

STAFF REPORT



MEETING DATE:	April 25, 2017
SUBJECT:	Amend SRTA Policies Related to Federal Transit Administration (FTA) Grant Programs for Small Urban Areas
AGENDA ITEM:	5-6
STAFF CONTACT:	Brett Setterfield, Assistant Transportation Planner

SUMMARY

Amendments are needed to several SRTA policies related to Federal Transit Administration (FTA) sections to align with state and federal guidelines and direction.

STAFF RECOMMENDATION:

It is recommended that the board of directors amend SRTA policies for the administration of Federal Transit Administration (FTA) Sections 5307, 5310, and 5339, as provided by attachment.

DISCUSSION:

SRTA's policies for the administration of FTA programs are in need of amendment to align with current practices and the latest federal transportation bill, Funding America's Surface Transportation Act (FAST Act). More specifically:

1. SRTA's FTA 5307 – Urbanized Area Formula Grant Program policies currently state that RABA is the only eligible recipient of urban area funds and describe an antiquated role for Caltrans. There are two methods that other local agencies can receive 5307 funds: 1) as a sub-recipient to RABA or 2) by becoming a direct recipient which requires the governor's approval. The proposed amendment addresses this issue and updates Caltrans' role.
2. SRTA's FTA 5339 – Buses and Bus Facilities Formula Grant Program policies are based on guidelines under MAP-21 and are now antiquated under FAST Act. Under FAST Act, small urbanized area FTA direct recipients, such as RABA, may now apply directly to FTA, eliminating Caltrans as the intermediary. The proposed amendment mimics the 5307 policies as directed by FTA and Caltrans. RABA – and the region – lost \$166,621 in federal fiscal year 2013 funds that lapsed on October 1, 2016, after three years without obligating the funds. The policies set a two-year limit of obligating the funds to prevent future lapses.
3. SRTA's FTA 5310 – Enhanced Mobility of Seniors and Individuals with Disabilities Grant Program (competitive) policies are vague regarding the board of directors role in approving the regionally prioritized list of capital vehicle and vehicle-related equipment applications. The proposed amendment states that the board will approve a regionally prioritized project list by resolution to be eligible for consideration.

ALTERNATIVES:

The board of directors may further modify the policies or continue this item to request additional information.

OTHER AGENCY INVOLVEMENT:

RABA will continue to communicate project programming needs to SRTA, and the Federal Transportation Improvement Program (FTIP) public involvement process will satisfy the FTA's program outreach requirements. The Technical Advisory Committee (TAC) concurs with the staff recommendation.

FINANCING:

Approval of the updated policies has no direct fiscal impact to the agency.



Daniel S. Little, AICP, Executive Director

Attachments: 5.26 Federal Transit Administration Section 5307 Policies (draft)
5.28 Federal Transit Administration Section 5310 Policies (draft)
5.30 Federal Transit Administration Section 5339 Policies (draft)

5.26 Federal Transit Administration Section 5307 Policies

5.26.1 Program Overview

The Federal Transit Administration (FTA) Section 5307 [Urbanized Area Formula Funding Program](#) is a formula-based program that provides funding for public transportation in urbanized areas (UZA) as designated by the U.S. Bureau of the Census. The program has distinct requirements and eligibilities for UZAs over and under 200,000 in population. Large UZAs (population of more than 200,000) work directly with the FTA to program and deliver projects. [California Department of Transportation \(Caltrans\) is the designated recipient for all small](#) ~~Small~~ UZAs (population less than 200,000). ~~-work with the California Department of Transportation (Caltrans) Division of Rail and Mass Transportation (DRMT) to obtain concurrence with local programming and execute supplemental agreements in FTA's Transportation Electronic Award Management (TEAM) system.~~ [However, small UZA recipients obtain concurrence with local programming from their Metropolitan Planning Organization \(MPO\), such as SRTA – not Caltrans – and Recipients then work directly with the FTA to apply for and deliver projects. Caltrans states that they have zero involvement in administering FTA 5307 for the Redding UZA \(March 2017\).](#)

UZAs generally correspond to U.S. cities and their densely populated suburbs. Most urbanized areas include multiple independent jurisdictions, and some include multiple cities, if those cities are linked by a densely populated area. Shasta County has one small UZA, Redding UZA (population less than 200,000), which includes Redding, Anderson, the City of Shasta Lake and adjacent areas of the unincorporated county.

