

# STATE MANAGEMENT PLAN



## DEPARTMENT OF TRANSPORTATION

FEDERAL TRANSIT ADMINISTRATION PROGRAMS

Revision 5 - Updated January 9, 2023

# Accessible Formats

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# Abbreviations and Acronyms

The following abbreviations and acronyms are referenced within the ALDOT Transit State Management Plan and are intended to have the following meanings:

<b>AARC</b>	Alabama Association of Regional Councils
<b>ADA</b>	Americans with Disabilities Act
<b>ADTAP</b>	Appalachian Development Public Transportation Assistance Program
<b>ALDOT</b>	Alabama Department of Transportation
<b>AoA</b>	Agency on Aging
<b>AR</b>	Accounts Receivable
<b>AP</b>	Accounts Payable
<b>ARP</b>	American Rescue Plan
<b>ATRC</b>	Alabama-Tombigbee Regional Commission
<b>CAA</b>	Clean Air Act
<b>CAP</b>	Cost Allocation Plan
<b>CARES</b>	Coronavirus Aid, Relief, and Economic Security
<b>CARPDC</b>	Central Alabama Regional Planning and Development Commission
<b>CCAM</b>	Coordinating Council on Access and Mobility
<b>CDL</b>	Commercial Driver's License
<b>CFR</b>	Code of Federal Regulations
<b>CMAQ</b>	Congestion Mitigation and Air Quality
<b>COG</b>	Councils of Governments
<b>CPA</b>	Certified Public Accountant
<b>CPMS</b>	Comprehensive Project Management System
<b>DAMIS</b>	Drug and Alcohol Management Information System
<b>DBE</b>	Disadvantaged Business Enterprise
<b>DDDs</b>	Design Development Documents
<b>EA</b>	Environmental Assessment
<b>EARPDC</b>	East Alabama Regional Planning and Development Commission
<b>EEO</b>	Equal Employment Opportunity
<b>EIS</b>	Environmental Impact Statement
<b>EPLS</b>	Excluded Parties List System
<b>FAST</b>	Fixing America's Surface Transportation
<b>FFATA</b>	Federal Funding Accountability & Transparency Act
<b>FFRS</b>	Federal Funding Accountability & Transparency Act Sub-Award Reporting System
<b>FHWA</b>	Federal Highway Administration
<b>FMCSA</b>	Federal Motor Carrier Safety Administration
<b>FMVSS</b>	Federal Motor Vehicle Safety Standards
<b>FTA</b>	Federal Transit Authority
<b>GIS</b>	Geographic Information Systems
<b>GPRA</b>	Government Performance Results Act

<b>GPS</b>	Global Positioning System
<b>HVAC</b>	Heating, Ventilation, and Air Conditioning
<b>ICB</b>	Intercity Bus
<b>ICP</b>	Indirect Cost Proposal
<b>ICR</b>	Indirect Cost Rate
<b>IFB</b>	Invitation for Bid
<b>IIJA</b>	Infrastructure Investment and Jobs Act
<b>ITS</b>	Intelligent Transportation Systems
<b>JARC</b>	Job Access and Reverse Commute
<b>LEP</b>	Limited English Proficiency
<b>LRCOG</b>	Lee-Russell Council of Governments
<b>L RTP</b>	Long Range Transportation Plan
<b>MAP-21</b>	Moving Ahead for Progress in the 21st Century Act
<b>MPO</b>	Metropolitan Planning Organization
<b>MTDC</b>	Modified Total Direct Costs
<b>MTP</b>	Metropolitan Transportation Plan
<b>NACOLG</b>	Northwest Alabama Council of Local Governments
<b>NARCOG</b>	North Central Alabama Regional Council of Governments
<b>NEPA</b>	National Environmental Policy Act
<b>NHS</b>	National Highway System
<b>NOFA</b>	Notice of Funding Availability
<b>NTD</b>	National Transit Database
<b>OEM</b>	Original Equipment Manufacturer
<b>OMB</b>	Office of Management and Budget
<b>OPT</b>	Office for Public Transportation
<b>P.E.</b>	Professional Engineer
<b>POP</b>	Program of Projects
<b>PPE</b>	Personal Protective Equipment
<b>PTASP</b>	Public Transportation Agency Safety Plans
<b>RFB</b>	Request for Bid
<b>RFP</b>	Request for Proposal
<b>RPCGB</b>	Regional Planning Commission of Greater Birmingham
<b>RTAP</b>	Rural Transit Assistance Program
<b>SARPC</b>	South Alabama Regional Planning Commission
<b>SCADC</b>	South Central Alabama Development Commission
<b>SEARP&amp;DC</b>	Southeast Alabama Regional Planning and Development Commission
<b>SMP</b>	State Management Plan
<b>SSEPP</b>	Safety, Security and Emergency Preparedness Plan
<b>STBG</b>	Surface Transportation Block Grant
<b>STIP</b>	Statewide Transportation Improvement Program
<b>STP</b>	Surface Transportation Program
<b>SWTP</b>	Statewide Transportation Plan
<b>TA</b>	Technical Assistance
<b>TAM</b>	Transit Asset Management

<b>TANF</b>	Temporary Assistance for Needy Families
<b>TARCOG</b>	Top of Alabama Regional Council of Governments
<b>TERM-Lite</b>	Transit Economic Requirements Model Lite
<b>TIP</b>	Transportation Improvement Program
<b>TPA</b>	Third Party Administrator
<b>TPO</b>	Third-Party Operator
<b>TrAMS</b>	Transit Award Management System
<b>TVM</b>	Transit Vehicle Manufacturer
<b>UAH</b>	University of Alabama in Huntsville
<b>ULB</b>	Useful Life Benchmark
<b>UPWP</b>	Unified Planning Work Program
<b>USDOT</b>	United States Department of Transportation
<b>UZA</b>	Urbanized Area
<b>VIN</b>	Vehicle Identification Number
<b>WARC</b>	West Alabama Regional Commission
<b>WIOA</b>	Workforce Innovation and Opportunity Act

# 1 Introduction

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The purpose of this State Management Plan (SMP) is to outline the State of Alabama's procedures for the effective administration of the Federal Transit Administration (FTA) programs in 49 U.S.C. Sections (§) 5307 (Urbanized Area Formula Grants), 5310 (Enhanced Mobility of Seniors and Individuals with Disabilities), 5311 (Formula Grants for Rural Areas), 5311 (b)(3) (Rural Transportation Assistance Program), 5311(f) (Intercity Bus Program), and 5339(a) (Grants for Buses and Bus Facilities Formula Program).

The SMP provides public information on the State's administration of FTA programs and serves as the basic reference document used in FTA oversight. This document describes the State's mission, goals, objectives, policies, and administrative guidelines. The SMP provides information to subrecipients regarding State and Federal program requirements.

Even when not stated, "as amended" in the SMP when referring to FTA Circulars, Federal regulations or law, or Federal guidance, the most recent version of the document will apply. This SMP has been updated to include transit provisions in recent Federal legislation including the following:

- Fixing America's Surface Transportation (FAST) Act (signed into law on December 4, 2015 and extended through September 30, 2021)
- Coronavirus Aid, Relief, and Economic Security (CARES) Act (signed into law on March 27, 2020)
- Consolidated Appropriations Act (signed into law on December 27, 2020)
- American Rescue Plan (ARP) Act (signed into law on March 11, 2021)
- Infrastructure Investment and Jobs Act (IIJA) (signed into law on November 15, 2021)

This document amends the SMP currently on file with the FTA. The SMP is updated regularly as Federal information and/or State processes in administering the Federal transit grants are updated or amended. The final SMP document is available to transit agencies and stakeholders on the ALDOT website at: <https://www.dot.state.al.us/publications/LocalTransportation/pdf/StateManagementPlan.pdf>. Stakeholders may comment in writing on the final FTA approved SMP at any time.

Information about the Transit Section of the Local Transportation Bureau may be found by logging onto our website at <https://altrans.org/aldot/> or by contacting the Alabama Department of Transportation (ALDOT) Local Transportation Bureau at:

Alabama Department of Transportation  
Local Transportation Bureau  
Transit Section  
1409 Coliseum Boulevard  
Montgomery, AL 36110  
Phone: (334) 242-6770 / Fax: (334) 353-6530

## 2 Transit Program Vision, Goal, and Objectives

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### VISION

Alabama has developed the following vision statement for transit:

Public transit, connecting people and places through multiple-passenger, land or water-based means, will contribute to the State's continued economic growth through a dedicated and sound investment approach as a viable mobility option accessible to all Alabama residents and visitors.

#### Economic Growth

- Recognize and promote public transit as a key component of economic development initiatives, such as linking workers to jobs, supporting tourism, and accommodating the growth of Alabama as a retirement destination through public / private partnership.
- Enhance the image of public transit through a comprehensive and continuing marketing / education program that illustrates the benefits of quality transit services.

#### Sound Investment Approach

- Ensure stewardship of public transit investments through a defined oversight program.
- Make public transit reasonable and affordable by encouraging more local investment and promoting coordinated land use / transportation planning at the local level.
- Utilize an incremental approach to new public transit investments that recognizes funding constraints and the need to maintain existing services.

#### Viability of Transit

- Provide quality, affordable public transit services using safe, clean, comfortable, reliable, and well-maintained vehicles.
- Increase statewide public transit ridership.
- Utilize different modes of public transit including bus, rail, vanpool, carpool, ferry, and other appropriate technologies, corresponding to the level of demand.

#### Accessibility

- Provide an appropriate level of public transit that supports intermodal connectivity in all

counties.

- Develop and implement a coordinated interagency human services transportation delivery network.

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## **GOAL**

The Alabama Transit Program has the following goal:

To enhance the quality of life for Alabama's citizens by providing passenger transportation service, where desirable and feasible, and to facilitate greater access to goods and services. Elements considered in assessing feasibility include funding availability, population density, minimum population, and significant demographic issues (the number of elderly persons and persons with disabilities, unemployment rate, personal income, and distance to services).

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## **OBJECTIVES**

The Alabama Transit Program has the following objectives:

- Continue and expand current public transportation services.
- Develop county-wide / regional coordinated transportation systems.
- Provide public transit services for the transportation disadvantaged.
- Assist transit providers in meeting Federal and State mandates.
- Develop funding for transit programs.
- Integrate transit with other transportation modes including aviation, rail, ferry, and bicycle and pedestrian projects.

### 3 Summary of Updates

*\*\*\*This chapter is reserved for revisions to the FTA-approved State Management Plan.\*\*\**

The State Management Plan, dated January 9, 2023, was approved by FTA on October 5, 2023 (see Appendix 3A).

#### State Management Plan: Revision 5 (January 9, 2023)

Chapter	Chapter Title	Topic	Notes
Throughout Document		All Topics	Updated entire document to reflect new standards and current practices.

#### State Management Plan: Revision 4 (November 9, 2018)

Chapter	Chapter Title	Topic	Notes
Throughout Document		Local Transportation Bureau Transit Section	Updated address to "1409 Coliseum Boulevard, Montgomery, AL 36110".
Chapter 11	Asset Management	Vehicle Disposition Policy (Section 11.7)	Updated this Policy to allow transit providers to retain maximum allowable proceeds from vehicle sales as per current FTA guidance.

#### State Management Plan: Revision 3 (July 11, 2018)

Chapter	Chapter Title	Topic	Notes
Chapter 10	Procurement	Purchasing Thresholds (Section 10.7)	Updated Micro-Purchase Threshold to \$10,000 and Small Purchases (based on the Simplified Acquisition Threshold) to more than \$10,000 and less than \$250,000.

#### State Management Plan: Revision 2 (January 16, 2018)

Chapter	Chapter Title	Topic	Notes
Throughout Document		Bureau Name	Updated Transportation Planning and Modal Programs Bureau to Local Transportation Bureau
Throughout Document		Hyperlinks	Updated Hyperlinks to Current
Chapter 4	Program Information	Section 4.2. Long Range Planning	Updated SWTP and STIP information

#### State Management Plan: Revision 1 (March 14, 2017)

Chapter	Chapter Title	Topic	Notes
Throughout Document		New ALDOT Transit Web Links	Updated Hyperlinks to Current
Throughout Document		Section 5310 Subrecipients are Now Eligible for Section 5339 Funding	Revised pages referencing Section 5339 to show that Section 5310 subrecipients are now eligible for Section 5339 funding
Chapter 14	Project Reporting, Monitoring, and On-Site Reviews	Project Monitoring	Updated pages to reference specific checklists that are used

## Appendix 3A

### FTA Approval

**From:** Roberts, Courtney (FTA) <[courtney.roberts@dot.gov](mailto:courtney.roberts@dot.gov)>  
**Sent:** Thursday, October 5, 2023 10:10:51 AM  
**To:** Rollins, Catrina M <[rollinscm@dot.state.al.us](mailto:rollinscm@dot.state.al.us)>  
**Cc:** Fair, Bryan <[fairb@dot.state.al.us](mailto:fairb@dot.state.al.us)>  
**Subject:** RE: Final Draft of SMP & Procurement Procedures for FTA review

Hi Catrina,

After review- FTA approves.

Courtney Roberts  
Acting Director, Office of Financial Management and Program Oversight  
Transportation Program Specialist  
404-865-5478  
[courtney.roberts@dot.gov](mailto:courtney.roberts@dot.gov)

## 4 Program Information

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### 4.1 Roles and Responsibilities

#### 4.1.1 Federal Transit Administration (FTA)

The FTA Headquarters Office is responsible for providing overall policy and program guidance, apportioning funds annually to the states, developing and implementing financial management procedures, initiating and managing program support activities, and conducting national program reviews and evaluations.

The FTA Regional offices have day-to-day responsibility for administration of public transit programs. Regional office activities include: reviewing and approving state formula funding and competitive grant applications; obligating funds; managing awards; overseeing the state's implementation of the annual programs, including revisions to the program of projects; receiving state certifications; reviewing and approving State Management Plans; providing technical assistance and advice to the states as needed; and performing state management reviews every three years, or as circumstances warrant. ALDOT coordinates with the FTA Region IV office located in Atlanta, Georgia.

#### 4.1.2 Alabama Department of Transportation (ALDOT)

The Governor has designated the Alabama Department of Transportation (ALDOT) as the administrator of all FTA programs affecting rural areas (less than 50,000 in population) and small urban areas (50,000 to 200,000 in population) within the State of Alabama. As the designated recipient, ALDOT may authorize another public entity to be a direct recipient of Section 5307 funds in a small urban area if certain conditions are met. These conditions are specified in FTA 5307 Program Circular 9030.1E, Chapter 2, Section 8. Currently, ALDOT is not the direct recipient for all small urban areas in Alabama.

There are several Bureaus and departments within ALDOT that provide support for the State transit program including, but not limited to, the following: Director's Office, Accounting, Legal, Office Engineer, Research and Development, Motor Pool, Internal and External Audit, Computer Services, Data Processing, and Compliance and Business Opportunities Bureau.

The ALDOT Transit Section of the Local Transportation Bureau has primary responsibility for the following:

- Developing and implementing public transportation programs throughout the State

- Ensuring adherence to Federal program guidelines by all subrecipients through periodic monitoring and oversight
- Notifying eligible and/or potential locally eligible entities of the availability of funding
- Developing project selection criteria
- Soliciting applications
- Conducting the competitive selection process
- Ensuring fair and equitable distribution of program funds throughout the State
- Reviewing and selecting projects for approval
- Forwarding the annual program of projects and funding applications to FTA
- Certifying eligibility of applicants and project activities
- Certifying that the projects selected were derived from a locally developed, coordinated public transit-human services transportation plan developed through a process that includes representatives of public, private, non-profit, and human services transportation providers that encourages participation by the general public
- Ensuring the maximum feasible coordination of transit resources
- Ensuring a process whereby private and public transit operators are provided an opportunity to participate to the maximum extent feasible
- Providing technical assistance to rural and small urban area transit operators
- Monitoring local project activity
- Overseeing project audits and closeouts
- Directly administering special projects
- Filing Federal reports
- Expending funds for the support of intercity bus transportation to the extent required by law
- Documenting the State's procedures in a State Management Plan

ALDOT shares a partnership role with local governments and their representatives committed to operating public transportation programs. As administrator of FTA funds, ALDOT assumes responsibility for the organization and management of these programs. ALDOT functions as a conduit for funds and financial programming. ALDOT also responds

to information requests from the FTA and the State Legislature.

#### 4.1.3 Office for Public Transportation (OPT)

In January 2020, the State Office for Public Transportation (OPT) was established at the University of Alabama in Huntsville (UAH) under a three-year grant. The grant is a partnership between ALDOT, FTA, and UAH. The OPT provides support services to ALDOT and the State's public transportation providers by working with rural providers of public transportation and providers of transportation specifically designated for elderly and disabled passengers. The OPT is staffed with a director, a financial manager, and three regional managers who are located in the regions that they serve. The OPT's duties include:

- Overseeing invoicing and spending, vehicle maintenance activities, passenger policies and procedures, and driver rules and regulations
- Reporting to ALDOT's State Local Transportation Engineer and Local Transportation Bureau
- Ensuring that local transportation providers comply with all ALDOT and FTA regulations
- Conducting training sessions on topics such as passenger conduct, vehicle inspections, and vehicle maintenance
- Assisting counties in establishing Federally compliant public transportation agencies
- Providing route mapping assistance for transportation providers

#### 4.1.4 Applicants

FTA awards funds to transit systems through competitive grants and formula grants. Applicants must be willing to adhere to Federal and State requirements and provide the necessary documents to meet FTA reporting requirements upon request by the State.

Applicants must ensure that proposed projects are derived from a regionally developed coordinated public transit-human service transportation plan for the Section 5310 funds. A local public or nonprofit agency may elect to operate the system by contract with a third-party operator (TPO). Under a TPO, the local agency has full contract responsibility and fiscal accountability. The public agency is accountable for all financial matters and for compliance with Federal and State program requirements. These requirements are outlined in the following documents (as updated or amended):

- FTA Circular 9030.1E: Urbanized Area Formula Program

- FTA Circular 9040.1G: Formula Grants for Rural Areas
- FTA Circular 9070.1G: Enhanced Mobility of Seniors and Individuals with Disabilities Program
- FTA Circular 5100.1: Bus and Bus Facilities Program
- FTA Circular 4220.1F: Third Party Contracting Guidance
- FTA Circular 5010.1E: Award Management Requirements
- FTA Circular 4710.1: Americans with Disabilities Act Guidance
- FTA Circular 4704.1A: Equal Employment Opportunity (EEO) Act Guidance
- FTA Circular 4702.1B: Title VI Requirements and Guidelines
- FTA Circular 4703.1: Environmental Justice Policy Guidance
- Annual Federal Certifications and Assurances
- ALDOT Terms and Conditions
- Request for Payment Instruction Handbook
- Office of Management and Budget (OMB) Uniform Administrative Requirements, Cost Principles, and Audit Requirement for Federal Awards (Super Circular)

#### 4.1.5 Consultation of Local Officials

The rural planning process in Alabama allows for direct participation and involvement of non-metropolitan local officials through the Councils of Governments (COGs) in developing regional transportation plans and priorities. This process is separate and discrete from the public involvement process.

Each COG is charged with maintaining a regional transportation advisory committee with representatives from local government, elected officials, transportation providers, and special interest groups. The transportation advisory committee plays an important role in identifying, analyzing, and prioritizing transportation needs and goals for the region. As a result of the transportation advisory committees, COG boards and local governments/elected officials are directly consulted and given an opportunity to identify transportation needs. The transportation advisory committees are encouraged to meet at least bi-annually or as needed to review project status, evaluate proposed modifications to the Transportation Improvement Program (TIP) and Statewide Transportation Improvement Program (STIP), update long-range plan and funding priorities, comment on rural functional classification changes, receive input on the rural work programs, and coordinate special studies.

#### 4.1.6 Councils of Governments (COGs)

Rural communities that are not a part of the urbanized areas of MPOs are included in the Councils of Governments (COGs). COGs provide a planning process, reviewed periodically by ALDOT, to ensure that Federal and State regulations and guidelines for transportation planning in rural areas are met. Among their many duties, each COG is responsible for providing a public forum and serving as an advisory board to review funding applications from local agencies within their region and prioritizing projects for ALDOT review and concurrence. Projects approved by ALDOT are included in the STIP as applicable.

Information about the COGs may be found on the Alabama Association of Regional Councils' website at <http://www.alarc.org>. The contact information for all of the COGs in Alabama is shown in Table 1.

**Table 1**  
**Alabama Association of Regional Councils (AARC)**  
<http://www.alarc.org>

<b>Region 1: NACOLG</b> Northwest Alabama Council of Local Governments P. O. Box 2603 Muscle Shoals, AL 35662 (256) 389-0500 <a href="http://www.nacolg.org/">http://www.nacolg.org/</a> Counties: Colbert, Franklin, Lauderdale, Marion, and Winston	<b>Region 2: WARC</b> West Alabama Regional Commission 4200 Highway 69 North, Suite 1 P.O. Box 509 Northport, AL 35476 (205) 333-2990 <a href="http://www.warc.info/">http://www.warc.info/</a> Counties: Bibb, Fayette, Greene, Hale, Lamar, Pickens, and Tuscaloosa
<b>Region 3: RPCGB</b> Regional Planning Commission of Greater Birmingham Two Twentieth Street North, Suite 1200 Birmingham, AL 35203 (205) 251-8139 <a href="http://www.rpcgb.org/">http://www.rpcgb.org/</a> Counties: Blount, Chilton, Jefferson, Shelby, St. Clair, and Walker	<b>Region 4: EARPDC</b> East Alabama Regional Planning and Development Commission 1130 Quintard Avenue P.O. Box 2186 Anniston, AL 36202 (256) 237-6741 <a href="http://www.earpdc.org/">http://www.earpdc.org/</a> Counties: Calhoun, Chambers, Cherokee, Clay, Cleburne, Coosa, Etowah, Randolph, Talladega, and Tallapoosa

<p><b>Region 5: SCADC</b>  South Central Alabama Development Commission  5900 Carmichael Place  Montgomery, AL 36117  (334) 244-6903  <a href="http://www.scadc.net/">http://www.scadc.net/</a>  Counties: Bullock, Butler, Crenshaw, Lowndes, Macon, and Pike</p>	<p><b>Region 6: ATRC</b>  Alabama-Tombigbee Regional Commission  107 Broad Street  Camden, AL 36726  (334) 682-4234  <a href="http://www.atrcregion6.com/">http://www.atrcregion6.com/</a>  Counties: Choctaw, Clarke, Conecuh, Dallas, Marengo, Monroe, Perry, Sumter, Washington, and Wilcox</p>
<p><b>Region 7: SEARP&amp;DC</b>  Southeast Alabama Regional Planning and Development Commission  P. O. Box 1406  Dothan, AL 36302  (334) 794-4093  <a href="http://www.searpc.org/">http://www.searpc.org/</a>  Counties: Barbour, Coffee, Covington, Dale, Geneva, Henry, and Houston</p>	<p><b>Region 8: SARPC</b>  South Alabama Regional Planning Commission  110 Beauregard Street #207 (36602)  P.O. Box 1665  Mobile, AL 36633  (251) 433-6541  <a href="http://www.sarpc.org/">http://www.sarpc.org/</a>  Counties: Baldwin, Escambia, and Mobile</p>
<p><b>Region 9: CARPDC</b>  Central Alabama Regional Planning and Development Commission  430 South Court Street  Montgomery, AL 36104  (334) 262-4300  <a href="http://www.carpdc.com/">http://www.carpdc.com/</a>  Counties: Autauga, Elmore, and Montgomery</p>	<p><b>Region 10: LRCOG</b>  Lee-Russell Council of Governments  2207 Gateway Drive  Opelika, AL 36801  (334) 749-5264  <a href="http://www.lrcog.com/">http://www.lrcog.com/</a>  Counties: Lee and Russell</p>
<p><b>Region 11: NARCOG</b>  North Central Alabama Regional Council of Governments  P. O. Box C  Decatur, AL 35602  (256) 355-4515  <a href="http://www.narcog.org/">http://www.narcog.org/</a>  Counties: Cullman, Lawrence, and Morgan</p>	<p><b>Region 12: TARGOG</b>  Top of Alabama Regional Council of Governments  5075 Research Drive NW  Huntsville, AL 35805  (256) 830-0818  <a href="http://www.tarcog.us/">http://www.tarcog.us/</a>  Counties: DeKalb, Jackson, Limestone, Madison, and Marshall</p>

#### 4.1.7 Metropolitan Planning Organizations (MPOs)

United States Code 134, Title 23, requires that a Metropolitan Planning Organization (MPO) be designated in urbanized areas with a population of 50,000 or more persons.

The MPO is a transportation policy-making organization made up of urbanized area representatives from local governments and governmental transportation authorities. When MPOs were formed in 1962, Congress enacted the Federal Aid Highway Act which initiated a requirement that a continuing, cooperative, and comprehensive transportation planning process be established for all urban areas over 50,000 in

population in order to qualify for Federal transportation funds. This process is now known as the 3-C transportation planning process and results in plans, programs, and projects that consider all transportation modes and support metropolitan, community, economic development, and social goals.

MPOs establish a local forum for transportation decision making, evaluate transportation alternatives, develop and update a long-range transportation plan, develop a short-range Transportation Improvement Program (TIP), and develop a one-year plan called a Unified Planning Work Program (UPWP).

One important priority is to get the public involved in the transportation planning process. In addition to their typical outreach activities, MPOs perform targeted outreach to notify low-income and minority populations of proposed projects.

Each MPO develops an areawide Transportation Improvement Program (TIP), a short-term planning document which identifies and describes local highway, public transportation, bicycle and pedestrian, and other modal projects. The TIP projects are then incorporated into the State Transportation Improvement Program (STIP).

Projects proposed within an MPO's current planning/study area boundaries, which may include areas expected to become urbanized within 20 years, must also be included in the MPO's TIP.

ALDOT staff coordinates with the MPOs during project development. Each MPO provides the necessary technical review of the proposed projects before final approval by ALDOT.

Individual TIPs are available for each MPO and can be accessed at the following link: <https://www.dot.state.al.us/programs/mpo.html>.

In addition to the 12 MPOs in Alabama, there is an MPO in Georgia which encompasses the Columbus, GA and Phenix City, AL areas and an MPO in Florida which covers the Pensacola, FL and Lillian, AL areas. Contact information for each MPO is provided in Table 2.

**Table 2**  
**Metropolitan Planning Organizations (MPOs)**

<https://www.dot.state.al.us/programs/mpo.html>

<p><b>Auburn-Opelika MPO</b>  Lee-Russell Council of Governments  2207 Gateway Drive  Opelika, AL 36801  (334) 749-5264  <a href="http://www.lrcog.com/mpo.html">http://www.lrcog.com/mpo.html</a></p>	<p><b>Birmingham MPO</b>  Regional Planning Commission of  Greater Birmingham  Two Twentieth Street North, Suite 1200  Birmingham, AL 35203  (205) 251-8139  <a href="http://www.rpcgb.org/metropolitan-planning-organization">http://www.rpcgb.org/metropolitan-planning-organization</a></p>
<p><b>Calhoun MPO (Anniston)</b>  East Alabama Regional Planning and  Development Commission  1130 Quintard Avenue  P.O. Box 2186  Anniston, AL 36202 (256)  237-6741  <a href="https://www.earpdc.org/calhoun-area-metropolitan-planning-organization/">https://www.earpdc.org/calhoun-area-metropolitan-planning-organization/</a></p>	<p><b>Columbus-Phenix City MPO (GDOT jurisdiction)</b>  Government Annex Building, 2nd Floor  420 10th Street  Columbus, Georgia 31902  (706) 653-4421  <a href="https://www.columbusga.gov/Planning/trans.htm">https://www.columbusga.gov/Planning/trans.htm</a></p>
<p><b>Decatur MPO</b>  City of Decatur  308 Cain Street N.E. (35601)  P.O. Box 488  Decatur, AL 35602  (256) 341-4716  <a href="https://www.cityofdecatur.com/departments/metropolitan-planning-organization/">https://www.cityofdecatur.com/departments/metropolitan-planning-organization/</a></p>	<p><b>Eastern Shore MPO</b>  22070 Highway 59, 3<sup>rd</sup> Floor  Robertsdale, AL 36567  P.O. Box 220  Silverhill, AL 36567  (251) 990-4640  <a href="http://www.easternshorempo.org/">http://www.easternshorempo.org/</a></p>
<p><b>Florida-Alabama TPO (FDOT Jurisdiction)</b>  Emerald Coast Regional Council  P.O. Box 11399  Pensacola, FL 32524  (850) 332-7976  <a href="https://www.ecrc.org/programs/transportation/planning/florida-alabama_tpo.php">https://www.ecrc.org/programs/transportation/planning/florida-alabama_tpo.php</a></p>	<p><b>Gadsden/Etowah MPO</b>  City of Gadsden  2000 West Meighan Blvd, Suite A  Gadsden, AL 35904  (256) 549-4519  <a href="http://www.cityofgadsden.com/441/Gadsden-Etowah-MPO">http://www.cityofgadsden.com/441/Gadsden-Etowah-MPO</a></p>
<p><b>Huntsville MPO</b>  City of Huntsville Planning Department  ATTN: Huntsville Area Transportation Study  P.O. Box 308  Huntsville, AL 35804  (256) 427-5100  <a href="http://www.huntsvillempo.org/">http://www.huntsvillempo.org/</a></p>	<p><b>Mobile MPO</b>  South Alabama Regional Planning Commission  110 Beauregard Street  P. O. Box 1665 Mobile,  AL 36633 (251)  433-6541  <a href="https://www.mobilempo.org/">https://www.mobilempo.org/</a></p>

<b>Montgomery MPO</b> City of Montgomery 495 Molton Street Montgomery, AL 36104 (334) 625-2713 <a href="http://www.montgomerympo.org/">http://www.montgomerympo.org/</a>	<b>Shoals Area MPO</b> Northwest Alabama Council of Local Governments 103 Student Drive (35661) P.O. Box 2603 Muscle Shoals, AL 35662 (256) 389-0500 <a href="https://www.nacolg.org/transportation-planning">https://www.nacolg.org/transportation-planning</a>
<b>Southeast Wiregrass Area MPO</b> City of Dothan 126 N Saint Andrews Street, Room 305 (36303) P.O. Box 2128 Dothan, AL 36302 (334) 615-4410 <a href="https://www.dothan.org/279/Transportation-Planning">https://www.dothan.org/279/Transportation-Planning</a>	<b>Tuscaloosa MPO</b> West Alabama Regional Commission 4200 Highway 69 North (35473) P.O. Box 509 Northport, AL 35476 (205) 333-2990 <a href="http://www.warc.info/mpo-home/">http://www.warc.info/mpo-home/</a>

## 4.2 Long Range Planning

### 4.2.1 Transportation Improvement Program (TIP)

49 U.S.C. 5303(j) requires each MPO to develop a Transportation Improvement Program (TIP). The TIP is a list of upcoming transportation projects within the MPO's planning jurisdiction that have been selected to receive funding during the next four or more years. This list must be developed in cooperation with ALDOT and public transit providers, and projected costs must be included for each project. The TIP must be fiscally constrained and should include capital and non-capital surface transportation projects, bicycle and pedestrian facilities, transportation enhancements, Federal Lands Highway projects, and safety projects that are included in the State's Strategic Highway Safety Plan. The TIP should also include all regionally significant projects receiving FHWA or FTA funds, projects which require FHWA or FTA approval, and non-Federally funded projects that are consistent with the Metropolitan Transportation Plan (MTP).

### 4.2.2 Statewide Transportation Improvement Plan (STIP)

ALDOT develops a Statewide Transportation Improvement Plan covering all areas of the State. The STIP is a comprehensive report listing the various types of projects in which work activity is planned within the next five years. The report details the funding and the work phase for each project in the appropriate year. Projects may be listed as project level information, more aggregated program level information, statewide level of effort, or metropolitan area projects.

The STIP is a product of the transportation planning process. The local MPO provides the TIP component of the STIP, which includes local public transportation projects. The final product becomes a project scheduling and funding document. The STIP projects are identified through various transportation management systems and planning processes involving MPOs, COGs, other State and transportation agencies, and the public. ALDOT allocates resources to those projects assigned the highest priority through these planning and programming processes.

The STIP public transportation projects are based on appropriated or estimated FTA program funding allocations. Programs include FTA Formula Programs such as: Enhanced Mobility of Seniors and Individuals with Disabilities (49 USC 5310), Formula Grants for Rural Areas (49 USC 5311), Rural Transportation Assistance Program (49 USC 5311(b)(3)), Metropolitan & Statewide Planning and Non-Metropolitan Transportation Planning (49 USC 5303, 5304, and 5305), Urbanized Area Formula Grants (49 USC 5307), Grants for Buses and Bus Facilities (49 USC 5339), and various Discretionary Funding Programs as announced by FTA.

The present STIP comprises the fiscal years 2020-2023. It was produced by the ALDOT Bureau of Office Engineer as part of a Federal requirement and can be found at this link: <https://cpmsapps.dot.state.al.us/OfficeEngineer/Plan/Statewide>.

#### 4.2.3 Statewide Transportation Plan (SWTP)

The Alabama Statewide Transportation Plan (SWTP) presents a long-range multimodal assessment of the State's transportation program. Long-range transportation plans have been part of ALDOT's process for many years. Federal regulations guide development of the SWTP and require that it address transportation needs for a minimum of 20 years into the future.

The SWTP addresses all modes of transportation for which ALDOT has direct responsibility or participates cooperatively to support other local and State government agencies (including transit, road and bridge projects, bicycle and pedestrian systems, freight transportation systems, ferries, and aviation).

The SWTP is coordinated with urban and rural areas of the State and conforms to Federal regulatory requirements.

Transportation planning supports the economic vitality of the State by increasing available options and enhancing the integration and connectivity of the transportation system, across and between modes, for both people and freight. Transportation planning is more than merely listing highway and transit capital investments. It requires developing strategies for operating, managing, maintaining, and financing the area's

transportation system to advance the area's long-term goals. An efficient transportation system can improve the economy, shape development patterns, and influence quality of life and the natural environment. ALDOT's Local Transportation Bureau provides direct support to State, regional, and local agencies in transportation planning. The transportation planning process is a cooperative effort between ALDOT, MPOs, COGs, elected officials, and transit providers.

The current SWTP presents long-range multimodal assessments to the plan horizon year of 2040. The Plan's base year was 2010. The Final Report for the SWTP was prepared and disseminated under contract to the ALDOT Bureau of Office Engineer in July 2017 as part of a Federal requirement. It can be found at this link: <https://www.dot.state.al.us/programs/StatewideTransportationPlan.html>.

# 5 Overview of Transit Programs

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## 5.1 Section 5307: Urbanized Area Formula Grants

This program makes Federal resources available to urbanized areas and to Governors for transit capital and operating assistance in urbanized areas and for transportation planning. An urbanized area (UZA) is an incorporated area with a population of 50,000 or more that is designated as such by the U.S. Department of Commerce, Bureau of the Census.

### 5.1.1 Eligible Recipients

Eligible recipients for 5307 formula grants include public bodies with the legal authority to receive and dispense Federal funds. Governors, responsible local officials, and publicly owned operators of transit services are responsible for designating a recipient to apply for, receive, and dispense funds for urbanized areas in accordance with 49 USC 5307(a)(2).

UZAs with a population of 200,000 or more are considered “large urban”. Funds are apportioned and flow directly to a designated recipient selected locally to apply for and receive Federal funds. UZAs with a population of at least 50,000 but less than 200,000 are considered “small urban”. Funding for small urban areas is apportioned to the Governor of each state (or a designee) who shall act as the designated recipient.

All eligible recipients must be active in the System for Award Management ([www.sam.gov](http://www.sam.gov)).

### 5.1.2 Eligible Activities

Funding may be used for the following activities:

- Planning, engineering, design, and evaluation of transit projects and other technical transportation-related studies;
- Capital investments in bus and bus-related activities (such as replacement, overhaul, and rebuilding of buses), crime prevention and security equipment, and construction of maintenance and passenger facilities;
- Preventative maintenance;
- Capital investments in new and existing fixed guideway systems including rolling stock, overhaul, and rebuilding of vehicles, track, signals, communications, and computer hardware and software;
- Associated transit improvements and certain expenses associated with mobility

management programs; and

- Operating assistance for urbanized areas with populations less than 200,000. (Urbanized areas of 200,000 or more may not use funds for operating assistance unless identified by FTA as eligible under the Special Rule.)

## 5.2 Section 5307: Passenger Ferry Grant Program

The Passenger Ferry Grant program is defined in 49 U.S.C. 5307(h). The program provides competitive funding for projects that support passenger ferry systems in urbanized areas. Funds are awarded based on the age and condition of existing ferry boats, terminals, and related infrastructure; benefits to riders; project readiness; and connectivity to other modes of transportation.

### 5.2.1 Eligible Recipients

Eligible recipients include designated recipients, eligible direct recipients of Section 5307 funds, States, and Federally recognized Tribes that operate a public ferry system in an urbanized area.

All eligible recipients must be active in the System for Award Management ([www.sam.gov](http://www.sam.gov)).

### 5.2.2 Eligible Activities

Funding may be used for the following activities:

- Support of existing ferry service,
- Establishment of new ferry service, and
- Repair and modernization of ferry boats, terminals, and related facilities and equipment.

Funds may not be used for operating expenses, planning, or preventive maintenance.

## 5.3 Section 5310: Enhanced Mobility of Seniors and Individuals with Disabilities Program

The Section 5310 program provides financial assistance to meet the transportation needs of older adults and people with disabilities in urbanized, small urban, and rural areas. The program provides funds to nonprofit entities, public bodies and/or governmental authorities approved by the state to coordinate transportation services for older adults and people with disabilities, or public bodies and/or governmental authorities which certify to the Governor that no nonprofit entity or association is readily available in an area to provide the service.

The goal of the Section 5310 program is to improve mobility for older adults and people with disabilities throughout the state and to enhance coordination of Federally assisted programs and services to encourage the most efficient use of Federal resources and achieve the national goal of improved mobility for the elderly and disabled. In Alabama, both private and public nonprofit agencies are required to coordinate transportation services with agencies that provide transportation services to the general public. The Section 5310 program was a competitive selection process under the SAFETEA-LU legislation, but ALDOT has the discretion to select projects under the FAST Act and MAP-21 legislation non-competitively.

ALDOT has the discretion to select projects non-competitively, and funds are awarded for eligible projects statewide. All projects funded by Section 5310 must be derived from a locally developed Coordinated Public Transit Human Services Transportation Plan. ALDOT's objectives for this program are to:

- Ensure that older adults and people with disabilities have the same rights as all people to utilize transportation facilities and services,
- Make special efforts in the planning and design of transportation facilities and services to provide older adults and people with disabilities the availability of transportation services which they can effectively utilize, and
- Continue to provide for the special needs of older adults and people with disabilities for which general public transportation services are unavailable, insufficient, or inappropriate.

ALDOT has designated the 12 Regional Councils of Governments (COGs) to coordinate transportation services in their regions. COGs and subrecipients are encouraged to coordinate their resources in order to maximize accessibility and availability of transportation services.

### 5.3.1 Eligible Recipients

To receive allocation of Section 5310 funds from ALDOT, an eligible subrecipient must submit a complete application packet to their Council of Government for approval. The Council of Government will submit the final application to the Local Transportation Bureau. The complete application packet must include an authorizing resolution from the subrecipient's board that is signed by the Authorized Officials. Additionally, each subrecipient must agree to comply with applicable certifications and assurances annually. ALDOT follows the eligibility criteria as stated by the FTA and has no additional restrictions.

