Commonwealth of Virginia
Department of Rail and Public Transportation
State Management Plan (SMP)
FTA Section 5310, 5311, and 5339 Grant Programs

Revised December 2019
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<td>American Disability Act</td>
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<td>ADTAP</td>
<td>Appalachian Development Public Transportation Assistance Program</td>
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<td>CHSM</td>
<td>Coordinated Human Service Mobility Plan</td>
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<td>COG</td>
<td>Council of Governments of Metropolitan Washington</td>
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<td>CSB</td>
<td>Community Services Board</td>
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<td>CTB</td>
<td>Commonwealth Transportation Board of Virginia</td>
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<td>DBE</td>
<td>Disadvantaged Business Enterprise</td>
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<td>DOT</td>
<td>Department of Transportation</td>
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<td>ECHO</td>
<td>Electronic Clearing House Operation</td>
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<td>ITS</td>
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<td>MAJ</td>
<td>Major Expansion</td>
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<td>MAP-21</td>
<td>Moving Ahead for Progress in the 21st Century Act</td>
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<td>MERIT</td>
<td>Making Efficient Responsible Investments In Transit</td>
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<td>MIN</td>
<td>Minor Enhancement</td>
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<td>Management Information System</td>
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Chapter 1. INTRODUCTION

1.1 SMP Purpose

The grant programs of the Federal Transit Administration (FTA) provide federal financial assistance to public transit systems that serve the citizens of the Commonwealth of Virginia. As designated by the Governor, Virginia Department of Rail and Public Transportation (DRPT) is the agency responsible for administering FTA funding programs in Virginia.

The purpose of the State Management Plan (SMP) is to facilitate both state management and FTA oversight by documenting DRPT’s policies and procedures for administering Section 5310, 5311, and 5339 programs in a single reference. The SMP is a comprehensive and coordinated document utilized by DRPT, its subrecipients as well as the FTA. Its primary purposes are to serve as the basis for FTA's State-level management reviews and to provide public information on the state’s administration of the FTA Title 49 USC Section 5310, 5311, and 5339 programs. This SMP also includes DRPT’s goals, policies, procedures, and administrative requirements.

The SMP describes DRPT’s policies and procedures for administering the state-managed portions of FTA Section 5310, 5311, and 5339 programs. These are made in accordance with the Moving Ahead for Progress in the 21st Century Act (MAP-21, 2012) and the Fixing America’s Surface Transportation Act (FAST, 2015).

DRPT is required to have an approved SMP on file with FTA Region 3 in Philadelphia, Pennsylvania, and to update it regularly to incorporate changes in program management or new requirements. This SMP supersedes all previous versions for the Commonwealth of Virginia and remains valid until FTA approves a subsequent SMP. DRPT will make updates, as required by FTA guidance, when necessary. Significant changes will undergo a public review and comment. Proposed changes or edits may be submitted at any time to:

Virginia Department of Rail and Public Transportation (DRPT)
Attn: Statewide Director of Public Transportation
600 E. Main Street, 21st Floor
Richmond, Virginia 23219

1.2 DRPT Mission, Vision, and Values

Mission

The mission of DRPT is to facilitate and improve the mobility of the citizens of Virginia and to promote the efficient transport of goods and people in a safe, reliable, and cost-effective manner. To accomplish this mission, DRPT supports programs that:

- Assist in managing the growth in congestion on Virginia’s highways.
- Improve access for the general public and businesses to transportation choices (public transportation, carpools, vanpools, human service transportation, passenger rail, freight rail and telecommuting).
• Provide access and improvements to Virginia’s railways to encourage economic development and reduce traffic on Virginia's highways.

• Increase communications to the general public, businesses, and community decision-makers on alternative transportation choices.

DRPT is the Commonwealth’s advocate for promoting multimodal transportation options to the general public, businesses, and community decision-makers. As an agency entrusted with public dollars, DRPT seeks the highest possible return on investment to maximize limited funding, and strives to implement best practices.

**Vision**

DRPT’s vision is that every resident, visitor, and business in Virginia will have access to safe, convenient, and reliable transportation choices.

**Values**

DRPT is committed to conducting agency business with integrity, fairness, and respect and in a manner that promotes transparency and public trust.
Chapter 2. ROLES AND RESPONSIBILITIES

2.1 Federal Transit Administration

The Federal Transit Administration (FTA) provides overall policy and program guidance to states; apportions funds annually; develops and implements financial management procedures; initiates and manages program support activities; and conducts national program review and evaluation.

The FTA Region 3 Office in Philadelphia, Pennsylvania, provides program administration for the Commonwealth of Virginia. Region 3 Office activities include, but are not limited to:

- Reviewing and approving grant applications
- Obligating funds
- Managing grants
- Overseeing the state of Texas implementation of the annual program, including revisions to the Program of Projects (POP)
- Receiving certifications
- Reviewing and approving Management Plans
- Providing technical assistance and guidance to the state as needed
- Performing management reviews every three years, and special reviews at FTA’s discretion

Most Federal transit laws are codified at Title 49 U.S.C. Chapter 53. Authorizing legislation is substantive legislation enacted by Congress that establishes or continues the legal operation of a Federal program or agency. FTA’s most recent authorizing legislation is the Fixing America’s Surface Transportation Act (FAST Act) signed into law on December 4, 2015.

2.2 Commonwealth Transportation Board of Virginia

The Commonwealth Transportation Board (CTB) is a policy board, authorized in § 33.2-200, et sequel of the Code of Virginia. The CTB is specifically charged by statute to promulgate public policies and regulations, along with other duties. The CTB was established by the Virginia General Assembly and consists of 14 nonlegislative citizen members and three ex officio members. The Governor appoints the nonlegislative citizen members, and the Ex officio members are the Secretary of Transportation, the Commissioner of Highways, and the Director of the Department of Rail and Public Transportation. The Secretary of Transportation serves as the chairman of the Board. The CTB oversees transportation projects and initiatives for the Commonwealth of Virginia and has direct authority to approve the policies and objectives of the Virginia Department of Transportation (VDOT) and the Department of Rail and Public Transportation (DRPT).

2.3 Regional Planning Agencies

Transportation planning in the Commonwealth of Virginia is coordinated through Metropolitan Planning Organizations (MPOs) in urbanized areas, and Planning District Commissions (PDCs) in non-urbanized areas, as described below.

Metropolitan Planning Organizations

Metropolitan Planning Organizations (MPOs) are transportation policy-making bodies comprised of representatives from local government and transportation agencies with authority and responsibility in urbanized areas of populations greater than 50,000. MPOs are responsible for meeting the federal
metropolitan planning regulations for transportation and ensuring that existing and future expenditures for transportation projects and programs are based on a continuing, cooperative, and comprehensive (3-C) planning process.

MPOs focus on improving transportation for an entire region to create a more efficient and effective transportation network. In Virginia, there are fourteen MPOs:

- Bristol MPO
- Central Virginia MPO
- Charlottesville-Albemarle MPO
- Danville-Pittsylvania MPO
- Fredericksburg Area MPO
- Hampton Roads TPO
- Harrisonburg-Rockingham MPO
- Metropolitan Washington Council of Governments
- New River Valley MPO
- Richmond Regional TPO
- Roanoke Valley TPO
- Staunton-Augusta-Waynesboro MPO
- Tri-Cities MPO
- Winchester-Frederick MPO

Planning District Commissions

The Commonwealth of Virginia is divided into planning districts based on the community of interest among its counties, cities, and towns. A Planning District Commission (PDC) made up of elected officials and citizens appointed by member local governments. The PDC promotes the orderly and efficient development of the physical, social, and economic elements of the district by planning and encouraging and assisting localities in planning for the future.

Virginia's PDCs provide a variety of technical and program services to member local governments. They include grant application assistance, management services for program implementation, land use planning services, and mapping. Transportation planning is another role for PDCs, who may deal with highway development, ridesharing, airport planning, and specialized transit. There are 21 PDCs in Virginia:

- Accomack-Northampton Planning District Commission
- Central Shenandoah Planning District Commission
- Central Virginia Planning District Commission
- Commonwealth Regional Council
- Crater Planning District Commission
- Cumberland Plateau Planning District Commission
- George Washington Regional Commission
- Hampton Roads Planning District Commission
- Lenowisco Planning District Commission
- Middle Peninsula Planning District Commission
- Mount Rogers Planning District Commission
- New River Valley Regional Commission
- Northern Neck Planning District Commission
- Northern Shenandoah Valley Regional Commission
• Northern Virginia Regional Commission
• PlanRVA
• Rappahannock-Rapidan Regional Commission
• Roanoke Valley-Alleghany Regional Commission
• Southside Planning District Commission
• Thomas Jefferson Planning District Commission
• West Piedmont Planning District Commission

2.4 Virginia Department of Rail and Public Transportation

In 1992, and most recently in 2014, the Virginia General Assembly amended the Code of Virginia in Section § 33.2-285 which established Virginia Department of Rail and Public Transportation (DRPT), and was given the following responsibilities:

1. Determine present and future needs for, and economic feasibility of providing, public transportation, transportation demand management, and ridesharing facilities and services and the retention, improvement, and addition of passenger and freight rail transportation in the Commonwealth;