Federal and state guidelines supersede these policies.

5.26.2 Eligible Applicants and Projects

Redding Area Bus Authority (RABA) is the ~~only-eligible~~ [predominant](#) recipient of FTA Section 5307 funds apportioned to the Redding UZA (April 2015).

[It is possible for entities other than RABA to receive regional 5307 funds. The governor or the governor's designee \(Caltrans\) performs the role of the designated recipient for the Redding UZA. The governor may authorize a local entity, such as a metropolitan planning organization\(SRTA\), to develop and recommend funding allocations. Additionally, the governor may authorize other eligible public transportation operators, in addition to RABA, to apply directly to FTA for grants as direct recipients through a "split letter" from Caltrans to FTA which establishes the allocation of Section 5307 funds.](#)

[Similary, sub-recipient arrangements allow entities, in addition to RABA, to receive regional 5307 funds. A Section 5307 recipient, whether a designated recipient \(Caltrans\) or direct recipient \(only RABA as of April 2017\), may choose to pass its grant funds through to another entity \(sub-recipient\) to carry out a project eligible under Section 5307. In this way, other public entities eligible to become direct recipients and private nonprofit organizations \(Jobs Access Reverse Commute projects only\) could receive 5307 funding. A sub-recipient](#)

arrangement does not relieve the original recipient of its responsibilities to carry out the terms and conditions of the grant agreement.

~~RABA is eligible to apply for t~~The following are eligible types of projects:

- Planning Projects
- Capital Projects
- Employee Training Expenses
- Operating Assistance
- Job Access and Reverse Commute Projects (JARC)
- Interest and Debt Financing as an Eligible Cost

5.26.3 FTIP and Program of Projects

In small UZAs, the Transportation Improvement Program¹ (FTIP), once adopted by the MPO and approved then by the ~~state~~U.S. Department of Transportation (U.S. DOT), may take the place of the required program of projects. It is SRTA's responsibility to develop and adopt the FTIP and then forward the FTIP to the state for recommendation of adoption. Therefore, RABA and other eligible direct recipients must develop a list of proposed projects in cooperation with SRTA to be funded from the area's Section 5307 apportionment. SRTA intends to program regionally apportioned funds within the first two years to avoid funds lapsing after the third year. Section 5307 projects listed in the FTIP must contain sufficient detail to identify each project or phase of project, including a brief project description, total project costs, federal share for each project, and other expected resources to carry out the project.

For FTIP programming purposes, RABA and other eligible direct recipients will provide the list of proposed projects to SRTA before applying for the Section 5307 funding. As part of SRTA's metropolitan transportation planning requirements (specified in 49 CFR part 613 and 23 CFR part 450), projects will be reviewed for:

- Consistency with applicable planning documents
- Budget accuracy (high level), including match validity
- Coordination of services

Upon review of submitted projects, SRTA may:

- Advise RABA and other eligible direct recipients to modify projects based on the preceding bullet points.

¹ The TIP [known in California as the FTIP, "F" standing for Federal] is a prioritized listing/program of transportation projects covering a period of four years that is developed and formally adopted by an Metropolitan Planning Organization (MPO, i.e. SRTA) as part of the metropolitan transportation planning process, consistent with the metropolitan transportation plan (twenty-year horizon) [known regionally as the regional transportation plan], and required for projects to be eligible for funding under title 23 of the U.S. Code and 48 U.S.C. Chapter 53. (FTA C 9030.1E)

- Advise RABA and other eligible direct recipients of other grant programs or funding options that are a better fit.

Once there is an agreed-to, final projects list, SRTA will amend the FTIP. As needed for biennial FTIP development ~~or FTIP formal amendment~~, SRTA staff will present recommendations to the board of directors with the authorizing resolution. Resolutions will include adoption of FTIP ~~{or formal FTIP amendment, as applicable}~~ and delegate authority to the executive director to provide information as needed in response to oversight agency review. ~~An example resolution ends this section.~~

5.26.4 Public Participation

The FTIP (or formal FTIP amendment) public participation and approval processes carried out by SRTA can serve to satisfy RABA's requirements for public participation under Section 5307 (FTA Circular 9030.1E).