There are three types of applicant organizations eligible to receive funds under Section 5310:

- Nonprofit organization – corporation or association determined by the United States Secretary of the Treasury to be an organization described by 26 U.S.C. §501 (c) that is exempt from taxation under 26 U.S.C. §501 (a)
- Public body or governmental authority that certifies to the Governor that no nonprofit corporations or associations are readily available in the proposed area to provide the service
- Public body or governmental authority approved by the state to coordinate services for older adults and people with disabilities

Nonprofit applicants must submit an attorney's certification declaring the agency's legal status and attach a copy of the Charter as listed with the Alabama Secretary of State.

Public bodies that certify that no nonprofit corporations or associations are readily available in the area to provide the service must submit documentation. The applicant shall survey the human service agencies in the area (local private non-profits) to ascertain that they cannot provide the service referenced in the application for funding. Documentation shall include letters from local nonprofit organizations stating that they do not provide transportation services in the proposed service area.

Private operators of public transportation are eligible subrecipients. The definition of “public transportation” includes “shared-ride surface transportation services”. Private taxi companies that provide shared-ride taxi service to the general public on a regular basis are operators of public transportation and therefore, eligible subrecipients. “Shared-ride” means two or more passengers in the same vehicle who are otherwise not traveling together. Similar to general public and ADA demand response service, every trip does not have to be shared-ride in order for a taxi company to be considered a shared-ride operator, but the general nature of the service must include shared rides.

Private taxi operators acting as third-party contractors for recipients or subrecipients for transit services can also participate in the Section 5310 program. Taxi companies that provide only exclusive-ride service are not eligible subrecipients; however, they may participate in the Section 5310 program as contractors. Exclusive-ride taxi companies may receive Section 5310 funds to purchase accessible taxis under contract with a state, designated recipient, or eligible subrecipient such as a local government or non-profit organization.

ALDOT is the designated recipient of Section 5310 funds for the Huntsville Urbanized Area, although the Huntsville Urbanized Area is considered a large urbanized area. A separate grant application was developed and submitted exclusively for this area to ensure that its

5310 funds are expended on projects only in the Huntsville Urbanized Area. This is the only large urbanized area for which ALDOT administers Section 5310 funds.

Applicants will not be considered if the primary need is for a vehicle to transport clients whose total transportation costs, including capital, are supported through other governmental funds. The applicant must certify that a requested vehicle will be available for use by other (non-client) persons who are elderly or have disabilities when the vehicle is not needed by the applicant for special needs clients.

ALDOT does not provide state funds for matching assistance under the Section 5310 program. Local participation for capital acquisition will, at a minimum, be 20% of the cost.

All eligible recipients must be active in the System for Award Management ([www.sam.gov](http://www.sam.gov)).

### 5.3.2 Eligible Activities

Eligible project costs are defined in **FTA Circular 9070.1 (series)**. Direct recipients and eligible subrecipients may use at least 55% of program funds must be used on “traditional” capital projects including:

- Buses and vans
- Wheelchair lifts, ramps, and securement devices
- Transit-related information technology systems, including scheduling/routing/one-call systems
- Mobility management programs
- Acquisition of transportation services under a contract, lease, or other arrangement
- Preventative maintenance

The remaining 45% may be used for the following “non-traditional” projects such as:

- Travel training
- Volunteer driver programs
- Building an accessible path to a bus stop, including curb-cuts, sidewalks, accessible pedestrian signals, or other accessible features
- Improving signage or way-finding technology
- Incremental cost of providing same day service or door-to-door service
- Purchasing vehicles to support new accessible taxi, rides sharing, and/or

vanpooling programs

- Mobility management programs
- Public transportation projects that exceed the requirements of the ADA
- Public transportation projects that improve access to fixed-route service and decrease reliance by individuals with disabilities on complementary paratransit
- Alternatives to public transportation that assist seniors and individuals with disabilities

Transit service providers receiving assistance under Section 5310 may coordinate and assist in providing meal delivery service for homebound people on a regular basis if the meal delivery services do not conflict with the provision of transit services or result in a reduction of service to transit passengers. The nutrition program is expected to pay the operating costs attributable to meal delivery.

During periods when a vehicle is not needed for specific grant-related purposes, it may be used for services to other older adults and people with disabilities within the service area as defined in the application. After the needs of these groups have been addressed, the vehicle may be used for transportation of the general public on a space available basis if such use is incidental to the primary purposes of the vehicle and does not interfere with the use of the vehicle by older adults and people with disabilities.

## 5.4 Section 5311: Formula Grants for Rural Areas

The 5311 program provides financial assistance to support public transportation services in rural areas with less than 50,000 in population. ALDOT's objectives for the program are to:

- Enhance access of people in non-urbanized areas to health care, shopping, education, employment, public services and recreation;
- Assist in the maintenance, development, improvement, and use of public transportation systems in rural areas;
- Encourage and facilitate the coordination of programs and services to ensure the most efficient use of all transportation funds for passenger transportation in rural areas;
- Provide financial assistance to help carry out national goals related to mobility for all, including seniors, individuals with disabilities, and low-income individuals;
- Increase availability of transportation options through investments in intercity bus services;
- Assist in the development and support of intercity bus transportation;

- Encourage mobility management, employment-related transportation alternatives, joint development practices, and transit-oriented development; and
- Provide for the participation of private transportation providers in rural public transportation.

#### 5.4.1 Eligible Recipients

State and local public agencies are eligible to receive financial assistance under Section 5311. These agencies are defined as follows:

- **State Agency:** any legally constituted state government agency, department, commission, council, board, bureau, committee, institution, college, regional transit authority, university, technical school, or government corporation of the State of Alabama
- **Local Public Agency:** legally constituted political subdivisions of the State such as towns, municipalities, counties, transportation authorities, public corporations, boards, Indian tribes (Federally recognized or other Indian tribes), commissions, and other public agencies established under State law
- **Nonprofit Organization:** a corporation or association determined by the United States Secretary of the Treasury to be an organization described by 26 U.S.C. Section 501(c) which is exempt from taxation under 26 U.S.C. Section 501 or one which has been determined under state law to be nonprofit and for which the designated state agency has received documentation certifying the status of the nonprofit organization
- Eligible nonprofit organizations may also serve tribal transportation needs.
- **Indian Tribal Governments:** a Federally recognized Indian tribe as defined in 49 U.S.C. 5311
- If a federally recognized Indian tribe applies and is selected for allocation of Section 5311 funds from the state through the annual application process, ALDOT will notify the selected Indian tribe. The Indian tribe will then determine whether to receive funds as a subrecipient of the state or apply directly to FTA for Section 5311 funds. If the Indian tribe notifies ALDOT of its intent to become a direct recipient, ALDOT will notify FTA by letter of the project(s) and amount of funds allocated to the Indian tribe.

Providers of public transportation in urbanized areas who provide service to rural areas may also be eligible recipients. The following guidelines apply:

- Financial assistance is available only for that portion of the service operated in rural areas.
- The applicant must be capable of segregating allowable operating and non-operating expenses incurred in providing service to rural areas.
- The applicant must be one of the following types of eligible recipients:
  - Transit agency
  - Local governmental agency
    - A political subdivision of the State
    - Indian tribal government (both Federally recognized and other tribes)
  - Council of Government (for planning/coordination only)
  - Non-profit operator of public services
  - Private for-profit organization (serving as third-party contractor for recipients or subrecipients for transit services or intercity bus needs only)

To receive allocation of Section 5311 funds from ALDOT, an eligible subrecipient must submit a complete application packet to the Local Transportation Bureau. The packet must include an authorizing resolution from the subrecipient's board that is signed by the Authorized Officials. Additionally, each subrecipient must agree to comply with applicable certifications and assurances annually. ALDOT follows the eligibility criteria as stated by the FTA and has no additional restrictions.

All eligible recipients must be active in the System for Award Management ([www.sam.gov](http://www.sam.gov)).

#### 5.4.2 Eligible Activities

The 5311 funds can be used to support transit planning activities, transit operations, preventative maintenance, and the purchase of capital equipment or facilities to aid in the provision of transit services in rural areas. The 5311 funds are also used for program administration and state-level administration. Federal regulation requires that a specified percentage of these funds be reserved each year to support an Intercity Bus Program, unless the Governor of a state certifies that intercity bus needs in the state are being met.

Public transportation services that are provided with funding support from the program must be open to the general public on a regular and continuing basis. Certain select services are permitted within program funding restrictions as long as they are

incidental and do not disrupt the general public service normally provided. However, the cost of these incidental services must be fully allocated, and mileage associated with the incidental service must not count towards the useful life of the vehicle.

General service provisions which govern the program are as follows:

- An eligible transportation service may include the transportation of residents of the non-urbanized area to or from the nearest urbanized area or areas.
- The service is designed for the general public but may be part of a coordinated project designed to maximize the usage of services by transportation disadvantaged persons.
- Joint-funded Section 5307 and Section 5311 transportation projects are encouraged provided the level of 5311 funds allocated for service in the area is fair and equitable. An explanation of joint funding agreements should be included in the local subrecipient's cost allocation plan.

The services provided under the Section 5311 awards shall primarily focus on the non-urbanized areas of Alabama. Service into urbanized areas of the state and/or into neighboring states provided that the passenger resides in Alabama and service originates from or ends in a rural area in Alabama is permitted.

Section 5311 subrecipients may include public transportation service into and out of urbanized areas. However, subrecipients are prohibited from providing exclusive services within an urbanized area. Public transportation providers are prohibited from providing public transportation services outside of their designed geographical service areas unless the purpose is to drop off and/or pick up passengers where the trip originated in the provider's service area. Whenever possible, subrecipients will coordinate service in areas where there is shared geographic service destinations.

Transit service providers receiving assistance under Section 5311 may coordinate and assist in providing meal delivery service for homebound people on a regular basis, if the meal delivery services do not conflict with the provision of transit services or result in a reduction of service to transit passengers. The nutrition program is expected to pay the operating costs attributable to meal delivery. Section 5311 capital assistance may not be used to purchase special vehicles used solely for meal delivery or to purchase specialized equipment such as racks or heating or refrigeration units related to meal delivery.

Section 5311 subrecipients are required to comply with all Federal/State requirements imposed by Federal Transit Administration and ALDOT, either through Federal/State statute, regulations, executive orders, directive, published policies, or otherwise.

Eligible project costs under the Section 5311 Program shall be determined in accordance with OMB Super Circular 2 CFR 200, FTA Circular 9040.1G, and guidance issued by ALDOT. Project expenditures shall be categorized as capital, planning, preventative maintenance, operating, or administrative expenses.

ALDOT assistance under Section 5311 is dependent on the availability of funds and match within a given allocation cycle and follows the allowable activities and match requirements as stated by FTA. ALDOT's funding priority is to ensure that operational funds are made available for subrecipients in order to prevent interruption of local service. Capital requests are considered on a case-by-case basis each fiscal year based on analysis and completion of a needs assessment by the Transit Section and is in conjunction with the bus and bus facilities asset management assessment and plan. Final approval for allocation of funding rests with ALDOT.

## 5.5 Section 5311(b)(3): Rural Transportation Assistance Program

Section 5311(b)(3) is commonly known as the "Rural Transit Assistance Program" (RTAP). It provides a source of funding to assist in the design and implementation of training and technical assistance projects and other support services tailored to meet the specific needs of transit operators in rural areas. RTAP has both state and national program components.

The state program provides an annual allocation to each state for development and implementation of training and technical assistance programs in conjunction with the State's administration of the Section 5311 formula assistance program. The national program provides funds to develop information and materials for use by local operators and state-level administrators and supports research and technical assistance projects of national interest.

ALDOT's objectives for the program are to:

- Promote the safe and effective delivery of public transportation in non-urbanized areas through professional development,
- Foster the development of state and local capacity of addressing the training and technical assistance needs of the rural transportation community,
- Improve the quality of information and technical assistance available by developing training and technical assistance resource materials,
- Facilitate peer-to-peer self-help through the development of local networks of transit professionals, and
- Support the coordination of public and private specialized human service.

### 5.5.1 Eligible Recipients

ALDOT's Local Transportation Bureau is the designated recipient for RTAP funds. The RTAP program is intended to provide training and technical assistance to subrecipients and public providers in rural areas.

### 5.5.2 Eligible Activities

RTAP funds may be used to support nonurbanized transit activities in four categories:

- Training,
- Technical assistance,
- Research, and
- Related support services.

Funds can be used to directly provide training and/or technical assistance with state staff, to contract with others for provision of training/technical assistance, to assist local entities with the cost of training available from other sources, and to develop local capabilities for self-help. This program is 100% federally funded. More information on the RTAP Program can be found in Chapter 15.

## 5.6 Section 5311(c)(1)(B): Tribal Transit Formula Grants

This program allocates funds to Federally recognized Indian tribes by both statutory formula and through a competitive discretionary program. FTA consulted with Tribal recipients and stakeholders to implement these program requirements. FTA apportions the available formula funds for grants to Indian tribes for purposes eligible under Section 5311, including capital, operating, planning, and administrative costs. For the discretionary allocations, specific project eligibility will be announced in the Notice of Funding Availability (NOFA) that solicits proposals. States will continue to have a responsibility to include Indian tribes in the announcement of Section 5311 funds apportioned to the State.

### 5.6.1 Eligible Recipients

Commensurate with 49 U.S.C. 5311, a Federally-recognized Indian tribe is an eligible direct recipient. Once the State has notified a Federally-recognized Indian tribe of the selection of its project(s) under the State administered Section 5311 Program and the amount of funds that it will allocate to the tribe from its Section 5311 apportionment, the Indian tribe will then need to decide whether to receive funds as a subrecipient of the State or apply directly to FTA for Section 5311 funds. If the tribe notifies the State of its intent to become a subrecipient, the State will notify FTA by letter of the project(s) and

amount of funds that it allocated to the Indian tribe. The Poarch Band of Creek Indians of Alabama (formerly the Creek Nation East of the Mississippi) is the only Federally-recognized Indian tribe in Alabama.

As a subrecipient of state-administered Section 5311 funds, the Indian tribe must comply with all management requirements of the Section 5311 program as administered by ALDOT. The special terms and conditions that FTA developed for tribes receiving funding under the Tribal Transit Program (Section 5311(c)) are applicable only to that program.

All eligible recipients must be active in the System for Award Management ([www.sam.gov](http://www.sam.gov)).

### 5.6.2 Eligible Activities

This program provides funding to Indian tribes to provide public transportation services on and around Indian reservations or tribal land in rural areas. The funding may be used for capital, operating, planning, and administrative expenses for public transit projects that meet the needs of rural tribal communities. Eligible activities include:

- Capital projects,
- Operating costs of equipment and facilities for use in public transportation, and
- Acquisition of public transportation services, including service agreements with private providers of public transportation services.

## 5.7 Section 5311(c)(2): Appalachian Development Public Transportation Assistance Formula Program

Section 5311(c)(2) authorizes and provides funding for the Appalachian Development Public Transportation Assistance Program (ADTAP). This program is funded under the Section 5311 program to provide additional funding to states in the Appalachian region of the United States. ADTAP enhances existing transportation service and creates new services to decrease isolation within the region.

The formula is established based on Section 9.5(b) of the Appalachian Regional Commission Code (subtitle 40). Funds may be used for public transportation activities consistent with the formula grants for rural areas program.

### 5.7.1 Eligible Recipients

Eligible recipients include local government authorities, nonprofit organizations, or operators of public transportation or intercity bus service that receive funds indirectly through ALDOT. Thirty-seven of Alabama's sixty-seven counties are eligible for ADTAP

funds. Counties within Alabama that are eligible for ADTAP program funds include: Bibb, Blount, Calhoun, Chambers, Cherokee, Chilton, Clay, Cleburne, Colbert, Coosa, Cullman, DeKalb, Elmore, Etowah, Fayette, Franklin, Hale, Jackson, Jefferson, Lamar, Lauderdale, Lawrence, Limestone, Macon, Madison, Marion, Marshall, Morgan, Pickens, Randolph, St. Clair, Shelby, Talladega, Tallapoosa, Tuscaloosa, Walker, and Winston.

All eligible recipients must be active in the System for Award Management ([www.sam.gov](http://www.sam.gov)).

### 5.7.2 Eligible Activities

The following activities are eligible for 5311(c)(2) funding:

- Planning,
- Public transportation capital projects,
- Operating costs of equipment and facilities for use in public transportation, and
- Acquisition of public transportation services.

States that are eligible for ADTAP may use amounts that cannot be used for operating expenses for a highway project if the Governor approves the use in writing after appropriate notice and an opportunity for comment and appeal are provided to affected public transportation providers. The Governor must also determine that the local transit needs are being addressed, and FTA must review the request to transfer funds.

## 5.8 Section 5311(f): Intercity Bus

Section 5311(f) requires each state to spend 15 percent of its annual Section 5311 apportionment “to carry out a program to develop and support intercity bus transportation,” unless the Governor certifies that “the intercity bus service needs of the state are being met adequately.” Additionally, Section 5311(f) requires a state to consult with intercity bus providers before the Governor makes this certification. The requirement to spend at least 15 percent applies only to the amount of FTA’s annual apportionment of Section 5311 funds to the state. It does not apply to any funds that ALDOT subsequently transfers to its Section 5311 program from another program.

An Alabama Intercity Bus Study was completed in June 2021 by a consultant under contract with ALDOT. The purpose of the study was to determine if the intercity bus needs are being met in Alabama. The study report includes an evaluation of the existing intercity bus network, recommendations for service improvements based on needs and service gaps, and policy recommendations to meet the intercity bus needs throughout the state.

The study found that while Alabama has significant intercity bus coverage, new or improved

connections between intercity bus services and the local and rural transit services would be beneficial. Recommendations to improve the intercity bus network were developed based on the analysis of station inventories, demographics, passenger surveys, and ridership forecasting and include the following strategies:

- Increase the coverage of the current network
- Use marketing and information efforts to raise awareness and increase usage
- Implement Service Improvements
- Increase local accessibility for existing bus stop locations

### 5.8.1 Eligible Recipients

States and Indian tribes are eligible recipients. Eligible subrecipients include state or local government authorities, nonprofit organizations, and operators of public transportation or intercity bus service that receive funds indirectly through a recipient. ALDOT uses a merit-based selection process to ensure that the private operator is qualified, will provide eligible service, can comply with Federal and State requirements, and is the best, or only, provider available to offer service at a fair and reasonable cost. ALDOT notifies providers either through direct mail or by advertising in various locations around the State that funds are available for the current year's intercity bus program.

All eligible recipients must be active in the System for Award Management ([www.sam.gov](http://www.sam.gov)).

### 5.8.2 Eligible Activities

Section 5311 (f) funds can be used for "planning and marketing of intercity bus transportation; capital grants for intercity bus shelters; intermodal facilities; operating grants through purchase transportation agreements; user-side subsidies; demonstration projects; and coordination of rural connections between small transit operations and intercity bus carriers."

Federal regulations provide that "coordination of rural connections between small transit operations and intercity bus carriers" may include providing a service that acts as a feeder to intercity bus service. The feeder service can be either fixed route or demand response service. Eligible costs can include weekends and extended hours of service in order to connect with scheduled intercity service.

## 5.9 Section 5339: Grants for Buses and Bus Facilities

The Section 5339 program assists states and local governmental authorities by financing capital

projects related to buses and bus facilities. Guidance for the program can be found in FTA Circular 5100.1. Funding is available through both a formula program (5339(a)) and a competitive program (5339(b)). Competitive funding is also available under the Low or No Emission Vehicle Program (5339(c)).

The goal of Section 5339 is to provide funds to invest in capital equipment and facilities to allow for efficient and improved public transportation services. FTA expects recipient agencies to maintain sufficient funding resources to ensure the recapitalization and operation of the overall transit system. ALDOT's objectives are to:

- Promote safe public transit assets through the timely replacement of assets that have met their useful life,
- Promote a safe and secure working environment both for transit employees and riders by providing funding for the construction and renovation of transit facilities, and
- Maintain statewide transportation infrastructure by ensuring that all transit assets are continuously being upgraded to meet current demand.

#### 5.9.1 Eligible Recipients

Private and public transit agencies that are currently receiving financial assistance under Section 5307, Section 5310, or Section 5311 are eligible to receive state-administered Section 5339 funds. ALDOT follows the eligibility criteria as stated by the FTA and has no additional restrictions.

To receive allocation of these funds from ALDOT, an eligible subrecipient must submit a complete application packet to the Local Transportation Bureau. The packet must include an authorizing resolution from the subrecipient's board and be signed by the Authorized Officials. Additionally, each subrecipient must agree to comply with applicable certifications and assurances annually.

Projects for the ALDOT Section 5339 application to FTA are selected from the applications submitted to ALDOT for Section 5307, Section 5310, and Section 5311 funding consideration. This selection method maximizes the capital activities that can be funded by ALDOT. There is not a separate Section 5339 application.

ALDOT's Transit Section is responsible for administering both the Section 5339 funds apportioned to the Small Urbanized Areas (i.e., areas with more than 50,000 and less than 200,000 population) and the non-urbanized and rural areas. Section 5339 program funds are allocated to existing public transit providers. The areas they service determine whether they receive small urban funds or rural funds under this program.

All eligible recipients must be active in the System for Award Management

([www.sam.gov](http://www.sam.gov)).

### 5.9.2 Eligible Activities

Only capital expenses are eligible under the Section 5339 Program at a Federal participation rate of 80%. These expenses include replacing, rehabilitating, and purchasing buses, vans, and related equipment. Construction of bus related facilities and technological changes or innovations to modify low or no emission vehicles or facilities are also eligible expenses. The Federal participation rate increases to 85% for vehicles or facilities that promote compliance with the Americans with Disabilities Act (ADA) and the Clean Air Act. Leasing or acquiring low- or no-emission bus-related equipment and facilities can result in a Federal share of 90 percent of the net project cost. The Bipartisan Infrastructure Law requires that project applications related to zero-emission vehicles must include a Zero-Emission Transition Plan. The cost of preparing this plan is not an eligible 5339 expense.

Eligible capital expenses for 5339(a) and 5339(b) include:

- Buses, vans, or other paratransit vehicles
- Radios and communications equipment
- Passenger shelters, bus stop signs, and similar passenger amenities
- Wheelchair lifts, ramps, restraints, and related vehicle modifications
- Computer hardware/software
- Vehicle rehabilitation where candidate vehicles meet the extended useful life and rehabilitation cost limits established by ALDOT
- Construction or rehabilitation of transit facilities including design, engineering, and land acquisition
- Construction of or improvements to park-and-ride lots where such facilities are utilized for public transportation or ridesharing modes that provide some form of public transportation
- Technological changes or innovations to modify low or no emission vehicles or facilities
- Workforce development training (limited to 0.5% of request with an additional 0.5% for training at the National Transit Institute)

Eligible expenses for 5339(c) program include:

- Low or no emission buses (purchase or lease)

- Low or no emission buses (acquisition with a leased power source)
- Construction or lease of facilities and related equipment (including intelligent technology and software) for low- or no-emission buses
- Construction of new public transportation facilities to accommodate low- or no-emission buses
- Rehabilitation or improvement of existing public transportation facilities to accommodate low- or no-emission buses
- Workforce development training (limited to 0.5% of request with an additional 0.5% for training at the National Transit Institute)

## 5.10 Joint Service Areas

Since the goal of Section 5311 is to enhance the overall mobility of people living in non-urbanized areas, Section 5311 projects may include transportation to and from urbanized areas. In a joint urbanized/non-urbanized project, Section 5311 funds must be used to assist the non-urbanized portion only. In circumstances where an operator is providing services in both urbanized and non-urbanized areas, ALDOT expects the applicant to develop a reasonable basis for allocating operating costs between the Section 5307 (Urbanized Area Formula Funding) and Section 5311 (Rural Area Formula Funding) which is related to the services provided. For example, an operator may choose to allocate 5307 and 5311 funding for a joint urbanized/rural route by identifying the miles or hours traveled in a given geographic area. A subrecipient must develop a cost allocation plan that segregates service activities. This plan must be submitted to the Local Transportation Bureau for review and approval.

This procedure would also be applied to joint capital projects. Vehicles purchased under either program may be used in any part of a combined urbanized and rural service area, but capital replacement policies should ensure that program funds are used appropriately.

## 5.11 Coordination Planning

Projects under FTA funding programs for underserved populations must be derived from a locally developed Coordinated Public Transit Human Services Transportation Plan. The Enhanced Mobility for Seniors and Individuals with Disabilities (Section 5310) Program meets this requirement. Since the goal is to improve transportation services for persons with disabilities, older Americans, and individuals with lower incomes, this requirement ensures that communities coordinate transportation resources provided through multiple Federal programs.

In urbanized areas with populations of less than 200,000 and in rural areas, the State is the designated recipient for receipt and administration of funding under the Section 5310 program.

For these areas, the Governor has designated the Alabama Department of Transportation (ALDOT) to be responsible for administering the program and has officially notified FTA's Region 4 office in writing of this designation. Alabama has six urbanized areas of 200,000 and more in population (Birmingham, Huntsville, Lillian, AL / Pensacola, FL, Mobile, Montgomery, and Phenix City, AL / Columbus, GA). With the exception of Huntsville, the Governor designates the recipient in conjunction with responsible local officials. ALDOT is the designated recipient of Section 5310 funds for the Huntsville Urbanized Area. Through a regional coordinated planning effort (discussed in Chapter 8 of this plan), ALDOT has implemented a uniform application and selection process for the Section 5310 program.

ALDOT considers coordination to be the most important element in the success of programs funded through FTA Sections 5310, 5311, and 5339. One element of state-level coordination involves the annual development and distribution of Section 5310, 5311, and 5339 award information. ALDOT accomplishes this task primarily with the assistance of the State's Metropolitan Planning Organizations (MPOs) and Councils of Governments (COGs).

The application competitive selection process is separate from, but coordinated with, the planning process. As the lead agency for the coordination of public transportation, ALDOT supports and encourages coordination among public transportation organizations, non-profit transportation providers, and public organizations that need transportation for clients to access jobs, services, and education. Subrecipients must demonstrate coordination efforts in their funding applications. Coordinated transportation increases efficiency and effectiveness of the services being provided.

Improving transportation coordination is important in Alabama communities because limited resources and a growing transportation demand exist simultaneously. ALDOT staff will continue to work with various entities in communities around the State to research and develop unique and practical ways to coordinate transportation resources to meet the needs of residents.

## 5.12 State and Local Roles in Program Administration

Through its Transit Section, ALDOT intends to maximize the benefits received through the Section 5310 and 5311 programs by facilitating mobility to business, commercial, educational, and other activities in support of local economic progress and development. To this end, the Transit Section has integrated the administration of these programs as much as possible to streamline its oversight functions, while remaining committed to the separate goals established for each program by Congress.

ALDOT shares a partnership role with local governments (or their representatives) committed to operating rural public transportation programs. As administrator of the funds, ALDOT assumes responsibility for the management of these programs. In this capacity, ALDOT functions as a

conduit for funds and financial programming. ALDOT develops criteria for application approval, notifies eligible local recipients of the availability of program funds, reviews and selects applicants for funding, ensures compliance with Federal requirements, and monitors project activity.

## 5.13 Consultation and Cooperation with Local Officials

The current rural planning process in Alabama allows non-metropolitan local officials to be involved in developing regional transportation plans and priorities through the Councils of Governments (COGs). This consultation process applies to the Statewide Transportation Plan by including the COGs and other transportation providers as partners in the planning process. This process is separate from the public involvement process.

Each COG is charged with maintaining a regional transportation advisory committee with representatives from local government, elected officials, public and private transportation providers, and special interest groups. Each transportation advisory committee plays an important role in identifying, analyzing, and prioritizing transportation needs and goals for its region. Through the efforts of the transportation advisory committees and COG Boards, local governments and their elected officials and public and private transportation providers are directly consulted and given an opportunity to identify transportation needs. The committees are encouraged to meet at least bi-annually or as needed to review project status, evaluate proposed modifications to the Transportation Improvement Program (TIP) and Statewide Transportation Improvement Program (STIP), update the long-range plan and funding priorities, comment on rural functional classification changes, receive input on the rural work programs, and coordinate special studies.

## 5.14 State Administration, Planning, and Technical Assistance

A maximum of 10% of the Section 5310 and Section 5311 funds apportioned to the State of Alabama can be used for state program administration, planning, and technical assistance. State program administration is 100% Federally funded and is used to support ALDOT personnel directly involved with Section 5310 and 5311 program management and administration. The following sections list areas where program administration may be required.

### 5.14.1 Section 5310

#### 5.14.1.1 Purchase of Service

Purchase of service includes the acquisition of transportation services under a contract, lease, or other arrangement.

#### 5.14.1.2 Capital Expenses

Capital expenses include the acquisition of vehicles or vehicle-related equipment or facilities through purchase.

#### 5.14.1.3 Mobility Management and Coordination Programs

Mobility management and coordination programs are developed among public transportation providers and other human service agencies providing transportation. Mobility management techniques may enhance transportation access for populations beyond those served by one agency or organization within a community. For example, a nonprofit agency could receive Section 5310 funding to share services it provides to its own clientele with other individuals with disabilities or elderly individuals and coordinate usage of vehicles with other non-profits. Mobility management is intended to build coordination among existing public transportation providers and other transportation service providers with the result of expanding the availability of services. Mobility management activities may include:

- The promotion, enhancement, and facilitation of access to transportation services, including the integration and coordination of services for individuals with disabilities, older adults, and low-income individuals
- Support for short-term management activities to plan and implement coordinated services
- The support of State and local coordination policy bodies and councils
- The operation of transportation brokerages to coordinate providers, funding agencies, and customers
- The provision of coordination services, including employer-oriented Transportation Management Organizations' and Human Service Organizations' customer-oriented travel navigator systems and neighborhood travel coordination activities such as coordinating individualized travel training and trip planning activities for customers
- The development and operation of one-stop transportation traveler call centers to coordinate transportation information on all travel modes and to manage eligibility requirements and arrangements for customers among supporting programs
- Operational planning for the acquisition of intelligent transportation technologies to help plan and operate coordinated systems inclusive of

Geographic Information Systems (GIS) mapping, Global Positioning System (GPS) technology, coordinated vehicle scheduling, dispatching and monitoring technologies as well as technologies to track costs and billing in a coordinated system and single smart customer payment systems (acquisition of technology is also eligible as a “stand alone” capital expense).

## 5.14.2 Section 5311

### 5.14.2.1 Capital Expenses

Capital expenses include the acquisition, construction, and improvement of public transit equipment and facilities needed for an efficient and coordinated public transportation system. Eligible capital expenses include, but are not limited to, the following:

- Buses, vans, or other paratransit vehicles
- Radios and communications equipment
- Passenger shelters, bus stop signs, park and ride lots, and similar passenger amenities
- Wheelchair lifts, ramps, restraints, and related vehicle modifications
- Operational support such as computer hardware/software
- Maintenance and/or service vehicles
- Vehicle rehabilitation where candidate vehicles meet the extended useful life and rehabilitation cost limits established by FTA and ALDOT
- Preventive maintenance which is defined as all maintenance costs related to vehicles and non-vehicles (if not otherwise classified and expended under Operations). Specifically, it is defined as all the activities, supplies, materials, labor, services, and associated costs required to preserve or extend the functionality and serviceability of the asset in a cost effective manner.
- Construction or rehabilitation of transit facilities including design, engineering, and land acquisition
- Construction of or improvements to park-and-ride lots where such facilities are served by public transportation or ridesharing modes that are a form of public transportation

- Purchase of used equipment with the prior approval of ALDOT. The project must substantiate that the proposed purchase price represents fair market value and that the equipment is in sound working condition so the project can anticipate a reasonable period of remaining useful life and meet the requirements of the Americans with Disabilities Act.
- Facilities to provide access for bicycles to public transportation facilities or equipment for transporting bicycles on public transportation vehicles
- Lease of equipment or facilities when leasing is more cost effective than purchase (when lease of equipment or facilities is treated as a capital expense the state will establish criteria for determining cost effectiveness, including non- economic factors such as management efficiency, availability of equipment, and staffing capabilities borrowing on guidelines stipulated in 49 CFR Part 639).
- The capital cost of contracting

#### 5.14.2.2 Operating Expenses

Operating expenses are costs directly related to system operation. Eligible operating expenses include, but are not limited to, the following:

- Fuel and oil
- Replacement tires
- Salaries and fringes of drivers, mechanics, dispatchers, or other personnel performing job duties supporting the system's overall operation
- Vehicle licenses and fees

#### 5.14.2.3 Net Operating Expenses

Net operating expenses are those expenses remaining after operating revenues are subtracted from eligible operating expenses. At a minimum, operating revenues include farebox revenues. Farebox revenues include fares paid by riders who are later reimbursed by a human service agency or other user subsidy arrangement.

#### 5.14.2.4 Operations Deficits and Farebox Recovery

Federal funds may be applied to system operations deficits subject to the availability of funds. Federal participation allows up to 50% of the eligible net operating deficit (gross eligible operating expenses less revenue). Farebox

revenues must be subtracted from operating expenses before the 50% match can be applied. Contract revenues (non-DOT) or portions thereof may be used as local match.

#### 5.14.2.5 Income from Contracts with Human Service Agencies

Income from transportation service contracts with human service agencies utilizing DOT funds may be used to reduce the net project cost or to provide local match under Section 5311 operating assistance. Section 9.5 provides guidance on how program income may be used.

#### 5.14.2.6 Administrative Expenses

Administrative expenses are non-operating expenses which are Federally funded up to 80% subject to the availability of Federal funds. Eligible administrative costs may include, but are not limited to:

- Salaries and fringe benefits of the project director, secretary, bookkeeper, or other personnel performing job duties of an administrative nature
- Office supplies and materials
- Facilities and equipment rental (not lease-purchase)
- Vehicle insurance
- Marketing to include the cost of paid advertisements (newspaper ads, radio and TV spots, etc.) and/or the services of a professional marketing firm. Marketing may also include the cost of printing/reproduction associated with in-house marketing.
- Promotional Items (cost of items used in the promotion or advertising of the transportation system including, but not limited to, pens, pencils, notepads, stickers, lapel pins, etc.) The item should include the system name and/or logo.
- Professional services such as legal and accounting assistance
- Indirect cost expenses may be eligible for reimbursement if a cost allocation methodology has been established and approved by the appropriate authority and/or ALDOT
- Administrative costs for promoting and coordinating ridesharing may be eligible if the activity is part of a coordinated public transportation

program. ALDOT will limit the amount of Section 5311 funds an applicant applies toward administrative costs if ALDOT determines those costs to be excessive in relation to the service being proposed.

#### 5.14.2.7 Section 5311(f) - Intercity Bus

Assistance under Section 5311(f) must support intercity bus service in rural areas. Section 5311(f) specifies eligible intercity bus activities to include “planning and marketing for intercity bus transportation, capital funding for intercity bus shelters, joint-use stops and depots, operating funding through purchase-of-service agreements, user-side subsidies and demonstration projects, and coordination of rural connections between small public transportation operations and intercity bus carriers.”

### 5.15 Ineligible Costs

OMB Super Circular 2 CFR 200 defines items that are ineligible for reimbursement under all Federal funding programs. Some of the items deemed ineligible are:

- Entertainment expenses
- Fines and penalties
- Interest expenses on loans (not previously approved by ALDOT)

Additionally, the following transit-related expenses are ineligible for Section 5311 assistance:

- Depreciation accrued by public agencies on facilities or equipment purchased with Federal funds (Federal share only)
- Indirect transit-related functions or activities of local public governing bodies performed as a normal or direct aspect of public administration (e.g., expenses of a City Council in considering transit matters)
- Contributions to a capital reserve account
- Expenses associated with the provision of charter services, thus warranting the maintenance of a separate account for charter expenses and income. (Profit derived from charter services may be used as part of the local matching share as long as the proper procedures have been followed.)

## 5.16 Matching Funds

### 5.16.1 Federal/State/Local Participation Ratio

The Federal Transit Administration provides Federal funds through annual apportionments to ALDOT for capital, operating, planning, and administration activities. No state funds are provided for these programs. The subrecipients are responsible for providing the local match for capital, operating, administration, and planning activities as applicable.

Below are the Federal, state, and local matching ratios for the Sections 5310, 5311, and 5339 programs.

#### 5.16.1.1 Capital

For most capital projects, the Federal share is 80% while the local share is 20%. ALDOT allows an 85% Federal share / 15% local share for acquiring vehicles that comply with the Americans with Disabilities Act (ADA) or the Clean Air Act (CAA). ALDOT does not currently use the 90% Federal share / 10% local share for vehicle-related equipment or facilities that comply with the ADA or CAA, but a Federal share of 90 percent is allowed for capital projects that provide access for bicycles at transit facilities or that install racks or other equipment for transporting bicycles on transit vehicles. ALDOT does not use the sliding scale rates referenced in FTA Circular 9040.1G.

Section	Federal	State	Local
5310	80%	0%	20%
5310 ADA/CAA	85%	0%	15%
5311	80%	0%	20%
5311 ADA/CAA	85%	0%	15%
5339	80%	0%	20%
5339 ADA/CAA	85%	0%	15%

#### 5.16.1.2 Operating

Operating expenses for 5311 programs are allowed at 50% Federal share / 50% local share. Alabama does not currently allow Section 5310 operating costs. ALDOT does not use the sliding scale rates referenced in FTA Circular 9040.1G.

<b>Section</b>	<b>Federal</b>	<b>State</b>	<b>Local</b>
5310	N/A	N/A	N/A
5311	50%	0%	50%
5339	N/A	N/A	N/A

#### 5.16.1.3 Administration

5310 and 5311 subrecipients may use funds to support program administration costs. These costs are funded at 80% Federal share / 20% local share for 5311 subrecipients.

<b>Section</b>	<b>Federal</b>	<b>State</b>	<b>Local</b>
5310	N/A	N/A	N/A
5311	80%	0%	20%
5339	N/A	N/A	N/A

#### 5.16.1.4 Planning

Planning costs for Section 5311 subrecipients are allowed at 80% Federal / 20% local share.

<b>Section</b>	<b>Federal</b>	<b>State</b>	<b>Local</b>
5310	N/A	N/A	N/A
5311	80%	0%	20%
5339	N/A	N/A	N/A

### 5.16.2 Local Share and Local Funding Requirements

Federal legislation continues to provide funding to support services tailored to meet the needs of transit operators. Only eligible expenses based on the Office of Management and Budget (OMB) Uniform Guidance Subpart E – Cost Principles (previously OMB Circulars A-87 and A-122), as allowed by the ALDOT Transit Section administered programs, are used in determining project costs.

Applicants must provide evidence of possessing the necessary fiscal and managerial capability to implement and manage proposed projects. ALDOT provides Federal program funds, and subrecipients must provide local matching funds as identified in the contract. Subrecipients must comply with all requirements contained in ALDOT Local Transportation Bureau's Announcement/Application package under which service proposals and funding requests are submitted.

### 5.16.3 Eligible Local Match

A subrecipient cannot use FTA funds as match for Section 5310, Section 5311, or Section 5339 programs. Even though funds are made available to the transit provider through a service agreement with a State or local social service agency or private social service organization, FTA funds may not be used as match because they are derived from a DOT program. FTA Circular 9040.1G and 9070.1G provide more information on local match sources.