2. Formulate and implement plans and programs for the establishment, improvement, development and coordination of public transportation, transportation demand management, and ridesharing facilities and services, and the development, retention, and improvement of passenger and freight rail transportation services and corridors in the Commonwealth, including lines for higher speed passenger rail that will shift traffic from the highways to passenger rail and thereby reduce traffic congestion, and coordinate transportation demand management and innovative technological transportation initiatives with the Department of Transportation;

3. Coordinate with the Department of Transportation in the conduct of research, policy analysis, and planning for the rail and public transportation modes as may be appropriate to alleviate traffic congestion on highways by shifting traffic to passenger rail and to ensure the provision of effective, safe, and efficient public transportation and passenger and freight rail services in the Commonwealth;

4. Develop uniform financial and operating data on and criteria for evaluating all public transportation activities in the Commonwealth, develop specific methodologies for the collection of such data by public transit operators, regularly and systematically verify such data by means of financial audits and periodic field reviews of operating data collection methodologies, and develop such other information as may be required to evaluate the performance and improve the economy or efficiency of public transit or passenger and freight rail operations, transportation demand management programs, and ridesharing in the Commonwealth;

5. Compile and maintain an up-to-date inventory of all abandoned railroad corridors in the Commonwealth abandoned after January 1, 1970;

6. Provide training and other technical support services to transportation operators and ridesharing coordinators as may be appropriate to improve public transportation, ridesharing, and passenger and freight rail services;

7. Maintain liaison with state, local, district, and federal agencies or other entities, private and public, having responsibilities for passenger and freight rail, transportation demand management, ridesharing, and public transportation programs;
8. Receive, administer, and allocate all planning, operating, capital, and any other grant programs from the Federal Transit Administration, the Federal Railroad Administration, the Federal Highway Administration, and other agencies of the United States government for public transportation, passenger and freight rail transportation, transportation demand management, and ridesharing purposes with approval of the Board and to comply with all conditions attendant thereto;

9. Administer all state grants for public transportation, rail transportation, ridesharing, and transportation demand management purposes with approval of the Board;

10. Promote the use of public transportation, transportation demand management, ridesharing, and passenger and freight rail services to improve the mobility of Virginia’s citizens and the transportation of goods;

11. Represent the Commonwealth on local, regional, and national agencies, industry associations, committees, task forces, and other entities, public and private, having responsibility for passenger and freight rail, transportation demand management, ridesharing, and public transportation;

12. Represent the Commonwealth's interests in passenger and freight rail, transportation demand management, ridesharing, and public transportation and coordinate with the Department of Transportation in the planning, location, design, construction, implementation, monitoring, evaluation, purchase, and rehabilitation of facilities and services that affect or are used by passenger and freight rail, transportation demand management, ridesharing, or public transportation;

13. Coordinate with the State Corporation Commission on all matters dealing with rail safety inspections and rail regulations that fall within its purview;

14. Prepare and review state legislation and Commonwealth recommendations on federal legislation and regulations as directed by the Secretary of Transportation;

15. Promote public transportation, ridesharing, and passenger and freight rail safety; and

16. Ensure the safety of rail fixed guideway transit systems within the Commonwealth and carry out state safety and security oversight responsibilities for rail fixed guideway transit systems as required by the Federal Transit Administration and federal law. For any rail fixed guideway transit system operated within the Commonwealth pursuant to an interstate compact, the Department of Rail and Public Transportation shall perform its oversight responsibilities in accordance with the interstate compact governing the operation of such system and any applicable federal law. According to the Code of Virginia, as quoted above, the Governor has designated DRPT to administer FTA funding programs under FTA Sections 5310, 5311, and 5339. DRPT will follow both the prescribed procedures published by the U.S. Department of Transportation (CFR Title 23, Subchapter I, Part 825) and the existing federal and state regulations pertaining to the administration of federal grants in Virginia.

State Administration

DRPT has staff in both the Public Transportation Division and the Fiscal Division to provide program management and oversight of its programs. DRPT Staff are always available to recipients to provide ongoing support and technical assistance to ensure that they meet FTA and DRPT regulations and requirements.

DRPT’s role in state administration includes but is not limited to:

- Outreach to potential grant recipients and solicit applications.
• Certify eligibility of applicants and project activities.
• Develop project selection criteria and competitive selection process.
• Evaluation of projects for funding.
• Review, prioritizing, and selecting projects for approval.
• Develop elements of the State Transportation Improvement Program for each FTA section.
• Develop an annual program of projects for public comment and approval by the CTB.
• Develop agreements with selected agencies.
• Monitor project activity and program management of transit providers and sub-recipients.
• Monitor transit provider participation in regional Transportation Improvement Plan development.
• Ensure grantee compliance with all federal requirements, including all certifications and assurances, drug and alcohol, and civil rights regulations.
• Provide technical assistance and guidance as needed.
• Provide statewide training and manage the Rural Transportation Assistance Program (RTAP).
• Oversee and assist in the development of Transit Development Plans.
• Submit National Transit Database (NTD) reports to the FTA.
• Develop and monitor the Coordinated Human Services Mobility Plan and oversee the plan coordination across the state.
• Procure all Section 5310 vehicles.
Chapter 3. COORDINATION

3.1 Coordination at the State Level

Coordination is an important element to the success of all FTA programs within the Commonwealth of Virginia, by increasing efficiency and effectiveness. DRPT works with local units of government, public transit systems, private, and nonprofit transportation and human service providers as well as members of the public to foster transportation coordination. DRPT provides on-site technical assistance and RTAP financial resources to encourage coordination between transportation services.

One element of state-level coordination is the development and distribution of grant program information. Each year DRPT publishes a Program Application Guidance Manual to provide application guidance to grant applicants. DRPT’s Grant Administration Procedures Manual is published annually to outline procedures for grant recipients. These guidance documents are transmitted to all current subrecipients on or around December 1st of each year. DRPT conducts appropriate public outreach. Public notice is published in all major newspapers in Virginia, announcing its availability to the general public and any public or private agency interested in the program. Instructions, forms, and the current guidance documents are also located on DRPT’s Online Grant Administration system (OLGA) at https://olga.drpt.virginia.gov/, under the “News and Information” section.

DRPT hosts a series of Transit and Mobility Programs Grant Workshops held each year in the spring and fall for its local and regional partners across the Commonwealth. Attendees have the opportunity to directly engage with DRPT’s public transit programming and planning experts regarding the latest information on this cycle, including technical assistance and application guidance on all public transportation and mobility programs administered by DRPT.

3.2 Coordination at the Project Level

The FTA requires that projects selected for funding under the Section 5310 program are included in a locally developed, coordinated plan that was developed and approved through a process that includes participation by seniors; individuals with disabilities; representatives of public, private, and nonprofit transportation and human service providers; and other members of the public. DRPT collaborates with stakeholders and the public across the state to update the Coordinated Human Service Mobility (CHSM) Plan to fulfill FTA’s coordinated transportation planning requirements. The CHSM Plan is organized geographically around the Commonwealth’s six Medicaid regions.

The CHSM Plan also serves as the foundation for the Program of Projects and is encouraged to be integrated into the metropolitan transportation planning processes and documents. DRPT takes a broad approach with CHSM planning efforts to help ensure the participation of stakeholders at the local level. This includes local workshops, ride-alongs with specialized transportation providers, pop-up booths at trade shows, online surveys, phone interviews, among others, to receive input and comments on unmet transportation needs and to discern potential strategies and projects that can improve mobility in the region.

In its outreach effort, DRPT receives feedback from seniors, individuals with disabilities, representatives of public, private, and non-profit transportation and human services providers, and other transportation providers and organizations and agencies. Overall, eight broad categories of agencies are included in outreach activities:
1) Community Services Boards (CSBs) and Behavioral Health Authority (BHA): These boards provide or arrange for behavioral health, developmental disability and substance use disorder services within each locality.

2) Employment Support Organizations (ESOs): These organizations provide employment services for persons with disabilities within localities around the state.

3) Area Agencies on Aging (AAAs): These organizations offer a variety of community-based and in-home services to older adults, including senior centers, congregate meals, adult day care services, home health services, and Meals-on-Wheels.

4) Public Transit Providers: These include publicly or privately owned operators that provide transportation services to the general public on a regular and continuing basis. They have clearly published routes and schedules, and have vehicles marked in a manner that denotes availability for public transportation service.

5) Disability Services Boards: These boards provide information and referrals to local governments regarding the Americans with Disabilities Act (ADA), and develop and make available an assessment of local needs and priorities of individuals with physical and sensory disabilities.

6) Centers for Independent Living (CILs): These organizations serve as educational and resource centers for persons with disabilities.

7) Brain Injury Programs: These programs serve as clubhouses and day programs for persons with brain injuries.

8) Other appropriate associations and organizations: These include Alzheimer’s Chapters, AARP, the Wounded Warrior Program, and the Virginia Association of Community Services Boards (VACSB).

Following the draft CHSM plan, DRPT requests additional input from the public by publishing the draft on our website and hosting follow-up meetings. Recipients are encouraged to disseminate meeting notices and advance community participation. After incorporating feedback, the final plan is published in December.

The CHSM Plans follow a three-year update cycle, but can be updated earlier based on local conditions and needs or legislative changes. Information on DRPT’s CHSM Plan can be found on our website at http://www.drpt.virginia.gov/transit/coordinated-human-services-mobility-plan/. 
Chapter 4. REQUIREMENTS, POLICIES AND PROCEDURES

4.1 Local Share and Local Funding Requirements

Subrecipients typically fund 20% of the local share for capital projects. The Commonwealth of Virginia may participate in the local share depending upon the availability of funds, up to 68% of the total project value. Local share requirements are consistent with FTA matching requirements.