5.26.5 Post FTIP Adoption Process

RABA and other eligible direct recipients works directly with FTA to apply for and deliver projects.

RESOLUTION



RESOLUTION NUMBER:	XX-XX
SUBJECT:	Formal Amendment #X to the YYYY Federal Transportation Improvement Program for Shasta County

WHEREAS, Section 134(j), Title 23 of United States Code directs each Metropolitan Planning Organization to develop a Federal Transportation Improvement Program (FTIP) at least every four years; including a four-year priority list of all federally funded projects; and

WHEREAS, in order to qualify for certain types of federal funding, projects in Shasta County must be included in an FTIP approved by the Shasta Regional Transportation Agency; and

WHEREAS, the Streets and Highways Code Section 182.6(e) and Section 182.7(d) directs each Metropolitan Planning Organization to submit an updated FTIP to the California Department of Transportation by August 1 on even-numbered years; and

WHEREAS, the YYYY FTIP was adopted the DDth day of MMMM, YYYY, by the Shasta Regional Transportation Agency, in accordance with federal planning regulations; and

WHEREAS, a formal amendment to the YYYY FTIP is needed to reflect recent or anticipated changes to federal programs and transportation funding levels; and

WHEREAS, the formal amendment has been found consistent with the Regional Transportation Plan and is recommended for inclusion in the YYYY Shasta County FTIP; and

WHEREAS, the YYYY FTIP remains financially constrained with this amendment; and

WHEREAS, Shasta County is in conformance with federal air quality standards; and

WHEREAS, the YYYY FTIP includes all Moving Ahead for Progress in the 21st Century (MAP-21) requirements, including the opportunity for public and interagency review and comment:

NOW, THEREFORE, BE IT RESOLVED that the Shasta Regional Transportation Agency hereby amends the YYYY Shasta County Federal Transportation Improvement Program, as shown in Formal Amendment ##.

PASSED AND ADOPTED this DDth day of MMMM, YYYY, by the Shasta Regional Transportation Agency.

Chair name, Chair
Shasta Regional Transportation Agency

5.28 Federal Transit Administration Section 5310 Policies

5.28.1 Program Overview

The Federal Transit Administration (FTA) Section 5310 Enhanced Mobility of Seniors and Individuals with Disabilities Program provides formula funds to states to improve mobility for seniors and individuals with disabilities. Under MAP-21, FTA Section 5310 was expanded to incorporate project types from the repealed New Freedom program. The vehicle projects and related equipment under the previous 5310 program are now called Traditional 5310; the former New Freedom projects are called Expanded 5310. In small urban (population under 200,000) and rural areas the California Department of Transportation (Caltrans) Division of Rail and Mass Transportation (DRMT) provides funding for capital and operating assistance on a competitive basis and administers the projects. All projects selected for funding must be included in a locally developed, coordinated public transit-human services transportation plan. SRTA, as the Transportation Planning Agency for Shasta County, reviews all regional applications and assists in scoring only the traditional applications.

Federal and state guidelines supersede these policies.

5.28.2 Eligible Applicants and Projects

Local public agencies, tribal governments, private nonprofit organizations, and operators of public transportation services are eligible to apply for the following types of projects:

--Traditional 5310

- Vehicles and related equipment

--Expanded 5310

- Vehicles and related equipment
- Operating assistance
- Mobility Management

5.28.3 Call for Projects

Caltrans will announce an FTA Section 5310 call for projects and provide guidance and technical support to applicants and SRTA. Upon receipt, SRTA will forward the call for projects to the region's transit service providers via email, SRTA's website and ~~for~~ SRTA's social media.

5.28.4 SRTA Authorization

Applications must be authorized by SRTA. Applicants should provide draft applications to SRTA for review: 1) prior to the Caltrans application deadline; AND 2) at least six weeks prior to the next SRTA Board of Directors meeting. SRTA will review all applications for:

- Consistency with applicable planning documents
- Budget accuracy (high level), including match validity
- Coordination of services

SRTA scores regional Traditional 5310 applications utilizing the California Transportation Commission's (CTC) adopted project-scoring criteria and sends a scored list of their projects to Caltrans Statewide Review Committee.

Upon review of submitted applications, SRTA may:

- Advise applicants to modify applications based on regional transportation needs;
- Advise applicants of other grant programs or funding options that are a better fit.