Local match includes local appropriations, service contracts, dedicated tax revenues, private donations, and net income generated from advertising, concessions, and incidental charter service.

When calculating Federal and local share percentages, administrative and capital assistance category match participation is based on gross expenses less any applicable refunds, insurance proceeds, vendor discounts, etc. Operational category match participation is based on net project cost (gross project costs less applicable contra expenses).

In-kind contributions (donations of equipment, supplies, property, and/or services that are beneficial and used by the applicant) must have a documented cash value. ALDOT reserves the right to reject or disallow in-kind contributions as local share if the estimated cash value cannot be determined independently.

Examples of non-Federal sources that may be used for part or all local share include:

- Local government appropriation for cash
- Dedicated tax revenues
- Cash contributions from other public or private sources (excluding funds derived from purchase of service contracts)
- Unrestricted Federal funds such as Title 3B of the Older Americans Act
- Net income from incidental charter service, advertising, and concessions
- Non-DOT funds through a service agreement with a state, local, or private social service agency

Income from contracts to provide social service transportation may be used either to reduce the net project cost (treated as revenue) or to provide local match for Section 5311 operating assistance. In either case, the cost of providing the contract service is included in the total project cost.

The following definitions apply in determining sources of local match:

- Cash: may include local appropriations, dedicated tax revenues, or profit generated from eligible charter services
- Cash Equivalent: means a contribution/donation of some portion of the acquisition, construction, or improvement of public transportation facilities or equipment. Examples of such contributions would include the donation of land on which a public transportation facility was to be constructed. Such non-cash sources of local match are eligible only when the value is formally documented in accordance with 49 CFR Part 18.
- Unrestricted Federal Funds (including Title XIX): these funds authorized by a Federal agency (e.g., Health and Human Services) can be used as local match for Section 5310 or Section 5311. Project applicants are responsible for identifying unrestricted funds because of their accountability by the other Federal agencies involved. Subrecipients may use funds from other Federal agencies (non-DOT) for the entire local match if the other agency makes the funds available to the subrecipient for the purposes of the project. The Federal Lands Highway Program (cited in 49 U.S.C. 5311(g)(3)) is the only DOT funding source that can be used as local match for transit projects.
- Other Federal Funds: Specific program information for other types of Federal funding is available at <https://www.transit.dot.gov/>.
- Donations, Volunteers, In-Kind: these funds are eligible as part of the “cash” share of the local match. Such non-cash sources of local match are eligible only if the value of each is formally documented and supported in accordance with 49 CFR Part 18.
- Purchase of Service Agreement: considered any agreement or contract between a transit service provider and a social service agency or organization (state, local, or private), whereby the social service organization purchases service for its clients at a price and according to terms specified in the agreement. Income from service contracts utilizing non-DOT funds to provide human service transportation may be used as farebox revenue (see “Net Operating Expense” and “Operations Deficits” in this chapter).

In times of reduced Federal funding, the State may ask for a higher local match from the applicant. At any time, the applicant may offer a larger local match to increase the purchasing power of the Federal funds. This may occur when the applicant requests more vehicles than the State is willing to fund resulting in two vehicles for the price of one (50% or less Federal capital funds and 50% or more local match).

#### 5.16.3.1 Contra-Expenses

Contra-expenses are revenue items that directly offset transit expenses and are therefore eliminated from the expenses eligible for assistance. Some examples of contra-expenses are farebox revenues, interest income earned on working capital, cash discounts and refunds that directly offset accrued expenses, and insurance claims and reimbursements that directly offset accrued liabilities.

#### 5.16.3.2 Use of Other Federal Funds

Local matches may be derived from other non-DOT Federal programs that are eligible to be expended for transportation. To be eligible as a local match for FTA funds, the other Federal funds must be used for activities included in the total net project cost. Expenditure of other Federal funds for transportation outside of the scope of the project cannot be applied as a credit for local match in the project. Specific program information for other types of Federal funding is available from the FTA Coordinating Council on Access and Mobility (CCAM) website at <https://www.transit.dot.gov/coordinating-council-access-and-mobility>.

Some Non-DOT Federal programs supporting transportation are:

- U.S. Department of Agriculture
  - Food and Nutrition Service
- U.S. Department of Education
  - Office of Elementary and Secondary Education
  - Office of Innovation and Improvement
  - Office of Special Education and Rehabilitative Services
- U.S. Department of the Interior
  - Bureau of Indian Affairs
- U.S. Department of Health and Human Services
  - Health Resources and Services Administration
  - Centers for Medicare and Medicaid Services
  - Administration on Aging
  - Substance Abuse and Mental Health Services
  - Administration for Children and Families
- U.S. Department of Labor

- Employment Standards Administration
  - Veterans' Employment and Training Service
  - Employment and Training Administration
- U.S. Department of Veterans Affairs
  - Veterans Benefits Administration
  - Veterans Health Administration

# 6 Project Selection Criteria

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## 6.1 Background

All project applications will be evaluated to determine the extent to which the proposed project meets overall program goals and objectives of the State and the application criteria set forth by the Alabama Department of Transportation (ALDOT). Rural communities that are not a part of the urbanized areas of MPOs are included under the jurisdiction of Regional Planning Councils. Consistent with FTA's requirements for regional coordination of various Federally funded transportation programs, ALDOT has designated the 12 Regional Planning Councils to coordinate transportation services in their regions to ensure that all projects funded under this program are derived from a locally developed, coordinated public transit-human services transportation plan.

Based on the amount of funds appropriated for each program, ALDOT determines the total number of applications to be funded. Applications are reviewed by ALDOT's transit staff, or their designee, to ensure applications are complete and all eligibility requirements are met. Upon completion of the application evaluation and selection process, award approval letters are sent to successful applicants after FTA approval of an award. Agreements are then entered into with successful agencies. Once the agreement is finalized and approved, the agency becomes a subrecipient of ALDOT.

Unsuccessful applicants are provided notification. This notification outlines reasons why the application was not approved. This information is provided to aid in the development of future applications for assistance.

Projects approved by ALDOT are included in the local Transportation Improvement Program (TIP) as applicable and become part of ALDOT's submission to FTA as the State Transportation Improvement Plan (STIP).

A final list of selected projects for the Sections 5310, 5311, and 5339 programs is published on ALDOT's website.

## 6.2 Criteria for Section 5310

Projects will be awarded through a statewide competitive selection process for Section 5310. ALDOT, as the designated recipient, is responsible for developing and implementing the competitive selection process in order to provide for fair and equitable distribution of funds. ALDOT is the designated recipient of Section 5310 funds for the Huntsville Urbanized Area, although the Huntsville Urbanized Area is considered a large, urbanized area. A separate grant application was developed and submitted exclusively for this area to ensure that its 5310 funds

are expended on projects only in the Huntsville Urbanized Area. This is the only large, urbanized area for which ALDOT administers Section 5310 funds.

The following is a list of capital items eligible under the ALDOT's Section 5310 traditional program:

- Buses
- Vans or other Para transit vehicles
- Radios and communication equipment
- Vehicle shelters
- Wheelchair lifts, ramps and securement devices
- Vehicle rehabilitation
- Computer hardware/software
- Other durable goods such as spare components or parts with a unit cost over \$500 and useful life of more than one year
- Initial installation costs
- Vehicle procurement, testing, inspection, and acceptance costs
- Lease of equipment when lease is more cost effective than purchase. Note that when lease of equipment or facilities is treated as a capital expense, the recipient must establish criteria for determining cost effectiveness in accordance with FTA regulations, 2 CFR Parts 200 and 1201, Uniform Administrative Requirements.

Generally, the Federal share of eligible capital costs will not exceed 80 percent (80%) of the net cost. The local share of eligible capital costs shall be no less than 20 percent (20%) of the net cost. The local share must be provided from sources other than Federal funds, except where specific legislative language of a Federal program permits funds to be used as match.

Exceptions to these match requirements are to be considered when vehicle-related equipment is required by the Americans with Disabilities Act of 1990 or the Clean Air Amendments of 1990. Such equipment may be funded at up to a ninety percent (90%) Federal share. This increased Federal share will be available for equipment related purchases only.

#### **6.2.1 Project Selection and Funding Criteria for Section 5310**

The Section 5310 program provides funding for meeting the transportation needs of elderly individuals and individuals with disabilities. The Section 5310 funds provide financial assistance for transportation services planned, designed, and carried out to meet the special transportation needs of elderly individuals and individuals with disabilities throughout the State of Alabama.

ALDOT will administer a statewide call for applications under the Section 5310 program for all areas, with applications submitted to the COGs. At a minimum, ALDOT publicly advertises the availability of funds to potential applicants by letter or email and through a targeted public notice strategy that includes appropriate dissemination methods, including but not limited to newspapers, publicly available websites, and/or social media platforms that have wide circulation and availability across the State. A packet containing instructions for completing the application and needed forms is available online for all interested private non-profit agencies and qualified public bodies that provide transportation services for seniors and individuals with disabilities in small urban and rural areas. ALDOT, or its designee/representative, offers assistance to agencies requesting help with completing the application. Applicants must offer an opportunity for a public hearing.

Federal transit law requires that projects funded under the Section 5310 program be derived from a locally developed, coordinated public transit-human services transportation plan (“coordinated plan”). Successful applicants are subject to a one-year sit-out rule in order that funding may be distributed equitably. The completed application is due to ALDOT by the deadline established in the Annual Application announcement. Projects must be developed through a process that includes representatives of public, private, and non-profit transportation and human services providers and participation by members of the public. Each project application will be evaluated to determine the extent to which the proposed project meets overall program goals, objectives, and application criteria set forth by ALDOT. The respective Council of Governments (COG) certifies that agencies are involved in the planning process and forwards project applications to ALDOT, increasing coordination activities.

ALDOT will ensure that the distribution of funds is fair and must verify project eligibility prior to submitting a formal application to FTA. It is the responsibility of ALDOT to maintain appropriate oversight of all projects.

At a minimum, the selection criteria will ensure that projects:

- Correlate with regional coordination plan’s implementation strategies
- Address gaps in current service provisions for targeted communities
- Make use of available resources and leverage resources to the greatest extent possible
- Facilitate coordination across public-private, inter-agency, and geographic boundaries
- Coordinate with other Federal and/or State programs

A committee selected by ALDOT will review, score, and rank the project applications for

the Section 5310 program. The ratings assigned by each member of the Selection Committee are averaged and ranked using a point system. ALDOT has developed a menu of selection criteria to be used uniformly by the ALDOT Selection Committee.

Upon completion of the process and selection of projects, these projects are incorporated into the State's annual application to the FTA.

The following documentation is required:

- Application CoverPage
- Application Checklist
- Vehicle Inventory Form/Request Form/Funding Request Form (see Appendix 6A)
- Scope of services to be provided
- Managerial and Technical capabilities
- Letter of Confirmation for Local Match and Operating Expenses
- Authorizing Resolution from appropriate governing agency
- Public Hearing Requirements: Public hearings can utilize live video streaming and/or virtual meeting platforms to complement in-person meetings and increase audience reach and participation. There may also be times when virtual meetings are used in lieu of public meetings. Prior approval from ALDOT is required for these instances. Documentation to be provided regarding the public hearing, must include how notice of the public hearing is disseminated, the date, time, and location of the meeting, as well as the number of attendees, copies materials created for the public, topics discussed, comments received, and results.
- Audit Report for the most recent fiscal year
- Copy of Articles of Incorporation and Bylaws
- Copy of Federal Identification Number Letter
- Insurance carrier, amounts of coverage, and premium rate if applicable
- Certification of vehicle maintenance plan and checklist of vehicle maintenance for program vehicles
- Certifications and Assurances for FTA assistance
- Section 5310 Annual Report for existing subrecipients
- Standard Assurances
- Civil Rights Form

- Documentation of Involvement in Coordinated Planning Process and Letter of Endorsement by the Council of Local Governments
- Public Agency Certification (*only applicable to governmental or public agencies*)
- Application Certification that all statutory and program requirements have been met

## 6.2.2 Section 5310 Project Evaluation Criteria

All projects under the Elderly Individuals and Individuals with Disabilities Program (Section 5310) will be rated and prioritized by the Selection Committee appointed by ALDOT. Specific criteria will be published in the annual application for funding.

## 6.3 Criteria for Section 5311

### 6.3.1 Project Selection and Funding Criteria for Section 5311

At a minimum, ALDOT publicly advertises the availability of funds to potential applicants by posting on the ALDOT and ALTRANS websites, through targeted and appropriate advertising methods, and through a publication having general circulation across the State.

Section 5311 applicants that are in an MPO study area are required to notify the MPO of their intention to apply for funds. They should request a letter of support from the MPO to forward along with their formal application to ALDOT for funding. Proposed projects within an MPO study area must be included in that MPO's local TIP. Once the project is approved by ALDOT, it will be included in the next revision of the STIP.

Continuing Section 5311 subrecipients complete a project application and must demonstrate that they are eligible to continue to receive funding. However, because Section 5311 funds are used primarily for operations and the funds are critical to maintaining continuous services, ALDOT generally considers Section 5311 subrecipients eligible for funding from year to year, unless the annual application, ALDOT on-site review, or other circumstances demonstrate that a subrecipient is no longer eligible. These circumstances include, but are not limited to, a subrecipient's transition from Section 5311 to Section 5307, elimination of general public service, or determination by ALDOT that a subrecipient no longer meets State or Federal requirements for receiving award funds.

### 6.3.2 Section 5311 Project Evaluation Criteria

Section 5311 applicants must submit a complete Section 5311 application to ALDOT.

Section 5311 applications are reviewed by ALDOT transit staff, or their designee/representative, to ensure applications are complete and all eligibility requirements are met. Applicants must meet the following conditions:

- Submit a completed application to ALDOT
- Meet ALDOT eligibility criteria as stated in **Chapter 5** of this Plan
- Execute an agreement between the applicant and ALDOT

The complete application at a minimum will consist of the following:

- Current data sheet
- Application Letter
- Designated Agency Letter, if applicable
- Current System/Project Description
  - General description of service area including delineated boundaries
    - Geographic Area Served
    - Service Area Population
    - Service Area Square Miles
    - System Start-up Date
    - Brief History of System
    - Mission Statement
    - Current Year Goals and Objectives
  - General description of applicant and subcontractors and copy of organizational chart
  - General description of proposed transportation service
    - Specific route information and highlighted map (8" x 11") of service area
    - General description of proposed services to be provided outside of service area and support documentation
    - Hours and days of operation
    - Number of project vehicles in operation
    - Number of back-up vehicles

- Eligible users of service
  - Service changes from previous year
  - Planned changes for next year
- Current farestructure
  - Description of fare eligibility process and support documentation, if applicable
  - Date of last fare increase
  - Planned fare increases
- Copy of system brochure
- Description of efforts to market or promote system
- Description of method of implementing and announcing services changes and fare increases
- Description of coordination efforts
  - Directory of local transportation steering committee
  - Schedule of transportation steering committee meetings
- System Safety, Security and Emergency Preparedness Plan Update
- Capital Equipment
  - Vehicle Inventory Form (see Appendix 6A)
  - Fleet Replacement Form (see Appendix 6B)
  - Vehicle Profile Sheet (see Appendix 6C)
  - Non-Expendable Equipment Inventory Form (see Appendix 6D)
- Project Budget Worksheet
  - Budget (see Appendix 6E)
  - Source of Budget Funds Sheet (see Appendix 6F)
  - Local Match Documentation (see Appendix 6G)
- Cost Allocation
  - Budget Chart of Accounts (see Appendix 6H)
  - Cost Allocation Matrix (see Appendix 6I)

- Public Participation Process
  - Copy of public involvement process, timeline, and outreach goals
  - Copies of how and where public notice of public involvement activities were advertised/disseminated
  - A signed affidavit certifying the details of public notice of the public involvement activities
  - Summary of transcript of the public hearing signed by an official of the transit system
- Complaint Procedure
  - Copy of written procedures addressing complaints within and without the organization
- Civil Rights
  - Authorizing Resolution

The Section 5311 funds are available for reimbursement of expenditures incurred in providing public transportation services in non-urbanized (rural) areas.

ALDOT must follow the stated regulations and procedures in **FTA Circular 9040.1 (series)** to remain eligible for funding but may add additional requirements as it administers the FTA Section 5311 program. Projects are selected based on the application submitted to ALDOT. Completed applications must reach ALDOT by the date specified in the application. Subject to availability or other specified date, awarded funds will be allocated by October 1<sup>st</sup> of the same year for a one-year period ending September 30, unless ALDOT states otherwise.

## 6.4 Criteria for Section 5339

Projects that are eligible for funding under the Bus and Bus Facilities Program (Section 5339) are selected based on identified needs determined after assessing physical condition, analyzing vehicle utilization, and considering useful life standards for replacement. Projects must be in accordance with **FTA Circular 5100.1 (as amended)** regarding asset management. *(Note: Section 5339 program funds are available to 5310 subrecipients and 5311 subrecipients.)*

## 6.5 Method of Distributing Funds

### 6.5.1 Section 5311

ALDOT shall make funds available for capital, planning, operating, and administrative

assistance to projects in non-urbanized (rural) areas. The budget submitted by the subrecipient through the application process shall define the category and amount of funds the subrecipient wishes to receive. Any variation shall require prior approval from ALDOT.

Approved subrecipients have funds disbursed on a reimbursement basis. Invoices are submitted to ALDOT on a monthly basis at a minimum (but not less than quarterly) for Section 5311 approved expenses. Capital expenses are reimbursed to the subrecipient at approved Federal share once the capital has been received by the subrecipient and inspected by the Transit Section's Procurement Coordinator.

Eligible project costs under the Section 5311 Program shall be based on the Code of Federal Regulations (CFR), also referred to as Uniform Guidance, Subpart E-Cost Principles; Section 200.400-200.475, (as amended) and guidance issued by ALDOT. Project expenditures shall be categorized as capital, operating, planning/technical assistance, or administrative expenses.

#### 6.5.2 State Administration and Technical Assistance (Sections 5310 and 5311)

Each program allows a percentage of the apportioned funds to be used by the State to administer the program; costs to administer the program include administration, planning, and technical assistance. The amounts allowed for state administration of each program are:

- Section 5310 - up to 10%
- Section 5311 - up to 10%

FTA allows all or a portion of the administrative funds for 5310 and 5311 to be combined to support activities (such as coordinated planning) that are common to both programs. ALDOT may combine program administration funds into one administrative account, so long as the use is associated with administering Section 5310 and 5311 programs.

#### 6.5.3 Project Funds

All projects approved for funding shall be included in a state program of projects, submitted annually to FTA, and provide a "fair and equitable" distribution of funds within the state, including tribal lands. Maximum feasible coordination with transportation services assisted by other Federal sources must be evidenced through the annual evaluation process.

#### 6.5.4 Funding Guidelines

Funding guidelines for each program are based on regional demographics and developed on a formula that mirrors FTA's allocation formula to states. The demographics are based on the most recently approved decennial Census data, and the guidelines will be used on an annual basis as Federal apportionments are published.

#### 6.5.5 Section 5310 Funding Guidelines

Section 5310 funding guidelines are based on an equal weighted average of the elderly/disabled populations within a region as percentages of the state's overall elderly/disabled population.

ALDOT selects a cross population representative of the community that will receive the funding to ensure equity and eliminate any perceived or real bias or discrimination in the selection process. ALDOT also assists potential subrecipients in applying for funding, including efforts that would serve the minority and low-income populations.

#### 6.5.6 Section 5311 Funding Guidelines

FTA requires each state to develop and implement a fair and equitable distribution system for allocating Federal Section 5311 funds. ALDOT uses an allocation formula for Section 5311. ALDOT provides Section 5311 Federal funding to subrecipients based upon the following, but not limited to: funding requests, need, historical expenditures, expansion of transit services, and financial matching ability of the subrecipients. The evaluation and assessment of need is based on ridership and population served. ALDOT funding awards shall not exceed the available Federal apportionment amounts.

As circumstances warrant or if apportionment amounts are significantly reduced, ALDOT shall utilize a distribution formula that is based on the state's rural population. Each county's rural population ratio relative to the state's rural population as designated by the Census Bureau (latest decennial Census) is multiplied by the total amount of funds available for project authorization. The formula is:

$$\text{County apportionment} = \text{Alabama apportionment} \times \frac{\text{County non-urbanized population}}{\text{AL non-urbanized population}}$$

Although the current funding formula does not explicitly consider Title VI requirements in allocating funds, the Transit Section recognizes the need to address the Title VI regulation as it relates to funding. ALDOT selects a cross population representative of the community that will receive the funding to ensure equity and eliminate any perceived or

real bias or discrimination in the selection process. ALDOT also assists potential subrecipients in applying for funding, including efforts that would serve the minority and low-income populations.

#### 6.5.7 De-obligated Funds

Funds that are de-obligated from an approved program of projects remain available to ALDOT and the subrecipients (upon approval of ALDOT) for re-obligation during the period that the funds were originally available to ALDOT. ALDOT reallocates funds to an approved program of projects the next fiscal year.

#### 6.5.8 Reallocation of Section 5310 and 5311 Funds

At the end of the contract period, unless a contract is extended, a close-out procedure is followed that returns de-obligated Section 5310 and 5311 funding to an active Section 5310 or 5311 award. These funds may then be re-allocated for other eligible Section 5310 and 5311 projects, provided award funds are not due to lapse before a new contract period can be completed.

### 6.6 Transfer of Federal Funds

#### 6.6.1 Transfer of Section 5307 (Small Urbanized) Funds

Small urbanized areas submit applications annually for their designated FTA funds. In the event they opt not to use their funds for eligible projects within the urbanized areas and in the period for which those Federal funds are made available, ALDOT shall then have the option of transferring and obligating such funds for eligible projects in other urbanized or non-urbanized areas in the State in accordance with FTA regulations and procedures.

ALDOT may transfer an amount of the State's Section 5307 apportionment for urbanized areas of under 200,000 in population or supplement funds apportioned to the State under Section 5311.

ALDOT is required to notify the FTA Regional Administrator of each transfer of Section 5307 funds. See the ***Notification of Transfers (Section 6.6.6)*** procedure outlined later in this chapter for additional information.

#### 6.6.2 Transfer of Section 5307 Small Urban to Section 5311 and/or Section 5307 Large Urban

If Section 5307 funds are transferred to supplement ALDOT's Section 5311 apportionment, these funds are treated as additional Section 5311 funding and all the

requirements of Section 5311 apply. Two conditions follow the Section 5307 funds when they are transferred to Section 5311:

- The period of availability of the transferred funds remains that of the Section 5307 apportionment
- ALDOT may use any funds transferred from its Section 5307 program for planning activities, at the Federal share for capital projects

The transfer of Section 5307 funds to Section 5311 does not increase the amount of Section 5311 funds that ALDOT may use for state administration, planning, and technical assistance with no local share. Nor does a transfer increase the amount of set-aside for the intercity bus program.

#### 6.6.3 Transfer of Section 5310 to Section 5311

ALDOT does not transfer Section 5310 funds outside of the Section 5310 program.

#### 6.6.4 Transfer of Section 5311 to Section 5307

ALDOT may transfer an amount of the State's Section 5311 apportionment to supplement the Section 5307 funds. Transferred Section 5311 funds cannot be used for large urbanized areas with populations at or above 200,000. Transferred funds are subject to any limitations applicable to the original apportionment of the funds, not of the receiving program.

#### 6.6.5 Transfer of Section 5311 Appalachian Funds to FHWA

ALDOT may transfer the State's annual apportionment of Section 5311 Appalachian funds to FHWA. Transferred Section 5311 Appalachian funds must be used for highway projects in the rural areas of the Appalachian region of the State.

#### 6.6.6 Transfer of Section 5339 Funds

ALDOT does not transfer Section 5339 funds outside of the Section 5339 program. ALDOT's Section 5339 program funds are available to 5310 subrecipients, 5311 subrecipients, and operators of small urban transit systems (Section 5307). No Section 5339 funds will be transferred within the program from small urban to large urban (if at some point ALDOT provides funding to any large urban 5307 providers).

#### 6.6.7 Notification of Transfers

ALDOT must notify the FTA regional administrator of its intent to have funds transferred so that FTA can initiate the transfer. The notification must include:

- A statement by ALDOT that responsible local officials and operators have been consulted prior to the transfer
- The program, project description, and amount of funds to be transferred
- The fiscal year in which the funds were apportioned
- Program section(s) where the funds are being transferred
- ALDOT contact information

#### 6.6.8 Transfer of Federal Highway Administration (FHWA) Flexible Funds

Flexible funds are certain legislatively specified funds that may be used either for transit or highway purposes. Local planning organizations (MPOs or COGs) or ALDOT may elect to transfer Surface Transportation Block Grant Program (STBG) funds, Congestion Mitigation and Air Quality (CMAQ) funds, and certain other flexible funds, from FHWA to FTA to use for transit projects. ALDOT, in cooperation with affected local officials, may select projects in rural areas and urban areas (excluding projects on the National Highway System [NHS] and projects funded with Bridge and Interstate Maintenance Funds).

When FHWA program funds are transferred to FTA-sponsored programs, they are transferred to one of the following three programs:

- Urbanized Area Formula Program (Section 5307)
- Non-urbanized (Rural) Area Formula Program (Section 5311 program)
- Enhanced Mobility of Seniors and Individuals with Disabilities (Section 5310 program)

If CMAQ or STBG flexible funds are transferred to Section 5307, 5310, or 5311, those funds are treated as additional program funding and all the requirements of the receiving program apply. Flex transfers to Section 5311 do not increase the amount the State must spend for intercity bus service. The period of availability of flexible funds transferred to Section 5311 is three years. Opportunities for transfer of FHWA funds to FTA-sponsored programs will be considered by ALDOT on a case-by-case basis. Opportunities can be identified at the local level or through the ALDOT. Considerations for transfers take place by the ALDOT Bureau of Office Engineer and the ALDOT Local Transportation Bureau. For transfer of flexible CMAQ or STBG funds to state administered Section 5307, 5310, or 5311 programs, ALDOT must notify both the Federal Highway Administration (FHWA) and Federal Transit Administration (FTA) and request that FHWA transfer the funds. Request for transfer of flexible funds will include the following:

- A statement by ALDOT that responsible local officials and operators have been consulted prior to the transfer
- The program and amount of funds to be transferred
- The fiscal year in which funds were apportioned
- Program section(s) where the funds are being transferred
- Anticipated use (project scope) of transferred funds
- ALDOT contact information

Interagency transfer of funds may be administered by FHWA or may be transferred to FTA for transit projects eligible for CMAQ or STBG (formerly STP) funds under 23 USC 149(b) or 23 USC 133(b) respectively.

#### 6.6.9 Surface Transportation Block Grant Program (STBG) [Formerly Surface Transportation Program (STP)]

Federal regulations converted the Surface Transportation Program (or STP) into the Surface Transportation Block Grant Program (STBG). The primary purpose of STBG funds is for construction, reconstruction, rehabilitation, resurfacing, restoration, and operational improvements for highways and bridges, including construction or reconstruction necessary to accommodate other transportation modes.

##### 6.6.9.1 STBG Eligible Transit Activities

STBG eligible transit activities are: capital costs of transit projects that are eligible under 49 USC 53, including vehicles and facilities, publicly or privately owned, that are used to provide intercity bus service; carpool projects and fringe and corridor parking facilities; transit safety infrastructure improvements and programs; transit research, development and technology transfer; surface transportation planning programs; or public transportation management systems under 23 USC 303.

#### 6.6.10 Intercity Bus Program

Pursuant to Subsection 5311(f)(2) of 49 United States Code, FTA requires that each State use 15% of its annual Section 5311 formula apportionment to support intercity bus (ICB) service unless the Governor certifies that the intercity bus needs of the state are adequately met. Given ongoing changes in the intercity bus industry, with some elimination of routes and rural stops, FTA encourages states to consult with intercity bus operators and communities affected by loss of service when evaluating intercity bus needs of the state. Reauthorization modified Section 5311(f) by requiring further

consultation with “affected intercity bus service providers” before the Governor’s certification.

Intercity bus activities began in FY-2011 using FTA apportionments from 2008 forward. ALDOT appropriates the full 15% of the annual Section 5311 funds to be set aside for 5311(f) activities.

To date, ALDOT has funded both capital and operating needs for intercity bus services. The operating subsidy has been particularly valuable because it allows smaller transit operators to apply for funding. Informal meetings of current 5311(f) providers (consultations) are held at ALDOT Transit Services office or on a virtual platform from time to time to discuss in-kind matches and any current topics of interest. The call for 5311(f) applications is separate from, but similar to, the Section 5311 call for applications, with the addition of online advertising and the opportunity for public participation. All calls for Section 5311(f) applications are sent to providers via email and posted on the ALDOT and ALTRANS websites. Because several intercity bus routes are currently established, applicants will apply to:

1. Continue existing service with no changes,
2. Expand service by adding a new service area or route or other service enhancement (assumes continuation of existing service), or
3. Start new service.

Funding is for one year. Any local in-kind match from Greyhound for the unsubsidized segment of intercity bus service that connects with the 5311(f) route(s) is validated by a letter from Greyhound that is compliant with Federal requirements for the Section 5311(f) Intercity Bus Program.

There are significant capital infrastructure needs that should be addressed to maintain an efficient and effective intercity bus network. Vehicles for the operation of both fixed route and feeder intercity bus services will continue to be needed. Vehicle-related equipment such as wheelchair lifts, security cameras, and intelligent transportation systems (ITS) for coordinated information and scheduling are examples of equipment that could enhance the passenger’s experience and perception of service reliability.

As required by FTA, ALDOT will conduct a study of the intercity bus industry in Alabama at least every four years in order to document activity, assess intercity bus needs, and remain in compliance with Federal requirements associated with the Section 5311(f), Intercity Bus Program.

## Appendix 6A

### Vehicle Inventory Form

## **FY2023 Vehicle Inventory Form**

*List only FTA Funded Vehicles.*

**Applicant Name:** \_\_\_\_\_

	Year	Equipment Description (Make/Model)	Vin Number	Source Grant	Acquisition Date	Cost	% Federal Participation	Title Holder	Location (City)	Condition (New, Excellent, Good, Fair, or Poor)	Disposal Date	Useful Life	Disposal Price
1													
2													
3													
4													
5													
6													
7													
8													
9													
10													
11													
12													
13													
14													
15													
16													
17													
18													
19													
20													

## Appendix 6B

### Fleet Replacement Form

### **FY2023 Transit Program Fleet Replacement Form**

*List all vehicles to be replaced with FTA Funding in this application. List only FTA Funded Vehicles.*

**Applicant Name:** \_\_\_\_\_

	Year	Make/Model	Year of Purchase	Vin Number	Mo/Year Placed in Revenue Service	Accumulated Mileage	Estimated Mo./Yr. to be taken Out of Revenue Service
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							

## Appendix 6C

### Vehicle Profile Sheet

### FY2023 ALDOT Transit Program Vehicle Profile Sheet

*List only FTA Funded Vehicles.*

**Applicant Name:** [List Name]

	VIN Number	Funding	Vehicle Type	Mileage as of (Insert Date)	Seating Capacity	Tag	Model Year	Lift (Yes/No)	# W/C Stations	Start Time	End Time	Duration	Usage	S u n	M	T	W	T	F	S a t	Description of Service
1																					
2																					
3																					
4																					
5																					
6																					
7																					
8																					
9																					
10																					
11																					
12																					
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34																					
35																					
36																					

## Appendix 6D

### Non-Expendable Equipment Inventory Form

## **FY2023 Transit Program Non-Expendable Equipment Inventory Form**

*An inventory of an article of non-expendable tangible property having a useful life of more than one year and an acquisition cost of \$5,000 or more.*

**Applicant Name:** [List Name]

	Equipment Description	Equipment ID Number	Source Grant	Acquisition Date	Cost	% Federal Participation	Title Holder	Location	Condition (New, Excellent, Good, Fair, or Poor) and Use	Disposal Date
1							Agency/ALDOT			
2							Agency/ALDOT			
3							Agency/ALDOT			
4							Agency/ALDOT			
5							Agency/ALDOT			
6							Agency/ALDOT			
7							Agency/ALDOT			
8							Agency/ALDOT			
9							Agency/ALDOT			
10							Agency/ALDOT			
11							Agency/ALDOT			
12							Agency/ALDOT			

## Appendix 6E

### Line Item Budget Sheet

## 5311 LINE ITEM BUDGET SHEET

PROJECT COUNTY: [List County]

FISCAL YEAR \_\_\_\_\_

PROJECT NUMBER: RPT-[List Number]

ORIGINAL: X

### **5311 ADMINISTRATION**

Director	\$
Coordinator	\$
Bookkeeper	\$
Fringes	\$
Supplies	\$
Telephone	\$
Postage	\$
Advertising	\$
Mileage	\$
Travel	\$
Room/Meals	\$
Registration/Fees	\$
Dues	\$
Professional Services	\$
Office Equipment	\$
Repairs (Office)	\$
<u>Vehicle Insurance</u>	<u>\$</u>
<b>TOTAL</b>	<b>\$</b>

## 5311 LINE ITEM BUDGET SHEET (Continued)

PROJECT COUNTY: [\[List County\]](#)

FISCAL YEAR \_\_\_\_\_

PROJECT NUMBER: [RPT-\[List Number\]](#)

ORIGINAL: X

### **5311 CAPITAL LINE ITEM BUDGET**

Vehicle Capital	\$
Non-Vehicle Capital (Support Equipment, Sole Source Purchases)	
<b><u>*provide detailed list and cost breakdown</u></b>	<u>\$</u>
<b>TOTAL</b>	<b>\$</b>

If requesting Non-vehicle capital, please insert justification below:

#### **Note:**

- All Dispatch/ Scheduling Software new purchases should be listed as Non-Vehicle Capital in 5311 Regular Grant application.
- All Dispatch/ Scheduling Software annual maintenance should be listed as Software Maintenance in Administration.
- Any Sole Source purchase requests (if applicable) shall have supporting documentation included with the Section 5311 application. Sole Source procurement must be approved by ALDOT in advance of the execution of any contracts and/or securement of services or the agency will be responsible for all expenses associated with the sole source purchase.

## Appendix 6F

### Source of Budget Funds Sheet

**5311 SOURCE OF BUDGET FUNDS SHEET**  
(Total Budget amounts should match budget sheets.)

PROJECT COUNTY: [List County]  
FISCAL YEAR 2022

PROJECT NUMBER: RPT-[List Number]

ORIGINAL: X

**5311 ADMINISTRATION BUDGET**

Total Administration Budget	\$
<u>LESS: (20% Local Funds)</u>	<u>\$</u>
<b>TOTAL Federal Share (80%)</b>	<b>\$</b>

<b>Contracts:</b>	<b>\$</b>	
<b>Applicant Share:</b>		<b><u>\$</u></b>
<b>Total Local Share (20%):</b>		<b>\$</b>

**5311 CAPITAL BUDGET**

Total Vehicle Capital Budget	\$
<u>Total Non-Vehicle Capital Budget</u>	<u>\$</u>
Subtotal	\$
<u>LESS: (20% Local Funds)</u>	<u>\$</u>
<b>TOTAL Federal Share (100%)</b>	<b>\$</b>

<b>Contracts:</b>	<b>\$0.00</b>	
<b>Applicant Share:</b>		<b><u>\$</u></b>
<b>Total Local Share (20%):</b>		<b>\$</b>

## Appendix 6G

### Local Match Documentation

## **Local Match Commitment Letter**

**(Place on Applicant's Letterhead. Make sure amounts correspond with Funding Summary. Local Assistance equals Local Funds + Contract Revenue + Advertising/Other Revenue + Farebox.)**

Date

Mr. Bradley B. Lindsey, P. E.  
State Local Transportation Engineer  
Local Transportation Bureau  
Alabama Department of Transportation  
1409 Coliseum Boulevard  
Montgomery, Alabama 36110

Dear Mr. Lindsey:

Subject: FY2023 Section 5311 Local Match Commitment

The **(Applicant Name)** is applying for a Section 5311 **(operations, administration, capital, and planning)** grant to aid in the operation of the **(transit agency)**. The administration, operating, planning, and/or capital expenses requested in this project have been reviewed and approved by the **(Applicant)** of **([Applicant's] County/Counties)**. We are requesting federal assistance in the amount of \$\_\_\_\_\_ for operations, \$\_\_\_\_\_ for administration, \$\_\_\_\_\_ for capital, and \$\_\_\_\_\_ for planning expenses. Local assistance in the amount of \$\_\_\_\_\_ will be used as the non-federal match.

The **(Applicant Name)** hereby acknowledges the local matching requirements for the referenced project and affirms assistance in the amount set forth above.

If you have any questions on this request, please contact **(principal contact)** at **(phone number)**.

Sincerely,

Signature of Designated Official  
Title

## **Local Match Certification**

**(Include Farebox Revenue as part of General Fund or in an Appropriate Line Item,  
Because Farebox Revenue Makes the Project "Whole". Amounts should correspond with  
Funding Summary.)**

We, the undersigned representing \_\_\_\_\_,  
(Applicant)

do hereby certify to the Alabama Department of Transportation that the required local funds for  
the \_\_\_\_\_ Public Transportation Program are available from the following  
source(s):

General Fund:	\$ _____
Contracts:	\$ _____
Other/Advertising:	\$ _____
Other:	\$ _____
Total:	\$ _____

These funds will be available as of \_\_\_\_\_.  
(Date)

Applicant \_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Title)

**Resolution Authorizing Local Matching Funds**

(Amount should equal total Local Funds + Contract Revenue + Advertising/Other Revenue + Farebox on  
5311 Funding Sheet)

RESOLUTION NO. \_\_\_\_\_

**"SECTION 5311 RURAL AREA PUBLIC TRANSPORTATION"**

WHEREAS, the **(Provider of Matching Funds)** recognizes the need for a public transportation program; and

WHEREAS, the **(Provider of Matching Funds)** is recognized as a member of the **(Any County)** Transportation Steering Committee; and

WHEREAS, the **(Provider of Matching Funds)** recognizes that the requirements to obtain Section 5311 funds from the Alabama Department of Transportation include a local match of 50% for operating expenses and 20% for administration, planning, and capital expenses; and

WHEREAS, the **(Provider of Matching Funds)** recognizes that the local match will be a shared cost with other participating municipalities being responsible for providing an appropriate allocation of local non-federal funds to secure the operating of the Section 5311 Rural Area Public Transportation Program.

NOW, THEREFORE, BE IT RESOLVED, that the **(Provider of Matching Funds)** hereby commits the amount of \$\_\_\_\_\_ as local non-federal match for operations, administration, planning, and capital expenditures under the Section 5311 Rural Area Public Transportation Program during Fiscal Year 2023.

Passed and adopted this the \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_.