All of the local share must come from sources other than Federal Department of Transportation (DOT) program funds. Applicants are encouraged to develop partnerships for accessing local match funds from other non-DOT Federal funds. In addition, dedicated tax revenues, private donations, revenue from human service contracts, and net income generated from advertising and concessions are eligible match sources. Half of the required local match for operating and administrative expenses may be comprised of unrestricted federal funds from other sources. In other words, unrestricted federal monies available from other, non-DOT sources may be used to finance 25% of the net operating expenses (deficit). Similarly, if state funds are not used, half of the non-federal share of capital expenses (10%) may be comprised of unrestricted federal funds. If state funds are used, the entire local share of a capital project must be comprised of local cash and an amount equal to the level of state administrative assistance must be comprised of local cash.

4.2 Annual Program of Projects Development and Approval Process

The solicitation of applications is accomplished during the first week of December through statewide public notification on DRPT’s web page, in all major circulation newspapers throughout the Commonwealth, and in memorandum announcing the availability of FTA funding. DRPT staff are available for public meetings to discuss the applications with eligible recipients. The memorandum is sent electronically to human service agencies, metropolitan planning organizations, and planning district commissions.

All applications must be submitted to DRPT through the OLGA system. Applications open on December 1st each year. Annual Performance Data and an Asset Inventory showing all FTA funded equipment must also be submitted through the OLGA system on at least an annual basis. As applicable, applications must include the following:

- Articles of Incorporation/Charter
- IRS Letter of Exemption (501c3, etc.)
- Title VI plan dated within three years of the application due date
- Copy of public notice printed in area newspaper(s), dated no later than two weeks before the application deadline
- List of local, public, and private human service and transportation agencies contacted
- One copy of the letter of notice to human service and transportation agencies
- Response letters from human service and transportation agencies
- Copy of letter of notice to MPO for the proposed service area, dated no later than December 31
- Copy of vehicle insurance package
- Preventative maintenance plan and schedules
- Program budget (template provided)
- Independent cost estimates (capital items)
- Job descriptions for any grant-supported position(s)
- Work Plan spreadsheet for the application year (template provided; operating and mobility management grants)
- Completed Work Plan spreadsheet for the previous year

The review process begins upon DRPT’s receipt of the applications, which are due on February 1 each year. Each application is checked to ensure it complies with DRPT’s program application guidance requirements, which are available on our website and posted in the “News and Information” section of OLGA. Applications meeting the eligibility requirements are evaluated through project selection criteria for each specific FTA program (see individual project selection criteria listed under each specific FTA program chapter in this document).

Projects screened in for funding are included in a Draft FTA Program of Projects (POP) which is presented to the Chief of Public Transportation for preliminary review and revisions made. The Draft FTA POP is then presented to DRPT’s Director. Following the Director’s approval, the final Draft POP is presented to the Secretary of Transportation. Upon the review and approval by the Secretary of Transportation the FTA POP is presented to the CTB in April for review. After hosting regional public meetings across the Commonwealth to solicit public comment, the CTB approves the Final FTA Program of Projects in June.

When the Draft Program of Projects is presented to the CTB, it is also posted on DRPT’s website as part of the draft Six Year Improvement Plan (SYIP), and applicants can determine whether or not projects are recommended for funding and, if so, at what funding level. Simultaneously, DRPT notifies all applicants by email about the recommendation for their specific projects. The final Annual Program of Projects is submitted in June to the CTB for approval. Upon CTB authorization, the applications for each FTA Program are submitted to FTA in June. The POP is also included as part of the DRPT’s Statewide Transportation Improvement Program (STIP). Prior to FTA application submission and as part of the STIP development, the CTB conducts both preliminary and final STIP public hearings.

**STIP/TIP Requirement**

Proposed projects must be a product of the metropolitan planning process and/or the statewide planning process specified in 49 CFR Part 613 and 23 CFR Part 450. That is, all transit projects for which Federal funds are expected to be used and are within metropolitan planning boundaries must be included in a Transportation Improvement Program (TIP) approved by the Metropolitan Planning Organization (MPO) and the Chief Executive Officer of a State and in a STIP that has been approved by FTA and FHWA. Projects not within metropolitan planning boundaries are required only to be in the STIP. The DRPT project application identifies the latest approved STIP (or amendments) containing the project(s), the appropriate page numbers, and a statement identifying the date that FTA and FHWA approved the STIP (or STIP amendment) that contains the proposed project(s). Projects listed in the TIP and STIP must be derived from and consistent with the State’s long-range plan. If a project is selected and is part of an MPO, it must be included in the local TIP. However, if a project is outside of an MPO, DRPT ensures that the project is included in the STIP.

**4.3 Transfer of Funds**

DRPT does not transfer FTA funds outside of each FTA program. Apportionments are not transferred between urbanized and nonurbanized areas. However, if this need arises, transfers will be done in accordance with all FTA regulations.
4.4 Civil Rights

DRPT requires all applicants to certify through the annual application process that they are in compliance with all Civil Rights requirements associated with the program, specifically:

1) Title VI Program Requirements: Each applicant will be required to sign an Assurance as outlined in FTA Circular 4702.1, as amended.

2) Civil Rights Requirements: Each applicant will be required to sign an Assurance as outlined in FTA Circular 4702.1, as amended.

3) Each applicant is requested to state if their agency is a minority organization as defined in FTA circular 4702.1, as amended.

4) Each applicant is required to show racial and ethnic breakdown of anticipated ridership.

DRPT will monitor each subrecipient to ensure compliance with FTA civil rights regulations. DRPT will review civil rights compliance during quarterly reviews and the triennial compliance review. The Capital application requires each subrecipient to report any current or pending civil rights complaints. When and if complaints arise alleging a civil rights violation, then in consultation with the Virginia Department of Transportation Equal Opportunity Division, DRPT will initiate appropriate actions to deal with the complaint.

Disadvantaged Business Enterprise (DBE): DRPT will assist and encourage all subrecipients to utilize DBE’s throughout their procurement process. All subrecipients will report their contracting opportunities and utilization of certified DBE vendors to DRPT semi-annually. DRPT will review all subrecipient contract procurements for DBE “good faith efforts”. Subrecipients receiving FTA funds for construction projects will be required to set a separate DBE goal for the project. DRPT will monitor the subrecipients progress toward meeting the goal.

Satisfactory Continuing Control: All subrecipients are required to maintain adequate insurance coverage in an amount and form satisfactory to DRPT and in accordance with the laws of the Commonwealth of Virginia and submit a copy of their insurance policy declarations to DRPT annually.

Debarment and Suspension: Recipients awarded grants exceeding $25,000, must obtain a certification from contractors awarded contracts in excess of the federal small purchase threshold stating that they are not suspended or debarred from receiving federally assisted contracts. Recipients must provide immediate written notice to DRPT for reporting to FTA if they learn that their certification or the certification of any contractors is no longer valid. Recipients are asked to utilize the System for Award Management (SAM) http://www.sam.gov.

4.5 Section 504 and ADA Reporting

Each subrecipient will sign a certification that it has reviewed the policies, practices and facilities used in the provision of transportation services in order to fulfill the requirements of the Americans with Disabilities Act, 49 U.S.C. 322, and the implementing regulations of FTA, 49CFR Part 37 and 38.

4.6 Program Management

General Procedures
DRPT has the responsibility for the Commonwealth’s FTA funding programs. The Public Transportation Section of the Department has been assigned this responsibility. The Commonwealth's program is managed in accordance with applicable FTA Circulars. The following paragraphs also describe how DRPT administers the major management responsibilities:

1) Procurement

All procurements made within FTA programs will be in accordance with the Common Rule (state procurement procedures) or FTA Circular 4220.1F, "Third Party Contracting Guidelines" in regards to private non-profit agencies. Additionally, every purchase order or contract will include all clauses required by federal statues and executive orders and their implementing regulations as identified in grant contract documents and FTA Circular 4220.1F. DRPT reserves the right to make exceptions to these criteria if circumstances warrant.

DRPT develops bid specifications for the state procurement contracts. DRPT prepares the bid package including the bid specifications, state’s standard terms, and a list of federally required clauses. DRPT solicits the bid package and determines if bids meet the specifications.