SRTA staff will present recommendations to the board of directors with the authorizing resolution(s). Resolution(s) will certify that the regional applications:

- Meet the requirements and conditions of FTA Section 5310;
- Are consistent with the Regional Transportation Plan; and
- Are consistent with the coordinated public transit-human services transportation plan.

Furthermore, resolution(s) will approve FTA Section 5310 regional prioritized list of traditional projects, as needed.

Resolutions will also delegate authority to the executive director to provide information as needed to Caltrans for the applications to proceed. An example resolution ends this section.

5.28.5 Project Selection

The Caltrans State Review Committee will score, prioritize, and submit to the CTC Expanded 5310 applications, together with Traditional 5310 applications. The CTC must adopt the prioritized list.

5.28.6 Post-approval Process

For projects selected by the CTC, SRTA will ensure that projects are programmed in the Federal Transportation Improvement Program (FTIP). ~~H~~Thereafter, the applicant and Caltrans work together on the standard agreement and reimbursement; SRTA has no further responsibilities.

RESOLUTION



RESOLUTION NUMBER:	XX-XX
SUBJECT:	Certify Federal Transportation Administration Section 5310 Applications from <u>Applicant</u>

WHEREAS, the US Department of Transportation provides grants through the Federal Transit Administration (FTA) to improve mobility for seniors and individuals with disabilities under Title 49 U.S.C. 5310 (FTA C 9070.1G); and

WHEREAS, in urbanized areas with populations less than 200,000 and in rural areas, the state is the designated recipient (FTA C 9070.1G); and

WHEREAS, in the state of California, the California Department of Transportation (Caltrans) administers FTA Section 5310 projects; and

WHEREAS, Caltrans requires the regional transportation planning agency (RTPA) to certify, by resolution, that the applications are eligible for FTA Section 5310 and that they are consistent with the regional transportation plan (RTP) and the coordinated public transit-human services plan before they can be considered for funding; and

WHEREAS, the Shasta Regional Transportation Agency (SRTA) is the RTPA and the designated Metropolitan Planning Organization (MPO) for the Shasta County region; and

WHEREAS, Applicant, a private non-profit corporation, submitted type of assistance grant applications to SRTA for mileage reimbursement for two volunteer driver programs, the Foster Grandparent Program and the Senior Companion Program; and

WHEREAS, private non-profit corporations are eligible applicants for FTA Section 5310; and

WHEREAS, project type are listed as an eligible activity for expanded 5310 projects (Expanded 5310 Project Application Instructions); and

RTP consistent language WHEREAS, the 20YY Regional Transportation Plan for Shasta County has the goal to prioritize transportation services for funding and implementation, with an emphasis on the transportation needs of the transit-dependent, specifically to example here (20YY RTP pages ## to ##); and

WHEREAS, the Shasta Coordinated Transportation Plan is the coordinated public transit-human services plan for the Shasta County region; and

CTP consistent language WHEREAS, priority ## of the Shasta Coordinated Transportation Plan is to develop volunteer driver programs (page 20);

NOW, THEREFORE, BE IT RESOLVED that the Shasta Regional Transportation Agency:

1. Certifies that the regional grant applications are eligible for FTA Section 5310 funding; and
2. Certifies that the regional grant applications are consistent with the 2010 Regional Transportation Plan for Shasta County and the Shasta Coordinated Transportation Plan; and
3. Authorizes the executive director to provide any other information, certifications, and assurances, as needed, to Caltrans for the grant applications to proceed.

PASSED AND ADOPTED this DDth day of MMMM, 20YY, by the Shasta Regional Transportation Agency.

Chair name, Chair
Shasta Regional Transportation Agency

5.30 Federal Transit Administration Section 5339 Policies

5.30.1 Program Overview

The Federal Transit Administration (FTA) Section 5339 Buses and Bus Facilities Grants Program is both a formula-based and state-wide discretionary program that provides capital funding to replace, rehabilitate and purchase buses, vans, and related equipment, and to construct bus-related facilities. Urbanized areas (UZA) as designated by the U.S. Bureau of the Census, and the program has distinct requirements and eligibilities for UZAs over and under 200,000 in population and for rural areas. Large UZAs (population of more than 200,000) work directly with the FTA to program and deliver projects. California Department of Transportation (Caltrans) is the direct recipient for the statewide discretionary component of 5339 and the designated recipient for the small UZAs (population less than 200,000) component of the program. However, small UZA recipients obtain concurrence with local programming from their Metropolitan Planning Organization (MPO), such as SRTA – not Caltrans – and then work directly with the FTA to apply for and deliver projects. Caltrans states that they have zero involvement in administering FTA 5339 for the Redding UZA (March 2017).