\_\_\_\_\_  
Elected Official

ATTEST:

\_\_\_\_\_  
Clerk

## Appendix 6H

### Budget Chart of Accounts

### Budget Chart of Accounts

PROJECT COUNTY: [List County]

FISCAL YEAR: 2023

PROJECT  
NUMBER: RPT- [List Number]

**APPLICANT**  
**NAME:** [List Name]

Account	Amount	Assigned Category
<b>OPERATIONS</b>		
Operating Salaries (Non-Driver & Non-Mechanic)	\$0.00	Hours
Mechanic Salaries	\$0.00	Hours
Drivers Salaries	\$0.00	Hours
FICA/Social Security	\$0.00	Hours
Unemployment Compensation	\$0.00	Hours
Workmen's Compensation	\$0.00	Hours
Health Insurance	\$0.00	Hours
Life Insurance	\$0.00	Hours
Retirement	\$0.00	Hours
Overtime	\$0.00	Hours
Safety Incentive Programs	\$0.00	Overhead
Longevity Pay	\$0.00	Hours
Disability	\$0.00	Hours
Substitute Drivers/Temps	\$0.00	Hours
Travel	\$0.00	Overhead
Training	\$0.00	Overhead
Uniforms	\$0.00	Hours
Alcohol/Drug Testing	\$0.00	Hours
Background Checks	\$0.00	Hours
Physical Examinations	\$0.00	Hours
Radio Communications	\$0.00	Miles
Recruitment	\$0.00	Hours
Fuel/Oil	\$0.00	Miles
Tires	\$0.00	Miles
Vehicle Maintenance/Repairs	\$0.00	Miles
Vehicle Cleaning and Sanitation	\$0.00	Miles
Personal Protective Equipment	\$0.00	Hours
Towing	\$0.00	Miles
Purchased transportation	\$0.00	Miles
Licenses/Tags	\$0.00	Miles
Non-Revenue (Service) Vehicles	\$0.00	Miles
Supplies	\$0.00	Miles

Vehicle Insurance	\$0.00	Miles
Vehicle Insurance Deductibles	\$0.00	Overhead
Vehicle Rental	\$0.00	Miles
GPS Monitoring/Vehicle Data Plan	\$0.00	Overhead
Operating Building Maintenance/Repairs	\$0.00	Overhead
Operating Building Equipment	\$0.00	Overhead
Utilities	\$0.00	Overhead
Space/Rent	\$0.00	Overhead
Storage	\$0.00	Overhead
Pest Control	\$0.00	Overhead
Groundskeeping	\$0.00	Overhead
Cleaning & Janitorial	\$0.00	Overhead
Operating Building Insurance	\$0.00	Overhead
Shop Building Maintenance/Repairs	\$0.00	Overhead
Shop Equipment	\$0.00	Miles
Shop Equipment Maintenance/Repairs	\$0.00	Miles
Equipment Rental	\$0.00	Miles
Shop Supplies	\$0.00	Miles
Small Tools	\$0.00	Miles
Insurance - Non-Vehicle	\$0.00	Overhead
Insurance Deductibles - Non-Vehicle	\$0.00	Overhead
Indirect Cost	\$0.00	Overhead
Fees (Non-Penalty)	\$0.00	Overhead
<b>TOTAL</b>	<b>\$0</b>	

### Budget Chart of Accounts

PROJECT COUNTY: [List County]

FISCAL YEAR: 2023

PROJECT NUMBER: RPT- [List Number]

**APPLICANT NAME:** [List Name]

ADMINISTRATION		
Administrative Salaries (Non-Director)	\$0.00	Overhead
Director Salary	\$0.00	Overhead
State Unemployment Insurance	\$0.00	Overhead
FICA/Social Security	\$0.00	Overhead
Unemployment Compensation	\$0.00	Overhead
Workmen's Compensation	\$0.00	Overhead
Health Insurance	\$0.00	Overhead
Life Insurance	\$0.00	Overhead
Retirement	\$0.00	Overhead
Overtime	\$0.00	Overhead
Safety Incentive Programs	\$0.00	Overhead
Longevity Pay	\$0.00	Overhead
Disability	\$0.00	Overhead
Payroll Processing	\$0.00	Overhead
Alcohol/Drug Testing	\$0.00	Hours
Employee Recruitment	\$0.00	Hours
Physical Examinations	\$0.00	Hours
Background Check	\$0.00	Hours
Travel	\$0.00	Overhead
Training	\$0.00	Overhead
Uniforms	\$0.00	Hours
Insurance - Commercial Property	\$0.00	Overhead
Insurance - General Liability	\$0.00	Overhead
Insurance - Contents and Property	\$0.00	Overhead
Insurance - Employee Dishonesty & Notary	\$0.00	Overhead
Insurance - Directors & Officers Lib.	\$0.00	Overhead
Vehicle Insurance	\$0.00	Miles
Tags/Titles	\$0.00	Miles
Building Maintenance/Repairs	\$0.00	Overhead
Cleaning & Janitorial	\$0.00	Overhead
Pest Control	\$0.00	Overhead
Groundskeeping	\$0.00	Overhead
Space/Rent	\$0.00	Overhead

Security System	\$0.00	Overhead
Storage Rental	\$0.00	Overhead
Telephone/Internet	\$0.00	Overhead
Cellphone/Data Communication	\$0.00	Overhead
Utilities	\$0.00	Overhead
Equipment Lease	\$0.00	Overhead
Supplies	\$0.00	Overhead
Office Equipment	\$0.00	Overhead
Postage/P.O. Box	\$0.00	Overhead
Advertising/Marketing	\$0.00	Overhead
Professional Services	\$0.00	Overhead
Dues/Membership/Registration Fees	\$0.00	Overhead
Fees (Non-Penalty)	\$0.00	Overhead
Software	\$0.00	Overhead
Information Systems / Repairs	\$0.00	Overhead
Cyber Liability Insurance	\$0.00	Overhead
Indirect Costs	\$0.00	Overhead
Depreciation	\$0.00	Miles
<b>TOTAL</b>	<b>\$0.00</b>	
<b>GRAND TOTAL (Operations &amp; Administration)</b>	<b>\$0.00</b>	

## Appendix 6I

### Cost Allocation Matrix

### COST ALLOCATION MATRIX

APPLICANT NAME: [List County]

Fiscal Year:

EXPENSE ACCOUNT	HOURS	MILES	OVERHEAD	TOTAL COST
<b>LABOR</b>				
Operating Salaries (Non-Driver & Non-Mechanic)	\$0.00			\$0.00
Mechanic Salaries	\$0.00			\$0.00
Drivers Salaries	\$0.00			\$0.00
Substitute Drivers/Temps	\$0.00			\$0.00
Administrative Salaries (Non-Director)			\$0.00	\$0.00
Director Salary			\$0.00	\$0.00
<b>FRINGE BENEFITS</b>				
FICA/Social Security	\$0.00		\$0.00	\$0.00
Unemployment Compensation	\$0.00		\$0.00	\$0.00
Workmen's Compensation	\$0.00		\$0.00	\$0.00
Health Insurance	\$0.00		\$0.00	\$0.00
Life Insurance	\$0.00		\$0.00	\$0.00
Retirement	\$0.00		\$0.00	\$0.00
Overtime	\$0.00		\$0.00	\$0.00
Safety Incentive Programs	\$0.00		\$0.00	\$0.00
Longevity Pay	\$0.00		\$0.00	\$0.00
Disability	\$0.00		\$0.00	\$0.00
State Unemployment Insurance			\$0.00	\$0.00
<b>SERVICES</b>				
Travel			\$0.00	\$0.00
Training			\$0.00	\$0.00
Uniforms	\$0.00			\$0.00
Alcohol/Drug Testing			\$0.00	\$0.00
Background Checks			\$0.00	\$0.00
Physical Examinations			\$0.00	\$0.00
Radio Communications		\$0.00		\$0.00
Recruitment	\$0.00			\$0.00
Vehicle Rental	\$0.00			\$0.00
GPS Monitoring/Vehicle Data Plan			\$0.00	\$0.00
Operating Building Maintenance/Repairs			\$0.00	\$0.00
Operating Building Equipment			\$0.00	\$0.00
Utilities			\$0.00	\$0.00
Space/Rent			\$0.00	\$0.00
Storage			\$0.00	\$0.00
Pest Control			\$0.00	\$0.00
Groundskeeping			\$0.00	\$0.00
Cleaning & Janitorial			\$0.00	\$0.00
Shop Building Maintenance/Repairs	\$0.00			\$0.00
Shop Equipment Maintenance/Repairs		\$0.00		\$0.00
Indirect Cost			\$0.00	\$0.00

Fees (Non-Penalty)			\$0.00	\$0.00
Payroll Processing			\$0.00	\$0.00
Building Maintenance/Repairs			\$0.00	\$0.00
Security System			\$0.00	\$0.00
Telephone/Internet			\$0.00	\$0.00
Cellphone/Data Communication			\$0.00	\$0.00
Professional Services			\$0.00	\$0.00
Dues/Membership/Registration Fees			\$0.00	\$0.00
Software			\$0.00	\$0.00
Information Systems / Repairs			\$0.00	\$0.00
<b>LIABILITY</b>				
Vehicle Insurance		\$0.00		\$0.00
Vehicle Insurance Deductibles			\$0.00	\$0.00
Operating Building Insurance			\$0.00	\$0.00
Insurance - Non-Vehicle			\$0.00	\$0.00
Insurance Deductibles - Non-Vehicle			\$0.00	\$0.00
Insurance - Commercial Property			\$0.00	\$0.00
Insurance - General Liability			\$0.00	\$0.00
Insurance - Contents and Property			\$0.00	\$0.00
Insurance - Employee Dishonesty & Notary			\$0.00	\$0.00
Insurance - Directors & Officers Lib.			\$0.00	\$0.00
Cyber Liability Insurance			\$0.00	\$0.00
				\$0.00
<b>MATERIALS/SUPPLIES</b>				\$0.00
Fuel/Oil		\$0.00		\$0.00
Tires		\$0.00		\$0.00
Vehicle Maintenance/Repairs		\$0.00		\$0.00
Vehicle Cleaning and Sanitation		\$0.00		\$0.00
Personal Protective Equipment	\$0.00			\$0.00
Towing		\$0.00		\$0.00
Purchased transportation		\$0.00		\$0.00
Licenses/Tags		\$0.00		\$0.00
Non-Revenue (Service) Vehicles		\$0.00		\$0.00
Supplies		\$0.00	\$0.00	\$0.00
Shop Equipment		\$0.00		\$0.00
Equipment Rental		\$0.00		\$0.00
Shop Supplies		\$0.00		\$0.00
Small Tools		\$0.00		\$0.00
Equipment Lease			\$0.00	\$0.00
Office Equipment			\$0.00	\$0.00
Postage/P.O. Box			\$0.00	\$0.00
Advertising/Marketing			\$0.00	\$0.00
				\$0.00
<b>VEHICLE DEPRECIATION</b>				\$0.00
DEPRECIATION		\$0.00		\$0.00
				\$0.00
<b>TOTAL</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>

## 7 Annual Applications and Program of Projects Development and Approval Process

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This section describes the process and timetable for soliciting, reviewing, and approving applications for local projects to be included in the Transit Program of Projects (POP) for all FTA programs administered by ALDOT. Application packages are available in electronic format on the ALDOT and ALTRANS websites.

ALDOT utilizes all of its program funds under the appropriate programs. However, during the project development stage, ALDOT staff shall identify all other program funds that have not been obligated. If these funds are substantial, a transfer spending plan shall be submitted to FTA's regional office for approval after consulting with the subrecipients to determine whether or not they are able to use their funds allocated by FTA. If approved, ALDOT shall implement the transfer, identify eligible subrecipients, update the STIP, and adjust the State's FTA grant Program of Projects (POP). Under 23 USC 135 and 49 USC 5304, all Federal funds programmed for transit projects must be included in the State of Alabama's STIP.

### 7.1 Grant Application Summary

ALDOT makes an annual announcement for all programs, usually during the first quarter of the Federal Fiscal Year which goes from October 1<sup>st</sup> through September 30<sup>th</sup>. At that time, grant applications are solicited from eligible subrecipients and annual or multi-year agreements are distributed as necessary to the Subrecipients. The program period of performance is based on the Federal Fiscal Year. The announcements provide information on anticipated Federal funds and solicit applications from eligible subrecipients. The final awards are contingent on FTA's apportionment of funds to ALDOT, as published in the Federal Register.

Following standard processes, including public notice and comment periods, ALDOT's Bureau of Office Engineer will update the State Transportation Improvement Plan (STIP) annually to reflect the FTA apportionment for each grant program. The STIP addresses funds by FTA Grant Program and does not list the Program of Projects.

Once the public comment period is complete, the Transit Section initiates a grant application with FTA which includes the development of a Program of Projects (POP). The annual Program of Projects serves as the basis for the State's annual application for current Fiscal Year funds to the Federal Transit Administration (FTA).

The Program of Projects section of ALDOT's annual FTA application is developed using the

project descriptions found in the Subrecipient Applications. The Program of Projects identifies each local subrecipient approved to receive funds for the fiscal year, include a brief project description, describe the funding amount (Federal and non-Federal), and list the amount of funds identified for state administrative expenses, RTAP, and intercity bus as applicable.

ALDOT certifies annually that it will comply with Federal regulations and other Federally regulated issues, using the FTA Certifications and Assurances for the grant year. The certifications must be completed within 90 days of being published in the Federal Register.

An ALDOT application to FTA, for each funding type, is compiled based on the subrecipient applications received by ALDOT. Each grant is identified by the Federal fiscal year for which the funds are allocated. ALDOT applies for Federal transit funds during the second and third quarters of the fiscal year (unless special circumstances warrant an earlier grant submission) and submits applications to FTA based on deadline dates established annually by FTA.

ALDOT applications to FTA are submitted electronically using FTA's Transit Award Management System (TrAMS). FTA reviews the application and notifies ALDOT award managers if the application is approved or if additional information is needed.

## 7.2 Program of Projects Details (by Section)

### 7.2.1 Section 5310 Program of Projects

The Program of Projects (POP) for Section 5310 identifies each subrecipient and indicates whether it is a governmental authority, non-profit agency, or private provider of transportation services. The Program of Projects also identifies any subrecipients that are Indian tribal governments or tribal transit agencies (including both Federally recognized and other tribal governments) as applicable. In addition, the Program of Projects includes a brief description of each project, lists the counties served, describes any tribal transportation needs served by the project, and identifies Congressional districts. The total project cost, the Federal share, and the state administration cost are also included in the program of projects.

### 7.2.2 Section 5311 Program of Projects

The Section 5311 Program of Projects lists the selected subrecipients by county/counties, indicates the total number of subrecipients, briefly describes each subrecipient's program, and indicates the total and Federal share of the program's costs. Tribal agencies that are subrecipients or that will receive the benefits of public transportation are noted in the Program of Projects. The Appalachian Development Public Transportation Assistance Program (ADTAP) subrecipients are also noted. Subrecipients providing

intercity service are grouped together under Intercity Bus Transportation. The RTAP program is listed as a separate line item in the program of projects. The RTAP Program of Projects lists the following activities to be undertaken by the ALDOT and the amount of funds allocated to each activity: training, technical assistance, research, and related support.

### 7.2.3 Section 5339 Program of Projects

Projects for the Section 5339 Program of Projects (POP) are selected from the applications submitted to ALDOT for Section 5310 and Section 5311 funding consideration. This selection method maximizes the capital activities that can be funded by ALDOT. There is not a separate Section 5339 application. The Section 5339 Program of Projects lists the selected subrecipients by county/counties, indicates the total number of subrecipients, briefly describes each subrecipient's program, and indicates the total and Federal share of the program's costs. Tribal agencies that are subrecipients or that will receive the benefits of public transportation are noted in the Program of Projects.

## 7.3 Statewide Announcement (Notice of the Availability of Funds)

The statewide announcements for Sections 5310, 5311, and 5339 are widely disseminated through various methods. At a minimum, ALDOT publicly advertises the availability of funds to potential applicants by correspondence (letter and/or email) and through publications in appropriate print and/or digital media having general circulation across the State. Announcements are sent to the following:

- Existing subrecipients and public transportation providers
- County government administrators
- Alabama Regional Councils of Government (COGs) for regionwide distribution to interested agencies including private sector transportation providers and Native American Tribes
- Metropolitan Planning Organizations (MPOs)
- Other local planning agencies
- Other interested agencies and operators of public transportation service
- ALDOT Transit Section and ALTRANS websites

At the conclusion of the application cycle, ALDOT will publish a list of selected projects on the ALDOT (Transit Section page) and ALTRANS websites.

## 7.4 Public Involvement Requirements

A public hearing or public participation is required before a subrecipient submits an application to the ALDOT Transit Section regardless of the program. There is a second level of public comment when the project has been identified and has received ALDOT approval. This comment period allows the public to make statements regarding the proposed project.

The public hearing requirement in 49 U.S.C. 5323 was amended for capital projects in MAP-21. These changes were upheld with the Infrastructure Investment and Jobs Act. The law now associates the public involvement and hearing requirements for capital projects with the environmental review required by the National Environmental Policy Act (NEPA) and its implementing regulations.

For capital construction projects, the applicant must provide an adequate opportunity for public review and comment on a project, and if the project affects significant economic, social, or environmental interests, the applicant must provide notice and hold a public hearing on the project. Public meetings can utilize live video streaming and/or virtual meeting platforms to complement in-person meetings and increase audience reach and participation. There may also be times when virtual meetings are used in lieu of public meetings. Prior approval from ALDOT is required for these instances. These requirements for capital construction projects will be satisfied through compliance with the NEPA requirements for a public scoping process, public review and comment on NEPA documents, and a public hearing on draft Environmental Impact Statements (EIS). A public hearing is required for any Environmental Assessment (EA) that has a high probability of being elevated to an EIS. Applicants must comply with all public hearing requirements and include documentation of all public hearings in the project's environmental record.

For capital construction projects, the FTA must review the public comments and hearing transcript to ascertain that an adequate opportunity to present views was given to all parties having a significant economic, social, or environmental interest in the project and that FTA must make a written finding to this effect.

ALDOT requires all applicants applying for Federal funding to comply with all State and Federal public hearing regulations and requirements.

## 7.5 Application Review and Approval Schedule

The State's annual announcements shall provide a schedule of dates for application submittals and review by ALDOT staff and the State's submission of the respective program of projects to FTA for review and approval. The general application review and approval schedule for allocation of available Federal funds is as follows:

- October - December: Notice of application availability
- January: Applications submitted by providers to ALDOT
- February: Program applications reviewed by ALDOT; review/panel meetings held as required; request for 15-day public comment published
- March: Submission of applications, including the new and amended Program of Projects to FTA (via TrAMS) for review and approval
- April - May: Application approval letters issued to Subrecipients
- June - August: Fully executed subrecipient agreements and cover letters issued
- October: Award charge code letters with final project amounts and CPMS charge codes issued

*Note: This schedule is general in nature and may be modified based on the availability of Federal funds.*

#### 7.5.1 Section 5310 Application Process

- Applications are distributed through the Alabama Association of Regional Councils
- Applications are returned to the Regional Councils
- Regional Councils submits application to ALDOT
- ALDOT distributes applications to Regional Managers (Checks application for completeness and accuracy)
- Regional Managers sends application back to ALDOT
- ALDOT send application to Independent entities for grading/evaluation
- ALDOT approves applications based on grading and recommends the agencies for Federal funding

#### 7.5.2 Section 5311 Application Process

- Applications are distributed email/Transit website to Subrecipients
- Applications are returned to the Regional Managers to check applications for completeness and accuracy
- Regional Managers send application to ALDOT
- ALDOT approves applications and recommends agencies to receives Federal funds

*Note: If a Section 5311 agency needs a new agreement, the multi-year agreement will be distributed to the agency after the applications are approved by the ALDOT Transit Section.*

## 7.6 FTA Approval and Execution of Subrecipient Agreements

Upon approval by FTA of the State's Program of Projects, and after FTA and ALDOT have entered into an agreement, the Local Transportation Bureau staff will transmit, under the cover letter of project authorization, a copy of approved grant agreement(s) for execution by the subrecipient. Section 5310 subrecipients will receive a new agreement each year. Purchased transportation agreements with Section 5310 subrecipients will be for 3 years. Section 5311 agreements will also span 3 years. Each agreement shall contain:

- The detailed scope of services to be performed
- Required Federal and State contract provisions and regulations (Terms and Conditions)

The subrecipient should review and execute the agreement and return it to the ALDOT Local Transportation Bureau within 30 days. The ALDOT Local Transportation Bureau will then sign all copies of the agreement and forward an executed agreement to the subrecipient.

## 7.7 Certifications and Assurances

ALDOT must annually assure FTA that the State and all subrecipients meet all requirements necessary to be able to receive Federal FTA funds.

Each fiscal year (on or about October 1<sup>st</sup>), FTA publishes the required certifications and assurances in the *Federal Register* and updates the certifications and assurances in the TrAMS electronic grant-making system. This notice indicates which certifications and assurances apply to all grantees and subrecipients.

Subrecipients submit the appropriate original signature certifications and assurances each fiscal year for all programs for which they will be funded. Subrecipients should use the most recent version of certifications provided by ALDOT during the annual application process. No subrecipient agreements will be authorized until the required signed certifications and assurances have been received, reviewed, and accepted by ALDOT.

## 7.8 Period of Performance

The period of performance for agreements will be based on the State's Fiscal Year of October 1–September 30. The agreement may be for one, two, or three years, depending on the FTA Grant Program, and can be extended up to two additional years if all parties are in agreement. The period of performance is stated within the executed grant agreement between ALDOT and the subrecipient. Grant agreement extension requests must be submitted in writing (with justification) to the Transit Section for consideration and will be considered on a case-by-case basis. *(For specific guidelines, see the subheading Agreement Changes in Chapter 9).*

ALDOT may establish different periods of performance for projects that are programmed for funding but have not yet met all the statutory or administrative requirements of the programs pursuant to applicable FTA Circulars.

Private sector providers under direct agreements to ALDOT shall have the period of performance for operating expenditures in conformance with the audit period set by the Alabama Public Service Commission.

## 7.9 Period of Availability of FTA Funds

FTA expects projects to be completed within a reasonable, specified time. Section 5310, 5311 and 5339 programs of projects should remain active until the funds are expended. The State may seek exceptions for implementation from the Atlanta regional office of FTA for proposed projects that may exceed two or three years, depending upon the program type. FTA may terminate and close out grants not implemented within two or three years and de-obligate the funds. Awards must show activity -- spending award funds annually -- to keep the project in good standing.

When developing a program of projects for each year, the State reviews available funds in existing grants before applying for new funds. This can minimize the length of time a grant is open and the number of open grants.

FTA funds are available to the State during the period of availability of the funds. Therefore, the State need not apply for all of its funds during the year of apportionment. The period of availability of funds for selected programs is as follows:

- Section 5310: Year of apportionment plus 2 years
- Section 5311: Year of apportionment plus 2 years
- Section 5339: Year of apportionment plus 3 years

## 7.10 FTA Grant Revision (Program of Projects)

ALDOT may revise an approved program of projects without constituting a change in scope which would require the de-obligation and re-obligation of funds. The scope of the grant is the approved program of projects in its entirety. The addition of Federal funds to the approved program of projects is a change in the scope of the approved program of projects and requires an amendment of the grant agreement.

For changes that affect the budget line items in the grant budget, ALDOT will notify FTA by setting up a budget revision in the Transit Award Management System (TrAMS). For those changes that only affect the Program of Projects (POP) the ALDOT will attach a new program of projects to the "project management milestones" section and then notify FTA, via e-mail, that it has attached the new Program of Projects. In addition, ALDOT should also notify FTA of changes to the program

of projects when they submit their annual program status report.

### 7.11 ALDOT Update to Program of Projects

The most recently updated program of projects submitted by ALDOT to FTA in its annual program status report or in the course of making revisions will be considered the approved program of projects. Only the addition of Federal funds or a change in the scope of the approved program of projects requires amendment of the grant agreement.

# 8 Locally Developed, Coordinated Public Transit and Human Services Transportation Plan

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## 8.1 State Program Coordination

Coordination is the efficient and effective use of transportation resources for getting people to important destinations such as jobs and medical appointments. Coordination means working with transit providers, human service agencies, private institutions, businesses, volunteers, and political leaders to broaden transportation options by way of modes, routes, and providers. Coordination ensures the connectivity between options.

Federal law requires the establishment of a “locally developed, coordinated public transit - human services transportation plan” for all Federal Transit Administration (FTA) programs for underserved populations (e.g., seniors and individuals with disabilities). Projects serving these populations must be derived from a locally coordinated plan. The aim of this coordination is to improve transportation services for persons with disabilities, older Americans, and individuals with lower incomes. The provisions ensure that communities coordinate transportation resources provided through multiple Federal programs to minimize duplication of services and maximize transit coverage.

ALDOT considers service coordination to be one of the most important elements for the success of Section 5310 and Section 5311 programs. To ensure locally based effective coordination, ALDOT has elected to work with statewide, regional, and local agencies to develop regional coordination plans. Such an approach allows for the direct involvement of local decision-makers, providers, and advocates in the development of human services transportation coordination policies, strategies, and identification of projects affecting their communities. It also affords them a substantial ownership stake in the overall planning process and facilitates direct involvement in the long-term coordination and provision of transportation services in their region.

ALDOT works with the Alabama Association of Regional Councils (AARC) to assist in the collection and review of the regional human services transportation coordination plans. The coordination plans are required to have all stakeholders involved, including representatives of public, private, and non-profit transportation. Human services providers and members of the public should also participate as well as individuals with disabilities and seniors utilizing transportation services. AARC works in the local areas to identify the appropriate stakeholders within a specific region and to conduct the public outreach process. The schedules, agendas, and process strategies have been

coordinated with the Statewide Transit Plan development process where possible.

AARC, through a formal agreement with ALDOT, disseminates applications and works with transportation providers within the regions to ensure project applications from the individual regions are derived from human services coordinated planning processes and that the project applications reflect the 12 regional human services coordinated plans that cover the non-urbanized areas of all 67 counties of Alabama. The coordination plans are updated every 2 to 4 years or as warranted by ALDOT.

State-level coordination includes the annual development and distribution of Section 5310 and 5311 program information and project applications. ALDOT accomplishes this task with the assistance of the State's Metropolitan Planning Organizations (MPOs) and Councils of Local Governments (COGs). As the lead agency for the coordination of public transportation, ALDOT supports coordination among public transportation organizations, private non-profit transportation providers, and public organizations that need transportation for clients to access jobs, services, and education. ALDOT also maintains documents of stakeholder involvement and public outreach conducted as a part of this effort.

### 8.1.1 Designated Coordination Bodies

ALDOT designated the Councils of Local Governments (COGs) as Coordinating Bodies for the development of FTA funded programs. COGs act as the primary points of contact in the development and implementation of coordination plans.

Role of Coordination Bodies (Councils of Governments):

- Distribute announcement packages
- Certify applicant's involvement in the coordinated planning process
- Act as a liaison between ALDOT and applicants in their region

## 8.2 Human Services Transportation Coordination

### 8.2.1 Coordination Plan Development

ALDOT and a committee of COG representatives has developed 12 regional coordinated plans that meet the requirements of Federal law as it relates to the Enhanced Mobility of Seniors and Individuals with Disabilities (Section 5310) Program and other associated human service agency projects. The planning period for the coordinated plans will follow that of the local long-range transportation plans.

While at a minimum, the FTA formula program for Section 5310 must be derived from a coordinated plan, the coordinated plans incorporate activities offered under other

programs sponsored by Federal, State, and local agencies. Other programs include FTA's Section 5307 and 5311 programs, as well as Temporary Assistance for Needy Families (TANF), Workforce Innovation and Opportunity Act (WIOA), Vocational Rehabilitation, Medicaid, Community Action, Independent Living Centers, and Agency on Aging (AoA) programs.

The coordinated plan format is the same across all 12 regions of the State, while development and content are specific to the needs and issues of each COG. The development of the coordinated plans is not meant to replace the efforts currently underway in specific areas of the State, but in many cases can be used to document and, where necessary, expand those efforts in a consistent format. The coordinated plans are developed to address intra- and inter-regional needs and issues in a manner that allows the COGs to concurrently update the locally coordinated plans with their regional Long Range Transportation Plans (LRTP). Further, the coordinated plans are developed in a manner that allows the COGs to adapt and expand the plans to incorporate programs and initiatives specific to their regions, while maintaining the uniform format and compliance with Federal law and regulatory guidance.

### 8.2.2 Coordinated Plan Content

While Federal law does not define an acceptable plan, at a minimum the plan will:

- Assess and document transportation needs in each region for individuals with disabilities, older adults, and persons with limited incomes
- Inventory available services in each region and identify areas of redundancy and gaps in service
- Identify and document restrictions on eligibility for funding
- Identify and document short- and long-range strategies in each region to address the identified gaps in service, including mobility management strategies
- Identify and document technological resources currently available and appropriate for coordination of transportation services
- Identify and document coordination actions in each region to eliminate or reduce duplication in services and strategies for more efficient utilization of resources
- Document and prioritize implementation strategies to increase coordination of transportation services in each region

ALDOT supports a uniform application and selection process under the Section 5310

program for all COGs. To further this effort, ALDOT defined selection criteria that can be used uniformly across the 12 regions and documented the basis for the selected criteria. At a minimum, the selection criteria will:

- Correlate with regional plan implementation strategies
- Address gaps in current service provisions for targeted communities
- Make use of available resources and leverage resources to the extent possible
- Facilitate coordination across public-private, inter-agency, and geographic boundaries
- Coordinate with other Federal and/or State programs.

Specific selection criteria for each program are described in each annual application for funding.

## 9 Project Financial Management

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As the primary recipient of FTA funds and as the State agency designated to administer such funds for public transit activities in Alabama, ALDOT will manage the fiscal elements of these programs in accordance with its existing procedures based on FTA guidelines and other applicable State and Federal regulations.

### 9.1 Project Identification

All projects included in the annual Program of Projects (POP) shall be assigned a project number (per agreement) through ALDOT's Comprehensive Project Management System (CPMS) for identification.

### 9.2 Pre-Award Requirements

Upon initial approval of an applicant for inclusion in the POP, the ALDOT Transit Section shall ensure the subrecipient:

- Has the financial capability to perform the services required and that the accounting system is adequate and capable of segregating, accumulating, and maintaining costs of the project and/or agreement and documenting necessary facts that might be needed in program audits. Such capabilities are established by ALDOT's External Audits bureau who performs a review of ALDOT subrecipients eligibility to receive Federal funds.
- Establishes adequate internal controls to ensure that project costs are reasonable, allocable, and allowable under the project, that transactions are properly recorded, inventory procedures account for capital assets purchased with ALDOT administered funds, and that documentation of project management and oversight results in preparation of required audits.

FTA allows ALDOT to incur costs under pre-award authority for formula programs prior to grant awards with some restrictions. No subrecipient may incur costs without specific prior written approval from ALDOT.

### 9.3 Subrecipient Agreements

When an applicant has completed the program procedures and becomes a subrecipient, the subrecipient must enter into an agreement with ALDOT stating the terms and conditions of the grant. The agreements are based on specific grants and grant years. The agreement may be for one, two, or three years and can be extended up to two additional years if necessary. A standardized subrecipient agreement is prepared by the Transit Section and sent to the

subrecipient for execution. Upon receipt of the executed agreement, the agreement is channeled through ALDOT for final processing, per the process outlined in Section 7.7. A copy of the fully executed agreement with a cover letter is sent to each successful subrecipient.

In Alabama, the same FTA regulations and policies affecting ALDOT are passed through to the subrecipients as applicable. ALDOT certifies to FTA, and the subrecipients certify to ALDOT, that they will comply with all applicable provisions of Federal, State, and local laws, regulations, and FTA directives in the agreement. ALDOT maintains separate files on each FTA project, and this information is available to FTA at any time. The subrecipients are required by ALDOT to keep separate files for each transit project and to make them available during monitoring visits or other times, as necessary.

### 9.3.1 Supplemental Agreement

An amendment is a change in an agreement normally initiated by ALDOT's Transit Section. It is used to modify or clarify certain terms, conditions, or provisions under the agreement. It may be used to modify an agreement to comply with changes required by ALDOT, to change or extend the agreement period (year), to change the type of funds obligated for the agreement, or to reflect a change in the subrecipient's name.

## 9.4 Establishment of Project Accounts

### 9.4.1 Standards for Accounting

ALDOT maintains a financial management system of financial reporting, accounting records, internal controls, and budget controls subject to standards specified in the State laws enforced by the State auditor and the Alabama Department of Finance (Comptroller's Office). All systems and procedures for financial management are in compliance with 2 CFR Part 200, the Uniform Administrative Requirements: Cost Principles and Audit Requirements for Federal Awards.

All subrecipients are required to establish and maintain an accounting system to which all transportation-related costs and revenues are properly recorded so that costs and revenues are clearly identified, easily traced, and substantially documented. The fully allocated cost of the public transit program must be clearly identified regardless of the operational nature of the agency serving as the designated transit system.

ALDOT and the subrecipient are both responsible for documenting and supporting all costs charged to the project and revenue earned. Supporting documentation shall detail the nature and allowability of the charges and generated revenues. Examples of adequate documentation include, but are not limited to:

- Time records, authorized pay rates, checks, and direct deposit documents for

payroll

- Vendor invoices, contracts for AP cash disbursements
- Procurement documents, contracts, subrecipient billings for AR cash receipts
- Cash receipts, cash disbursement, bank statements for bank reconciliations
- Vendor invoices, purchase orders, and checks for fixed assets

## 9.5 Program Income

ALDOT defines program income as gross income earned by a subrecipient that is generated directly by an activity supported in whole or in part with Federal funds or earned only as the result of the grant award. Only the portion of income recorded is considered program income and is subject to ALDOT's Transit Section oversight.

Program income includes, but is not limited to, income from:

- Fees for services provided to a third-party entity
- Revenue from advertising/concessions specifically required by the Federal Award, and pertaining to specific activities or accomplishments which result from performance of the Federal Award
- Rental fees for the use of real or personal property acquired under Federally-funded projects

Program income does not include:

- Interest earned on advances of Federal funds
- Rebates, credits, discounts, etc., and interest earned on any of these items except as otherwise provided in the awarding agency regulations, award terms and conditions
- Proceeds from the sale (including auction) of real property, other capital assets, equipment, and supplies/materials inventory

Program income guidance:

- Must be retained in accordance with ALDOT agreements and other associated terms and conditions and used for allowable capital or operating expenses
- May be used to reduce total allowable cost to net costs on which the Federal share is determined. Subrecipients may use program income funds to defray eligible program costs before requesting reimbursement for ALDOT administered funds.
- If authorized by the ALDOT Transit Section, costs associated with the generation of program income may be deducted from gross income provided these costs have not been

charged to the award.

- Must be accounted for in the subrecipients' accounting system for income earned. The accounting system must be able to identify the purpose for which program income was generated and used.

Proceeds from the sale of property and equipment shall be handled in accordance with ALDOT disposal procedures (see Chapter 11), the subrecipient's property standards, and generally accepted accounting principles.

The ALDOT Policy for Handling of Section 5311 Program Income/Revenue Funds is included in Appendix 9A, and the Transit Fund Utilization Request Form is in Appendix 9B.

## 9.6 In-Kind

FTA provides states discretion in implementing program objectives. The goal of the Transit Section is to manage and administer in-kind in a manner that ensures program compliance in accordance with Federal and State laws, regulations, statutes, and industry standards. In-kind represents goods and services donated to the subrecipient's agency that represent the monetary value in which FTA resources would have been expended to acquire the goods or services to accomplish program objectives. All in-kind matches/donations must be pre-approved in writing by ALDOT. The ALDOT Policy for Volunteer Driver Program can be found in Appendix 9C.

In-kind proposals shall be written for expenses submitted for reimbursement in the form of parking lots, office space, etc. Each proposal shall contain a detailed description and the value of what is being received in-kind as well as how the value was calculated. If property is involved, a certified appraiser shall assess it and prepare an official report. The appraised amount shall be listed in the proposal along with the property location, the entity providing the in-kind expense, and the duration of the proposal. All in-kind expenses shall be documented in the Agency's financial records. In-kind proposals shall be resubmitted for ALDOT's approval every five (5) years. Agencies may not claim in-kind costs for reimbursement without submitting an in-kind cost proposal and receiving a written approval from ALDOT.

## 9.7 Cost Allocation Plans and Indirect Cost Rates

Title 2 CFR 200 Subpart E-Cost Principles establishes Federal guidelines identifying costs that can be reimbursed using Federal funds. According to these guidelines, an approved Cost Allocation Plan (CAP) and/or Indirect Cost Rate (ICR) is required when requesting reimbursement for indirect costs using Federal funds.

### 9.7.1 Cost Allocation Plans (CAP)

Cost allocation plans (CAP) are associated with indirect costs of a larger agency and its

related agencies. CAPs cover shared costs among related agencies. The purpose of the CAP is to ensure that the subrecipients' individual programs bear a fair share of authorized costs associated with the Federal transit programs while ensuring that the services provided are necessary and the costs incurred are reasonable and allowable.

#### 9.7.1.1 Allocation

Allocation is the process of assigning a cost, or a group of costs, to one or more cost objectives. It must be reasonably proportionate to the benefit provided or other equitable relationship. The process may entail assigning a cost directly to a final cost objective or through one or more intermediate cost objectives.

#### 9.7.1.2 Cost Allocation Plan Proposal

A Cost Allocation Plan (CAP) is the documentation identifying, accumulating, and allocating or developing billing rates based on the allowable cost of services provided.

#### 9.7.1.3 Cognizant Agency for Indirect Cost

The cognizant agency is the Federal agency responsible for reviewing, negotiating, and approving CAPs or indirect cost proposals (ICP) on behalf of all Federal agencies. The cognizant agency is the Federal (or authorized agency) which provides the most Federal funds to the subrecipients local government.

Transit agencies are required to request a cognizant letter certifying their ICP from their cognizant agency. Agencies who receive a cognizant letter from their cognizant agency must use the same cognizant agency for five (5) years.

Should the cognizant agency deny or ignore the request then the transit agency may use their own resources to compile an ICP to present to ALDOT's External Audit. A copy of a request for a cognizant letter previously presented to their cognizant agency must be attached. This verifies that the agency attempted to obtain a cognizant letter from the Federal agency.

Agencies may elect to charge a de minimis rate of 10% of modified total direct costs (MTDC) which may be used indefinitely. Documentation is required to justify the 10% de minimis indirect cost rate.

Regardless of whether an agency submits a cognizant letter, an in-house prepared ICP, or elects the de minimis rate, costs must be consistently charged as either indirect or direct costs but may not be double charged or inconsistently charged as both.

The selected option (cognizant letter, internally prepared ICP, or documentation of de minimis rate) will be presented to External Audits for approval. A copy of their approved ICP must be submitted with their first invoice of each fiscal year. Invoices submitted without an approved ICP will not be processed for payment. Invoices containing rates that do not match the rates approved in the ICP will not be processed for payment.

ICP approved by External Audits will be shared between the External Audits, Transit Section and Planning Section.

## 9.7.2 Direct and Indirect Costs

Subrecipients can incur direct and indirect costs on a FTA project. ALDOT allows reimbursement of indirect costs for public transit subrecipients.

### 9.7.2.1 Indirect Cost Rates

Indirect costs are shared costs that cannot be easily identified with a particular program. Indirect Cost Rates (ICR) are designed to ensure that the subrecipients' individual programs bear a fair share of authorized costs associated with the Federal transit programs.

Indirect costs are allowable costs incurred that cannot be specifically identified with a particular award, project, service, or other activity of an organization such as building maintenance and administration costs. It may include the direct cost of a minor amount but must be consistently applied to all cost objectives. Indirect costs are interchangeable with common or joint costs.

Indirect cost plans approved by cognizant agencies are required of all subrecipients whose budgets include indirect cost line items.

### 9.7.2.2 Indirect Cost Rate Certification

All subrecipients requesting indirect costs in their ALDOT Transit Section administered budgets are required to provide CAPs and/or indirect cost information approved by their cognizant agency. In instances in which cognizant agency approval is not available, subrecipients are required to develop an indirect cost rate proposal annually and to maintain the proposal and related supporting documentation for audit.

