copy form, please ensure that two copies are provided. If you wish to receive confirmation that your comments were received, please enclose a stamped, self-addressed postcard with the comments. Note that all comments received will be posted without change to <http://www.regulations.gov/>, including any personal information provided.

Documents submitted to a docket may be viewed by anyone at the address and times given above. The documents may also be viewed on the Internet at <http://www.regulations.gov/> by following the online instructions for accessing the dockets. DOT's complete Privacy Act Statement is available for review in the **Federal Register** published on April 11, 2000, (65 FR 19477-78).

The petition, supporting materials, and all comments received before the close of business on the closing date indicated below will be filed and will be considered. All comments and supporting materials received after the closing date will also be filed and will be considered to the extent possible. When the petition is granted or denied, notice of the decision will be published in the **Federal Register** pursuant to the authority indicated below.

Comment closing date: March 8, 2012.

Authority: 49 U.S.C. 30118, 30120; delegations of authority at CFR 1.50 and 501.8.

Issued on: January 30, 2012.

Claude H. Harris,

Director, Office of Vehicle Safety Compliance.

[FR Doc. 2012-2664 Filed 2-6-12; 8:45 am]

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¹ Spartan Motors Chassis, Inc., is a manufacturer of incomplete vehicles and is registered under the laws of the state of Michigan.

² Spartan's petition, which was filed under 49 CFR Part 556, requests an agency decision to exempt Spartan as a vehicle manufacturer from the