Purchase of Vehicles: DRPT will review all vehicle specifications, monitor the bid process to ensure that state procurement procedures are followed and finally, approve all bid awards. The Procurement Section of DRPT handles the administrative vehicle bid process for DRPT and all state agencies in accordance with state laws and regulations. DRPT requires all 5310 subrecipients to select vehicles from Virginia’s procurement contracts. DRPT deals directly with the vendor, issues all purchase orders and receives all vendor invoices. 5310 subrecipients submit the 20 percent local share to DRPT in advance of the official purchase order. All other subrecipients may choose to purchase off the state vehicle contract or may go out to bid for vehicles under the FTA Circular 4220.1F if a subrecipient is a private non-profit agency. All vehicle procurement files must contain the following:

- Price Analysis
- Bus testing certification (complies with 49 CFR Part 665)
- Buy America Requirements:
  - Component and sub-component parts of the rolling stock to be purchased identified by manufacturer of the parts, their country of origin and costs
  - Location of the final assembly point for the rolling stock, including a description of activities that will take place at the final assembly point and cost of final assembly.
  - Solicitation Specification Requirements: Contractor shall submit evidence that it will be capable of meeting the bid specifications.
  - Federal Motor Vehicle Safety Standards (FMVSS): Contractor shall submit 1) manufacturer's FMVSS self-certification sticker information that the vehicle complies with relevant FMVSS or 2) manufacturer's certified statement that the buses will not be subject to FMVSS regulations
- Pre-Award Purchaser’s Requirements Certification (49 CFR Part 663, Subpart B)
- Pre-Award FMVSS Compliance Certification (49 CFR Part 663, Subpart D)
- Pre-Award Audit Requirements
- Description of Pre-Award Audit
- Compliance with Buy America and FMVSS Rolling Stock Requirements
- On-Site Manufacturer Inspection Compliance Certification
- Transit Vehicle Manufacturer (TVM) Certification
- Procurement History File
- Independent Cost Estimate
- Project Close-Out
• Reimbursement Checklist
• Post Delivery Audit Requirements
• Post Delivery Buy America Certification
• Post Delivery Purchasers Requirements Certification
• Post Delivery Audit Review
• Post Delivery FMVSS Compliance Certification

**Construction of new or renovation of transit facilities:** DRPT will oversee each step of any renovation or construction of transit facilities in accordance with federal and state procurement guidelines and FTA regulations regarding construction projects.

**Purchase of other capital assets:** DRPT will ensure that all equipment purchased with FTA funds will be in conformance with federal and state procurement procedures.

2) **Financial Management**

DRPT receives reimbursements from FTA through the ECHO invoicing program for actual cash outlays paid to subrecipients. DRPT is responsible for keeping records on individual projects within the Program of Projects of each FTA grant. This includes all supporting documentation such as budget revisions, contract amendment justifications, and related contract correspondence. DRPT subrecipients are instructed in the proper maintenance and retention of contract and program documentation.

All records pertinent to each FTA grant and the subrecipients’ program of projects are retained and are available to authorized representatives of the U.S. DOT and Comptroller General of the United States for three years following the date of forwarding of the final financial status report (SF-269) and request for the project closeout. The financial records present adequate documentation of the computation of the Federal share and the provision of the local share.

DRPT submits to FTA an annual program status report for the Program of Projects for each active grant. These reports cover the 12-month period ending September 30th and will be submitted via TrAMS within 30 days after the end of the reporting period. Reports include, as necessary: An updated Program of Projects and revised budget for each active project reflecting revised project descriptions, changes in projects from one category to another and adjustments within budget categories; performance measures data, and updated milestones.

3) **State Reporting Requirements**

DRPT requires all subrecipients to annually submit to DRPT the following reports:

a. Semi-annual Disadvantaged Business Enterprise Report indicating the recipients progress in meeting DBE Goals; revised DBE goals will be submitted every three years.

b. Annual Performance Evaluation Report;

c. Final Fiscal Year Operating Expenses/Revenues Data Summary;

d. An Annual Financial Audit;

e. An Annual NTD report;

f. An Annual FTA Drug & Alcohol Testing MIS Report;

g. An Annual Facility and Equipment Inventory Report in Asset Management

h. Monthly passenger reporting;

i. Certification of Insurance for facilities;

j. Title VI update.
4) Property Management and Disposition

All subrecipients receiving FTA capital assistance will receive periodic on-site inspections of equipment and facilities and a review of their Asset Management Plan. DRPT will seek to schedule such inspections during the useful life of the equipment, based on staff workload and availability of resources.

The useful life of vehicles is listed on the Asset Useful Life Chart located in OLGA. DRPT is the first recorded lien holder on all subrecipient vehicles. Vehicle Titles are maintained in a fireproof save in DRPT’s offices in Richmond.

After the vehicle has reached its useful life standard, the subrecipient can apply for a replacement vehicle in the next grant cycle. The equipment will still remain in DRPT control and will remain on the DRPT vehicle inventory. In accordance with DRPT policy, subrecipients are required to report to DRPT when vehicles are in accidents, stolen, or sustain other property damage.

Based on data contained within DRPT’s Transportation Asset Management System (TransAM), DRPT will generate title/lien release documents and return titles for those FTA funded vehicles for which 1) DRPT holds title, and 2) reported age and mileage exceeds specified useful life. Vehicle age will be calculated from the date the vehicle is put into service.

Procedure

By July 1 and February 1 of each year, subrecipients update their asset inventories in DRPT’s TransAM Asset Management System. In August of each year, DRPT will query TransAM and identify vehicles meeting vehicle age and/or mileage requirements. Identified vehicle titles (if in DRPT possession) will be released and returned to subrecipients with letters explaining that DRPT releases its liens. For vehicles meeting useful life criteria for which DRPT does not have titles, subrecipients will only receive lien release letters. For each vehicle, DRPT will enter a title release date. Each vehicle will remain in the current inventory, until the subrecipient updates the record to reflect vehicle disposition, sales price, and sale date.

In accordance with the FTA, subrecipients are not required to return to DRPT/FTA proceeds from the sale of equipment exceeding useful life standards, regardless of the fair market value at the time the equipment is sold, but are advised to follow their own procedures regarding the use of proceeds, so long as the proceeds remain in use for public transportation purposes.

A subrecipient may request the title for a vehicle that is not past its useful life because the subrecipient no longer needs the vehicle for the purpose for which it was acquired. However, in this case, DRPT will seek to have the vehicle transferred to another eligible subrecipient. The original subrecipient will be reimbursed for 20 percent of the fair market value of the vehicle by the new subrecipient. If DRPT cannot find an eligible subrecipient for the vehicle and DRPT approves of the original subrecipient to sell the vehicle, 80 percent of the proceeds of vehicle will be returned to DRPT.

If a vehicle is damaged beyond repair (total loss) during its useful life, the subrecipient will use insurance proceeds to replace the vehicle. If the proceeds are insufficient to replace the vehicle or it is not replaced, then 80 percent of the fair market value before damage will be returned to DRPT.

All subrecipients are required to maintain adequate insurance coverage in an amount and form satisfactory to DRPT and in accordance with the laws of the Commonwealth of Virginia and applicable FTA Circulars. DRPT receives a copy of the insurance policy with each application and reviews the policies during on-site visits.
5) Vehicle Use

DRPT will ensure through on-site inspections and compliance reviews that all equipment purchased through the FTA programs are being used for the provision of transportation for seniors and individuals with disabilities. The subrecipient agreement sets forth requirements for use of project equipment. The agreement requires subrecipients to inform DRPT if any project equipment is not used in the manner described in the project description or is withdrawn from transportation service.

6) Preventative Maintenance

Subrecipients must have a written maintenance plan for vehicles. The purpose of this vehicle maintenance plan is to provide guidelines and procedures for the subrecipient. This maintenance plan will address standards for proper care and longevity for the vehicles. Subrecipients must maintain project equipment and facilities at a high level of cleanliness, safety, and mechanical soundness. Subrecipients must maintain all accessibility features and equipment in good operating condition. Subrecipients must have procedures to track when preventive maintenance inspections are due and to schedule preventive maintenance inspections in a timely manner. Subrecipients must maintain a file on each vehicle that contains daily logs, inspection checklists, and repair records. DRPT will review maintenance records and maintenance procedures and practices during on-site compliance and review meetings.

DRPT Transit Programs Managers will ensure implementation of preventive maintenance corrective actions through activities including the following:

- As appropriate, offer technical assistance, recommendations, and model policies to assist project staff in implementing required corrective actions.
- As appropriate, follow up with project staff to ensure that deficiencies are being addressed and corrective actions are being implemented as evidenced by appropriate changes to policies, procedures, forms, and technology.
- As appropriate, require project staff to submit documentation demonstrating ongoing monitoring of corrective actions and/or improved on-time performance of preventive maintenance activities.
- At a subrecipient’s site visit, the DRPT Transit Programs Manager will conduct maintenance review by doing the following:

Subrecipients must have a pre-trip inspection program that addresses vehicle condition, appearance and cleanliness, safety, and ADA accessibility equipment. Deficiencies noted in a pre-trip inspection must be repaired in a timely manner and properly reviewed by management. Subrecipients must repair accessibility features promptly and take reasonable steps to continue service to persons with disabilities while repairs are being made.

For each vehicle chosen, the DRPT Transit Programs Manager will examine the preventive maintenance history for the preceding 12 months. Most subrecipients schedule preventive maintenance inspections based on relative miles (e.g., 5,000 miles since the last inspection). The Transit Programs Manager will determine if the inspections are conducted when due by documenting the date when each inspection was accomplished and record the vehicle mileage at the time of each inspection. Inspections that are within a 10 percent variance of schedule are considered on time. For example, a scheduled 5,000 mile inspection would be considered “on time” if it was performed any time between 4,500 and 5,500 miles. The subrecipients are deficient if fewer than 80 percent of the inspections occurred on time.
Procedures When Adherence to Preventive Maintenance Plan is Deficient

If adherence to preventive maintenance plans is found to be deficient, then the DRPT Transit Programs Manager will provide a report to the subrecipient that includes: (1) the deficiency finding, (2) required corrective actions, and (3) a timeline or due date for completion of corrective actions.