Subrecipients will submit their initial CAP and IC proposals to the Transit Section for review and approval. The proposals will be reviewed by ALDOT's Transit Section staff or ALDOT's designee. Following the initial approval, the subrecipients

will submit their CAP and IC proposals on annual basis along with their grant application to be reviewed by ALDOT's External Audits. The CAP or IC rate must be certified by an authorized officer of the subrecipient organization. The signed certification is to be submitted along with the grant application. ALDOT may perform an onsite review of the CAP or IC rate calculations and methodology should it be deemed necessary. All necessary documentation supporting the calculations and methodology must be made available to ALDOT personnel or ALDOT's designee.

#### 9.7.2.3 Direct Cost

Direct cost is an allowable cost that can be identified specifically with an award, project, service, or other activity of an organization such as vehicle and equipment purchases. Costs incurred for the same purpose in like circumstances must be treated consistently as either direct or indirect cost. Identification with the Federal award rather than the nature of the goods and services involved is the determining factor in distinguishing direct from indirect costs of Federal awards.

#### 9.7.2.4 Direct Cost Allocation Methodology

If a cost benefits two or more projects or activities in proportions that can be determined without undue effort or cost, the cost must be allocated to the projects based on the proportional benefit. If the cost benefits two or more projects or activities in proportions that cannot be determined because of the interrelationship of the work involved, the costs may be allocated or transferred to benefitted projects on any reasonable documented basis.

ALDOT requires subrecipients to develop a methodology for allocating direct costs to programs when a cost is shared between like programs. (Example: Vehicle costs are shared between rural public transit, urban public transit, and Medicaid programs). The subrecipients' methodology or basis used for allocating direct costs common to all benefiting programs should provide for an equitable distribution of costs based on benefits received by each program.

### 9.8 Travel and Training

Travel and training not provided for or requested for reimbursement under RTAP funds may be included in other Transit Section-administered programs. Subrecipients must comply with ALDOT travel requirements identified in Chapter 15. Travel is only reimbursed after travel has been completed. Out of state travel must be approved in advance by ALDOT. Reimbursement for mileage is only allowable if such mileage is **NOT** incurred in a Federally funded vehicle.

## 9.9 Requests for Payment

ALDOT, at its discretion, can exercise its pre-award authority, allowing subrecipients that have met all applicable Federal requirements prior to incurring expenses to request payment for project expenses. ALDOT must approve any costs in advance.

Unless pre award authority is granted by ALDOT, a subrecipient may begin requesting funds only after a fully executed agreement between the subrecipient organization and ALDOT is in place. A subrecipient must also have on file with ALDOT a Signature Authorization Form (see Appendix 9D) and a F-25 Form (see Appendix 9E) that designate the individual(s) who have authority to sign invoices on behalf of the subrecipient.

A subrecipient shall submit invoices on forms and in a manner prescribed by ALDOT. *(Note: See Section 14.3 “Project Invoicing” for more information.)*

## 9.10 Budget Revisions

A project budget revision is appropriate if the purpose, scope, total category amount, and total agreement amount remain consistent with the applicable approved project application and project budget. Project budget adjustments/revisions are allowed up to four (4) times a year. Project budget revisions must be reported on Form F-25 documents. A detailed justification must be submitted with the form when approval is required from the ALDOT Transit Section.

The following project budget revisions require ALDOT Transit Section’s approval:

- Creation of a new budget line item
- Addition of funds to the project’s bottom line

The following budget revisions may be made with Regional Manager’s approval and concurrence from the ALDOT Transit Section instead of prior approval from ALDOT:

- Transfers within a budget category from an active project budget line item to another active project budget line item

Budget changes must comply with salary and fringe agreement percentage limitations and the administrative category limitation of 40% of total program budget.

### 9.10.1 Allowable Revisions

ALDOT encourages subrecipients to have a sound financial management system to allow for the completion and review of budget(s) to avoid unnecessary use of budget changes. The following conditions apply to budget change requests:

- Only four budget revision/amendment requests will be allowed per fiscal year,

with a limit of one revision per quarter without prior approval from ALDOT

- Change requests by subrecipients will not be accepted during the last 30 days of the agreement period
- Additional budget changes (revisions) may be considered by ALDOT at ALDOT's discretion on a case-by-case basis

### 9.10.2 Budget Change Process

The following conditions apply to the budget revision process:

- The change must be initiated by an authorized representative of the subrecipient. Subrecipients must submit:
  - A justification letter to ALDOT or ALDOT's designee
  - A budget adjustment form that indicates the last approved budget, with a mark-up of the requested changes (see Appendix 9F)
  - Revision must be submitted within reasonable time frame prior to the anticipated change date and prior to invoicing for the change
- ALDOT, or ALDOT's designee, will respond to the subrecipient in writing concerning the status of the request (approved, denied, or needs to be modified). The Regional Manager will work with the subrecipient on any requested changes that need to be modified so that they can be approved
- After approval, a copy of the request, the revised budget, and other supporting documents will be maintained in the project file

## 9.11 Closeout Procedure

### 9.11.1 Award Closeout

ALDOT's Transit Section enters into yearly transit awards with the Federal Transit Administration (FTA). These awards are applied for, managed, and monitored electronically through an FTA award tracking system. ALDOT is expected to close out awards in a timely manner. In order to accomplish award closeouts, ALDOT's Transit Section must do the following:

- Submit quarterly/yearly Federal financial reports and milestone progress reports
- Update the program of projects as needed
- Expend funds as outlined in the award

Once all funds have been expended and/or projects are complete, ALDOT's Transit Section must follow the closeout process within FTA's electronic grant system. ALDOT submits a final Federal financial report and a milestone progress report as part of the award closeout. The Transit Section then notifies FTA that there are pending closeouts in the system. Any leftover funds are de-obligated by FTA.

#### 9.11.2 Project Closeout

The Alabama Department of Transportation has the right to unilaterally initiate project closeout in cases where approved funds have been substantially disbursed or the subrecipient has done little to complete activities as approved in the contract. In every case, ALDOT will notify subrecipients by letter or email that the project has been closed out and no further charges will apply to that project.

Upon completion of a project, the subrecipient shall submit the items outlined below to ALDOT's Transit Section within 30 days after the agreement ending date:

- A final Request for Payment invoice to request payment for any remaining eligible expenses, if appropriate
- A check made payable to the Alabama Department of Transportation for over requested funds
- Copies of any applicable technical studies or other documents produced as a result of the agreement, if not already submitted
- Any other reports required as a condition of the agreement

#### 9.12 Audits

The Subrecipient Agency will comply with all audit requirements set forth in the Uniform Guidance "Super Circular" published by the Office of Management and Budget (OMB), 2 CFR Chapter I, Chapter II, Part 200, Uniform Administrative Requirements, Cost Principles, and the "Financial Statement Submittal Policy of ALDOT for Local Transportation Agencies" (see Appendix 9G). USDOT incorporated these changes at 2 CFR part 1201, which deviates from part 200 only with respect to standard application requirements, equipment, procurements by states, and financial reporting.

In addition to its annual audit report, the Subrecipient Agency should submit a letter from its CPA to the External Audit Manager of ALDOT. This letter should set out audit findings, whether material or immaterial, noted in the report. If there were no findings other than those noted in the audit report, the CPA should issue a letter stating this information. Furthermore, the Subrecipient Agency will maintain on file, within its office, a letter from its CPA stating the results

of its peer review, whether favorable or unfavorable, as required by Government Auditing Standards (also known as the "Yellow Book"). As required by Legislative Act # 94-414, the Examiners of Public Accounts shall be the repository of audit reports for entities receiving public funds. The Subrecipient Agency shall provide a copy of its audit to the Examiners of Public Accounts when completed.

These standards are applicable to all subrecipients expending ALDOT-administered State and Federal funds.

### 9.12.1 Types of Audits

The following audit report requirements are applicable:

- A single audit is required to be submitted to ALDOT by agencies that expend \$750,000 or more of Federal funds during its fiscal year. This amount is set forth in the Office of Management and Budget (OMB) in 2 CFR Chapter I, Chapter II, Part 200, uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards. A copy of the most recent audit report and all findings must be submitted to ALDOT with the subrecipient's project applications. ALDOT requires the subrecipient to bring to their attention any audit findings relevant to their use of FTA funds.
- A financial statement audit is required to be submitted to ALDOT on an annual basis by agencies that expend more than \$250,000 but less than \$750,000 of Federal funds during its fiscal year. A copy of the most recent audit report and all findings must be submitted to ALDOT with the subrecipient's project applications. ALDOT requires the subrecipient to bring to their attention any audit findings relevant to their use of FTA funds.
- Agencies that expend less than \$250,000 of Federal funds during its fiscal year can submit either a compilation or self-prepared financial statement to ALDOT on an annual basis. A copy of the most recent compilation or self-prepared financial statement must be submitted to ALDOT with the subrecipient's project application. ALDOT requires the subrecipient to bring to their attention any audit findings relevant to their use of FTA funds.

### 9.12.2 Audit Documents to Be Submitted

Subrecipients are required to submit an audit to ALDOT within nine months of the end of the subrecipient's fiscal year. Should a subrecipient not be able to meet this deadline, the subrecipient must submit a letter to ALDOT documenting the reasons that an audit is delayed. The following documents are required to be submitted with the audit:

- A copy of the audit report
- Other required documents (For example, if the audit indicates the auditor reported issues to management, then the management letter must be submitted)
- Subrecipient responses to findings and/or management letter issues

Subrecipients must have submitted their most recent audit report with their project applications.

### 9.12.3 Audit Review Process

ALDOT requires each subrecipient to bring to its attention any audit findings relevant to its use of FTA funds and any corrective actions taken in response to relevant audit findings.

ALDOT's External Audit Division assists in reviewing subrecipient audits. If findings or serious questions concerning financial management are raised, the External Audit Division may request a review of subrecipient files including all supporting documentation. The Audit Division or transit staff could request a special review of subrecipients' operations.

## 9.13 Other Issues

ALDOT will take appropriate action (as defined within Chapter 14, Section 5: Disciplinary Action for Non-Compliance) if a subrecipient fails to:

- Submit the required report and documentation before the due date, without explicit ALDOT approval of the delay
- Obtain an extension from the Transit Section to submit audit documents to the Transit Section after the required submission date
- Respond to ALDOT's Transit Section review
- Conduct an audit in accordance with audit requirements for cases of continued inability or unwillingness

ALDOT will take appropriate action to include, but not be limited to, measures outlined in 2 CFR Part 200 (as amended), and addressed in Section 14.5 of this document, such as:

- Withholding processing request for reimbursement or withholding payment until deficiency is adequately addressed
- Requiring technical assistance to remedy non-compliance
- Disallowing costs associated with the deficiency
- Initiating suspension or debarment proceedings

- Withholding further agreements
- Other actions permissible by law

In remedying subrecipient non-compliance, ALDOT will provide correspondence explaining reasons for the action and that non-compliance may be considered in future award decisions. *(Note: See Chapter 14 for further information on disciplinary action.)*

## 9.14 Record Retention

ALDOT requires the subrecipient to retain financial records, supporting documents, and other records pertinent to an ALDOT agreement and award in compliance with the Transit Section's record retention requirements unless subrecipient policy is stricter. Subrecipients must retain documentation for three (3) years from the last payment issued on an award:

- After payment of final billing or completion of the project, whichever occurs last
- From the time litigation, claims and audit findings have been resolved, if such action was started before expiration of the 3-year period
- Three years from the date of assets disposal

For indirect cost rate proposals, cost allocation plans documentation must be retained for three years:

If plans are submitted for negotiations, the record retention period for the plans and supporting documents starts on the date such documents are submitted and includes supporting documents.

If plans are not submitted for negotiation, the record retention period starts at the end of the fiscal year covered by the proposal, plan, and other documentation.

## Appendix 9A

### ALDOT Policy for Handling of Section 5311 Program Income/Revenue Funds

## **ALDOT POLICY**

### **HANDLING OF SECTION 5311 PROGRAM INCOME/REVENUE FUNDS**

#### **Operating Expenditures**

Only net operating expenses are eligible for federal assistance. Net operating expenses are those expenses that remain after the provider subtracts operating revenues from eligible operating expenses, at a minimum, operating revenues must include farebox revenues.

When overall revenue (farebox + program revenue) exceeds operating expenses, agencies do not create a funding deficit. FTA does not allow ALDOT to support transit payments without a deficit. ALDOT will not process requests for Federally Funded reimbursements in this instance.

Income from contracts may be used either to reduce the net project cost (treated as program revenue) or to provide local match for Section 5311 capital and/or operating assistance (treated as program income). In either case, the cost of providing the contract service is included in the total project cost. Unlike other forms of program income, income from contracts may be used as local match for the grant in which the income is generated.

Option 1: Agencies combine program revenue with farebox revenue and subtract this amount from the operating expenses to derive a billable amount for operating expenses.

$$\text{Operating Expenses} - (\text{program revenue} + \text{farebox revenue}) = \text{Billable operating expenses}$$

Option 2: Agencies can establish an escrow account to track and manage undistributed cash surpluses generated by income revenue. The account must be established with a banking institution separate from other accounts, non-interest-bearing and fee free. This will track the undistributed cash surplus until the funds are returned to the FTA project(s) for programmatic purposes. Institutions with a functioning fund accounting system in place may use existing controls to keep track of the funds separately if they reconcile their accounting records with the cost recap sheets submitted to ALDOT and their bank balances.

$$\text{Program Income} - \text{Required Match Amount} = \text{Minimum Deposit into Escrow Account}^*$$

**\*If a program is 100% funded then the entire program revenue amount must be deposited into escrow.**

#### **Requirements**

Agencies will be required to report their income and/or revenues in their recap sheets on cash accounting basis and will be required to include bank statements which balance to the recap sheets with submitted agency grant billings.

- Program income and/or revenues can be utilized for transit purposes only.
- Banked program income (undistributed cash surplus) requires preapproval from ALDOT prior to use.
  - The Transit Fund Utilization Request Form attached will need to be completed and submitted along with a copy of the current bank statement when requesting usage of program income funds.

## Definitions

**Farebox Revenues:** are fares paid by riders, including those who are later reimbursed by a human service agency or other user-side subsidy arrangement.

**Program Revenue:** are payments made directly to the transportation provider and then combined with the farebox revenue to reduce the net operating costs.

**Program Income:** are payments made directly to the transportation provider and then used as local match for programmatic costs.

## Full Process for Approval of Transit Fund Utilization

1. Agency Request approval for utilization of banked program income. This request will include the following items:
  - a. Transit Fund Utilization Request Form.
  - b. Formal letter of request on agency letterhead.
  - c. Copy of Current Bank Statement indicating balance before withdrawal.
2. Agency emails the above documents to their Regional Manager.
3. Regional Manager will ensure that the request is valid, all documents are dated, signed, accounted for and current based on request. Regional Managers will review bank statement for discrepancies with amount reported on cost recap sheets. All discrepancies will be addressed at this time.
4. Regional Manager will email the request documents to Transit Manager along with an ALDOT letter of Response ready for the Transit Manager's signature. Regional Manager sends a copy of the documents to the Accounting Staff.
  - a. Accounting Staff will place request documents in an Escrow Request Inbox in Outlook. Items in this Inbox are pending. Any item in Escrow Request Inbox must be followed up on.
  - b. Accounting Staff will verify escrow account funds immediately from the bank statement to the cost recaps. Discrepancies will result in documentation being returned to the Regional Manager with notes from Accounting Staff and description of errors.
  - c. Approved request documentation is initialed by Accounting Staff and forwarded to Transit Manager.
5. Transit Manager will review, approve or deny and sign a letter of response.
6. ALDOT staff will then email the following documents to Regional Managers, copying Accounting Staff.
  - a. Formal Response Letter on ALDOT letterhead.
  - b. Signed Approved Transit Fund Utilization Form.
  - c. Copy of Current Bank Statement the agency submitted.
7. Accounting Staff will receive ALDOT's approval documents. Agency's request letter along with accompanying request documents will be moved from Escrow Request Inbox to Approved Escrow Expenditure Inbox. This inbox will contain agency folder where their request and ALDOT's approval documents will be permanently archived.
8. Regional Manager will upload the request and approval documents to agency's folder in TEAMS, so the record is permanently archived. Regional Manager will forward the approval documents to the agency and ensure the agency adjusts their escrow balance on their cost recap sheet.
9. Accounting Staff will add the escrow withdrawal to the TEAMS Recap sheet for tracking purposes.
10. Agency must submit an approved Transit Fund Utilization Request Form with their F25/billing supporting the Escrow Account Withdrawal amount on the accompanying cost recap sheet.

## Appendix 9B

### Transit Fund Utilization Request Form

## Transit Fund Utilization Request Form

*This form, a letter of request on agency letterhead and a copy of the bank statement is to be submitted to Regional Managers for ALDOT approval when requesting use of transit revenue funds which are in a no fee no interest escrow bank account. These funds may only be used for transit purpose only.*

Date of Request: \_\_\_\_\_

Agency Name: \_\_\_\_\_

Request to Purchase:

☐ Vehicle Capital      ☐ Non-Vehicle Equipment      ☐ Operations      ☐ Technology

☐ Other: \_\_\_\_\_

Descriptions of Purchase:

Quantity	Description	Per Unit Amount	Overall Total
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
		Total	\$ -

\_\_\_\_\_  
Signature / Title of Requestor

**ALDOT Official Use Only:**      ☐ Letter of Request Received

☐ Approved      ☐ Not Approved

Reason for Non-Approval: \_\_\_\_\_

☐ Bank Statement Starting Balance \$ \_\_\_\_\_ New Balance \$ \_\_\_\_\_

Printed Name of Approver: \_\_\_\_\_

Signature of Approver: \_\_\_\_\_ Date: \_\_\_\_\_

## Appendix 9C

### ALDOT Policy for Volunteer Driver Program

## ALDOT Policy for Volunteer Driver Program

**Definition: Volunteer Drivers:** Individuals who drive revenue vehicles in revenue service to transport general public passengers for the agency. Volunteers are not employees of the agency or employees of the facility for which the service is provided. Volunteers are not compensated in any manner for their labor or actual expenses incurred while engaged in volunteer activity. Volunteer drivers do not include operators of transit vehicles for work programs, commute smart programs, and other transportation programs similar in nature. Volunteer services should be offered freely and without pressure or coercion, direct or implied, from an employer. The purpose of the transit vehicle operated by a volunteer driver shall be to provide transportation service to the general public.

**Qualifications:** Volunteer Drivers shall meet the same minimum qualifications the agency has established for paid entry level drivers including, but not limited to, background check requirements, FTA drug and alcohol testing requirements, and insurance requirements.

**Claiming Services as In-kind Match:** Claiming in-kind match for services provided by volunteer drivers at a minimum will meet the requirements below:

- a) Agency shall make a formal request on agency letterhead with the annual funding application to initiate the process to claim services provided by volunteer drivers as in-kind match
  - a. Agency will include a copy of the adopted Driver Minimum Qualifications guidance for entry level drivers
  - b. Request will include breakdown of the compensation calculations requested for the volunteer driver for fiscal year and shall be based on pay scale information for an agency entry level driver
  - c. ALDOT will provide a response letter to the agency to approve or deny the in-kind match request
- b) Amount of compensation per hour for the volunteer driver shall be based upon the agency's pay scale for entry level drivers and copy of pay scale must be provided.
- c) Proceeds from in-kind match for volunteer drivers would be limited to operational expenses
- d) Proceeds of in-kind match for volunteer drivers is limited to the month in which services were rendered. There is no banking of proceeds for volunteer driver in-kind match amounts for future use.
- e) Claims for compensation of volunteer driver services shall be entered on a separate line of the agency operations recap spreadsheet (the same manner as paid drivers on a separate line) for the applicable month which services were rendered.

**Support Documents:** Agency shall provide the following support documents when invoice amounts include in-kind match for volunteer drivers.

- a) Copy of volunteer driver's driver license (front and back) for which compensation is requested
- b) Time sheet showing days and time worked for the period of performance
  - a. Time sheet shall be signed by the volunteer driver and agency team member responsible for scheduling drivers
- c) Copy of driver manifest demonstrating the driver provided public transportation service to the general public. This manifest should support the billable days and times on provided time sheet. If volunteer driver provided services to contract and general public transit routes, then highlight only the general public times that substantiate funding reimbursement request.

## Appendix 9D

### Signature Authorization Form

## Signature Authorization Form

### ALABAMA DEPARTMENT OF TRANSPORTATION

Agency Name:	Telephone:
Primary Mailing Address/City/State/Zip:	Secondary Address/City/State/Zip:
Agency Number:	DUNS:

Shown below are original signatures of individuals authorized to sign agency's Invoices to the Alabama Department of Transportation (Form F-25).

Name:

Title:

Email:

Phone:

\_\_\_\_\_  
Original Signature and Date

Name:

Title:

Email:

Phone:

\_\_\_\_\_  
Original Signature and Date

Name:

Title:

Email:

Phone:

\_\_\_\_\_  
Original Signature and Date

Name:

Title:

Email:

Phone:

\_\_\_\_\_  
Original Signature and Date

## Appendix 9E

Form F-25

# INVOICE

1. Consulting Firm _____			Contract ID No. _____
Street and Number _____			P.O. Box _____
City _____	Zone _____	State _____	Zip Code _____

2. Inv. Date Page 1 of 1

**3. Invoice No.**

**4. Service Period** From \_\_\_\_\_ to \_\_\_\_\_

5. For Work Agreement Dated:

In Account With

## ALABAMA DEPARTMENT OF TRANSPORTATION

6. Distribution							7. Sect. No.	8. Percent Comp.	9. Fee Amount	10. Amount Earned Current Month	11. Amount Retained Current Month	Month	Day	Year	15. Amount Due
												12. Amount Earned To Date	13. Amount Retained To Date	14. Amount Previously Paid	
A/C#	Func.	Obj.	F	Project No.		P/C									
16.	Explanation of invoice and description of					17.	Totals								

16.	Explanation of invoice and description of work completed
-----	--

17. Totals

**18.** I certify that the within amount shown as a total in column 14 (amount due) is correct, and unpaid.

Claimant's Signature

Sworn and subscribed to before me this \_\_\_\_\_  
day of \_\_\_\_\_ 20\_\_\_\_.

Notary Public

**19. Approved By:**

## Appendix 9F

### Budget Adjustment Form

**NON-CARES ACT LINE ITEM BUDGET SHEET  
OCTOBER 1, 2021 - SEPTEMBER 30, 2022**

PROJECT COUNTY FakeTrans RPT-001 FY 2022  
FISCAL YEAR: 2022

<b>ADMINISTRATION 100074321</b>		<b>ADMINISTRATION LINE-ITEM BUDGET</b>	<b>Insert Date ADMINISTRATION BUDGET REVISIONS</b>	<b>REVISED ADMINISTRATION BUDGET AFTER REVISIONS</b>
Director		\$ 29,000.00	\$ -	\$ 29,000.00
Coordinator		\$ 22,500.00	\$ -	\$ 22,500.00
Clerk		\$ 5,000.00	\$ -	\$ 5,000.00
Fringes		\$ 19,000.00	\$ -	\$ 19,000.00
Office Supplies		\$ 2,000.00	\$ -	\$ 2,000.00
Telephone		\$ 1,500.00	\$ -	\$ 1,500.00
Postage		\$ 100.00	\$ -	\$ 100.00
Advertising		\$ 300.00	\$ -	\$ 300.00
Mileage		\$ 1,500.00	\$ -	\$ 1,500.00
Rooms Meals		\$ 1,500.00	\$ -	\$ 1,500.00
Registration Fees		\$ 500.00	\$ -	\$ 500.00
Dues		\$ 300.00	\$ -	\$ 300.00
Professional Services		\$ 2,500.00	\$ -	\$ 2,500.00
Office Equipment		\$ 1,000.00	\$ -	\$ 1,000.00
Repair		\$ 200.00	\$ -	\$ 200.00
Insurance		\$ 15,000.00	\$ -	\$ 15,000.00
Vehicles Supplies		\$ 250.00	\$ -	\$ 250.00
		\$ -	\$ -	\$ -
		\$ -	\$ -	\$ -
		\$ -	\$ -	\$ -
		\$ -	\$ -	\$ -
<b>Total</b>		<b>\$ 102,150.00</b>	<b>\$ -</b>	<b>\$ 102,150.00</b>

DATE REQUESTED  
REQUESTED BY:

**Budget Revision can be Approved by Regional Manager**

**CARES ACT LINE ITEM BUDGET SHEET  
OCTOBER 1, 2021 - SEPTEMBER 30, 2022**

PROJECT COUNT FakeTrans RPT-001 FY 2022  
FISCAL YEAR: 2022

	OPERATIONS LINE-ITEM BUDGET	Insert Date OPERATIONS BUDGET REVISIONS	NEW OPERATIONS BUDGET AFTER REVISIONS
<b>OPERATIONS 100074399</b>			
Drivers	\$214,000.00	\$ -	\$ 214,000.00
Fringe	\$88,000.00	\$ -	\$ 88,000.00
Cleaning Supplies	\$3,000.00	\$ -	\$ 3,000.00
Maintenance Repairs	\$10,000.00	\$ -	\$ 10,000.00
Uniforms	\$1,000.00	\$ -	\$ 1,000.00
Tires	\$3,500.00	\$ -	\$ 3,500.00
Fuel Oil	\$60,000.00	\$ -	\$ 60,000.00
Software/Cellular Service	\$12,000.00	\$ -	\$ 12,000.00
GPS Monitoring	\$4,100.00	\$ -	\$ 4,100.00
	\$0.00	\$ -	\$ -
	\$0.00	\$ -	\$ -
	\$0.00	\$ -	\$ -
	\$0.00	\$ -	\$ -
<b>Total</b>	<b>\$ 395,600.00</b>	<b>\$ -</b>	<b>\$ 395,600.00</b>

DATE REQUESTED  
REQUESTED BY:

**Budget Revision can be Approved by Regional Manager**

## Appendix 9G

### Financial Statement Submittal Policy of ALDOT for Local Transportation Agencies

# Financial Statement Submittal Policy of ALDOT For Local Transportation Agencies

January 7, 2020

Subject: Financial Statement Submittal Requirements

The following is the submittal requirements for the financial statement requirements for local transportation agencies receiving federal funds.

- A single audit is required for agencies that expends \$750,000\* or more of federal funds during its fiscal year. This amount is set forth in the Office of Management and Budget (OMB) in 2 CFR Chapter I, Chapter II, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.
- A financial statement audit is required for agencies that expends more than \$250,000 but less than \$750,000\* of federal funds.
- Agencies that have expended less than \$250,000 of federal funds can submit either a compilation or self-prepared financial statements. However, ALDOT reserves the right to require an audit by an independent CPA if deemed necessary.

Note \*: The \$750,000 amount is the threshold amount established by 2 CFR Chapter I, Chapter II, Part 200. If this amount is changed by the O MB, the revised amount will be applicable.

# 10 Procurement

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## 10.1 Procurement

ALDOT and all subrecipients must comply with FTA Circular 4220.1 (series) as applicable when procuring goods and services. At a minimum ALDOT must comply with five specific Federal requirements contained in the most current FTA Circular 4220.1 (series). These include the following: (1) for rolling stock, a five year limitation on contract period of performance; (2) a requirement for full and open competition; (3) a prohibition against geographic preferences; (4) the use of Brooks Act procedures for procurement of architectural and engineering services if the State has not adopted a statute governing procurement of such services; and (5) inclusion in contracts of all Federal clauses required by Federal statutes and Executive Orders and their implementing regulations. These clauses are identified in specific Federal regulations cited in FTA's Master Agreement incorporated by reference into the grant agreement. Additional technical assistance for third party contracting is available in FTA's "Best Practices Procurement & Lessons Learned Manual," which can be found online at <https://www.transit.dot.gov/funding/procurement/best-practices-procurement-manual>.

When procuring property, supplies, equipment, or services under an FTA grant, ALDOT follows, and requires its subrecipients to follow, the following procedures:

- Use a written procurement procedure that reflects applicable State and local laws and regulations, and conforms to applicable Federal law
- Maintain a contract administration system that ensures that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders
- Assure FTA/ALDOT that ethical conduct is maintained by adhering to the following requirements:
  - Maintain a written code of standards of conduct governing the performance of their employees engaged in the award and administration of contracts
  - Ensure the officers, employees, or agents will neither solicit nor accept gratuities, favors, or anything of monetary value from contractors, potential contractors, or parties to subrecipients
  - Verify a written policy exists that includes procedures for identifying and preventing real and apparent organizational conflicts of interests
- Provide for a review of proposed procurement to avoid purchase of unnecessary or

duplicate equipment.

- Make awards only to responsible contractors possessing the ability to perform successfully under the terms and conditions of the proposed procurement. Considerations should include contractor integrity, compliance with public policy, past performance, and financial and technical resources.
- Maintain records sufficient to detail the completed procurement including the method of procurement, contract type, contractor selection or rejection, and the basis for the contract price.
- Conduct procurement in a manner that prohibits the use of statutorily or administratively imposed in-State or local geographical preferences in the evaluation of bids or proposals. (The use of Federal funds in procurements does not allow for in-State preferences.)
- ALDOT maintains written procedures to handle and resolve protests relating to their procurement, and shall, in all instances upon FTA request, disclose information regarding a protest to FTA. The subrecipient is also required to maintain written procedures for handling and resolving protests relating to procurement, and to notify ALDOT of any such protests.

## 10.2 Competition

All procurement transactions are conducted in a manner providing full and open competition when procuring goods or services. ALDOT and its subrecipients do not:

- Place unreasonable requirements on firms for them to qualify to do business
- Require unnecessary experience and excessive bonding
- Use noncompetitive pricing practices between firms or between affiliated companies
- Give noncompetitive awards to professionals and other consultants that are on retainer contracts
- Specify “brand name” products instead of allowing “an equal” product to be offered

## 10.3 Buy America Provisions / Pre-Award and Post-Delivery Audits / New Model Bus Testing

### 10.3.1 Buy America

The Buy America regulation states that no FTA funds may be used to purchase vehicles unless all steel, iron, and manufactured products used in building the vehicle are produced in the United States. In addition, components used in the vehicle that are

produced in the United States must cost more than 70 percent of all components used in the vehicle, and final assembly must take place in the United States.

ALDOT is required, prior to awarding the bid for any rolling stock, to certify that a pre-procurement audit has been conducted to verify that the bid proposed for acceptance complies with the Buy America Requirements and with appropriate Federal Motor Vehicle Safety Standards (FMVSS).

A manufacturer or supplier of steel, iron, or manufactured goods may be permitted to correct, after bid opening, an incomplete certification or a certification of noncompliance under certain circumstances if submission of the incorrect certification was the result of an inadvertent or clerical error.

### 10.3.2 Pre-Award and Post-Delivery Review

Procurements for vehicles, other than unmodified vans, must be audited in accordance with FTA regulations, "Pre-Award and Post-Delivery audits of Rolling Stock Purchases," 49 CFR Part 663. ALDOT conducts pre-award and post-delivery reviews to assure compliance with bid specifications, Buy America certifications, purchaser certifications, and Federal Motor Vehicle Safety Standards certifications. ALDOT ensures that bidders (vendors) abide by the pre-award, post-delivery regulations and conducts pre-award audits of the bid specifications and pre-award Buy America audits of all bidders wishing to sell transit vehicles to the State.

With all bids, ALDOT encloses a packet of information explaining the FTA regulations and requirements. The bidder must submit a signed Buy America Certification with a list of proposed components, subcomponents, and final assembly information; a signed Bus Testing Certification; Federal Motor Vehicle Safety Standard (FMVSS) certification; lower-tier FMVSS Certification, Debarment and Suspension, Lobbying Certification and Certification on Experience. The debarment form can be found in Appendix 10A.

When the vehicles are delivered, ALDOT conducts a Post-delivery audit for Buy America and Federal Motor Vehicle Safety Standards. ALDOT ensures that Buy America regulations are still being met and that the vendor has furnished the required Federal Motor Vehicle Safety Standards certification. If the vehicles do not meet Buy America and/or Federal Motor Vehicle Safety Standards, the vehicles are rejected.

When picking up vehicles from ALDOT, the subrecipient must certify that the vehicles have been inspected and comply with the procurement specifications, as well as with the Buy America and with FMVSS provisions.

ALDOT's responsibilities with respect to vehicle procurement include developing vehicle

specifications, performing in-plant inspections of vehicles when required, and conducting the post-delivery determination that the delivered vehicles meet the bid specifications and are free from defects. ALDOT visually inspects all delivered vehicles. If ALDOT finds any defects or vehicles missing specified equipment, ALDOT works with the vendor to ensure the correction of all defects before they are delivered to the subrecipients.

When ALDOT undertakes a consolidated State procurement on behalf of several subrecipients of FTA funds, the requirement for a resident inspector at the manufacturing site depends on the number of buses in a subrecipient's order. That is, for example, although ALDOT may order 30 vehicles, if no subrecipient expects to receive 20 or more of the vehicles (10 or more for a large urbanized area subrecipient), ALDOT is not required to place an inspector on site. If 20 or more vehicles are ordered for a single subrecipient an on-site inspector is required; the on-site inspector may be provided by either the State or the subrecipient. In addition, if the on-site inspector is used on one subrecipient's order, then this meets the on-site inspection requirement for ALDOT's procurement even though there are other subrecipient orders of 20 or more vehicles. The cost of such an inspection exercise is considered an eligible project cost.

When purchasing buses tested by the Altoona Bus Research and Testing Center, ALDOT must obtain a copy of the test report.

The ALDOT Local Transportation Bureau Vehicle Coordinator shall perform a post-delivery review and inspection on all vehicle procurements, after delivery and prior to acceptance of the subrecipients. The subrecipients will also inspect the vehicles prior to taking possession of vehicles.

### 10.3.3 New Model Bus Testing

Any new bus model must be tested at the FTA-sponsored test facility in Altoona, Pennsylvania, before FTA funds can be expended to facilitate purchase (49 CFR Part 665). This requirement applies to all buses and modified vans. It does not apply to unmodified vans, including vans with raised roofs or lifts installed in strict conformance with the original equipment manufacturer modification guidelines. A new model is defined as one that has not been used in mass transportation services in the United States before October 1, 1988, or that has been used in such service but which, after September 30, 1988, is being produced with a major change in configuration or components. If a bidder proposes a vehicle requiring New Model Bus Testing, the bidder must ensure that the manufacturer has complied with the testing requirement by enclosing a copy of the bus testing report from the Altoona Bus Testing Center with the bid proposal. ALDOT will not expend any FTA funds for a new model bus, until it has obtained the New Model Bus Testing report from the bidder.

## 10.3.4 Vehicle and Equipment Procurement

### 10.3.4.1 Vehicle Procurement

The purchase of FTA funded vehicles starts with the subrecipient applications or vehicle needs projection forms indicating quantities, sizes, and types of vehicles needed and planned use. ALDOT facilitates the placement of all vehicle orders. ALDOT, in coordination with State Purchasing Division, facilitates the advertisement and mails a Request for Bid (RFB) to all registered vehicle vendors. This RFB includes a packet describing the FTA procurement regulations, and the specific information regarding vehicles being ordered for the State Transit Program. The bids are opened on a specific date and time, and the qualified low bidder(s) is/are awarded the contracts. The State Purchasing Division assures ALDOT the accepted bid meets pre-award requirements. ALDOT assures that the vehicles proposed meet the requested vehicle specifications. Once the contract is awarded by the State, the selected vendor(s) are authorized to proceed with the manufacturing of vehicles. If more than 20 buses are ordered from one vendor, either ALDOT or its subrecipients will have a representative visit the manufacturer of the buses during the construction of ALDOT's buses. If ALDOT is pleased with the service provided by the vendor, the vendor can continue to provide vehicles for two (2) additional years. After the vendor has been selected, ALDOT prepares a Purchase Order for each vehicle or group of like vehicles. The Purchase Order is forwarded to the vendor. ALDOT will not issue Purchase Orders for vehicles until the subrecipients provide the required 20% match for each vehicle (*see Chapter 5, Section 16 for information on match ratios for ADA/CAA equipment included on the vehicle*). Vehicles are delivered to ALDOT in Montgomery, Alabama. ALDOT orders all new vehicles for the subrecipients. The subrecipients are not allowed to purchase new vehicles directly with Sections 5310, 5311, and 5339 funds unless approved by ALDOT.

### 10.3.4.2 Equipment Procurement

Subrecipients desiring to purchase equipment such as computers, printers, fax machines or other needed equipment, must notify ALDOT of the proposed purchase through a capital request process, receive written approval from ALDOT to purchase the equipment, and use an ALDOT approved purchasing process that includes the collection of at least three bids. If this procedure is not followed, the subrecipients will not be reimbursed for the equipment.

Reimbursement for capital items will not be made until all required

documentation is submitted to ALDOT Local Transportation Bureau and has been reviewed and approved by Transit Section staff.

## 10.4 Real Property, Facilities and Construction or Renovation of Facilities

### 10.4.1 Real Property

Special requirements pertain to the purchase of real property. FTA Circular 5010.1 (series) covers the acquisition of real property. *(Note: Where ALDOT is the designated recipient of funds, as in the Section 5311 Formula Grants for Rural Areas Program, all direct contact with FTA flows through the ALDOT Transit Section).* Chapter 12 of this document, “Acquisition of Property and Facilities, and Construction or Renovation of Facilities,” provides details on ALDOT policies.

**Pre-Award Review:** At no time will ALDOT fund the acquisition of land for transit facilities not provided for under the scope of an approved grant. All construction or real property acquisition-related activities over \$10,000 shall require pre-award review and approval by ALDOT before commencing work. The pre-award review includes the items listed in the next section (Prerequisites for Project Funding). No purchase of property should commence before written approval by ALDOT.

**Prerequisites for Project Funding:** ALDOT will submit the following documents to the Federal Transit Administration (FTA) Region IV office for review and concurrence prior to funding commitment:

- NEPA Checklist
- Site Selection Analysis
- Equity Review
- Environmental Review (Categorical Exclusion, Environmental Assessment or Environmental Impact Statement) as Required by NEPA
- Appraisal of Property
- Cost Analysis and/or Price Analysis

**Site Selection Analysis:** An environmental review is required for the purchase of property, new construction, or renovation of a building that is purchased. All proposed project sites must be evaluated and assessed to determine impact, if any, on wetlands, streams, high biotic potential, livable communities’ considerations, and federally protected threatened or endangered species and their habitats. A consulting firm may be

used to determine if there are any environmental issues that need to be addressed prior to construction.

**Environmental Factors:** There are also environmental factors involved in the procurement of land or facilities. FTA must accept the documentation in support of a categorical exclusion, environmental assessment, or environmental impact statement before property can be purchased.

An environmental review must be completed, and FTA's approval received, prior to committing Federal funds. Federal funds will not be made available for any facility purchase or construction until the environmental documents are reviewed and approved by FTA.

Environmental issues may need to be addressed if any of the following exist:

- Property is owned by the state or property is located on a national historic site
- Pre-existing environmental issues are present (e.g., if underground tanks and/or wetlands are present)

If the property has already been purchased by the transit provider, and an environmental review or study has been completed, these document(s) must be submitted to ALDOT for review and subsequent Federal approval.

**Appraisals:** To establish the value of the property, the Federal Transit Administration requires one appraisal and a review appraisal. FTA's prior approval is required when the transit agency's recommended offer of just compensation exceeds \$250,000, or when a property appraised at \$250,000 or more must be condemned. This process must be followed to purchase real property using FTA funds.