These policies address the small UZA formula-based component for the Redding UZA and are based on direction from Caltrans and FTA (April 2017).

UZAs generally correspond to U.S. cities and their densely populated suburbs. Most urbanized areas include multiple independent jurisdictions, and some include multiple cities, if those cities are linked by a densely populated area. Shasta County has one small UZA, Redding UZA (population less than 200,000), which includes Redding, Anderson, the City of Shasta Lake and adjacent areas of the unincorporated county.

~~In small urban (population under 200,000) areas, FTA apportions a formula component to states. The California Department of Transportation (Caltrans) Division of Rail and Mass Transportation (DRMT) is the direct recipient of Section 5339 funds. DRMT administers the funds. SRTA, as the Transportation Planning Agency for Shasta County, distributes the regional apportionment to eligible recipients.~~

Federal and state guidelines supersede these policies.

5.30.2 Eligible Applicants and Projects

Redding Area Bus Authority (RABA) is the predominant recipient of FTA Section 5339 funds apportioned to the Redding UZA. This is because RABA was the only existing Section 5307 recipient when MAP-21 became law in 2012.

It is possible for entities other than RABA to receive regional 5339 funds. Direct recipients of Section 5307 are eligible for Section 5339 (see Section 5307 policies on how another entity could receive 5307 funds).

Similarly, sub-recipient arrangements allow entities, in addition to RABA, to receive regional 5339 funds. A Section 5339 recipient, whether a designated recipient (Caltrans) or direct

recipient (only RABA as of April 2017), may choose to pass its grant funds through to another entity (sub-recipient) to carry out a project eligible under Section 5339. In this way, public agencies and private nonprofit organizations engaged in public transportation, including those providing services open to a segment of the general public, as defined by age, disability, or low income could receive 5339 funding. A sub-recipient arrangement does not relieve the original recipient of its responsibilities to carry out the terms and conditions of the grant agreement.
~~Local public agencies and private nonprofit organizations engaged in fixed route public transportation, including those providing services open to a segment of the general public, as defined by age, disability, or low income, are~~

~~eligible to apply for~~ the following are eligible types of capital assistance:

- Acquisition of buses for fleet and service expansion
- Acquisition of replacement vehicles
- Bus rebuilds (for bus rebuild and rehabilitation projects; only over-the-road, large buses are eligible)
- Passenger amenities such as passenger shelters and bus stop signs
- Accessory and miscellaneous equipment such as mobile radio units, supervisory vehicles, fare boxes, computers, and shop and garage equipment

5.30.3 Call for Projects

~~Caltrans will announce an FTA Section 5339 call for projects and provide a balance sheet to SRTA with the regional apportionment and any carryover funds. SRTA will provide public notice of the program via email, SRTA's website and/or SRTA's social media and will issue a request for pre-applications for eligible projects. Pre-applications will be due to SRTA by a specified date noted in the request. Interested parties are to use the pre-application form provided in the request.~~

5.30.4 Funding Discretion

~~In exercising discretion over regional apportionments, SRTA may:~~

- ~~• Advise pre-applicant(s) to modify requested funding amounts depending on total requested amount from all pre-applicants.~~
- ~~• Advise pre-applicants of other grant programs or funding options that are better fit.~~

5.30.5 Project Selection

Pre-applications will be evaluated based on the criteria below by a review team determined by SRTA. The SRTA Board of Directors will approve projects and the Program of Projects (POP) as required by Caltrans.

The evaluation method for FTA Section 5339 projects is consistent with the way SRTA evaluates and prioritizes other components of the transportation system, such as arterial, highway and transit projects. Transportation project priorities are established in planning documents like the Regional Transportation Plan (RTP) and programming documents such as the Federal Transportation Improvement Program (FTIP).

Evaluation criteria of pre-applications are as follows:

General Intent

These funds are intended to maintain and enhance fixed route public transportation with capital funding.