It is the responsibility of DRPT Transit Programs Managers to follow up with subrecipient’s staff to ensure that deficiencies are resolved in a timely manner. When deficiencies are resolved, DRPT Transit Programs Managers will update and provide to affected subrecipient’s staff a summary report noting deficiency resolution.

If significant preventive maintenance deficiencies are documented by DRPT staff through other DRPT maintenance record review processes (such as site visits), then DRPT will provide a written preventive maintenance deficiency notice. The notice will describe the basis for the deficiency finding. The notice will also describe the corrective actions required and provide a timeline or due date for completion of corrective actions. It is the responsibility of DRPT project managers to follow up with project staff and ensure that deficiencies are resolved in a timely manner and to appropriately document resolution.

Preventive maintenance corrective actions required may include, but are not limited to:

- Developing or revising preventive maintenance policies, procedures, and plans to promote improved on-time performance of preventive maintenance activities.
- Developing or revising preventive maintenance schedules or forms, and record-keeping systems or technology, in order to promote improved on-time performance of preventive maintenance activities.
- Submitting preventive maintenance records and/or summary reports documenting preventive maintenance activities and adherence to preventive maintenance service interval standards and/or corrective action requirements.

7) Accounting Systems

DRPT must expend and account for Federal funds in accordance with state laws and procedures for expending and accounting for state funds. DRPT Fiscal Section request’s the drawdowns of Federal funds. The drawdowns are made on a reimbursement basis. Vendors submit invoices directly to DRPT’s Fiscal Section and they are then reviewed and approved by the Fiscal and Public Transportation staff.

8) Audit

The Commonwealth of Virginia has annual audits conducted in accordance with OMB Circular A-133, Compliance Supplement 2016. DRPT subrecipients must have annual independent audits conducted.

9) Grants Management and Financial Review

FTA grant files and information will be maintained through FTA’s TrAMS and DRPT’s OLGA and Document Management System. FTA program files include the following:

FTA Grant File
- TrAMS Application
- Any Amendments
- FTA Correspondence

File for Each Bid
10) Appalachian Development Public Transportation Assistance Program (ADTAP)

DRPT annually reviews the ADTAP eligible projects and programs the funds for needs in Virginia’s Appalachian Region.

11) Incidental Use of FTA Funded Property

DRPT will submit to FTA for approval any incidental use of FTA funded property. Any incidental use must be compatible with the original grant purpose of the property and in accordance with all FTA regulations.

12) Charter Rule

DRPT does not allow subrecipients to conduct charter services using FTA funded vehicles.

13) School Bus

DRPT does not allow subrecipients to provide transportation to or from public or private K-12 or alternative primary school activities.

14) Certifications and Assurances

To ensure compliance with other federal requirements, subrecipients of FTA funds are required to sign Federal Certifications and Assurances for Federal Transit Administration Assistance Programs.

A grant applicant applying for assistance under any FTA grant program must annually submit Certifications and Assurances that are applicable to the applicant’s grant request during the fiscal year.

Twenty-three (23) Categories of certifications and assurances are listed. Category I applies to all applicants. Category II applies to all applications exceeding $100,000. Categories III through XXIII will apply to and be required for some, but not all, Applicants and projects. FTA and the applicant understand and agree that not every provision of these certifications and assurances will apply to every applicant or every project for which FTA provides federal financial assistance through a grant agreement or Cooperative Agreement. The type of project and the Section of the statute authorizing Federal financial assistance for the project will determine which provisions apply.

(Source: https://www.transit.dot.gov/funding/grantee-resources/certifications-and-assurances/certifications-assurances)
Chapter 5. SECTION 5310 PROGRAM – ENHANCED MOBILITY OF SENIORS & INDIVIDUALS WITH DISABILITIES

5.1 Program Goals and Objectives

FTA defines the § 5310 program goals in Circular 9070.1G: “To enhance mobility for seniors and persons with disabilities.” This is carried out by removing barriers to transportation services and expanding the transportation mobility options available. Toward this goal, FTA provides financial assistance for transportation services planned, designed, and carried out to meet the special transportation needs of seniors and individuals with disabilities in all areas. The program requires coordination with other federally assisted programs and services in order to make the most efficient use of federal resources.

The Federal Fixing America’s Surface Transportation (FAST) legislation went into effect in December 2015. There were no program rule changes in this legislation that affects the Section 5310 program. This SMP incorporates the changes made under the Moving Ahead for Progress in the 21st Century (MAP-21) legislation of 2012, which repealed Sections 5316 (Job Access and Reverse Commute – JARC) and 5317 (New Freedom) programs and established an enhanced Section 5310 that serves as a single formula program to support the mobility of seniors and individuals with disabilities. On July 7, 2014, the FTA published Final FTA Circular C 9070.1G, incorporating project types from the repealed New Freedom (Section 5317) program.

DRPT Goals and Objectives

The Governor of the Commonwealth of Virginia has designated DRPT as the agency responsible for administering the Section 5310 program in Virginia. Through mutual agreement, this includes the large urbanized areas of Richmond/Petersburg, Roanoke, and Hampton Roads. The Section 5310 program serving the metropolitan Washington, D.C., large urbanized area, including portions of Northern Virginia, are administered by the Metropolitan Washington Council of Governments (COG).

Through the administration of the Section 5310 program, it is the objective of DRPT to:

1) Encourage the maintenance and improvement of existing transportation providers serving seniors and individuals with disabilities in the Commonwealth of Virginia through reliable programming of Federal Financial Assistance;

2) Help to maximize the efficiency, effectiveness, and safety of existing human service transportation providers and public transportation systems through capital and technical assistance;

3) Enhance the access of all citizens in Virginia, especially the transportation disadvantaged, to transportation services for trip purposes such as health care, shopping, education, recreation, and employment, through the introduction of new transportation services and the protection of existing services;

4) Encourage efforts to avoid service duplication and improve the reliability of human service transportation providers;

5) Maintain administrative and technical assistance capabilities at the state level to assist human service transportation providers and local governments in the management of their systems;

6) Ensure that there is a fair and equitable distribution of program funds;
7) Ensure a process whereby private transit operators that meet the program criteria and provide public transportation are provided an opportunity to participate to the maximum extent feasible; and

8) Provide for maximum feasible coordination of public transportation assisted by FTA with transportation services assisted by other Federal sources.

5.2 Eligible Subrecipients

1) Private nonprofit corporations for the specific purpose of providing transportation services meeting the special needs of elderly persons and persons with disabilities where public transportation services are unavailable, insufficient or inappropriate;

2) State or local governmental authorities that are approved by the state to coordinate services for the elderly and persons with disabilities:
   a. DRPT has documented through two studies (the “2005 United We Ride Inventory” and “State Coordination Model for Human Services Transportation”) that services provided from the Virginia Behavioral Health and Development Services for behavioral health and developmental disability are provided through local Community Services Board (CSB). In Virginia, CSBs are established at the local level and are either structured as nonprofits or as extensions of local government. Some CSBs provide transportation for the individuals they serve. Because some CSBs are required to apply for the FTA Section 5310 program as public entities, DRPT has documented through these two studies that CSBs are the only local agencies able to provide transportation services;

3) Governmental authorities that certify to the Governor that no nonprofit corporations are readily available in the area to provide coordinated transportation services for elderly persons and persons with disabilities; and

4) Operators of public transportation that receive Section 5310 funds indirectly through a recipient. For example, taxi operators that provide shared-ride service may be subrecipients for non-traditional Section 5310 projects, as an operator of public transportation. Taxi companies that wish to participate in the Section 5310 Program that do not provide shared-ride service may do so as contractors to recipients or subrecipients.

Other Eligibility Considerations

All applicants are required to provide an adequate opportunity for public review and comment on a project, and, after providing notice, must provide an opportunity for a public hearing if it is requested. This notice must be advertised in the local newspaper and should appear at least 14 days before the application submittal deadline. In addition, applicants for Section 5310 funds are expected to reasonably meet technical capacity requirements for grant administration and program management. They are also required to review a brief of their proposals at a local CHSM meeting prior to the application being submitted in OLGA.

The Section 5310 program serving the metropolitan Washington, D.C., large urbanized area, including portions of Northern Virginia, are administered by the Metropolitan Washington Council of Governments (COG).

Examples of eligible projects for specific programs include, but are not limited to the following:
Traditional Section 5310 Projects

Vehicles, radios and communications equipment, wheelchair lifts and restraints, vehicle rehabilitation, computer hardware and software to be used for transportation program, acquisition of transportation services under a contract lease, Intelligent Transportation Systems (ITS), and mobility management. DRPT will award a minimum of 55% of the grant to capital projects.

Non-Traditional Section 5310 Projects

Expansion of paratransit service beyond the minimum requirements of the Americans with Disabilities Act (ADA), expansion of current hours for paratransit service, enhancement of services, voucher programs, and volunteer driver programs, travel training, and mobility management activities.

5.3 Project Selection Criteria and Method of Distributing Funds

The DRPT project review and selection process begins annually upon the DRPT receipt of the Section 5310 OLGA applications in February. All applicants are screened to ensure that agencies have complied with the administrative requirements of the Section 5310 Programs. DRPT staff will review each application to assess eligibility, compliance with application guidance requirements, and funding priorities addressed. Staff may recommend programmatic and budgetary revisions. Application requirements, evaluation criteria and funding priorities will be detailed annually in the application guidance documents.