**Purchase and Titling:** The ALDOT subrecipient, not its contractor, must be the recorded owner of real property purchased with funds provided by the Alabama Department of Transportation.

Transit agencies should use a titling company when it buys real property in order to get a clean title and that ALDOT will have a valid lien against the property. The latter occurs when the transit agency signs a deed of trust in favor of the Alabama Department of Transportation.

#### 10.4.2 Procurement of Architectural and Engineering Services

A qualifications-based, competitive proposal procedure (i.e., Brooks Act procedures) must be used when procuring architectural and engineering (A&E) services. Services subject to this requirement are program management, construction management,

feasibility studies, preliminary engineering, design, architectural, engineering, surveying, mapping, and related services that lead to construction.

Prior to selecting an architect or engineer, a “Request for Qualifications” shall be advertised in a publication with national circulation. Alternatively, a transit agency could compile a central bidders list from discussions with other agencies that have awarded contracts for similar work.

Upon receipt of various statements of qualifications, the prospective bidders are ranked and price negotiations may begin with the top ranked candidate.

ALDOT and its subrecipients may also use on-call agreements for work that would be too expensive (administratively) to procure individually. The procedure for using on-call agreements is outlined in ALDOT’s Procurement Procedures for Federal Transit Administration Programs.

#### 10.4.3 Procurement and Award of Construction Services

Construction services are often associated with the development of a transit facility. The options for procurement and construction are detailed in the ALDOT Transit Procurement Procedures.

Once the project is awarded, the agency will be working with a team that includes ALDOT, the contractor and the architect to bring the project to completion. A pre-construction meeting must be held between the transit agency, the construction company, and the architect or overseer of the construction phase. During the construction phase, any change orders must be submitted with the Change Order Review Checklist (see Appendix 10B).

### 10.5 Restrictions on Lobbying

Federal financial assistance may not be used to influence or attempt to influence any member of the U.S. Congress and/or the Alabama State Legislature, or an officer or employee of the U.S. Congress and/or Alabama State Legislature in the making of any Federal contracts, grants, or cooperative agreements. Federal funds may not be used for lobbying congressional representatives or senators indirectly, such as by contributing to a lobbying organization or funding a grass-roots campaign to influence legislators (31 USC Section 1352). General advocacy for transit and providing information to legislators about the services a subrecipient provides in the community are not prohibited, nor is using non- Federal funds for lobbying, so long as the required disclosures are made.

ALDOT, its subrecipients, and third-party contractors awarded FTA assistance exceeding

\$100,000 sign a “Restrictions on Lobbying” certification and, if applicable, disclose the expenditure of non-Federal funds for lobbying purposes. ALDOT signs the Lobbying Certification as part of the annual certification and assurances to FTA. The FTA subrecipients (receiving over \$100,000) provide a signed Lobbying Certification during the application and/or agreement process. The signed Certifications are retained in the subrecipient project files. In addition, signed Lobbying Certifications are obtained from the vendor during ALDOT’s procurement process.

If the State, subrecipients, contractors, or subcontractors use non-Federal funds for lobbying activities, the disclosures must be made and filed on a Standard Form LLL and submitted to FTA from ALDOT.

Updates to Standard Form LLL are required for each calendar quarter in which any event occurs that requires disclosure, or that materially affects the accuracy of the information contained in any disclosure form previously filed by a recipient.

The following events may require an update to the Standard Form LLL:

- A cumulative increase of \$25,000 or more in the amount paid or expected to be paid for influencing or attempting to influence a “covered federal action”
- A change in the person(s) attempting to influence such action
- A change in the officer(s), employee(s), or member(s) contacted to attempt to influence such action

## 10.6 Debarment and Suspension

The purpose of the Debarment and Suspension certification required from ALDOT as the primary recipient of Federal funds, and the second-tier certification required of the subrecipients receiving over \$10,000, is to ensure that Federal funds are not given to anyone who has been debarred, suspended, or is ineligible or voluntarily excluded from participation in federally assisted transactions.

ALDOT certifies to FTA in the grant applications, and the subrecipients certify to ALDOT in their grant applications, that debarment and suspension compliance will be met, and the necessary reports provided to the FTA and ALDOT. In addition, signed debarment and suspension certifications are obtained from vendors during ALDOT’s procurement process. The debarment form can be found in Appendix 10A.

Subrecipients agree to the Debarment and Suspension certification as part of the agreement with ALDOT. The signed agreements are retained in the subrecipient files.

FTA requires both participants in third party contracts of any tier and sub-agreements of any tier to assure the status of persons participating therein.

The awarding party must verify that the person or entity is not excluded or disqualified by one of the following methods:

- Checking the Excluded Parties List System (EPLS) available at the System for Award Management (SAM): <https://www.sam.gov> (strongly recommended by FTA)
- Collecting a certification from the prospective awardee
- Adding a clause or condition to the third-party contract or sub-agreement with that awardee

In addition, the subrecipient and awardees participating in lower tier transactions are required to extend these requirements to their awardees.

The prospective awardee in turn must notify the subrecipient or third-party contractor (person at the next higher tier) if it knows whether or not it or any of its principals is presently excluded or disqualified under these regulations.

## 10.7 Methods of Procurement

### 10.7.1 Micro-Purchases (\$10,000 or less)

Although micro-purchases may be made without obtaining competitive quotations in instances in which the price paid is determined to be fair and reasonable, ALDOT requires price quotes for all purchases of \$10,000 or less. Every effort is made to ensure full and open competition and to avoid restricting competition in federally supported procurement transactions.

### 10.7.2 Small Purchases (more than \$10,000 and less than \$75,000)

Small purchase procedures require an Independent Cost Estimate (ICE). Price or rate quotations must be obtained from an adequate number of qualified sources (at least two). A Price and/or Cost Analysis is also required. ALDOT reviews all solicitation documents to ensure that procurements exceeding micro-purchase thresholds are properly federalized. Prior ALDOT approval is required for all procurements exceeding micro-purchase thresholds. The solicitations and quotations may be either oral or written and must be documented.

### 10.7.3 Sealed Bids/Invitation for Bid (IFB)

Bids are publicly solicited, and the award is made to the lowest (best price), responsive (meets all specifications), and responsible (is qualified to perform the work) bidder. ALDOT's bid threshold has been established by State Law at \$75,000. ALDOT requires a

formal solicitation for all procurements meeting and exceeding the Alabama Bid Law's threshold. An ICE is also required for procurements over \$75,000. The Fair and Reasonable Price Determination Form can be found in Appendix 10C.

#### 10.7.4 Competitive Proposals/Request for Proposals (RFP)

Competitive Proposals/RFPs are publicly solicited from an adequate number of sources and the award is made to the firm whose offer is most advantageous, with price and other factors considered. Evaluation factors are identified and the relative importance that each has towards the award is clearly indicated.

#### 10.7.5 Sole Source

Sole source procurement is not permissible unless there is only a single supplier. The following are examples of circumstances which could necessitate sole source procurement:

- Where the compatibility of equipment, accessories, or parts is the paramount consideration
- Where a sole supplier's item is needed for trial use or testing
- Upgrade to proprietary software or hardware
- Where the item is one of a kind

The determination as to whether a procurement shall be made as a sole source shall be made by the ALDOT Transit Section. The letter requesting sole source (with supporting documentation) shall be prepared and submitted to the program manager for review and concurrence.

#### 10.7.6 Lease Versus Purchase Analysis

It is usually less economical to lease equipment than to purchase it. However, there are some instances when this is not true. For example, short-term leases of equipment which is required for a short time or for a unique task may be reasonable and economically sound. It may also be advisable to lease equipment that undergoes rapid technological change such as personal computers and other IT related equipment. In some cases, it is easier to have equipment maintained if it is leased. However, long-term leases and leases for items that should be purchased and capitalized but cannot be because of budget constraints are not economically prudent. If a decision is made to lease equipment, a lease vs. purchase analysis should be made. The analysis should be appropriate to the size and complexity of the procurement. The Lease vs. Purchase Analysis Form can be found in Appendix 10D.

### 10.7.7 Emergency

Purchases of this nature can be made only if a condition is present that creates a threat to public health, welfare, critical economy and efficiency, or safety under emergency conditions. The Engineer of the Local Transportation Bureau shall make the determination.

Note: If there is an emergency after normal working hours, the highest-level employee who is directly involved in the emergency shall seek as much competition as is practical to alleviate the emergency. The Transit Section of the Local Transportation Bureau shall be contacted the next business day.

### 10.7.8 ProcurementPRO

ProcurementPRO is an internet procurement tool designed to guide recipients of Federal assistance through the Federal procurement process. Subrecipients are encouraged to use ProcurementPRO to assist with the procurement process. More information is available at <https://www.nationalrtap.org/Technology-Tools/ProcurementPRO>.

## 10.8 Bid Protests/Appeals

The subrecipient is responsible for settling disputes resulting from any procurement action. Under limited circumstances, a bidder may protest to the ALDOT Local Transportation Bureau pursuant to a vendor's award of a contract. ALDOT's Local Transportation Bureau's role in a bid protest shall be limited to the conditions set forth in FTA Circular 4220.1 (series).

## Appendix 10A

### Government-Wide Debarment and Suspension (Non-Procurement) Certification

## Federal Certifications

### GOVERNMENT-WIDE DEBARMENT AND SUSPENSION (NONPROCUREMENT)

Instructions for Certification: By signing and submitting the bid or proposal, the prospective lower tier participant is providing the signed certification set out below,

1. It will comply and facilitate compliance with U.S. DOT regulations "Nonrecurrent Suspension and Debarment." 2 CFR part 1200, which adopt, and supplements the U.S. Office of Management and Budget (U.S. OM8) "Guidelines to Agencies on Government Wide Debarment and suspension (Nonprocurement), 2 CFR part 180,
2. To the best of its knowledge and belief, that its Principle and Subrecipients at the first for:
  - a. Are eligible to participate in covered transactions of a federal department or agency and are not presently
    1. Debarred
    2. Suspended
    3. Proposed for debarment
    4. Declared Ineligible
    5. Voluntarily excluded
    6. Disqualified
  - b. Its management has not within a three-year period preceding its last application or proposal been convicted of or had a civil judgment rendered against any of them for:
    1. Commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction, or contract under a public transaction,
    2. Violation of any Federal or State antitrust statute, or
    3. Proposed for debarment commission of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making any false statement, or receiving stolen property
  - c. It is presently indicted for, or otherwise criminally or civilly charged by a government entity (Federal, State, local) with commission of any of the offenses listed in the preceding subsection 2.b of this Certification.
  - d. It has not had one or more public transactions (Federal, State, or local) terminated for cause or default within a three-year period preceding this Certification,
  - e. If, at a later time, it receives any information that contradicts the statements of subsections 2.a - 2.d above, it will promptly provide that information to FTA.
  - f. It will treat each lower tier subcontract or lower tier under its Project as a covered lower tier contract for purposes of 2 CFR part 1200, and 2 CFR part 180 if it:
    1. Equals or exceeds \$25,000,
    2. Is for audit services, or
    3. Requires the consent of a federal official, and
  - g. It will require that each covered lower tier contractor and subcontractor:

1. Comply and facilitate compliance with the Federal requirements of 2 CFR part 180 and 1200, and
2. Assure that each lower tier participant in its project is not presently declared any Federal department or agency to be:

- a. Debarred from participation in its federally funded Project,
- b. Suspended from participation federally funded Project,
- c. Proposed for debarment from participation in its Federally funded Project,
- d. Declared ineligible to participate in its federally funded project,
- e. Voluntarily excluded from participation in federally funded Project, or
- f. Disqualified from participation in its federally funded Project, and

3. It will provide a written explanation as indicated on a page attached in FTA's TRAMS-Web or the signature page. If it or any of its principals, including any of its first tier Subrecipients or its Third-Party Participants at a lower tier, is unable to certify compliance with the preceding statements in this certification Group

Certification

Contractor \_\_\_\_\_

Signature of Authorized Official \_\_\_\_\_ Date \_\_\_\_ / \_\_\_\_ / \_\_\_\_

Name and Title of Contractor's Authorized Official \_\_\_\_\_

## Appendix 10B

### Change Order Review Checklist

## Change Order Review Checklist

Date			
Contract Number			
Contractor			
Contract Title			
Reviewer			
New Contract Total			
Change Order Number			
Dollar Value Increase			
Length of Time Extension Granted			
New Performance Period End Date			

  

Change Order Checklist	INCLUDED		N/A	Comment
1. In-House Estimate Prepared				
2. Project Manager Approval				
3. AWO Scope Meeting Held				
3a. Scope of Change Adequate for Bidding				
4. Contractor Proposal Includes Impact Costs, Price				
5. Cost Analysis Conducted				
5a. If Price > 10% of ICE, Evidence of MTA President Approval				
6. Negotiation Memorandum				
7. Written Record of Change				
7a. Signed Change Order in File				
8. Evidence of Board Approval Prior Initiation of Changed Work				
9. Notice to Proceed in file				
10. Work Authorized within Contract Scope				
11. No Evidence of Arbitrary Action				
Other Comment				

## Appendix 10C

### Fair and Reasonable Price Determination Form

#### FAIR AND REASONABLE PRICE DETERMINATION

I hereby determine the price to be fair and reasonable based on at least one of the following:

Check one or more:

\_\_\_\_\_ Found reasonable on recent purchase.

\_\_\_\_\_ Obtained from current price list.

\_\_\_\_\_ Obtained from current catalog.

\_\_\_\_\_ Commercial market sales price from advertisements.

\_\_\_\_\_ Similar in related industry.

\_\_\_\_\_ Personal knowledge of item procured.

\_\_\_\_\_ Regulated rate (utility).

\_\_\_\_\_ Other.

Comments:

\_\_\_\_\_ Copy of purchase order, quotes, catalog page, price list, etc. is attached.

\_\_\_\_\_ Purchasing Agent

\_\_\_\_\_ Date

Responsibility Determination Form

Bid/RFP No: \_\_\_\_\_ Supplier: \_\_\_\_\_

Date: \_\_\_\_\_ For each of the areas described below, check that the appropriate research has been accomplished and provide a short description of the research and the results. Acceptable Comment

1. Appropriate financial, equipment, facility, and personnel Yes No \_\_\_\_\_  
\_\_\_\_\_

2. Ability to meet the delivery schedule

Yes No \_\_\_\_\_  
\_\_\_\_\_

3. Satisfactory period of performance

Yes No \_\_\_\_\_  
\_\_\_\_\_

4. Satisfactory record of integrity, not on debarred or suspended listings

Yes No \_\_\_\_\_  
\_\_\_\_\_

5. Receipt of all necessary data from supplier

Yes No \_\_\_\_\_  
\_\_\_\_\_

## Appendix 10D

### Lease vs. Purchase Analysis Form

## Lease vs. Purchase Analysis

### For Federal Transit Administration (FTA) Funded Procurements

#### FTA Background:

Since equipment leases are considered "third party contracts" within the meaning of FTA Circular 4220.1F, the requirement of that Circular applies to such procurements. FTA Circular 4220.1F requires a lease versus purchase analysis to determine the most economical approach to any given procurement.

Lease vs. purchase alternatives - It is usually less economical to lease equipment than to purchase it. However, there are some instances where this is not true. For example, short-term leases of equipment which is required for a short time or for a unique task may be reasonable and economically sound. It may also be advisable to lease equipment that undergoes rapid technological change such as personal computers and other IT related equipment. In some cases, it is easier to have equipment maintained if it is leased. But long-term leases and leases for items that should be purchased and capitalized but cannot be because of budget constraints are not economically prudent. If a decision is made to lease equipment, a lease vs. purchase analysis should be made. The analysis should be appropriate to the size and complexity of the procurement. In determining whether the lease of equipment is feasible, the following factors must be considered:

- Estimated length of the period the equipment is required and the amount of time of actual equipment usage;

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- Technological obsolescence of the equipment;

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- Financial and operating advantages of alternative types and makes of equipment;

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- Total rental cost for the estimated period of use;

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- Net purchase price, if acquired by purchase;

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- Transportation and Installation Cost

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- Maintenance, storage and other service costs;

- Trade-in or salvage value;

- Imputed Interest costs

- Availability of a servicing facility especially for highly complex equipment (can the Agency service the equipment if it is purchased).

Based on this review, it is recommended to:

Purchase

Lease

☐☐

Requisition Title:	
Submitted by: (Print Name)	
Signature:	
Date:	

# 11 Asset Management

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## 11.1 Background

This section of the SMP describes the ALDOT asset management policies and maintenance plans and procedures required of subrecipients for vehicles and facilities, including maintenance of ADA accessibility features purchased with Federal and state funds.

In 2012, the Moving Ahead for Progress in the 21st Century Act (MAP-21) mandated and in 2015 the Fixing America's Surface Transportation Act (FAST) reauthorized FTA to develop a rule to establish a strategic and systematic process of operating, maintaining, and improving public transportation capital assets effectively through their entire life cycle. FTA's National Transit Asset Management System Rule:

- Defines "state of good repair"
- Requires grantees to develop a Transit Asset Management (TAM) Plan
- Establishes performance measures
- Establishes annual reporting requirements to the National Transit Database

The Final Rule for Transit Asset Management can be found at: <https://www.transit.dot.gov/regulations-and-guidance/asset-management/national-transit-asset-management-system-final-rule>. Transit Asset Management guidance can be found at: [http://onlinepubs.trb.org/onlinepubs/tcrp/tcrp\\_rpt\\_172.pdf](http://onlinepubs.trb.org/onlinepubs/tcrp/tcrp_rpt_172.pdf). Capital management is an important aspect of public transit since it affects the safety, marketability, and financial integrity of the transit system. Transit is dependent on its capital equipment to accomplish its mission. All property purchased with Federal dollars is the responsibility of the transit system. The transit system retains title to all property excluding vehicles, providing the property is used for public transportation. Subrecipients of Federal dollars administered by ALDOT are required to certify that any property purchased with Federal funds is used for public transportation services within the subrecipient's service area or in other areas described in the grant application for the useful life of the equipment or facility.

All property acquired using Federal funds shall be used and disposed of in accordance with the applicable FTA program circular, FTA Circular 5010.1 (series) and 49 CFR 18.

Titles to all property purchased with Federal funds shall be vested in the name of the subrecipient with ALDOT as the first and only lien holder. The ALDOT Local Transportation Bureau holds the original titles for vehicle purchases.

The subrecipient shall have the requisite fiscal capability to carry out the project and be responsible for maintaining required insurance coverage (ALDOT must be placed as loss payee on respective policies), property records, conducting physical inventories, implementing adequate property control systems, and maintaining the equipment in proper working condition. Documentation must be available upon request.

Transit systems are required to maintain the property at a high level of cleanliness, safety, and mechanical soundness. Each transit system must establish a maintenance program that, at a minimum, meets the equipment manufacturer's recommendations. ALDOT has the right, and obligation, to review the transit system's maintenance and safety programs and to conduct periodic inspections of equipment and facilities funded with Federal funds administered by ALDOT.

## 11.2 Transit Asset Management Plan

The FTA final rule requires that states offer the option to sponsor a group Transit Asset Management Plan for all subrecipients under the FTA's Section 5311 Rural Area Formula Program. The statute also requires states and direct recipients to offer to develop group TAM Plans for their Tier II provider subrecipients. Tier II providers are those transit operators with one hundred (100) or fewer vehicles in revenue service and that do not operate rail fixed-guideway public transportation systems. Conversely, Tier I providers—those operators with one hundred and one (101) or more vehicles in revenue service or operators of rail fixed-guideway public transportation systems—must develop their own, individual TAM Plan.

The group TAM Plan approach is intended to reduce the burden on smaller transit providers of developing their own TAM plans and reporting to the National Transit Database (NTD). A group TAM Plan would be subject to the same requirements for individual TAM Plans. Under a Group TAM Plan, a Tier II provider and any subrecipient of FTA's Section 5311 Rural Area Formula Program would remain responsible for carrying out transit asset management practices for its own public transportation system. The Transit Asset Management Plan Tier II framework is designed to achieve a state of good repair.

ALDOT has developed the TAM Plan in accordance with the guidelines established by FTA. 49 CFR §625.27 "Group Plan for Transit Asset Management." The guidelines require that states, acting as a sponsor, develop a group TAM plan for all subrecipients under the Rural Area Formula Program (Section 5311) and urbanized area operators that do not meet the scope of the Tier I TAM plan. ALDOT is responsible for setting unified targets for the plan participants. FTA 49 CFR §625.25 requires that all TAM Tier II plans include:

- An inventory of the number and type of all capital assets that the subrecipient owns, except equipment with an acquisition value under \$50,000 that is not a service vehicle.

- A condition assessment of those inventoried assets for which ALDOT has direct capital responsibility.
- A description of analytical processes or decision-support tools used to estimate capital investment needs over time.
- A project-based prioritization of investments.
- Facility evaluation based on FTA's TERM-Lite (Transit Economic Requirements Model Lite).

#### ALDOT Requirements:

- Set Performance Targets on an annual basis
- Update TAM Plan as needed
- Use self-evaluation to complete analysis data collection and to set replacement priorities and make decisions
- Ensure statewide FTA funded assets remain in a "State of Good Repair"

## 11.3 Project Property Management

### 11.3.1 Inventory

Any capital equipment purchased with Federal funds administered by ALDOT and valued at \$5,000 or more and within the useful life must be inventoried with ALDOT, with information updated at least every three years, at a minimum. Any equipment purchased with Federal funds and within useful life must be reported to ALDOT on the requisite inventory data collection form provided to subrecipients at least annually and provided to the Local Transportation Bureau during the yearly grant application process. Vehicles within the useful life and with a current value of less than \$5,000 must also be included on the inventory.

All vehicles and equipment shall be assigned an ALDOT asset identification number to allow the items to be traced easily. The ALDOT asset identification number will include three parts:

- an agency reference (such as RPT-02 for Baldwin County);
- a vehicle category reference (1 for buses, 2A for 25' to 35' light duty Cutaways, 2B for 30' to 35' medium duty Cutaways, 3 for modified and high roof vans, and 4 for minivans); and
- a unique agency assigned vehicle number.

The agency assigned vehicle number will be unique to a specific vehicle and shall not be

re-used when a vehicle is sold or transferred. Subrecipients will include the ALDOT asset identification number on the appropriate inventory form (see Appendix 11A). Once an item is assigned a number, it retains that unique number throughout its life. An inventory number should not be reused. Equipment purchased as an integral part of the vehicle does not need to be separately inventoried. For example, a lift or destination sign that is purchased as part of a vehicle does not need to be inventoried.

An annual inventory update for equipment and real property is required from all transit systems on items with a current market value of \$3,000 and over. Generally, the inventory update is submitted to ALDOT with the agency's annual application.

Once every three years, the ALDOT Transit Section staff reconcile the subrecipient inventory report during on-site visits. Any differences must be investigated by the subrecipient in cooperation with the ALDOT Transit Section to determine the cause of the difference.

#### 11.3.1.1 Revenue and Service Vehicles Inventory

Subrecipients are provided a standardized vehicle inventory form from ALDOT that includes information such as:

- Vehicle Type/Classification
- Description, to include vehicle make, model, and year, and equipment make and model
- Vehicle Identification Number (VIN) or equipment serial number; building's physical address for real property
- ALDOT/Agency Identification Number
- Grant number (for example, 5310, 5311, 5339)
- Acquisition date
- Cost
- Percentage of Federal participation in the cost
- Title holder
- Location
- Condition (excellent, good, fair or poor)
- Use
- Any disposition data (including the date of disposal and sale price, or,

where applicable, the method used to determine its fair market value)

#### 11.3.1.2 Equipment Over \$5,000 in Fair Market Value

Subrecipients are provided a Non-Expendable Equipment Inventory Form from ALDOT that includes information such as:

- Description, to include equipment make and model
- Equipment serial number
- ALDOT/Agency Identification Number
- Grant number (for example, 5310, 5311, 5339)
- Acquisition date
- Cost
- Percentage of Federal participation in the cost
- Title holder
- Location
- Condition (excellent, good, adequate, marginal, poor)
- Use
- Any disposition data (including the date of disposal and sale price, or, where applicable, the method used to determine its fair market value)

#### 11.3.1.3 Real Property/Facilities

Subrecipients are provided a standardized inventory form from ALDOT that includes information such as:

- Facility Name (if available)
- Type of facility

##### Maintenance and Administrative Facilities

- Administrative Facilities - Administrative facilities are typically offices which house management and supporting activities for overall transit operations such as accounting, finance, engineering, legal, safety, security, customer services, scheduling and planning. They also include facilities for customer information or ticket sales, but that are not part of any passenger station.

- Maintenance Facilities - NTD defines two types of maintenance facilities: General Purpose and Heavy Maintenance. Some transit agencies use the same facility for both general purpose and heavy maintenance. In these cases, agencies must report facilities they use for both purposes as general-purpose maintenance facilities. Agencies must not report maintenance facilities where third-party vendors perform services, such as a local gasoline service or body shop. The two maintenance facility types are defined more specifically below.
  - General Purpose Maintenance Facilities: A garage or building where mechanics perform routine maintenance and repairs. Agencies must report general-purpose maintenance facilities by ownership (owned vs. leased) and size (the number of revenue vehicles that can be serviced).
  - Heavy Maintenance Facilities: A garage or building where agencies may perform engine and other major unit rebuilds. These are more typical for larger agencies. The NTD identifies facilities devoted exclusively to major rebuilds as heavy maintenance facilities. Transit agencies must report heavy maintenance facilities by ownership category. Agencies do not report data by facility size for heavy maintenance facilities. Descriptions shall include equipment make and model.

#### Passenger and Parking Facilities

Agencies report passenger station information for fixed route, fixed schedule services (rail modes, bus modes, trolleybus, ferryboat, and aerial tramway). Each agency must report data for all passenger stations that the agency uses, even if the agency does not own the stations. Passenger stations are significant structures with a separate right-of-way (ROW). This definition of passenger facilities includes:

- All motorbus, rapid bus, commuter bus, and trolley bus passenger facilities in a separate ROW that have an enclosed structure (building) for passengers for items such as ticketing, information, restrooms, and concessions
- All transportation, transit or transfer centers, park-and-ride facilities, and transit malls if they have an enclosed structure

(building) for passengers for items such as ticketing, information, restrooms, concessions, and telephones

- Building or Lot physical address
- ALDOT/Agency Identification Number
- Grant number (for example, 5310, 5311, 5339)
- Year Built or Replace
- Acquisition date
- Square Feet or Acreage or Number of Spaces
- Estimated Condition Assessment (excellent, good, adequate, marginal, poor)
- Cost
- Percentage of Federal participation in the cost
- Title holder
- Any disposition data (including the date of disposal and sale price, or, where applicable, the method used to determine its fair market value)

#### 11.3.1.4 Other Equipment

Any transit capital equipment purchased with Federal or State funds administered by ALDOT must be inventoried, and information updated within the time period specified in ALDOT procedures. This includes small capital items, such as desktop computers, tablets, maintenance equipment, and other equipment. An annual inventory update for equipment and real property is required by ALDOT from all subrecipients for vehicles, facilities, equipment, and real property purchased with Federal and State funds. ALDOT's standard operating procedures (SOPs) and Transit Asset Management (TAM) Plan will detail expectations and requirements. Computers (desktop, tables, laptops, etc.), copiers, and other office equipment are eligible items for capital funding to the extent that they are used for support of the recipient's public transit program. Subrecipients that may be multi-purpose agencies (cities, counties, etc.) must either affirm that the equipment will be dedicated to public transit use or prepare a cost allocation proposal to account for multiple user groups. Equipment such as computers, radios, and fareboxes purchased with State or Federal dollars must also be managed for their intended use.

### 11.3.2 Depreciation Standards

Capital items purchased with ALDOT administered funds are to be depreciated using the straight-line method of depreciation over the useful life of an asset in accordance with generally accepted accounting principles. Subrecipients must use ALDOT Transit Section useful life standards for certain assets, as identified below. Depreciation expense is not an allowable reimbursable cost if the fixed asset was purchased, in part or in whole, with Federal funds.

### 11.3.3 Records Retention and Management

The permanent vehicle file for vehicle(s) and other major capital items purchased in part or in whole with ALDOT administered funds are routinely reviewed during full compliance on-site visits and desk-level risk assessments. Equipment records must be maintained for the life of the asset plus five years after disposition.

## 11.4 Useful Life and Replacement Standards

### 11.4.1 Useful Life, Utilization, and Maintenance Standards

ALDOT establishes minimum useful life standards to ensure that vehicles and other equipment are maintained for transit use for their normal service lives and to ensure that the vehicles and equipment purchased are necessary for public transit service. If ALDOT determines that a transit system is failing to use or maintain any equipment item properly, the ALDOT Transit Section office will notify the transit system and may withhold further Federal assistance. Further Federal assistance may be withheld until adequate measures are taken to correct the inadequate use or maintenance of the equipment. In some instances, ALDOT may ask that the equipment be offered for transfer to another transit system or that the Federal share of the item purchased be returned to ALDOT.

### 11.4.2 Useful Life Rolling Stock

Useful life of rolling stock begins on the date the vehicle is placed into revenue service and continues as long as the vehicle is in service. Incidental service mileage does not count towards the minimum useful life. ALDOT allows vehicles to be replaced once a vehicle has met the ULB standard as noted in Subsection 11.4.2.1 if funds are available.

#### 11.4.2.1 Revenue Vehicles

ALDOT defined Useful Life (age and mileage) for Revenue Vehicles is defined below:

<b>ALDOT Designation</b>	<b>Vehicle</b>	<b>FTA-Defined Useful Life</b>
BUS	30' heavy duty transit bus (includes Body on Chassis)	10 years or 350,000 miles
CUTAWAY	25'- 35' light duty (Cutaway Chassis)	5 years or 150,000 miles
	30'-35' medium-duty transit bus (Cutaway Chassis)	7 years or 200,000 miles
VAN	Modified Van, High Roof Van	5 years or 100,000 miles
MINIVAN	Minivans	5 years or 100,000 miles

#### 11.4.2.2 Equipment - Service Vehicles

ALDOT defined Useful Life (age and mileage) for Service Vehicles is defined below:

<b>ALDOT Designation</b>	<b>Service Vehicle</b>	<b>ALDOT and FTA-Default Useful Life</b>
SERVICE VEHICLE	Automobile	8 years or 150,000 miles
SERVICE VEHICLE	SUV, Truck	8 years or 150,000 miles

#### 11.4.3 Utilization Standards for Computers and Office Equipment

Computers, copiers, and other office equipment are eligible items for capital funding to the extent that they are used for support of the subrecipient's public transit program. Formula funds may be available for this purpose based on local programming.

Subrecipients that may be multi-purpose agencies (cities, Councils of Local Governments, etc.) must either affirm that the equipment will be dedicated to public transit use or prepare a cost allocation proposal (plan). Such a proposal must either show what percentage use of the proposed equipment will be dedicated to transit or show the transit percentage of use of an overall multiple equipment package. (Example: Transit might buy a network printer used by others, but in return have free use of a color copier funded by another program.) Computers must be capable of interfacing with ALDOT's computers, and they must be used for transportation matters at least seventy-five percent (75%) of the time.

### 11.5 Other Standards

#### 11.5.1 Utilization and Rotation Standards

ALDOT encourages full utilization of all vehicles within each subrecipient's fleet throughout the vehicle useful life, especially vehicles purchased with funds administered

by ALDOT. To ensure that all vehicles receive maximum utilization, ALDOT suggests rotating vehicles within the service area or between service areas, or from lightly traveled routes to heavily traveled routes. Any system failing to use its primary fleet (excluding backup vehicles) may be denied replacement or rehabilitation funds until:

- The utilization standard is met, or
- The ALDOT Transit Section Manager approves a "case-by- case" waiver. (A waiver will only be available after ALDOT has reviewed the written justification and is satisfied that all measures have been taken to meet the utilization standard.)

Other assets must also meet their minimum useful life criteria. Other assets include, but are not limited to buildings, computers, furniture and fixtures, radios, and fareboxes.

### 11.5.2 Spare Ratio

A spare ratio is defined as the number of designated spare vehicles divided by the vehicles required for annual maximum service. This will vary based on the subrecipient's service levels and local circumstances may be considered in determining a reasonable spare ratio for individual grantees.

Once a vehicle has reached the useful life threshold, it may be considered a backup or spare vehicle upon review and approval by ALDOT. The recommended minimum spare ratio for a subrecipient fleet operating 50 or more revenue vehicles should not exceed 20% of the number of vehicles operated in maximum service.

### 11.5.3 Out of Service Vehicles

If a vehicle is out of service more than 30 days, transit providers must provide written notification to the appropriate ALDOT program manager. Reasons for a vehicle to be defined as "out of service" include, but are not limited to:

- Repairs to major components of the vehicle
- Wheelchair lift not functioning properly
- Accident and/or pending lawsuit
- Natural disaster

For the period of time the vehicle is out of service, the transit provider must ensure that accounting stops the depreciation so the out of service time does not count towards the minimum useful life.

Once permission has been granted by ALDOT, an ending date will be assigned for the

vehicle to be returned to service or disposed of by the agency. If any vehicle is inspected by ALDOT and it is determined by ALDOT to be unfit for service, then the vehicle will be taken out of service and not returned to revenue service until the problem is resolved by the subrecipient.

#### 11.5.4 Leased Vehicles

If emergency situations arise due to a vehicle being out of service for several months and the subrecipient does not have a spare vehicle, a transit system may request authorization from the ALDOT Transit Section to lease a vehicle short term to maintain needed service levels within a service area. ALDOT's Local Transportation Bureau must provide written approval prior to the subrecipient executing a lease agreement. Copies of lease agreements must be forwarded to the appropriate ALDOT Transit Section program manager for placement in the ALDOT grant agreement file. Payment of invoices resulting from a lease agreement that did not receive ALDOT Transit Section prior approval will require the subrecipient to refund the payment to ALDOT using funds that are not administered by the ALDOT Transit Section.

#### 11.5.5 Transit Vehicle Rehabilitation, Rebuilding and Remanufacture Policies

Rehabilitation, rebuilding and remanufacture are eligible capital expense categories. NTD definitions for each of these activities are as follows:

- Rehabilitation (fleet): The rebuilding of revenue vehicles to original specifications of the manufacture. Rebuilding may include some new components but has less emphasis on structural restoration than would be the case in a remanufacturing operation, focusing on mechanical systems and vehicle interiors. The goal for standard, heavy-duty transit coaches is to provide at least five years of additional service through rehabilitation. For smaller transit vehicles, the proposed rehabilitation should extend the normal service life by at least 40 percent.
- Rebuild: A capital activity associated with rolling stock that occurs at, or near, the end of a unit of rolling stock's useful life, and that results in an extended useful life for the unit of rolling stock consistent with the extent of the rebuilding.
- Remanufacture (fleet): The structural restoration of revenue vehicles in addition to installation of new or rebuilt major components (e.g., as engines, transmissions, body parts) to extend service life. Eight years of additional service life should be provided through this remanufacturing process.

ALDOT has the discretion to approve or deny requests for rehabilitation, rebuilding and

remanufacture. The subrecipient must submit a written request to the program manager. Along with the request, the subrecipient must submit a cost-benefit analysis that supports rehabilitation, rebuild or remanufacture, as well as two (2) vendor quotes. If a vehicle is rehabilitated/rebuilt/remanufactured with ALDOT Transit Section administered funds, the useful life must be adjusted to reflect the new replacement threshold.

## 11.6 Incidental Uses (Vehicles and Real Property)

ALDOT encourages the incidental use of ALDOT funded capital assets to raise additional revenues for the transit system. Incidental use must be compatible with the original purpose of the agreement or project. The subrecipient must obtain ALDOT Transit Section prior approval by submitting the request for incidental use with a justification. Justification for incidental use of ALDOT Transit Section funded capital assets should be based primarily on a proposed use that benefits public transportation. The ALDOT Transit Section may allow incidental use of assets if the following conditions are met:

- The proposed use does not interfere with the public transit services for which it was originally obtained
- The proposed use does not exceed 20 percent of the total use of an asset
- The proposed use does not interfere with continuing control over the asset

Proceeds from incidental use are considered “program income” and must reflect, at a minimum, the cost allocation rate or the fair market value and will be reported under “Fares Revenue” on the agency’s Recap of Costs Form to reduce gross operating expenses. Agencies should note that the income was from incidental use when they enter the revenue item on the Fares Revenue on the Recap of Costs Form (see Appendix 11B).

For incidental use of Revenue Vehicles or Service Vehicles, the subrecipient must have a means to track mileage for incidental uses.

## 11.7 School Bus Service

### 11.7.1 Non-Exclusive School Transportation

Section 5323(f) of title 49 U.S.C. prohibits the use of FTA funds for exclusive school bus transportation for school students and school personnel. FTA regulation permits regular service to be modified to accommodate school students along with the general public (“tripper service”).

#### 11.7.1.1 Tripper Service

The prohibition against the use of buses, facilities, and equipment funded under

49 USC Section 5323(f) shall not apply to tripper services. Tripper service is regularly scheduled mass transportation service open to the public, but which is designed or modified to accommodate the needs of school students and personnel by using various fare collections or subsidy systems. Buses used in tripper service must be clearly marked as open to the public and may not carry designations such as “school bus” or “school special”. These buses may stop only at a regular service stop. All routes traveled by tripper buses must be within a subrecipient’s or operator’s regular route service as indicated in their published route schedules.

#### 11.7.1.2 Head Start

For the purpose of FTA’s school bus regulation, Head Start is considered a social service, not a school program. Rules for the Head Start Program limit the types of vehicles which may be used to transport children participating in a Head Start Program. FTA recipients may operate multifunctional school activity vehicles that meet the safety requirements for school transportation but may not provide exclusive school service.

### 11.8 Charter Service

FTA grantees are prohibited from using Federally funded equipment and facilities to provide charter service except on an incidental basis and when one or more of applicable exceptions as set forth in the charter service regulation at 49 CFR 604.9 (b) applies.

Historically, ALDOT has neither obtained any information nor reported on any charter services to FTA. All FTA subrecipients are prohibited from providing charter service using FTA-funded equipment if there is at least one private charter operator in the area willing and able to provide charter service. However, as noted above, there are exceptions and a process for prospective charter services. If, in the future, a charter service is performed under an allowable exception, the subrecipient must notify the ALDOT Program Manager for assistance. For each charter service performed in accordance with an allowable exception, the subrecipient will complete the Charter Service Reporting Form (see Appendix 11C) and email it to the ALDOT Program Manager. The ALDOT Transit Section will review and coordinate any subrecipient requests for a charter service exception (including all supporting documentation) prior to submission to FTA.

Charter service is defined based on whether a third party requests the service or whether the transit agency initiates the service. If a third-party requests service, FTA will utilize four characteristics of charter service to determine whether the proposed service meets the definition of charter. If a transit agency initiates the service, FTA will look at whether the transit agency also charges a premium fare or accepts a subsidy from a third party.

Charter service is an allowable activity on an incidental basis if the applicant successfully completes the charter public notice requirements and no “willing and able” private charter providers are available. Applicants must reference Federal Transit Act, as amended 49 CFR, 604.11(c).

The charter service regulations provide guidance regarding exemptions and exceptions and can be found in 49 CFR Parts 604.2 and 604.6. Exemptions, which are not considered charter service, require no notification to registered Charter providers, record-keeping, quarterly reporting, or other requirements. Exceptions are considered charter service and have administrative, recordkeeping, and reporting requirements. Records for each charter service event must be retained for at least three years.