Minimum Eligibility Requirements

- The project must conform to state and federal regulations.
- The project must conform to Caltrans guidelines.
- The project must be consistent with the RTP.
- The project must provide documentation of project authorization by the applicant's board of directors, president or principal, or be part of an adopted, current planning document approved by same.
- Other sources of funding for cooperative projects must be identified. Supporting documentation shall show that matching funds are committed.

Project Scoring Criteria

- Serves the general public — preference given to projects that are not targeted to a segment of the general public
- Leveraging — includes third party support (e.g. funds from other programs; funds a project component needed to effectively compete for a state or federal grant)
- Consistency with RTP — level of consistency with goals in current, adopted RTP and RTP implementation (e.g. is in, or connects to, a Strategic Growth Area; safety)
- Safety — design effectively addresses documented safety issues
- Consistency with local transit priorities — level of consistency with Short Range Transit Plan, Shasta Coordinated Transit Plan, and other applicable planning document
- Need — demonstrated need based on age, mileage, and deferred maintenance of vehicles or facilities

~~SRTA staff will recommend authorizing selected projects. SRTA staff will present recommendations to the board of directors authorizing application(s) submittal and delegating authority to the executive director to provide information as needed to Caltrans for the application to proceed.~~

5.30.3 FTIP and Program of Projects

In small UZAs, the Transportation Improvement Program¹ (FTIP), once adopted by the MPO and approved then by the U.S. Department of Transportation (U.S. DOT), may take the place of the required program of projects. It is SRTA's responsibility to develop and adopt the FTIP and then forward the FTIP to the state for recommendation of adoption. Therefore, RABA and other eligible direct recipients must develop a list of proposed projects in cooperation with SRTA to be funded from the area's Section 5339 apportionment. SRTA intends to program regionally apportioned funds within the first two years to avoid funds lapsing after the third year. Section 5339 projects listed in the FTIP must contain sufficient detail to identify each project or phase of project, including a brief project description, total project costs, federal share for each project, and other expected resources to carry out the project.

For FTIP programming purposes, RABA and other eligible direct recipients will provide the list of proposed projects to SRTA before applying for the Section 5339 funding. As part of SRTA's metropolitan transportation planning requirements (specified in 49 CFR part 613 and 23 CFR part 450), projects will be reviewed for:

- Consistency with applicable planning documents
- Budget accuracy (high level), including match validity
- Coordination of services

Upon review of submitted projects, SRTA may:

- Advise RABA and other eligible direct recipients to modify projects based on the preceding bullet points
- Advise RABA and other eligible direct recipients of other grant programs or funding options that are a better fit

Once there is an agreed-to, final projects list, SRTA will amend the FTIP. As needed for biennial FTIP development, SRTA staff will present recommendations to the board of directors with the authorizing resolution. Resolutions will include adoption of FTIP and delegate authority to the executive director to provide information as needed in response to oversight agency review.

5.30.4 Public Participation

¹ The TIP [known in California as the FTIP, "F" standing for Federal] is a prioritized listing/program of transportation projects covering a period of four years that is developed and formally adopted by an Metropolitan Planning Organization (MPO, i.e. SRTA) as part of the metropolitan transportation planning process, consistent with the metropolitan transportation plan (twenty-year horizon) [known regionally as the regional transportation plan], and required for projects to be eligible for funding under title 23 of the U.S. Code and 48 U.S.C. Chapter 53. (FTA C 9030.1E)

The Federal Transportation Improvement Program (FTIP or formal FTIP amendment) public participation and approval processes carried out by SRTA can serve to satisfy requirements for public participation under Section 5339 (~~draft~~ FTA Circular 5100.1).

5.30.5 Post FTIP Adoption Process

RABA and other eligible direct recipients work directly with FTA to apply for and deliver projects.

5.30.7 Post approval Process

~~For projects selected by the SRTA Board of Directors, pre-applicants will be required to submit the full FTA Section 5339 application to SRTA for review. SRTA will certify the applications consistency with the RTP and FTIP. SRTA will provide the approved POP and certifications to Caltrans. Subsequent to receiving the POP from SRTA, Caltrans will prepare and submit the statewide Section 5339 grant application to FTA for approval. Hereafter, the applicant and Caltrans work together on the standard agreement and reimbursement; SRTA has no further responsibilities.~~