In the Section 5310 narrative and associated documents, applicants should exhibit a high probability of success by a sound managerial and operating strategy, and reflect the capability to properly monitor, maintain, and repair equipment to ensure safe and reliable transportation. They should also reflect cooperative planning and coordination efforts. Coordination is defined as the joint action of two or more organizations to provide transportation services to seniors and individuals with disabilities. Such joint actions can include the common sharing of transportation facilities and/or equipment or cooperative arrangements, which improve service efficiency levels.

DRPT is required by FTA to assure that grant recipients have provided for maximum coordination of transportation services. Through development of the CHSM plan, DRPT has assisted regional stakeholders in making coordination of transportation services a high priority of Virginia’s Section 5310 Program.

As part of the annual application guidance development process, DRPT will identify core emphasis areas and selection criteria that will be used to evaluate and prioritize FTA Section 5310 applications, development of the Annual Program of Projects, and assure equitable distribution of benefits. These emphasis areas and how they will be used to evaluate and prioritize FTA applications are explained in detail within the OLGA application process, so that all applicants are aware of how their applications will be reviewed and prioritized, resulting in the Annual FTA Section 5310 Program of Projects. The approval of each year’s application for FTA Section 5310 Program may vary depending on the emphasis areas chosen for that particular year.

Appeals Process - An applicant whose application was not approved by the CTB may file a protest and request a review of their application within 60 days following action by the CTB (normally in late June). An applicant that files a protest must send a letter to the Director of DRPT explaining the reason for the protest. The protest letter and supporting documentation should be sent to the following address:
The Chief of Public Transportation will officially respond to the protest within thirty (30) days.

5.4 Annual Program of Projects Development and Approval Process

The solicitation of applications is accomplished through a statewide public notice and memorandum announcing the availability of FTA Section 5310 funding. The DRPT Project Manager is available for public meetings to discuss the applications with eligible recipients. The memorandum is sent electronically to human service agencies, metropolitan planning organizations, and planning district commissions.

The public notice is printed in all major circulation newspapers throughout the Commonwealth and indicates the same information as described in the statewide memorandum. The statewide memorandum and public notice are issued during the first week of December.

All applications must be submitted through the OLGA system. As applicable, applications include the following:

- Articles of Incorporation/Charter
- IRS Letter of Exemption (501c3, etc.)
- Title VI plan dated within three years of the application due date
- Copy of public notice printed in area newspaper(s), dated no later than two weeks before the application deadline
- List of local, public, and private human service and transportation agencies contacted
- One copy of the letter of notice to human service and transportation agencies
- Response letters from human service and transportation agencies
- Copy of letter of notice to MPO for the proposed service area, dated no later than December 31
- Copy of vehicle insurance package
- Preventative maintenance plan and schedules
- Program budget (template provided)
- Independent cost estimates (capital items)
- Job descriptions for any grant-supported position(s)
- Work Plan spreadsheet for the application year (template provided; operating and mobility management grants)
- Completed Work Plan spreadsheet for the previous year

The review process begins upon DRPT's receipt of the Section 5310 applications in early February. Each application is reviewed to ensure that the application complies with program requirements. Those projects that are recommended for selection are included in a Draft FTA Program of Projects in mid-February.

The Draft FTA Section 5310 Program of Projects is then presented to the Chief of Public Transportation for preliminary review. A Final Draft FTA Program of Projects is presented to the DRPT Director by March 1. Upon approval by the Director, the final Program of Projects is presented to the Secretary of Transportation. Upon the review and approval by the Secretary of Transportation the FTA Program of
Projects is then presented to the CTB in early April for review. After hosting regional public meetings for comment, the CTB approves the Final FTA Section 5310 Program of Projects in June.

After the Program of Projects is first presented to the CTB, it is also posted on DRPT’s website as part of the draft SYIP, and applicants can determine whether or not projects are recommended for funding and, if so, at what funding level. Simultaneously, all applicants are notified by email about the recommendation for their specific projects. The final Annual Program of Projects is submitted in June to the CTB for approval. Upon CTB authorization, the application is submitted to FTA in June. The Section 5310 Annual Program of Projects is included as part of the Virginia Department of Transportation’s Statewide Transportation Improvement Program (STIP). Prior to FTA application submission and as part of the STIP development, the CTB conducts both preliminary and final STIP public hearings. Those applicants selected for funding are notified of their local match requirements after FTA approves the Program of Projects in September of the application year.

**STIP/TIP Requirement**

Proposed projects must be a product of the metropolitan planning process and/or the statewide planning process specified in 49 CFR Part 613 and 23 CFR Part 450. That is, all transit projects for which Federal funds are expected to be used and that are within metropolitan planning boundaries must be included in a Transportation Improvement Program (TIP) approved by the Metropolitan Planning Organization (MPO) and the Chief Executive Officer of a State and in a STIP that has been approved by FTA and FHWA. Projects not within metropolitan planning boundaries are required only to be in the STIP. The DRPT project application identifies the latest approved STIP (or amendments) containing the project(s), the appropriate page numbers, and a statement identifying the date that FTA and FHWA approved the STIP (or STIP amendment) that contains the proposed project(s). Projects listed in the TIP and STIP must be derived from and consistent with the State’s long-range plan. If a project is selected and is part of an MPO, it must be included in the local TIP. However, if a project is outside of an MPO, DRPT ensures that the project is included in the STIP.

**5.5 State Administration, Planning and Technical Assistance**

DRPT uses 10 percent of allowable funds from the state’s Section 5310 apportionment for state administration, planning, and technical assistance. These include planning and technical assistance to Section 5310 subrecipients and periodic updates to regional CHSM plans.

**5.6 Private Sector Participation**

Each Section 5310 applicant is required to publish a public notice of intent to apply for a FTA Section 5310 grant. This notice must be advertised in the local newspaper and should appear at least fourteen (14) calendar days before the application submittal deadline. Transportation providers in their service areas are also to be advised by letter of their intention to apply for Section 5310 financial assistance. Public notices direct interested parties to submit comments to DRPT.

Public Bodies that apply for the FTA Section 5310 program are required, if requested, to hold a public hearing on the application to receive comments from the general public. A copy of a public notice published in a major newspaper, must be attached to the FTA Section 5310 application. Such notice should be published at least fourteen (14) calendar days in advance of the application due date.
In the event a private sector provider has indicated that they can provide the same service, the applicant must examine the feasibility of purchasing transportation services from the private sector provider.

Should private transportation providers raise any objections; the applicant will address them during the application process. DRPT staff will review all objections to the application/program and the applicant’s response. If a resolution cannot be found during the application process or the private operator is not satisfied with the response provided by the applicant, then the private operator may request that DRPT staff meet with both parties to review the objection, and if appropriate, to seek to develop a compromise agreement that will resolve the objection.

If a compromise agreement cannot be reached between the private operator and the applicant, DRPT will recommend one of the following three actions: (1) The statement of objection will be declared invalid or unresolved; (2) The statement of objection will be declared valid and resolvable, and the project applicant will be required to modify its project proposal; or (3) The statement of objection will be declared valid, and the applicant will be required to withdraw its project proposal until such time as the issue of coordination with private operators is adequately addressed.

Any of the three actions identified will be subsequent to the approval of DRPT’s Director. The Director will hear any appeals by either the private operator or the applicant with regard to any one of the three actions recommended by DRPT. The decision of the Director will be final; however, the applicant and the private operator may have the right to appeal the decision to a court with jurisdiction. FTA may be requested to review the objection only upon procedural grounds and only after disposition of complaints at the local and state level.

5.7 Program Measures

Traditional Section 5310 Projects

1) **Gaps in Service Filled**: Provision of transportation options that would not otherwise be available for seniors and individuals with disabilities measured in numbers of seniors and individuals with disabilities afforded mobility they would not have without program support as a result of traditional Section 5310 projects implemented in the current reporting year.

2) **Ridership**: Actual or estimated number of rides (as measured by one-way trips) provided annually for individuals with disabilities and seniors on Section 5310-supported vehicles and services as a result of traditional Section 5310 projects implemented in the current reporting year.

Non-Traditional Section 5310 Projects

1) Increases or enhancements related to geographic coverage, service quality, and/or service times that impact availability of transportation services for seniors and individuals with disabilities as a result of other Section 5310 projects implemented in the current reporting year.

2) Additions or changes to physical infrastructure (e.g., transportation facilities, sidewalks, etc.), technology, and vehicles that impact availability of transportation services for seniors and individuals with disabilities as a result of other Section 5310 projects implemented in the current reporting year.

3) Actual or estimated number of rides (as measured by one-way trips) provided for seniors and individuals with disabilities as a result of other Section 5310 projects implemented in the current reporting year.
DRPT will ensure that the above information is reported for all DRPT subrecipients of Section 5310 funding awarded by DRPT. The Metropolitan Washington Council of Governments (COG), as the designated recipient of funds for the Northern Virginia Urbanized Area, will report on behalf of itself and any subrecipients.
Chapter 6. SECTION 5311 PROGRAM – RURAL AREAS

6.1 Program Goals and Objectives

FTA defines the § 5311 program goals in Circular 9040.1F: To support public transportation in rural areas with populations less than 50,000, where many residents often rely on public transit to reach their destinations. The Section 5311 program provides financial assistance for capital, operating, administrative, planning and technical assistance to rural areas for public transportation services.