Incidental use may include meal and parcel delivery, restricted client services, and FTA allowable charters. All allowable incidental charter service must be fully allocated with no charge to Federally funded programs. No mileage, trips, and hours associated with allowable incidental charter shall be represented in the subrecipient’s annual operating statistics.

ALDOT reviews compliance with charter rules during periodic on-site visits.

ALDOT will review all complaints of charter service violations in accordance with 49 CFR Part 604. On receiving a written complaint alleging that a violation has occurred, ALDOT shall investigate and determine whether a violation has occurred. ALDOT will look to the subrecipient to remedy any claims against the subrecipient in association with charter service in violation of 49 CFR 604. ALDOT may bar a subrecipient from receiving further funding when a continuing pattern of documented violations occurs.

Section 5310 and 5311 subrecipients are exempt from the FTA charter rule provided the service is for program purposes only. “Program purposes” is defined as transportation that serves the needs of either human service agencies or targeted populations, such as elderly, individuals with disabilities, and low-income individuals.

“Program purposes” does not include exclusive service for other groups formed for purposes unrelated to the special needs of these targeted populations. Thus, Section 5310 and 5311 subrecipients who intend to provide charter service that is outside their program purposes must follow the outlined guidelines.

### 11.8.1 Required Reporting of Charter Services

FTA requires rural public transit systems doing any charter service under any of the allowable exceptions to file quarterly electronic reports within 15 days of the end of each quarter, listing each charter service provided and providing the specified detail in those cases where such is required. All such services must also be reported as charters on quarterly and year-end statistics reported as requested or required.

### 11.8.2 Advisory Opinions and Cease and Desist Orders

The advisory opinion sets forth the requirements for requesting an advisory opinion from the FTA's Chief Counsel Office. Any interested party (including a transit system) may, at any time, request an advisory opinion from the Federal Transit Administration (FTA) Office of Chief Counsel on a matter regarding specific factual events using the prescribed format, and the Chief Counsel will give their opinion unless the Chief Council finds that:

- There is insufficient information
- That an opinion is impossible
- That the matter is adequately covered by a previous opinion
- That an opinion would not be in the public interest

Such an opinion represents the policy of FTA, and although it can be revoked or reversed, can be relied upon until such would happen.

The request for an advisory opinion may also include a request to the chief counsel to issue a cease-and-desist order which is an order to ask the party that is violating the charter rules to refrain from such activities. The Advisory Opinion & Cease and Desist Request Form can be found in Appendix 11D.

### 11.8.3 Complaints, Investigations, and Remedies

Per FTA regulations, transit systems (or representative) or registered private charter operators (or representative) can file complaints requesting that a registered private charter operator or a qualified human service organization be removed from FTA's registration website: <https://www.transit.dot.gov/regulations-and-guidance/access/charter-bus-service/charter-bus-service-regulations-0>. Specific guidance on complaints can be found within CFR 49 Part 604, under Subpart F Section 604.30: <https://www.govinfo.gov/content/pkg/CFR-2010-title49-vol7/pdf/CFR-2010-title49-vol7-part604.pdf>.

FTA shall make the determination as to whether someone is removed. Removal can be on the basis of bad faith, fraud, lapse of insurance, lapse of other documentation, or the filing of more than one complaint, which, on its face, does not warrant an investigation or further action by FTA. Removal can be for a period of up to three years.

Registered private charter operators or their representatives can file complaints against transit systems alleged to be violating the charter rule. If upon investigation the allegations are found to be factual the FTA Chief Counsel can, after considering a number of specified factors, do one or more of the following:

- Bar the transit system from receiving future financial assistance from FTA
- Order withholding of a reasonable percentage of available Federal financial assistance
- Pursue suspension or debarment of the transit system, its employees or its contractors

Either party involved in a complaint can appeal the decision of the chief counsel to the FTA administrator. The final decision of the administrator may be subject to judicial review.

## 11.9 Meal Delivery for Homebound Individuals

Capital assets purchased with ALDOT Transit Section administered funds may be used for meal delivery service for homebound individuals if the delivery services do not conflict with providing public transportation service or reduce service to the general public. ALDOT expects the nutrition program to pay the operating costs attributable to meal delivery. Federal capital assistance cannot be used to purchase special vehicles used solely for meal delivery or to purchase specialized equipment such as racks or heating or refrigeration units related to meal delivery.

## 11.10 Transportation Coordination

ALDOT encourages coordination among multiple entities to increase their capacity to provide transit trips by working together to deliver transportation services. Subrecipients must ensure that any coordinated service does not impact the regular services, does not conflict with providing public transportation service or reduce service to the general public.

## 11.11 Emergency Response

FTA-funded vehicles based within any subrecipient's jurisdiction may be put out of regular passenger service for support with emergency response in areas across the state that have been declared by the President as a Federal Disaster Area, named by the Governor as a disaster area or for areas where a disaster is imminent and evacuations are needed, to secure the health and safety of individuals who rely on transit service for their mobility needs. Subrecipients are responsible for reporting to the ALDOT Transit Section using specified protocols established by FTA and/or the State during periods of emergency response.

## 11.12 Contracted Services

Capital assets purchased with funds administered by the ALDOT Transit Section may be used to provide contracted services. Services must not replace or minimize the subrecipient's primary

mission of providing public transportation service to the general public. ALDOT funded vehicles that still have useful life and have not been released by the ALDOT Transit Section must be used to provide transportation services within the subrecipient's designated service area and are applicable to contracted services. Transportation within the designated service area includes transportation of an individual from the designated service area to a facility or location outside of the service area as well as the return trip. A transit provider is allowed to pick up an individual outside of its service area if it is part of a coordinated trip to a designated location.

The subrecipient should ensure that contracted rates for the transportation service cover all anticipated expenses to include, but not be limited to, maintenance of vehicles and any administrative overhead. Therefore, transit providers must ensure that all transportation expenses associated with providing the service are allocated to contracts in a method that is based on benefits received. *See **Chapter 9** for more information on cost allocation plans.*

### 11.13 Project Property Use Agreements

ALDOT encourages transit systems to retain direct control of their project property. Therefore, ALDOT discourages placing vehicle(s), equipment, or real property under the control of other agencies and reserves the right to approve or disapprove all vehicle/equipment/property use agreements that involve items purchased with Federal dollars. The transit system remains responsible to ALDOT and FTA for compliance with all State and Federal rules and regulations. The ALDOT Transit Section must be notified of the location of the vehicle or equipment.

#### 11.13.1 Asset Use Agreement

All capital assets purchased with ALDOT Transit Section-administered funds must be in direct control of the subrecipient. The ALDOT Transit Section reserves the right to approve or disapprove all use agreements that involve items purchased with ALDOT Transit Section-administered Federal funds.

The subrecipient must provide justification that the best use of an asset should include usage under a use agreement. If the justification is accepted, the subrecipient must address the following issues, at a minimum, with the subcontractor before the use agreement is signed:

- Drivers of the transit system or drivers from another agency may drive the vehicles as long as insurance coverage is adequate for the use(s)
- The vehicle use agreement must state who is responsible for such items as insurance, maintenance, drivers, emergencies, backups, etc.
- The vehicles must be operated as open to the general public without discrimination

- Incidental service ridership and revenue miles must be reported as such, separate from the service open to the general public
- Driver licensing requirements
- Drug and alcohol testing requirements

The ALDOT Transit Section must be notified of the location of the assets while in use by another agency. The subrecipient remains responsible to ALDOT and FTA for compliance with all State and Federal rules and regulations.

## 11.14 Disposition of Assets

Managing the disposition of assets purchased with ALDOT Transit Section-administered funds is part of ALDOT Transit Section's subrecipient management and oversight responsibilities. The ALDOT Transit Section has established uniform standards for disposal of assets and the release of vehicles purchased with ALDOT administered funds. ALDOT reserves the right to conduct a vehicle analysis on a fleet when the request for disposition involves vehicles. Asset transfers and dispositions due to accidents must also comply with asset disposal requirements. Direct recipients of FTA funds must comply with FTA disposal requirements.

Transit systems are required to dispose of capital assets – purchased, in part or in whole, with ALDOT administered Federal funds – that are no longer needed for the purpose for which they were acquired. Disposition could include the transfer of, sale of, and/or replacement of assets. This could include assets that are no longer used to capacity due to loss of contracts, service reductions, changes in the nature of services, or dissatisfaction with asset performance.

### 11.14.1 Disposal Procedures

ALDOT, as prime grantee of Federal transportation funds for the State, is responsible for maintaining an accurate inventory of all capital equipment purchased, at least in part, with Federal funds. The following procedures provide direction and consistency regarding the disposition of project vehicles and equipment.

- Subrecipient Sends Disposition Request Letter: The local subrecipient must submit a letter (on subrecipient letterhead) to ALDOT requesting permission to dispose of the particular vehicle(s) or equipment. For vehicles, the letter must include a description (e.g., standard van, 15 passenger), complete vehicle identification number, make and model, current mileage reading, statement on whether the vehicle will be replaced, condition of vehicle, Federal program that provided vehicle funding, Federal funding ratio (usually 80/20), and statement on whether the vehicle has exceeded the useful life threshold for age. Letters requesting disposal of equipment will provide similar information (except for

mileage); any subrecipient with questions about content of the equipment disposal letter should contact the ALDOT Transit Section for guidance.

- ALDOT Sends Approval Letter: A letter from ALDOT to the local subrecipient granting approval to dispose of the vehicle/equipment will be sent to the local subrecipient. The subrecipient must receive a letter from ALDOT granting approval prior to vehicles being disposed of or transferred.

Subrecipient Submits *Disposition of Project Equipment Form*: The subrecipient has 45 days from the date of the ALDOT approval letter to dispose of the vehicle/equipment and return the required ALDOT forms and Federal share payment (if any). Upon completion of all disposition procedures, the local subrecipient shall submit to ALDOT a completed *Disposition of Project Equipment Form* (see Appendix 11E), a copy of all bids or quotes, and a check made out to the Alabama Department of Transportation for the Federal share of the sale price (if any). After the vehicle or equipment is sold or disposed of, it should be removed from the inventory list.

Disposition of the project property should occur after the vehicle or equipment has reached its useful life expectancy as determined by Federal and ALDOT standards or is no longer needed for its originally intended purpose. Exceptions to this basic rule will be made when documentation indicates the vehicle or equipment is requiring excessive maintenance to remain operable.

Handicapped accessible vehicles scheduled for disposal require documentation indicating that other vehicles in the fleet or in the area are available to transport persons with disabilities. There are no exceptions to this rule.

Vehicles or equipment shall be disposed of at the current fair market value. The fair market value of a vehicle is determined by one (1) of the following methods:

- Subrecipient may obtain at least three (3) appraisals of the vehicle's worth in writing from licensed automobile dealers (highest appraisal is the fair market value)
- Subrecipient may advertise in the local paper or other medium (such as online government and public action sites) and request bids (highest bid is the fair market value)
- Subrecipient may use a local licensed automobile auction or online government and public auto auction sites to dispose of the vehicle (highest bid is the fair market value)

Whichever manner the subrecipient chooses to use for disposal determines the fair market value and must be fully documented using the ALDOT *Vehicle Quote/Bid Sheet*.

For each vehicle or piece of equipment valued at less than \$5,000.00 and past the useful life threshold, the subrecipient will retain all proceeds. The proceeds may be used to reduce the costs associated with the purchase of new transit vehicles or for operating expenses, as determined to be in the best interest of the transit provider. Additionally, the *Disposition of Project Equipment Form* should be completed and submitted to ALDOT with supporting documentation as soon as the sale is complete.

For each vehicle or piece of equipment valued at more than \$5,000.00 and past the useful life threshold, the subrecipient may retain \$5,000.00 plus the percentage of its local share in the original award. The remaining Federal share of the balance must be submitted to ALDOT for return to FTA. Additionally, the *Disposition of Project Equipment Form* should be completed and submitted to ALDOT along with payment and all supporting documentation as soon as the sale is complete.

The subrecipient will forward to the ALDOT Transit Section a copy of the back portion of the title that shows the Assignment of Title by Registered Owner. This will serve as ALDOT's assurance that the vehicle has been removed from public transportation service.

#### 11.14.2 Repayment of Federal Share

After disposal of any FTA funded vehicle or equipment, a portion of the proceeds must be submitted to ALDOT for vehicles/equipment valued at more than \$5,000.00. This portion includes the amount remaining after removing \$5,000.00 plus the percentage of the local share in the original award (see Subsection 11.14.1).

### 11.15 Vehicle Titles

The title to all property purchased pursuant to an FTA grant award shall be maintained by ALDOT until the useful life of the property has been met, the property has been adequately disposed, and no further Federal interest exists.

#### 11.15.1 Vehicle Title Release After Useful Life Has Been Met

In the event that a transit subrecipient wishes to keep a vehicle that has exceeded the useful life threshold to use for non-transit use, the subrecipient will write a letter to ALDOT listing the VIN number and other particulars and requesting permission to retain the vehicle. If approved, ALDOT will send the subrecipient an approval letter and will include the vehicle title. ALDOT will also release the lien. The subrecipient will submit the *Disposition of Project Equipment Form*, remove the vehicle from their inventory, and remove the public transportation lettering.

## 11.15.2 Asset Transfer

### 11.15.2.1 Vehicle or Equipment Transfer

In the case of a transfer of vehicles or equipment to another transportation program, no handling fee may be collected; however, fair market value must be established. The subrecipient to which the vehicle or equipment is being transferred shall, in effect, buy out the original subrecipient's local interest. The transfer of assets requires that the transfer is supported with appropriate transfer documentation. If discrepancies exist between the language in this section and applicable Federal and State regulations and statutes, the Federal statute/regulation prevails. The process for vehicle transfer is described in this section.

Vehicles of any value within the useful life threshold, as determined by ALDOT and FTA guidelines, shall be returned to ALDOT who will facilitate the reassignment to other transit providers. Written requests by subrecipients to transfer vehicles purchased with FTA funds to eligible agencies must include a description of the vehicles, and list reasons for the transfer. Reasons to transfer vehicles may include the coordination of several local services into one community-wide service or the vehicles do not meet the needs of the provider's current system. The transfer request letter to ALDOT must include the following information for each vehicle:

- complete vehicle identification number
- make and model, current mileage reading
- condition of vehicle
- Federal program that provided vehicle funding
- Federal funding ratio (usually 80/20)

ALDOT reviews the request and authorizes or denies the transfer in writing to the requesting party.

If the transfer is approved, ALDOT will solicit valuations of the specific vehicle from bus manufacturers and assign the fair market value based on the highest quote received. ALDOT will then send an email to other potentially interested subrecipients with the VIN number and vehicle description and including a picture. The price is set at fair market value.

Interested subrecipients will respond by mail or email. The receiving subrecipient will be selected based on the following criteria: 1) first come, first served, 2) need for the vehicle, and 3) good reporting history to ALDOT.

Both subrecipients (the transferring subrecipient and the receiving subrecipient) will meet in Montgomery to execute the transfer of the vehicle(s) unless otherwise specified by ALDOT. The receiving subrecipient will reimburse the transferring subrecipient for the local interest (usually 20% of determined fair market value) and do any work related to retitling the vehicle. The receiving subrecipient will apply for a new title on which ALDOT must be shown as the first lien holder and add the vehicle to their inventory.

#### 11.15.2.2 Transfer of Real Estate and Facilities Assets

In the case of a transfer of facilities to another transportation program, no handling fee may be collected; however, fair market value must be established. The subrecipient to which the facility is being transferred shall, in effect, buy out the original subrecipient's local interest. The transfer of assets requires that the transfer is supported with appropriate transfer documentation. If discrepancies exist between the language in this section and applicable Federal and State regulations and statutes, the Federal statute/regulation prevails. The process for real estate/facility transfer follows the process described in the section above. Letters requesting transfer of real estate or facilities will provide the following information:

- Facility Name (if available)
- Type of facility
  - Maintenance and Administrative Facilities
  - Passenger and Parking Facilities
- Building or Lot physical address
- ALDOT/Agency Identification Number
- Grant number (for example, 5310, 5311, 5339)
- Year Built or Replace
- Acquisition date
- Square Feet or Acreage or Number of Spaces
- Estimated Condition Assessment (excellent, good, adequate, marginal, poor)
- Cost
- Percentage of Federal participation in the cost

- Title holder
- Disposal and sale price, or, where applicable, the method used to determine its fair market value

Any subrecipient with questions about letters requesting real estate or facility transfer should contact the ALDOT Transit Section for guidance.

## 11.16 Accident Reporting Requirements

When a vehicle funded through ALDOT has been in an accident which results in the vehicle being totaled or no longer operable to be used as a safe public transit vehicle, ALDOT must be notified at once and not later than 24 hours after the incident/accident.

When a vehicle funded through ALDOT has been in an accident, subrecipients must comply with ALDOT Accident Reporting Requirements. If the affected asset will be disposed of or taken out of service, subrecipients must comply with disposal of asset requirements.

An internal accident report must be sent to ALDOT and include the following information:

- Date, time, and location(s) of the incident/accident
- A brief narrative of the incident/accident to include name(s) of injured, nature of injury, if and where medical care was provided
- A description of the asset(s) involved, including vehicle make, model and year or facility address

Vehicles damaged in an accident, but not totaled out, must be repaired to the point where they are mechanically sound, safe, and in presentable condition.

## 11.17 Insurance Settlements

A copy of the official accident report, insurance information and a letter stating damages and the amount of the proposed settlement to the transit system should be sent to ALDOT. No handling fee may be deducted.

### 11.17.1 Insurance Proceeds – Asset Replacement

If ALDOT receives insurance proceeds for the replacement of an asset, the subrecipient may use the proceeds to purchase a similar asset with ALDOT's concurrence. Subrecipients must follow disposal requirements identified in the Disposition of Assets section of this chapter.

- If the asset has not met the useful life threshold and a replacement is not purchased, the Federal percentage of participation of the purchase will be

retained by ALDOT.

- If the vehicle has met the useful life threshold but is not replaced, insurance proceeds are to be used in the public transit program.
- When an ALDOT-funded vehicle that has not met the useful life threshold is declared a total loss by the insurance adjustor/company, the insurance proceeds, based on Federal and State percentages of participation in the purchase, will be retained by ALDOT.

#### 11.17.2 Insurance Proceeds – Asset Repair

If a subrecipient receives insurance proceeds to repair an asset purchased with ALDOT-administered funds, the asset must be repaired to the point where it is safe and sound. If the subrecipient does not use the full amount of the settlement to repair the damages and that asset has not met its useful life, the remainder of the proceeds must be put back into the public transit program.

### 11.18 Equipment Maintenance Standards and Policies

Subrecipients who purchase capital assets with ALDOT Transit Section-administered funds are required to certify that capital assets purchased under the project shall be used for the provision of public transportation services within the subrecipient's service area or other areas as described in the grant application. Capital assets shall be used for the life of the asset in compliance with the property management standards.

The titles to all property purchased pursuant to a Federal award from ALDOT to a subrecipient shall be maintained by ALDOT until the useful life of the property has been met and no Federal interest exists.

Subrecipients are required to certify that any property, equipment, or facility purchased under the project will be maintained for its full useful life. Maintenance must be in compliance with the property management standards of 49 C.F.R. 18.31 through 18.33.

ALDOT shall require all subrecipients of FTA funded property to submit a system comprehensive maintenance plan that will include at a minimum the procedure for maintaining vehicles and ADA accessibility features.

Subrecipients shall allow ALDOT access to facilities and records to monitor maintenance performance, as ALDOT deems necessary. ALDOT shall perform regular, unannounced maintenance inspections of vehicles and equipment. ALDOT shall be permitted to view and copy any vehicle maintenance records, inspect vehicles and equipment, and request subrecipient personnel to drive vehicles as may be deemed necessary to evaluate the condition of vehicles and equipment.

### 11.18.1 General Maintenance

Subrecipients shall maintain an up-to-date vehicle file for each vehicle containing, at a minimum, the following information:

- Make of vehicle
- Model of vehicle
- Vehicle Identification or Serial number/Fleet number
- ALDOT Vehicle Identification Number
- License number
- Funding Information (Federal and/or State)
- Contract/Grant Number
- Date received
- Date placed in service
- Vehicle mileage
- Rebuilds and major component replacements
- Vehicle repairs
- Preventative Maintenance Inspection Reports
- Daily vehicle condition reports
- Work orders

### 11.18.2 Preventative Maintenance Schedule

The subrecipient shall insure that all vehicles under its control, and all required accessories on the vehicles, are regularly checked and inspected, maintained, and lubricated to ensure that they are in safe and operating condition. The subrecipient shall have a means of indicating the types of inspection, maintenance, and lubrication operation to be performed on each vehicle and the date and mileage that these operations are due.

Vehicles are to be maintained in accordance with OEM (original equipment manufacturer) guidelines and warranty requirements as stated in the OEM's owner's manual. Facilities must comply with all applicable State and Federal regulations.

#### 11.18.2.1 “Late” and “Missed” Preventative Maintenance Inspections

The subrecipient shall maintain stated intervals between inspections and between regular inspections. Should the grantee’s PM schedule consist of a 3,000 mile (3K) inspection, 6K inspection, 12K inspection and 24K inspection; distance between one 6K and the next consecutive 6K constitutes the distance between “REGULAR” inspections.

Any PM inspection completed more than 500 miles past the PM mileage interval is considered “LATE”.

Any PM inspections completed more than 1,000 miles past its “REGULAR” PM mileage interval in considered “MISSED”.

“MISSED” PMs should be immediately corrected.

#### 11.18.3 Equipment Maintenance Standards

All installed equipment components of the vehicle bodies and all mechanical, electrical, fluid, air, and/or hydraulic systems shall be maintained in a safe and fully functional condition. Subrecipients shall insure, at a minimum, that:

- All wheelchair lift-related equipment shall be inspected, serviced, and lubricated at intervals necessary to ensure that the wheelchair lifts are fully operational whenever the vehicle is used in revenue service.
- Brake inspections and adjustments shall be performed at intervals that ensure the safe and efficient operation of the braking system.
- All components of the vehicle bodies and frames shall be maintained in a safe, sound, and undamaged condition at all times. Damage (including body damage, glass, and all vehicle components) shall be repaired in a professional manner within three weeks (21 calendar days) of occurrences.
- All mechanical, electrical, fluid, air, and/or hydraulic systems shall be maintained in a safe and fully functional condition, as designed, at all times.
- The interior passenger compartment shall be free of exhaust fumes from the engine, engine compartment, and exhaust system from the vehicle.
- The heating, ventilation, and air conditioning (HVAC) system shall be maintained and used to ensure that the passenger compartment temperature is comfortably maintained under all climatic conditions at all times on all in-service runs.

Subrecipients shall maintain the vehicle A/C system in an operable condition throughout the entire year.

- Seats shall be maintained in proper operating condition at all times. All rips, tears, cuts, gum, graffiti, and other damage shall be cleaned or repaired in a professional manner immediately upon discovery. Seat covers which are worn or cannot be professionally repaired shall be replaced by the subrecipient using materials identical in design and color as those materials being replaced.
- An on-going spare parts inventory is established and maintained sufficient to permit peak hour vehicle requirements to be met at all times.
- If an accessible feature is disabled, there are specific thresholds for repair that must be met:
  - In areas of 50,000 or more in population (urbanized), an accessible feature is required to be repaired within three (3) days.
  - In areas of less than 50,000 in population (non-urbanized), an accessible feature is required to be repaired within five (5) days.
- All emergency equipment shall be maintained in proper working condition according to all applicable State and Federal regulations.

#### 11.18.4 Out of Service

A vehicle shall be designated as unfit for revenue service (considered Out of Service) if, upon inspection, any of the following conditions are found:

- Brakes out of adjustment
- Loose steering components
- Wheelchair Lift and related equipment not functioning properly
- Air conditioning unable to maintain a temperature 20 degrees Fahrenheit lower than ambient or 72 degrees Fahrenheit
- Heating or Defroster inoperative
- "MISSED" Preventative Maintenance Inspection
- Tires with a tread depth of less than 2/32
- Failure to clean each vehicle
- Failure to repair vehicle body damage (interior or exterior) within twenty-one (21) days of the date damage occurred

- Inoperative Emergency Exits, Doors, or Windows
- Inoperative Sensitive Edges on wheelchair lift or exit doors
- Any condition not in compliance with the Americans with Disabilities Act
- Any condition not in compliance with applicable Federal or State Regulations

Any vehicle inspected and found unfit for service will be taken out of service and not returned until all unfit conditions have been corrected.

## 11.19 Facilities Policy

### 11.19.1 Facility Maintenance Standards

Subrecipients must develop a preventive maintenance inspection checklist as a guide to agency daily/monthly facility inspections. Facility inspections should include, at a minimum:

- Elevators and stairwells
- Safety equipment
- HVAC units
- Lighting
- ADA accessibility, as appropriate
- Housekeeping issues such as cleanliness
- Corrections to reported issues

## Appendix 11A

### Non-Expendable Equipment Inventory Form

### **FY2023 Transit Program Non-Expendable Equipment Inventory Form**

*An inventory of an article of non-expendable tangible property having a useful life of more than one year and an acquisition cost of \$5,000 or more.*

**Applicant Name:** [List Name]

	Equipment Description	Equipment ID Number	Source Grant	Acquisition Date	Cost	% Federal Participation	Title Holder	Location	Condition (New, Excellent, Good, Fair, or Poor) and Use	Disposal Date
1							Agency/ALDOT			
2							Agency/ALDOT			
3							Agency/ALDOT			
4							Agency/ALDOT			
5							Agency/ALDOT			
6							Agency/ALDOT			
7							Agency/ALDOT			
8							Agency/ALDOT			
9							Agency/ALDOT			
10							Agency/ALDOT			
11							Agency/ALDOT			
12							Agency/ALDOT			

## Appendix 11B

### Recap of Costs Form

**FakeTrans RPT-001 FY 2022**

**5311 RPTO  
RECAP OF COSTS  
REVENUE**

<b>Fare Revenue:</b>	<b>OCT</b>	<b>YTD</b>
Farebox	5,000.00	5,000.00
<b>Total Farebox</b>	<b>5,000.00</b>	<b>5,000.00</b>

<b>Contract Revenue:</b>	<b>OCT</b>	<b>YTD</b>
Wiregrass Mental Health		0.00
Eufaula Sr. Citizens		0.00
DHR		0.00
		0.00
		0.00
<b>Total Contract Revenue</b>	<b>0.00</b>	<b>0.00</b>

<b>Other Revenue:</b>	<b>OCT</b>	<b>YTD</b>
Advertising		0.00
		0.00
		0.00
		0.00
<b>Total Other Revenue</b>	<b>0.00</b>	<b>0.00</b>

<b>Total Combined Revenue</b>	<b>0.00</b>	<b>0.00</b>
-------------------------------	-------------	-------------

<b>In-Kind Admin Expense:</b>	<b>OCT</b>	<b>YTD</b>
Rent		0.00
Utilities		0.00
Janitorial		0.00
Training Space		0.00
<b>Total In-Kind Admin Expense:</b>	<b>0.00</b>	<b>0.00</b>
20% Match	0.00	0.00
<b>Available In-Kind Admin Expense</b>	<b>0.00</b>	<b>0.00</b>
<b>In-Kind Reimbursement</b>	<b>0.00</b>	<b>0.00</b>
<b>In-Kind Unused in Current Month</b>	<b>0.00</b>	<b>0.00</b>

<b>Total Revenue</b>	<b>0.00</b>	<b>0.00</b>
----------------------	-------------	-------------

<b>50% Local Match -Operations</b>	0.00	0.00
<b>20% Local Match -Administration</b>	3,402.00	3,402.00
<b>20% Local Match -Capital</b>	0.00	0.00
<b>In-Kind Reimbursement</b>	0.00	0.00
<b>Total Revenues required for month</b>	<b>3,402.00</b>	<b>3,402.00</b>

<b>Revenue Surplus</b>	<b>(3,402.00)</b>	<b>(3,402.00)</b>
------------------------	-------------------	-------------------

<b>Escrow Account</b>	<b>OCT</b>	<b>YTD</b>
Escrow Beginning Balance	120,633.83	
Escrow Deposit	0.00	0.00
Escrow Withdrawal		0.00
<b>Escrow Balance</b>	<b>120,633.83</b>	<b>0.00</b>

**FakeTrans RPT-001 FY 2022****5311 RPTO****RECAP OF COSTS  
OPERATIONS**

	<b>100074320</b>				
	<b>\$394,400.00</b>	<b>AWARDED</b>			
	<b>\$395,600.00</b>	<b>BUDGETED</b>			
	<b>OCT</b>	<b>YEAR TO-DATE EXPENDITURES</b>	<b>APPROVED LINE-ITEM BUDGET</b>	<b>BALANCE</b>	
Drivers	4,000.00	4,000.00	214,000.00	210,000.00	
Fringe	3,000.00	3,000.00	88,000.00	85,000.00	
Cleaning Supplies	250.00	250.00	3,000.00	2,750.00	
Maintenance Repairs	4,200.00	4,200.00	10,000.00	5,800.00	
Uniforms	200.00	200.00	1,000.00	800.00	
Tires	1,700.00	1,700.00	3,500.00	1,800.00	
Fuel Oil	4,600.00	4,600.00	60,000.00	55,400.00	
Software/Cellular Service	420.00	420.00	12,000.00	11,580.00	
GPS Monitoring	200.00	200.00	4,100.00	3,900.00	
<b>Total Actual Expenses</b>	<b>18,570.00</b>	<b>18,570.00</b>	<b>395,600.00</b>	<b>377,030.00</b>	
Farebox	5,000.00	5,000.00			
<b>Total "Fares" Revenue</b>	<b>5,000.00</b>	<b>5,000.00</b>			
<b>Total Expense (Operating Deficit)</b>	<b>13,570.00</b>	<b>13,570.00</b>			
<b>Local Match</b>	<b>0.00</b>	<b>0.00</b>			
<b>FTA Amount Due - Operating</b>	<b>13,570.00</b>	<b>13,570.00</b>	<b>AWARD</b>	<b>BALANCE</b>	
<b>Amount Due (round to nearest \$)</b>	<b>13,570.00</b>	<b>13,570.00</b>	<b>394,400.00</b>	<b>380,830.00</b>	

**FakeTrans RPT-001 FY 2022****5311 RPTO****RECAP OF COSTS  
RTAP**

	<b>100072745</b>		
		<b>YEAR TO-DATE EXPENDITURES</b>	
	<b>OCT</b>		
Mileage	300.00	300.00	
Per Diem	400.00	400.00	
Registration	150.00	150.00	
Other (Parking, etc.)	25.00	25.00	
<b>Total</b>	<b>875.00</b>	<b>875.00</b>	
<b>(Rounded to nearest \$)</b>	<b>875.00</b>	<b>875.00</b>	

## Appendix 11C

### Charter Service Reporting Form

## Charter Service Reporting Form

Complete and email this form and any additional requested information to ALDOT for any charter performed in accordance with an allowable exception.

Report Due Dates: **JULY 15 (Apr – Jun Service) OCTOBER 15 (Jul – Sep Service)**  
**JANUARY 15 (Oct – Dec Service) APRIL 15 (Jan – Mar Service)**

The reportable allowable exceptions are:

- Exception 604.6 – Government officials on official government business **(GO)**
- Exception 604.7 – Qualified human service organizations (Please note that For Section 5310, 5311, recipients, transportation for program purposes, that is, that serves the needs of either human service agencies or elderly persons, persons with disabilities, or low-income persons, is not considered charter service.) **(QH)**
- Exception 604.8 – Leasing FTA-funded equipment and drivers to private charter operators **(LE)**
- Exception 604.9 – When no registered charter provider responds to notice **(WN)**

Guidance: Title 49 CFR 604 - Source: <https://www.transit.dot.gov/regulations-and-guidance/access/charter-bus-service/charter-bus-service-regulations>

**Maintain the completed form and supporting documentation (charter service request, email notice, list of registered charter providers receiving email notification) on file for at least three years from the date that the email was sent.**

1. Provider name, address, phone number, and email address:
2. Allowable exception:
3. Name, address, phone number, and email address of government organization, qualified human service agency (receives funds listed in Appendix A of the charter regulation or has registered on the FTA charter website at least 60 days before the charter request), registered charter provider, or group:
4. Date of Charter Request from Third Party:
5. Date and time of service:
6. Date of Email notification to Registered Charter Providers (if applicable):
7. Number of passengers (If providing service under exception 604.6, please note the number of government officials on the trip):
8. Origin and destination (attach Itinerary):
9. Trip miles and hours:
10. Fee/Fare collected:
11. Vehicle number(s) used in charter service:
12. Number of vehicles leased (Exception 604.8 only)\*
13. Types of vehicles leased (Exception 604.8 only)\*

\* For Exception 604.8 – Leasing FTA-funded equipment and drivers to private charter operators, provide documentation presented by the registered charter provider that it is:

- Registered on the FTA charter registration web site
- Owns and operates buses or vans in a charter service business
- Received a request for charter service that exceeds its capacity either of the number of vehicles operated or the number of accessible vehicles
- Has exhausted all of the available vehicles of all registered charter providers in your geographic service area

For Exception 604.10 – Agreement with registered charter providers, provide a copy of the agreement.

## Appendix 11D

### Advisory Opinion & Cease and Desist Request Form



# Advisory Opinion & Cease and Desist Request Form

An interested party may request a cease and desist order as part of its request for an advisory opinion from the Chief Counsel on matters regarding specific factual events. Please print out the form below and submit to docket FTA-2007-0023 at <http://www.regulations.gov>. Failure to submit to the docket will mean FTA cannot consider your request.

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1. The undersigned submits this request for an advisory opinion from the FTA Chief Counsel with respect to:

Please briefly enter here what the nature of the requested opinion is.

2. Please give a full statement of all facts and legal points relevant to the request in the area provided below. If you need more room please attached a separate sheet of paper with the additional information.

3. Do you affirm that the undersigned swears, to the best of his/her knowledge and belief, this request includes all data, information, and views relevant to the matter, whether favorable or unfavorable to the position of the undersigned, which is the subject of the request?

- ☐ Yes  
☐ No

4. Please certify the following: "I hereby certify that I have this day served the foregoing document on the following addresses and e-mail or facsimile numbers (if also served by e-mail or facsimile) by

specify method of service

:

list persons, addresses, and e-mail or facsimile numbers

"

Proceed to page 2

5. Please describe why a cease and desist order is needed. Include a detailed description of the lost business opportunity the interested party is likely to suffer if the recipient performs the charter service in question, and how the public interest will be served by avoiding or ameliorating the lost business opportunity. A registered charter provider must distinguish its loss from that of other registered charter providers in the geographic service area. If you need more room please attached a separate sheet of paper with the additional information.

Enter information here.

6. Please describe the efforts made to notify the recipient of the potential violation of the charter service regulations. Please include names, titles, phone numbers or e-mail addresses of persons contacted, date and times contact was made , and the response received, if any. If you need more room please attached a separate sheet of paper with the additional information.

Enter information here.

2016-02-01 11:56:56

signature

Name
Title
Mailing Address Line 1
Mailing Address Line 2
Telephone
E-mail

\*\*\* Please keep in mind that ALL field are required. Failure to provide the requested information could result in a delay in the processing time of your request.

## Appendix 11E

### Disposition of Project Equipment Form

**ALABAMA DEPARTMENT OF TRANSPORTATION  
BUREAU OF MULTIMODAL TRANSPORTATION**

**DISPOSITION OF PROJECT EQUIPMENT FORM**

**AGENCY:** \_\_\_\_\_ **DATE OF DISPOSAL REQUEST:** \_\_\_\_\_

**AUTHORIZATION DATE:** \_\_\_\_\_ **COMPLETION DATE:** \_\_\_\_\_

Vehicle Type	Seating Capacity	Source Grant	Vehicle ID Number	Lift Equip	Action D-Disp/T-Trans	Mileage	Condition Of Property	Current Fair Market Value

\_\_\_\_\_  
Signature of Person Completing Form

\_\_\_\_\_  
Date

# 12 Acquisition of Property and Facilities, and Construction or Renovation of Facilities

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## 12.1 Background

The construction or renovation of project facilities may be necessary to provide for an efficient and effective coordinated transportation system. Depending on the Federal funding source, the costs for construction or renovation of transit facilities, including design, engineering, and land acquisition, are generally eligible capital expenses following the approval of environmental documentation by ALDOT and FTA.

Eligible FTA capital expenses include the acquisition, construction, and improvement of public transit facilities and equipment needed for a safe, efficient, and coordinated public transportation system. The normal Federal share of eligible capital is eighty percent (80%) of the capital cost, with the subrecipient providing the remaining twenty percent (20%). The use of Federal funds as a capital expense for the acquisition, construction, and improvement of public transit facilities creates a Federal interest in the property. The percentage of Federal interest in a property and/or improvements is commensurate with the percentage of funds used to do one or more of the following actions:

- purchase of land
- purchase of land and improvements
- renovation or rebuild of improvements
- construction of new buildings or facilities

## 12.2 Real Property Acquisition

Real property must be acquired, managed, used and disposed of in accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (Uniform Act or URA) (PL 91-646) and 49 CFR Part 24, the implementing regulation. Additional guidance is found in **FTA Circular 5010.1 (series)**. The use of Federal funds for the acquisition of land creates a perpetual Federal interest commensurate with the percentage of funds used to purchase that property. The use of Federal funds for the purchase or acquisition of buildings/improvements or the construction or renovation of a building, also creates a Federal interest in those improvements. The Federal interest in such improvements is commensurate

with percentage of funds used to purchase, construct, or renovate the improvements. The Federal interest runs with the useful life of any improvements.

The objective of the Uniform Act is to ensure equitable treatment of property owners of real property to be acquired for Federal and Federally assisted projects; that people displaced by a Federally supported project be treated fairly, consistently, and equitably; and that acquiring agencies implement the regulations in a manner that is efficient and cost effective. The regulations implementing the Uniform Act are very specific in naming the means to achieve the legislated objectives.

To ensure eligibility for Federal funding, the subrecipient should follow the typical 8-step process sequence when acquiring real property for a project:

National Environmental Policy Act (NEPA) Approval → Title Search → Appraisal → Appraisal Review → Just Compensation Determination → ALDOT Concurrence → Offer to Owner → Settlement

At no time will ALDOT fund the acquisition of land for transit facilities not provided for under the scope of an approved grant. All construction or real property acquisition-related activities **over \$10,000** shall require pre-award review and approval by ALDOT before commencing work. The pre-award review includes the items listed in the next section (Prerequisites for Project Funding). **No purchase of property should commence before written approval by ALDOT.**

### 12.3 Planning Activities

Planning activities in advance of the construction or renovation of rural public transportation facilities are an eligible Section 5311 expense. These may include, but are not limited to, feasibility studies, alternative site analyses, environmental assessments, environmental impact statements, or other studies necessary as a prerequisite to undertaking the project.

Planning activities may be funded from Section 5311 and Section 5307 project funds or, at the discretion of ALDOT, other Federal or State funds may be used for planning if planning activity is an eligible expense under such a program.

Transit providers must satisfy all local requirements such as county and city approval and availability of local matching funds prior to submitting an application for funding.

All environmental issues must be resolved, and two appraisals must be completed. Annual FTA funding by FTA Grant program must be identified in the Statewide Transportation Improvement Program (STIP) and local TIPs.