FTA Section 5311 Program Guidance Circular (Circular 9040.1G) was issued by the Federal Transit Administration (FTA) on November 24, 2014. This circular incorporated the current statutory and programmatic requirements and changes as outlined in the FAST Act and includes a formula grant program for non urbanized areas known as Section 5311.

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

DRPT Goals and Objectives

The Governor of the Commonwealth of Virginia has designated DRPT as the agency responsible for administering the Section 5311 program in Virginia.

The goal of the Commonwealth of Virginia's Section 5311 Rural Public Transportation Program is to promote effective, efficient and safe public transportation services, which enhance the mobility of Virginia's rural citizens.

Through the administration of the Section 5311 program, it is the objective of DRPT to:

1) Encourage the maintenance, development, and improvement of existing public transportation systems in the non-urbanized areas of the state through a reliable program of Federal and state financial assistance.

2) Help to maximize the efficiency, effectiveness, and safety of existing non-urbanized public transportation systems through capital, technical, and planning assistance.

3) Enhance the access of all citizens in non-urbanized areas of Virginia and especially the transportation disadvantaged for trip purposes such as health care, shopping, education, recreation and employment, through the introduction of new public transportation services and the protection of existing services.

4) Conserve energy resources by reducing fuel consumption and traffic congestion and associated travel delays through the provision of fuel-efficient alternatives to the private automobile.

5) Maintain an administrative and technical assistance capability at the state level to assist local governments in the planning, development and management of rural and intercity public transportation systems.

6) Ensure that there is a fair and equitable distribution of Section 5311 program funds.

7) Ensure a process whereby private transit operators are provided an opportunity to participate to the maximum extent feasible.
8) Support intercity bus transportation.

9) Provide for maximum feasible coordination of public transportation service assisted by the FTA with transportation services assisted by other Federal sources.

6.2 Eligible Subrecipients

Any city, county, town, transportation district commission, public service corporation, or private nonprofit corporation that operates a public transportation system in a non-urbanized area of Virginia may apply for a grant under the Section 5311 program. Private for-profit providers, including intercity bus operators, are supported with Section 5311 funds through purchase of service agreements with eligible applicants.

DRPT expects applicants for Section 5311 funds to reasonably meet technical capacity requirements for grant administration and program management. These requirements are included Program Application Guidance Manual.

6.3 Eligible Services and Service Area

The Commonwealth of Virginia adheres to the FTA Section 5311 Program regulations and does not impose any additional limitations to the program. Public transit service provided in non-urbanized areas on a regular and continuing basis is eligible. Since the goal of Section 5311 is to enhance the overall mobility of people living in rural areas, Section 5311 projects may include transportation to and from urbanized areas. The Section 5311 funds may also be used for intercity bus transportation projects.

In some locales, a subrecipient receives both Section 5307 and 5311 funding to provide public transportation to urbanized and surrounding areas. These subrecipients should use Section 5311 funds only to assist the rural portion of those locales. Section 5311 funded services must be designed to maximize use by members of the general public who are transportation disadvantaged, including seniors and individuals with disabilities.

6.4 Eligible Assistance Categories

All project expenses fall into one of three categories: operating expenses, administrative expenses and capital expenses.

1) Operating Expenses: Eligible operating expenses include items such as fuel, oil, replacement tires, replacement parts, maintenance and repairs, operator's and mechanic's salaries and fringe benefits, dispatcher's salaries and fringe benefits, and licenses.

   a. Net operating expenses are those expenses that remain after operating revenues are subtracted from eligible operating expenses. At a minimum, operating revenues must include fare box revenues.

   b. Operating revenues are all revenues accrued to the benefit of the project and may include fare box revenue (passenger fares). Fare box revenues include fares paid by passengers who are later reimbursed by a human service agency, or other user-side subsidy arrangements, but do not include payments made directly to the transit provider by human service agencies. The Federal share of operating expenses may not exceed 50 percent.

2) Administrative Expenses: Eligible administrative expenses include items such as transit director's salary, secretary and bookkeeper salaries, marketing expenses, office supplies, vehicle insurance and facility rental. The Federal share of administrative expenses may not exceed 50 percent.
Administrative expenses are included in each subrecipient’s operating budget. DRPT does not create a separate administrative budget.

3) **Capital Expenses**: Eligible capital expenses include items such as buses, vans, paratransit vans, associated capital maintenance items, radio equipment, passenger shelters, wheelchair lifts and restraints, service vehicles, vehicle rehabilitation, computer hardware/software and construction or rehabilitation of transit facilities. The Federal share of capital expenses may not exceed 80 percent.

4) **Planning Expenses**: Eligible planning expenses include feasibility, technical, marketing and planning studies as needed for the support or expansion of rural public transit within the Commonwealth. The federal share of planning expenses is up to 80 percent.

### 6.5 Project Selection Criteria and Method of Distributing Funds

The procedures for distributing FTA Section 5311 funds shall be as follows:

1) **First Priority**: The first funding priority is to continue operating assistance to current Section 5311 recipients where there exists a continuing demand for public transportation service, a need for government subsidy, and a commitment of local financial and administrative support.

2) **Second Priority**: The second priority for funding is to support capital projects for existing systems. If funding is made available, eligible requests will be scored based upon the MERIT prioritization program, explained below.

3) **Third Priority**: The third priority is the funding of operating and capital expenses for new rural transportation systems. If funding is made available, eligible requests will be scored based upon the MERIT prioritization program, explained below.

### Making Efficient Responsible Investments In Transit (MERIT)

MERIT – Making Efficient and Responsible Investments in Transit – is DRPT’s statewide public transportation grants program. MERIT provides financial assistance to support Public Transportation services throughout the state and is designed to support DRPT’s core mission.

DRPT allocates capital assistance funds based on a project-based prioritization process. These changes were initiated through a series of reforms enacted by the 2018 Virginia General Assembly. Please visit the [Transit Service Delivery Advisory Committee (TSDAC) page](#) for additional information.

The prioritization process determines which projects achieve the policy objective of maintaining a state-of-good repair of existing assets and determines which projects receive funding for new investments. Under the Capital Assistance program, projects are classified, scored, and prioritized separately in the following categories:

- **State of Good Repair (SGR)**: Projects or programs to replace or rehabilitate an existing asset. (State Match: Up to 68%)

- **Minor Enhancement (MIN)**: Projects or programs to add capacity, new technology, or a customer facility with a cost of less than $2 million or include a vehicle expansion of no more than five vehicles or 5% of the existing fleet size. (State Match: Up to 68%)
• **Major Expansion (MAJ):** Projects or programs to add, expand, or improve service with a cost exceeding $2 million or, for expansion vehicles, an increase of greater than five vehicles or 5% of fleet size, whichever is greater. (State Match: Up to 50%)

Applicants that are eligible for Federal Public Transportation grant programs may combine federal and state capital assistance grant funds to decrease the local match needed for each project. However, a minimum 4% local match is necessary for all projects.

Additional information on MERIT and the application process can be found on our website at [http://www.drpt.virginia.gov/transit/merit/operating-and-capital-assistance/](http://www.drpt.virginia.gov/transit/merit/operating-and-capital-assistance/) and in our Program Application Guidance located on our website and in OLGA.

DRPT retains sole discretion in determining the level of funding for all Section 5311 projects.

**Appeals Process** - An applicant whose application was not approved by the CTB may file a protest and request a review of their application within 60 days following action by the CTB (normally in late June). An applicant that files a protest must send a letter to the Director of DRPT explaining the reason for the protest. The protest letter and supporting documentation should be sent to the following address:

Chief of Public Transportation  
Virginia Department of Rail and Public Transportation  
600 E. Main Street, Suite 2102  
Richmond, Virginia 23219

The Chief of Public Transportation will officially respond to the protest within thirty (30) days.

### 6.6 Intercity Bus Transportation

**Program overview:**

In 2017 DRPT implemented the first state-operated intercity bus route in the Commonwealth. This route operates from Blacksburg, Virginia to Union Station in Washington, D.C. with a total of nine stops. The route and the stops it serves were identified as a result of a 2013 study aimed at identifying intercity bus needs in the Commonwealth ([http://www.drpt.virginia.gov/media/2900/virginia-statewide-intercity-bus-study-2013.pdf](http://www.drpt.virginia.gov/media/2900/virginia-statewide-intercity-bus-study-2013.pdf)).

In June of 2019, DRPT finalized a second study ([http://www.drpt.virginia.gov/media/2901/virginia-breeze-expansion-alternatives-analysis-2019.pdf](http://www.drpt.virginia.gov/media/2901/virginia-breeze-expansion-alternatives-analysis-2019.pdf)) again aimed at identifying areas of intercity bus need in the Commonwealth. Through the analysis of gaps in existing service, potential ridership, operational costs, and stakeholder and public input this study identified two corridors of need: Danville, Virginia to Union Station in Washington, D.C., via U.S. Route 29, and Martinsville, Virginia to Richmond, Virginia via U.S. Route 360. DRPT is in the procurement process for the operation of intercity bus service in these two newly identified corridors and service is expected to start in the Spring of 2020. Together the three routes will make up Virginia’s intercity bus network called the “Virginia Breeze.”

**Program goals:**

Virginia’s intercity bus program aligns with FTA’s definition of intercity bus service and the national goals of the program. The FTA defines intercity bus service as “regularly scheduled bus service for the general public, operating with limited stops over fixed routes connecting two or more urban areas not in close
proximity, which has the capacity for transporting baggage carried by passengers, and which makes meaningful connections with scheduled intercity bus service to more distant points, if such service is available. The Virginia Breeze is open to the general public and connects urban areas through fixed routes. This program is designed to strengthen the connection between rural areas and the larger regional or national intercity bus system as well support the national objectives of the intercity bus service which include:

1) To support the connection between rural areas and the larger regional or national system of intercity bus service;

2) To support services to meet the intercity travel needs of residents in rural areas;

3) To support the infrastructure of the intercity bus network through planning and marketing assistance and capital investment in facilities.

Funding source/ budget:

DRPT sets aside 15% of the total 5311 federal allocation annually for the operation of the state’s intercity bus network in accordance with the FTA’s 5311(f) intercity bus program guidance. If it is determined that all or a portion of the set-aside monies is not required for intercity bus service, the balance of the annual Section 5311 federal apportionment, will be allocated to rural transit providers.

In-kind match:

Through the federal intercity bus program the FTA permits states to use the value of unsubsidized connecting intercity bus service as the local in-kind match for operating projects under this program. DRPT uses this in-kind match along with federal 5311 funds to fund the entire net operating deficit of the subsidized segments in the state’s intercity bus system. Under current FTA guidance DRPT counts 50% of the value of the fully-allocated cost of all unsubsidized segments (unsubsidized revenue-miles times the fully-allocated cost per mile) as the non-federal share of the project (the project is defined to include both the unsubsidized route segment and the subsidized segment.)

Eligible expenses:

Eligible expenses under this program include system planning, marketing, capital investment (facilities, vehicles, and equipment) and all costs associated with the operation of the service.

6.7 State Administration and Technical Assistance

FTA Circular 9040.1G permits DRPT to retain up to 15% of the states’ annual apportionment of FTA Section 5311 funding for state administrative and technical assistance.

6.8 State Rural Transit Assistance Program

1) Program Management: As with the FTA Section 5311 program, the Commonwealth's Rural Transit Assistance Program (RTAP) is the responsibility of DRPT. The RTAP program provides funding assistance for training, technical assistance, transit research and related support services. These funds are available to assist Section 5311 and Section 5310 subrecipients who are involved in the provision and coordination of rural transportation services.

2) Goals and Objectives: It is a goal of the RTAP program to promote improvement of public transportation services and mobility for citizens living in rural areas.
3) **Local Match Requirements:** All RTAP activities are funded up to 100% funding.

4) **Methods of Involving Operators in Program Development and Implementation:** The Commonwealth's RTAP program utilizes the following means of involving rural operators in the development and implementation of the annual RTAP Program of Projects:
   
   a. **Input by Forum:** During an annual statewide DRPT/CTAV EXPO and training conference, a round table session is conducted among potential recipients of the RTAP services for suggestions on use of the funds;

   b. **On-site Visits:** At least once a year, the Department of Rail and Public Transportation's staff visits rural transit systems to evaluate and monitor their compliance with FTA rules and regulations. This visit may coincide with one of the sub-recipient DRPT quarterly meetings.

   c. **DRPT Staff:** The Transit Project Managers and the Public Transportation Program Administrator will determine individual and statewide technical needs, which can be addressed through the RTAP program.

5) **Project Selection Criteria:** DRPT’s Public Transit Programs Managers determines with input from section staff members what projects will be funded with RTAP funds.

   a. **Eligible recipients:**
      i. Section 5311 recipients
      ii. Public Transit/Human Service Coordinated Systems
      iii. Community Transportation Associations
      iv. Section 5310 recipients

   b. **Application types:**
      i. Statewide application
      ii. System specific

   c. **Eligible Projects:**
      i. Training: DRPT sponsored
      ii. Training: Non-DRPT
      iii. Technical Assistance:
          1. On-site
          2. Transit Studies
      iv. Support Services
      v. Coordination with other states
      vi. Training Equipment
      vii. Marketing materials

6.9 **Private Sector Participation**

DRPT has made the FTA Section 5311 program open to all public transportation providers, private and governmental agencies. In addition, all applicants who desire FTA Section 5311 funded capital equipment are required to hold a public hearing as part of their FTA Section 5311 application. A copy of the public notice as well as a copy of the public hearing minutes is submitted as part of the application.
Chapter 7. SECTION 5339 PROGRAM – BUS AND BUS FACILITIES

7.1 Program Goals and Objectives

FTA defines the § 5339 program goals in Circular 5100.1: To provide funding to replace, rehabilitate, and purchase buses and related equipment as well as construct bus-related facilities. The Bus and Bus Facilities Program is authorized under the provisions set forth in the Moving Ahead for Progress in the 21st Century Act (MAP-21), Section 5339 of Title 49, United States Code, signed into law on July 6, 2012.

FTA Section 5339 Program Guidance Circular (Circular 5100.1) was issued by the Federal Transit Administration (FTA) on May 18, 2015. This circular incorporates the current statutory and programmatic requirements and changes as outlined in Fixing America's Surface Transportation (FAST) Act (Pub. L. 114-94, Dec 4, 2015).

DRPT Goals and Objectives

The Governor has designated DRPT as the agency responsible for administering the Section 5339 program in Virginia. DRPT receives Section 5339 from the FTA to provide grants to eligible subrecipients within the applicable urbanized area or rural areas of Virginia to assist in financing capital projects to replace, rebuild and purchase buses and related equipment, and to construct and rehabilitate bus-related facilities.

The goal of the Commonwealth of Virginia’s Section 5339 Program is to support Rural and Small Urban transit agencies in the continuation and expansion of public transportation in Virginia. This is accomplished by assisting eligible recipients in the financing of capital projects that replace, rebuild and purchase buses and related equipment, and to construct and rehabilitate bus-related facilities. Such projects may not be feasible in other funding programs due to budget demands.

The great need for bus and facility funding in Virginia, compared with the relatively small amount of 5339 funding available to the state each year may result in insufficient funding to address annual capital needs. Therefore, to make the 5339 program more responsive, and reduce the administrative burden, DRPT may elect to combine more than one year of available 5339 funding into one grant.

Through the administration of the Section 5339 program, it is the objective of DRPT to:

1) Encourage the development and improvement of public transportation systems in the small urban and rural areas of the state through a reliable program of Federal and state financial assistance.

2) Provide resources to rural and small urban transit systems to replace, rebuild and purchase buses and related equipment, and to construct and rehabilitate bus-related facilities.

3) Help to maximize the efficiency, effectiveness, and safety and expansion of rural or small urban transit services in the state.

4) Improve service quality and encourage the public’s use of rural or small urban transit services in Virginia.

5) Conserve energy resources by reducing fuel consumption and traffic congestion and associated travel delays through the provision of fuel-efficient alternatives to the private automobile.
6) Ensure a fair and equitable distribution of program funds to eligible recipients.

7) Provide for maximum feasible coordination of public transportation service assisted by the FTA with transportation services assisted by other Federal sources.

7.2 Eligible Subrecipients

All areas with populations under 200,000 in Virginia are eligible to participate in the 5339 program. Rural areas with populations below 50,000, and Small Urban Districts operating in small urban areas in the Governor’s Apportionment (those cities with populations between 50,000 and 199,999) are eligible.

DRPT has been the designated recipient in this program for small urban transit districts. However, DRPT is in the process of evaluating its option to have small urban transit districts apply directly to the FTA for those funds. Under this approach, DRPT will continue to administer the Section 5339 program for the rural transit districts.

7.3 Eligible Services and Service Area

Project eligibility for funding through the Section 5339 program is consistent with FTA guidance. Section 5339 funds will be awarded to eligible Rural areas with populations below 50,000, and Small Urban Districts operating in small urban areas in the Governor’s Apportionment (those cities with populations between 50,000 and 199,999) are eligible.

7.4 Eligible Assistance Categories

Eligible projects include capital projects to replace, rehabilitate, and purchase buses and related equipment, and projects to construct bus-related facilities. These include: the acquisition of buses; bus maintenance and administrative facilities; specialized vans and related facilities used for ADA complementary paratransit service; transfer facilities; bus rebuilds; passenger amenities such as shelters and bus stop signs; equipment; passenger counters. Administrative and Operating expenses are not eligible for reimbursement.

7.5 Project Selection Criteria and Method of Distributing Funds

The procedures for distributing FTA Section 5339 funds shall be as follows:

1) **First Priority:** The first priority for funding is to bring existing rural or small urban bus and bus-related facilities into the FTA’s definition of the state of good repair to meet asset management requirements.

2) **Second Priority:** The second priority for funding is for existing rural or small urban bus and bus-related facilities to expand service or improve bus-related facilities to meet demonstrated capacity needs;

DRPT retains sole discretion in determining the level of funding for all Section 5339 projects.

**Fund Distribution**

DRPT will apply directly to FTA for Section 5339 Program funds and award grants to Small Urbans and Rural recipients as subrecipients. Funds are issued to subrecipients on a reimbursement basis. Costs must be incurred before payment is made. All costs charged to DRPT assisted projects must be supported by properly executed invoices, contracts, or vouchers evidencing in detail the nature and propriety of the charges. Recipients can invoice DRPT monthly. Capital assistance grants for vehicles
require monthly reporting via DRPT’s OLGA system that includes passenger trips, revenue hours and revenue miles.

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- **State of Good Repair (SGR):** Projects or programs to replace or rehabilitate an existing asset. (State Match: Up to 68%)

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