### 12.4 Feasibility Study

The transit provider may retain a consulting firm to determine the most cost-effective way to

purchase land, buildings or build a desirable facility using an appropriate solicitation process. The study may include comparisons on site location and new construction vs. purchase and renovation. Alternative analysis of other options should also be considered.

At a minimum, the study will analyze current needs and anticipated future needs. The study may also consider site sensitivity and preservation of historical elements where appropriate. Other relevant environmental and material analysis should also be documented and shall become part of the environmental document requiring ALDOT and FTA review.

## 12.5 Application for FTA Funding

Before ALDOT will make a recommendation for funding allocation using Federal funds, the following provisions must be met:

- Public involvement processes must be conducted and documented
- Certifications and Assurances must be signed and current
- Civil rights policies must be current
- FTA program funding must be listed in an approved TIP and in the STIP

### 12.5.1 Real Property Acquisition Assurances

The “*Assurances for Real Property Acquisition Requirements and Relocation Requirements of Title II of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as Amended*,” is located in Appendix 12A of this document and must be submitted as part of the application process in order for the application to be considered complete.

## 12.6 Prerequisites for Project Funding

ALDOT will submit the following documents to the Federal Transit Administration (FTA) Region IV office for review and concurrence prior to funding commitment:

- Site selection analysis
  - Equity Analysis/Review
  - Environmental Assessment as required by NEPA (see NEPA Checklist in Appendix 12B)
- Appraisal of property
- Cost Analysis

### 12.6.1 Site Selection Analysis

Equity and environmental reviews are required for new construction or renovation of a building or site that is to be purchased. All proposed project sites must be evaluated and assessed to determine impact, if any, on wetlands, streams, high biotic potential, livable communities' considerations, and Federally protected threatened or endangered species and their habitats. In addition, all proposed project sites must be evaluated and assessed to determine impacts on equity, if any. A consulting firm may be used to determine if there are any environmental issues that need to be addressed prior to construction. A commercial real estate firm may also be retained to assist with the evaluation and location of the property or facility.

### 12.6.2 Equity Analysis/Review

In determining the site or location of facilities, a recipient may not make selections with the purpose or effect of excluding persons from, denying them the benefits of, or subjecting them to discrimination under any program to which this regulation applies, on the grounds of race, color, or national origin; or with the purpose or effect of defeating or substantially impairing the accomplishment of the objectives of CFR 49 Section 21.5(b)(3) and Title VI of the Civil Rights Act of 1964.

### 12.6.3 Environmental Review

An environmental review must be completed, and FTA's approval received, prior to committing Federal funds. Federal funds will not be made available for any facility purchase or construction until the NEPA process and NEPA Checklist (see Appendix 12B) are reviewed and approved by FTA.

Environmental issues may need to be addressed if any of the following exist:

- Property is owned by the State or property is located on a national historic site
- Pre-existing environmental issues are present, e.g. if underground tanks and/or wetlands are present

If the property has already been purchased by the transit provider, and an environmental review or study has been completed, these document(s) must be submitted to ALDOT for review and subsequent Federal approval.

#### 12.6.3.1 ALDOT Review of Environmental Documentation

ALDOT's review of environmental documentation may take 4 - 6 weeks depending on the complexity of the project. A copy of the survey or plot map

and description of the property should be furnished to ALDOT for review. Additional information such as a feasibility study, appraisals, site plan and other relevant information are needed to assist ALDOT with the review.

If the environmental review indicates a “finding of no significant impact” (FONSI), the project will be able to proceed to the next step.

If the review indicates an adverse environmental affect, an environmental study including an “environmental impact statement” (EIS) may be required or an alternative site may be selected. Transit providers must certify all Federal and State environmental requirements are met before commencing work on a facility project for activities to be deemed eligible for reimbursement.

#### 12.6.4 Property Appraisal and Review Appraisal

All real property is acquired at its current fair market value, established on the basis of independently prepared appraisals. At least two independent land appraisals must be completed by licensed Alabama real estate appraisers within 3 months of presenting information to ALDOT for review and consideration. If a donated property is being considered, such property must be appraised at the current fair market value, with an accompanying review appraisal.

#### 12.6.5 Cost Analysis

A cost analysis shall be completed by the subrecipient as part of the procurement process. Plans and documentation shall be submitted to ALDOT for review. Approvals will be issued by ALDOT in addition to a notice to proceed.

### 12.7 Pre-Award Review

At no time will ALDOT fund the acquisition of land for transit facilities not provided for under the scope of an approved grant. All construction or real property acquisition-related activities shall require pre-award review and approval by ALDOT before commencing work. No purchase of property should commence before written approval by ALDOT. ALDOT’s Pre-Award Review shall include a review of the Site selection analysis, Environmental Assessment as required by NEPA, Appraisal of property and Cost Analysis.

### 12.8 Project Funding

Transit providers may request Federal funding assistance for facility projects from the ALDOT Transit Section during the annual application process. Facility projects shall be prioritized based on availability of funds including local matching funds and projects must be financially feasible. ALDOT will evaluate all facility project requests on an annual basis to determine if the project is

financially feasible.

Small renovation projects may be funded in full or in part if funds are available. FTA oversight requirements will apply to all projects funded in whole or in part with Federal funds. ALDOT must receive approval from FTA before committing FTA funds to the project.

Grant agreements and approved budgets must be in place before project commencement unless pre-award authority was granted.

## 12.9 Construction and Renovation

### 12.9.1 Types of Construction

#### 12.9.1.1 New Construction

New construction takes place when a piece of land is purchased (either using Federal funds or not), and a new transit facility is built on the property.

#### 12.9.1.2 Facility Renovation

Facility renovation is accomplished when purchasing an existing building or updating current offices occupied by the transit provider or used in the provision of public transit.

No pre-planning activity is required for an existing office building unless significant structural improvement is anticipated, such as an addition.

### 12.9.2 Construction Roles and Responsibilities

The ALDOT Transit Section coordinates and oversees all transit construction projects that involve Federal funding. The primary responsibility for construction and management of Federally funded transit facilities lies with the subrecipient. Transit construction projects will be coordinated with the ALDOT Transit Section to facilitate the administration of transit construction projects in accordance with applicable Federal requirements. ALDOT, at its discretion, may contract out this oversight responsibility. FTA offers two documents, *“Project and Construction Management Guidelines”* and the *“Construction Project Management Handbook”* for detailed guidance on the development and management of construction projects. Subrecipients must follow ALDOT’s Facility Construction Checklist, found in Appendix 12C of this document, for the construction or renovation of transit facilities.

### 12.9.3 ALDOT Oversight Activities

ALDOT oversight activities will include but not be limited to the following:

- Review RFPs for A&E (Architect and Engineering) if they are used
- Require a graphic work program depicting the tasks to be performed and a schedule to illustrate the flow of work
- Recommend use of A&E for construction oversight
- Attend progress meetings with consultant on an as needed basis
- Review and approve final plans, specifications, bid documents, and cost estimate
- Review tabulation of bids and recommendations for award

### 12.9.4 ALDOT's Responsibilities During Construction

- Assign responsibility to subrecipient
- Require subrecipient to appoint a qualified project engineer and/or manager to supervise construction and administer the contract and construction process
- Notify ALDOT of pre-construction conference and project meetings
- Require subrecipient to establish a formal procedure for review and approval of change orders
- Review change orders
- Require the documentation of work performed and progress payments
- Require work stoppages and schedule and work order changes to be reported immediately
- Review billings and construction progress report
- Participate in final acceptance

In the State of Alabama, capital projects that involve construction or rehabilitation of transit facilities (bus garages, maintenance facilities, and transit centers) may be funded through FTA Sections 5307, 5311 or 5339.

### 12.9.5 Subrecipient Responsibilities

Plans and documentation shall be submitted to ALDOT for concurrence review. ALDOT will review each plan phase and offer comments or concurrence to the design documents. Upon concurrence, ALDOT will issue notice to proceed to next phase. Additional reviews may be necessary, if required by law.

#### 12.9.5.1 Selection of a Registered Architect or Professional Engineer - Request for Qualifications (RFQ)

Projects shall follow the State Procurement Code in order to retain a qualified registered architect or professional engineer, including the use of the State of Alabama pre-qualified consultant list. The subrecipient will issue a RFQ indicating requirements for service and provide a description of the project. Selection shall be based on qualifications and competence. Price negotiation is conducted with the most qualified offeror.

#### 12.9.5.2 Design Phase

A registered architect or engineer must prepare plans and specifications in accordance with Federal and State laws applicable to construction related projects. Regardless of the project cost, all plans and specifications must address the following:

- Plan must include major structural or foundation changes
- Plan must include “major structural change in framing or foundation support systems”
- Plan must include construction of, or additions to public buildings.

Separate specifications must be drawn for each of the following four categories regardless of estimated project cost or as may be deemed applicable by local building inspector.

- Heating, ventilating, air conditioning and accessories
- Plumbing and gas fittings and accessories
- Electrical wiring and installations
- General work relating to the erection, construction, alteration or repair of the building that is not included in the first three categories

#### 12.9.5.3 Schematic Design Phase

The architect or engineer shall prepare a schematic phase which will include:

- A scaled site plan showing location and the size of the facility in relation to existing buildings, roads, walkways, utility services, etc.
- Single line drawings of the floor plan, including mechanical and electrical rooms, service areas, etc.

- A general description of the project based on the designer's studies indicating the construction materials; framing systems; and mechanical, electrical, and plumbing systems
- A statement of probable construction cost based upon area, volume or other appropriate units (Estimates shall include a separate item for site work, utility extensions and other items outside the structure's footprint.)

#### 12.9.5.4 Design Development Phase

Architect or engineer shall prepare detailed plans and specifications which will include:

- Design development documents (DDD's), including all basic elements, systems, and materials to be used in the project
- DDD's should be stamped by a professional engineer (P.E.) or licensed architect
- The designer shall review and submit required documents to the local building inspector prior to submitting documents to ALDOT's Transit Section.

The design development phase shall include soil investigation reports and all other reports or studies relative to the project. A statement of probable construction cost based upon area, volume or other appropriate units will be provided.

Plans and documentation shall be submitted to ALDOT for concurrence review. ALDOT will review and offer concurrence to the design documents. Approval will be issued by ALDOT in addition to a notice to proceed to next phase. Additional reviews may be necessary, if required by law.

#### 12.9.5.5 Bidding and Contractor Selection

In addition to plans and specifications, the designer is responsible for filing all permits, conducting the bid process, oversight of activities during construction and final closeout. At the subrecipient's discretion, a construction management consultant instead of the designer may monitor and/or manage the construction phase of the facility.

Letting of bids shall be conducted in accordance with applicable State statutes and regulations. Project should follow and complete the Procurement Checklist (see Appendix 12D) for formal bids or informal bids whichever is applicable.

Bid tabulation, cost analysis, plans and documentation shall be submitted to

ALDOT for concurrence review. ALDOT will review each plan phase and offer comments or concurrence to the design documents. Upon concurrence ALDOT will issue notice to proceed to next phase. Additional reviews may be necessary, if required by law.

Concurrence by ALDOT is required prior to entering into a contract with recommended contractor. Applicable documentation must be submitted to ALDOT for review and approval. Third party contract documents must also be reviewed by ALDOT to ensure that applicable Federal clauses are included. Once the review is completed and approved by ALDOT, the subrecipient may enter into a contract with the contractor.

#### 12.9.5.6 Construction Documents

The designer shall prepare working drawings and specifications in detail, including materials; workmanship; finishes; mechanical and electrical systems; special equipment; site work; utility connections and services; bidding information; proposal, contract and bond forms; general and supplementary general conditions of the contract; and any and all other information required for receiving of bids on the project.

A cost estimate shall be submitted using quantities of major components and projected per unit costs. Overhead, profit, taxes, insurance, etc., shall be included. Estimates must be prepared for all bid items, including alternates. A complete tabulation shall be furnished showing the breakdown of total appropriated and/or authorized funds. The designer is responsible for bringing the project within the budget as set forth in the design contract.

A soil and erosion control plan must be filed with the appropriate agency. A copy of all permits received will be submitted with documents for review.

#### 12.9.5.7 Subrecipient General Responsibilities

- Provide continuous administrative and management direction of project operations
- Report, per the TAM Plan reporting requirements addressed above in Chapter 11
- Contact ALDOT for technical assistance regarding any applications for Federal or State funding for land or development of permanent structures
- Provide restrictive plans for land, buildings, and facilities to ALDOT

- Keep an inventory of land, buildings, or facilities purchased with Federal funds and submit to ALDOT using the Non-Expendable Equipment Inventory Form (see Appendix 12E)
- Name ALDOT as additional insured for premise insurance
- Contact ALDOT for assistance regarding disposal of land, buildings or facilities acquired with Federal funds
- When disposing of property, obtain a commercial appraisal or other fair market valuation, and submit the documentation to ALDOT for approval
- Compensate ALDOT as described above when disposing of property
- Reinvest any proceeds from the sale of the property into the transit program

#### 12.9.5.8 Subrecipient Responsibilities During Construction

- Submit progress reports to ALDOT at each phase of the project and provide updates as necessary
- Prepare and submit a cost allocation plan prior to incurring costs if seeking reimbursement for these costs. Update and retain these approved documents for ALDOT review during compliance and oversight review
- Conduct cost estimate analysis and keep expenditures within the latest approved project budget
- Ensure compliance with ALDOT/FTA requirements relating to consultants, contractors, and subcontractors working under approved third-party contracts or inter-agency agreements
- Provide, directly or by contract, adequate technical inspection and supervision by qualified professionals of all work in progress
- Ensure conformity to contract agreements, applicable statutes, codes, ordinances, and safety standards
- Maintain the project work schedule agreed to by ALDOT and the subrecipient and constantly monitor project activities to ensure that schedules are met, and other performance goals are being achieved
- Change Order Procedures
  - No change in the construction from approved plans and specifications shall be made unless and until a change order has

been duly prepared and approved, except in the case of an emergency endangering life or property. Change orders shall be prepared in the format used by the State. Sufficient copies should be sent to each holder of contract documents.

- Change orders shall be submitted by the designer to the subrecipient and shall be accompanied by a complete breakdown showing computation of the cost together with a written explanation of the change and reasons for change.
  - The designer, by submitting the change order on behalf of the subrecipient, certifies that he/she has examined and analyzed the change order and it is acceptable and the cost is reasonable.
  - The subrecipient shall forward a copy of the change order to ALDOT for final approval. Incomplete change orders will be returned for correction and completion. Note that cost breakdown must justify the cost.
- Submit requests for payment reimbursement on a monthly basis for activities completed in accordance with the current approved budget
  - Account for Federal and State property associated with the project and maintain property inventory records
  - Arrange for an annual independent organization-wide audit in accordance with 2 CFR Part 200, Subpart F

## 12.10 Requests for Reimbursement

Requests for reimbursement shall be submitted monthly along with supporting documentation. Form F-25 (see Appendix 12F) and an itemized list of activities completed must accompany all reimbursement requests. The Request for Payment must be completed and signed by the subrecipient and include supporting documentation. DBE attainment and good faith efforts will need to be tracked throughout the life of the construction activities. *(Note: See **Chapter 9**, Project Financial Management, and the Project Invoicing Section of **Chapter 14** for more information on requests for reimbursement.)*

## 12.11 Disadvantaged Business Enterprise Participation

Certified disadvantaged business enterprises shall be included in any solicitation for construction work. A listing of ALDOT DBE business entities that have been certified for FTA/transit purchases can be found at <https://cpmstest.dot.state.al.us/alucp/home/fta>. ALDOT may require evidence of

good faith effort to attract DBE firms on ALL construction projects. ALDOT may require project specific race-neutral goals. DBE participation reporting will be tracked through on-site monitoring by ALDOT, the review and payment of invoices.

## 12.12 Civil Rights Requirements

It is the responsibility of ALDOT to ensure that subrecipients are in compliance with all civil rights program requirements that apply to ALDOT/FTA assisted projects and activities. The applicable civil rights program areas are: Title VI of the Civil Rights Act of 1964; Equal Employment Opportunity (EEO); and Disadvantaged Business Enterprise (DBE) Program. Depending on the size and scope of the project, a project specific DBE goal may be required to ensure that ALDOT-certified DBEs are given the opportunity to bid on work. Compliance with the Americans with Disabilities Act (ADA) is also required. Monitoring is done by either ALDOT staff or designated representatives of the State.

## 12.13 Labor Protections (Davis-Bacon Act)

For FTA programs, 49 U.S.C. 5333(a) applies Davis-Bacon Act prevailing wage requirements. This provision applies only to construction projects. In the event that a project involves construction, Section 5333(a) of the act requires the Secretary of Transportation to take such action as may be necessary to ensure that all laborers and mechanics employed by contractors or subcontractors in the performance of construction work financed with the assistance of loans or grants under this act be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended. The secretary may not approve any such loan or grant without first obtaining “adequate assurance” that required labor standards would be maintained upon the construction work.

Subrecipients agree to the Davis-Bacon Act as part of the agreement with ALDOT as applicable. The signed agreement is retained in the subrecipient’s files.

## 12.14 Leasing of Facilities

Requests from subrecipients to treat the lease of facilities as eligible capital expense items will be considered by ALDOT for approval and acted upon subject to the provision of sufficient documentation to justify lease vs. purchasing benefits. Permission to treat the lease of a facility as a capital expense must be approved in writing by ALDOT. Subrecipients may not proceed with a lease agreement until they receive written approval from ALDOT.

## 12.15 Management of Real Property

### 12.15.1 Property Management

Facilities constructed or renovated with Federal funds will remain the property of the subrecipient as long as the facility is used for public transportation purposes. If for any reason the facility is no longer needed for the purposes of public transportation services in the non-urbanized area, the provisions regarding property disposition must be followed. Refer to **FTA Circular 5010.1 (series, as amended)** for additional guidance.

### 12.15.2 Maintenance Requirements

All subrecipients shall submit to ALDOT an effective buildings, facilities and equipment maintenance plan that ensures that the Federal investment in facilities and buildings is protected adequately. The maintenance plan should be written and include an organization and assignment of responsibility for facility and equipment maintenance, a series of inspections and routine maintenance actions designed to ensure the proper care and maximum useful service life of facilities and equipment, and a record-keeping system that maintains adequate permanent records of maintenance and inspection activity for buildings and equipment. ALDOT will ensure compliance through periodic on-site inspection. Properties purchased or constructed with Federal funds, such as land, buildings (i.e., bus barns), and facilities (i.e., passenger shelters and transfer stations) should be maintained free of defects and graffiti to ensure the area is in usable condition and a safe environment. The properties must be used for the purposes described in the application and agreement.

Each subrecipient shall have in place an established system of regular and frequent maintenance checks of ADA equipment sufficient to determine if the equipment is operative. The features of the facilities that are required to make the facilities readily accessible to and usable by individuals with disabilities include, but are not limited to, elevators, signage, and systems to facilitate communications with persons with impaired vision or hearing. Accessibility features shall be repaired promptly if they are damaged or out of order. When an accessibility feature is out of order, reasonable steps will be taken to accommodate individuals with disabilities who would otherwise use the feature. At a minimum, ADA equipment should be maintained based on the manufacturer's suggested maintenance guidelines.

Proper maintenance of facilities, machinery, and equipment is the key to protecting the Federal investment and prolonging the useful life of the facility. The maintenance plan should include a record-keeping system that maintains adequate permanent records of

maintenance and inspection activity for buildings and equipment.

### 12.15.3 Restrictive Covenants/Deed of Restrictions

ALDOT requires that land and permanent buildings purchased or improved with Federal funds have a restrictive covenant filed with the property deed. The covenant is to protect the Federal interest in the property. Because passenger shelters are not permanent buildings, they are exempt from this requirement.

### 12.15.4 Incidental Use of Real Property

Incidental uses of real property which may raise additional revenues for the transit system or, at a reasonable marginal cost, enhance system ridership, are subject to the regulations contained in FTA Circular 5010.1 (series). Incidental uses also require ALDOT and FTA review and approval. The property must continue to be needed and used for an FTA project or program, and the incidental use cannot compromise safety or continuing control over the property. Please see Chapter 11, Asset Management, for more information on incidental use.

### 12.15.5 Disposition of Real Property

Land, buildings or facilities purchased, improved, constructed or renovated using Federal funds may only be used for the originally authorized purpose. Such property shall not be transferred to another party, disposed of, its title encumbered or have other liens or claims imposed, without obtaining the approval of ALDOT pursuant to the procedure below.

When property funded with Federal funds is no longer needed for the originally authorized purpose, the subrecipient is required to abide by the provisions of FTA Circular 5010.1 (series). The subrecipient is required to contact the ALDOT Transit Section for disposition instructions. The options are as follows:

- Retain title of the property after compensating the awarding agency (ALDOT)
- Sell the property and compensate the awarding agency (ALDOT)
- Transfer title to the awarding agency (ALDOT) or to a third-party designated or approved by the awarding agency

The fair market value of the property shall be used when property is sold, transferred to another party, or voluntarily converted to a non-transit use by the transit agency. Subrecipients must have a commercial appraisal or other fair market valuation to determine fair market value. ALDOT must review and approve the fair market valuation if a commercial appraisal is not used.

When compensating ALDOT under the procedures identified above, ALDOT receives an amount equal to the fair market value times the percent of Federal or State reimbursement as identified in the original subrecipient agreement. The subrecipient retains an amount equal to the fair market value times the percent of match provided as identified in the original subrecipient agreement.

The disposition of property that is involuntarily converted (i.e., acts of God or acts of nature) will be negotiated on a case-by-case basis between ALDOT and the subrecipient.

Subrecipients must reinvest any funds from the sale of the property or insurance proceeds into the transit program. Funds received by ALDOT shall be administered as determined by the latest FTA guidance.

## Appendix 12A

### Assurances for Real Property Acquisition Requirements and Relocation Requirements

**ASSURANCES**  
**For**  
**REAL PROPERTY ACQUISITION REQUIREMENTS**  
**And**  
**RELOCATION REQUIREMENTS of TITLE II**  
**of the**  
**Uniform Relocation Assistance and Real Property**  
**Acquisition Policies Act of 1970, as Amended**

The (name of subrecipient) hereby assures that it will comply with Sections 210 and 305 of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended by the Uniform Relocation Act Amendments of 1987, Title IV of the Surface Transportation and Uniform Relocation Act Amendments of 1987, Title IV of the Surface Transportation and Uniform Relocation Assistance Act of 1987, P.L. 100-17, 101 Stat. 246-256 and the implementing regulations of 49 CFR Part 24.

\_\_\_\_\_  
(Name of Authorized Official)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Date)

## Appendix 12B

### NEPA Checklist

# INFORMATION REQUIRED TO INITIATE NEPA

## A CHECKLIST

For FTA to determine the extent of environmental analysis required for a proposed project, we must have a clear idea of what it may do to the environment. This includes the **natural environment** (soil, water, air, flora/fauna) *and* the **human environment** (socioeconomics, land use, traffic, etc.). Additionally, FTA must determine whether any Federal funding is sought (now or in the future) for the proposal and if FTA is required to make a decision or approval (e.g., approval for incidental use of property).

### INFORMATION REQUIRED

- ☐ Sources of federal, state, and local funds and transit nexus
- ☐ Description of existing property with a clear map showing the Area of Potential Effect (APE)
- ☐ Street address or coordinates
- ☐ Photos of property, any buildings on property and the surrounding area directly adjacent to the project site.
- ☐ Photos of surrounding buildings visible from property
- ☐ Description of complete project with site plan. Be specific for each action of the project.

### QUESTIONS to be ADDRESSED

*Is the project a Federal Action eligible for FTA funding?*

*What are the Existing conditions? Cleared land or forested land? Water? Urban, rural, suburban? Gently rolling, flat, etc.? Modern visual intrusions in the area, such as cell towers, modern buildings, etc.? Is the site a brownfield or contaminated? Have any site assessments been completed?*

*Are there possible environmental areas of concern at the site or in its surroundings? Any known hazards? Existing buildings contain lead paint/asbestos? Standing water on site? Industrial site? Industrial sites within a block of the project site? In a historic district?*

*What are the characteristics of the natural environment of the property? Provide photos of the land in all directions and of any buildings or structures on the land. Are any of the buildings be historic? Are the buildings in use? Are the buildings safe? Who/what industry occupies the building?*

*Are there any nearby buildings that may be historic? Any new construction visible from the project site? Number of stories of the buildings surrounding the project site.*

*What physical changes will be made to the existing site? Any digging or other ground disturbing activities such as clearing and grubbing? Will a building be constructed? Will an existing building be renovated or rehabilitated? Will parking be added or subtracted? Any changes to the traffic amount or flow due to the project? Provide any renderings that are available of the existing project site and the planned work. Be specific about actions, such as replacement of windows/doors, new construction, etc. Will the completed project include storage facilities, maintenance facilities or an operation center?*

- ☐ List of actions required upon existing property to achieve complete project (e.g., clear 5 acres of wooded land, demolish building, culvert and cover creek, etc.)
- ☐ Logical termini, alignment, mode, and technology (if a linear project).
- ☐ List of any public involvement done for the project, to date, if any

*Are there physical changes that are not obvious in the site plan? (e.g., excavation for a basement, fuel storage) Are there going to be any residential or business displacements?*

*Has thorough planning for the proposed project occurred? (3 out of 4 are typically enough to begin NEPA.) Any feasibility or environmental studies been completed? If so, please attach to the checklist document.*

*Has the community affected by the project been informed? If so, when was the community engaged/informed? Is there any potential controversy? Are there any local organizations that should be informed?*

**Property Acquisition:** Unless an early or at-risk (hardship or protective buy) acquisition meets the conditions, property cannot be acquired until NEPA is **complete** and an environmental determination or decision document has been issued by FTA TR04. This restriction is found in FTA's environmental regulations ([23 CFR 771.113](#)) and includes offers to purchase the property or any other commitment to purchase the property or to proceed to a settlement ([FTA Circular 5010.1E](#)). Project sponsors should contact FTA TR04 with any questions about potential timing of property acquisitions and their corresponding NEPA documentation.

Examples, which can be either implied or explicit, of prohibited acquisition activities during the NEPA process include:

- Any offer to purchase;
- Any negotiation to purchase;
- Any discussion on price;
- Any commitment to purchase or establishing any conditions of purchase; and,
- Any commitment to proceed to settlement.

**Equity Analysis:** Be sure to review and understand your responsibilities per [49 CFR Section 21.5\(b\)\(3\)](#) for **facility** construction projects. Additionally, please review and comply with [FTA Title VI Circular](#).

**The more information FTA knows about a project, the more accurate we can be in assigning the most appropriate level of environmental analysis.**

Updated 10/15/2021

## Appendix 12C

### Facility Construction Checklist

## Facility Construction Checklist

### ALDOT Facility Construction Checklist

Agency: \_\_\_\_\_ Contact Person: \_\_\_\_\_  
 Agency: \_\_\_\_\_ Contact Person: \_\_\_\_\_  
 FTA Grant #: \_\_\_\_\_ ALDOT Project Agreement #: \_\_\_\_\_  
 Project Description: \_\_\_\_\_

	Scheduled Date	Actual Date
<b>1.0 PROJECT AWARD PROCESS</b>		
a. ALDOT Announcement		
b. Project Selection		
c. Subrecipient submits detailed scope of work for project review, and possible inclusion in project agreement		
d. Subrecipient forwards appraisal (land and/or building) based on fair market value (site plan, utilities, environmental plan, real estate acquisition) to OPT Regional Transit Manager		
e. Subrecipient submits environmental impact analysis documents to OPT Regional Transit Manager (Categorical Exclusion) for approval		
f. Subrecipient forwards proof of MATCH contribution documentation to OPT Regional Transit Manager		
g. Subrecipient submits verification of local match to OPT Regional Transit Manager		
h. Proof of ownership		
i. OPT prepares information for Commission approval		
<b>2.0 AFTER COMMISSION APPROVES FUNDING ALLOCATION</b>		
a. Project identified in the STIP for public comment		
b. Subrecipient submits cost estimates for the project to OPT Regional Transit Manager (broken-out by work type and/or phases)		
c. ALDOT submits grant application to FTA for approval		
d. If required, subrecipient submits more details of the project scope of work for inclusion in agreement		
e. OPT Regional Transit Manager forwards cost to DBE Office to establish DBE goal for the project		
f. ALDOT sets DBE goal for the project		
g. FTA approves the grant		
h. ALDOT project agreement prepared and forwarded to subrecipient for signature		
i. ALDOT fully executes project agreement with subrecipient, including agreement not to convey or encumber		

<b>3.0 AFTER OPT RECEIVES SIGNED GRANT AGREEMENT</b>			
<b>3.1 Solicitation Process</b>			
a.	Subrecipient submits Bid or RFQ ( <i>if A/E is required</i> ) documents to OPT Regional Transit Manager for review and concurrence		
b.	Subrecipient advertises solicitation		
c.	OPT Regional Transit Manager contacts DBE Office to assist with the dissemination of the bid information to qualified and certified DBEs (Good faith effort)		
d.	Subrecipient submits Force Accounting Plan (if using own workforce personnel). If \$10M > = approved by FTA, or \$100,000 < \$10M = maintain plan in file or < \$100,000 = no plan required		
e.	Subrecipient submits copies to OPT Regional Transit Manager of the solicitations received, including the selection process and justifications for concurrence		
f.	Subrecipient must comply with applicable provisions in the OSE manual concerning the selection of A/E exceeding \$25,000		
g.	OPT Regional Transit Manager attends the pre-construction conference with selected contractor prior to beginning the construction and/or renovation project		
<b>3.2 ALDOT Reporting Requirements</b>			
a.	Prominently display the "ARRA" decal at construction/renovation site (applicable only to ARRA funded projects)		
b.	Subrecipient must submit all required report to OPT Regional Transit Manager		
<b>3.3 ALDOT Invoicing Process</b>			
a.	Subrecipient submits the following items on form 600 to Finance Office:		
	1. Line Item invoice relating to project phases and tasks completed		
	2. Signed Milestone Report of the completed work - approved by local inspector		
	3. Photos for each phase of the completed work		
<b>4.0 FINAL CLOSEOUT PROCESS</b>			
a.	OPT Regional Transit Manager conducts final inspection		
b.	Subrecipient obtains certificate of occupancy from appropriate authority		
c.	Submit Facility Maintenance Plan to ALDOT for approval		
d.	Subrecipient submits final invoice for payment		
e.	ALDOT issues Close Out letter		
Regional Transit Manager: _____		Date: _____	
ALDOT Transit Manager: _____		Date: _____	

## Appendix 12D

### Procurement Checklist

## Procurement Checklist

**Revised 1-9-2023**

<b>Agency:</b> _____ <input type="checkbox"/> <b>5311</b> <input type="checkbox"/> <b>5310</b> <input type="checkbox"/> <b>ALDOT</b>
<b>Purchase Request:</b> <input type="checkbox"/> <b>Equipment</b> <input type="checkbox"/> <b>Supplies</b> <input type="checkbox"/> <b>Services</b>
<b>Item(s):</b> _____
<b>Estimated Total Cost:</b> _____
<b>Describe Purpose:</b> _____ _____ _____

**I.    \$10,000 or less**

1. Written documentation of agency/organization's procurement procedures
2. Copy of the price or rate quote
3. Fair and reasonable price determination

YES	NO	N/A
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**II.    \$10,001 to \$75,000 (at least two written quotes required)**

1. Written documentation of agency/organization's procurement procedures
2. Copy of written request to ALDOT to purchase equipment, property, supplies or services \$10,001 - \$75,000
  - A. Copy of Independent Cost Estimate
  - B. Copies of Quotes solicited from at least (2) two suppliers
  - C. The quote clearly and accurately described the technical requirements
  - D. The project has clearly set forth the requirements the vendor must fulfill
  - E. The project has made positive efforts to utilize disadvantaged business enterprises
  - F. Documentation of search on the System for Awards Management (SAM) to identify debarred or suspended bidders at [www.SAM.gov](http://www.SAM.gov) or Debarment/Suspension Certification
3. Copy of the cost breakdown for the proposed project
4. Copy of Price Analysis or

YES	NO	N/A
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

- |  |                          |                          |                          |
|--|--------------------------|--------------------------|--------------------------|
| 5. Copy of Cost Analysis   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 6. Purchasing Schedule   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 7. ALDOT approval Third Party Contract/Agreement (if applicable)     | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 8. Written notice for processing changes in purchase orders to ALDOT | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 9. Required Federal Clauses and Certifications                       | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 10. Fair and reasonable price determination (Form)                   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 11. Written notice to proceed from ALDOT                             | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

**III. \$75,001 and above (bid required)**

- |  |                                 |                                |                                 |
|--|---------------------------------|--------------------------------|---------------------------------|
|  | YES<br><input type="checkbox"/> | NO<br><input type="checkbox"/> | N/A<br><input type="checkbox"/> |
| 1. Written documentation of agency/organization's procurement procedures   |                                 |                                |                                 |
| 2. Copy of written request to ALDOT to purchase equipment, property, supplies or services \$75,001 and above which includes:   |                                 |                                |                                 |
| a. Copy of Independent Cost Estimate (Prepared prior to RFP/ITB Release)   | <input type="checkbox"/>        | <input type="checkbox"/>       | <input type="checkbox"/>        |
| b. Request for Proposal (RFP/ITB) Proposed purchase terms, conditions, technical specifications and bid advertisement(s)       | <input type="checkbox"/>        | <input type="checkbox"/>       | <input type="checkbox"/>        |
| c. Required Federal Clauses and Certifications   | <input type="checkbox"/>        | <input type="checkbox"/>       | <input type="checkbox"/>        |
| d. Written notice to proceed from ALDOT  | <input type="checkbox"/>        | <input type="checkbox"/>       | <input type="checkbox"/>        |
| e. The project has made positive efforts to utilize disadvantaged business enterprises (forward document to ALDOT DBE Section) | <input type="checkbox"/>        | <input type="checkbox"/>       | <input type="checkbox"/>        |
| f. Sole Source (Single Source) Justification ( <i>if applicable</i> )  | <input type="checkbox"/>        | <input type="checkbox"/>       | <input type="checkbox"/>        |
| 3. Advertising for competitive bids in accordance with the Alabama State Bid Law   |                                 |                                |                                 |
| a. Market Research Documents   | <input type="checkbox"/>        | <input type="checkbox"/>       | <input type="checkbox"/>        |
| b. Bonds   |                                 |                                |                                 |
| 1. Bid   | <input type="checkbox"/>        | <input type="checkbox"/>       | <input type="checkbox"/>        |
| 2. Performance   | <input type="checkbox"/>        | <input type="checkbox"/>       | <input type="checkbox"/>        |
| 3. Payment   | <input type="checkbox"/>        | <input type="checkbox"/>       | <input type="checkbox"/>        |
| c. Bidders List, Solicitation and Amendments   | <input type="checkbox"/>        | <input type="checkbox"/>       | <input type="checkbox"/>        |
| d. Pre-Solicitation Approvals  | <input type="checkbox"/>        | <input type="checkbox"/>       | <input type="checkbox"/>        |
| e. Pre-Bid or Proposal Conference Notes and Questions and Answers ( <i>if applicable</i> )                                     | <input type="checkbox"/>        | <input type="checkbox"/>       | <input type="checkbox"/>        |
| f. Bids / Proposals and Solicitation Amendment Acknowledgements  | <input type="checkbox"/>        | <input type="checkbox"/>       | <input type="checkbox"/>        |

<b>g.</b> “No Bid” Letters or Offeror Disqualification Correspondence	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>h.</b> Negotiation Memorandum ( <i>if applicable</i> )	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>i.</b> Protests ( <i>if applicable</i> )	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>j.</b> Copy of RFP evaluation of proposal	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>k.</b> Copy of explanation of the basis for selection of contractor – including evaluation criteria and results of the subrecipient’s technical evaluation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>l.</b> Copy of a list of all proposals received	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>m.</b> Copy of a cost breakdown for the proposed contract	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>n.</b> Copy of Cost Analysis (Prepared after receipt of Proposals)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>o.</b> Copy of Price Analysis (Prepared after receipt of Proposals)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>p.</b> Notice of Intent to Award	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>q.</b> Procurement Plan and Timeline	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>r.</b> Responsibility Determination	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>s.</b> Fair and Reasonable Price Determination	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>4.</b> Written notice to proceed (and recommendations) from ALDOT (after agreement is approved by ALDOT’s Legal Department and prior to the execution of an agreement between the subrecipient and the selected bidder)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>a.</b> Recommendation(s) made by the project as to bid award	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>b.</b> Documentation of search on the System for Awards Management (SAM) to identified debarred or suspended bidders at <a href="http://www.SAM.gov">www.SAM.gov</a> or Debarment/Suspension Certification	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>5.</b> Any pertinent correspondence relating to exceptions to the approved specifications	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>6.</b> Copy of the Third Party Contract/Agreement (with required federal contract clauses/certifications).	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>7.</b> Documentation of agency procedures for processing change orders in equipment purchased	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>8.</b> Documentation/notice to ALDOT for change orders (that affect the contract price)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>9.</b> “Buy America” certifications (if required)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>10.</b> Options (Pricing evaluated at time of award)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>11.</b> General Contract Correspondence	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>12.</b> Contract Close-Out	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## Appendix 12E

### Non-Expendable Equipment Inventory Form

### **FY2023 Transit Program Non-Expendable Equipment Inventory Form**

*An inventory of an article of non-expendable tangible property having a useful life of more than one year and an acquisition cost of \$5,000 or more.*

**Applicant Name:** [List Name]

	Equipment Description	Equipment ID Number	Source Grant	Acquisition Date	Cost	% Federal Participation	Title Holder	Location	Condition (New, Excellent, Good, Fair, or Poor) and Use	Disposal Date
1							Agency/ALDOT			
2							Agency/ALDOT			
3							Agency/ALDOT			
4							Agency/ALDOT			
5							Agency/ALDOT			
6							Agency/ALDOT			
7							Agency/ALDOT			
8							Agency/ALDOT			
9							Agency/ALDOT			
10							Agency/ALDOT			
11							Agency/ALDOT			
12							Agency/ALDOT			

## Appendix 12F

Form F-25

# INVOICE

## 1. Consulting Firm

Contract ID No.

\_\_\_\_\_

**2. Inv. Date**

Page 1 of 1

Street and Number P.O. Box

P.O. Box

City	Zone	State	Zip Code
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Zip Code

**3. Invoice No.**

**4. Service Period** From \_\_\_\_\_ to \_\_\_\_\_

5. For Work Agreement Dated:

In Account With

## ALABAMA DEPARTMENT OF TRANSPORTATION

6. Distribution							7. Sect. No.	8. Percent Comp.	9. Fee Amount	10. Amount Earned Current Month	11. Amount Retained Current Month	Month	Day	Year	15. Amount Due
												12. Amount Earned To Date	13. Amount Retained To Date	14. Amount Previously Paid	
A/C#	Func.	Obj.	F	Project No.		P/C									
16. Explanation of invoice and description of							17. Totals								

16.	Explanation of invoice and description of work completed
-----	--

17. Totals

**18.** I certify that the within amount shown as a total in column 14 (amount due) is correct, and unpaid.

Claimant's Signature

Sworn and subscribed to before me this \_\_\_\_\_  
day of \_\_\_\_\_ 20\_\_\_\_.

Notary Public

**19. Approved By:**

# 13 Other Important Provisions

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## 13.1 Background

Several laws and administrative requirements apply in common to all Federal grant programs and, therefore, are applicable to the Sections 5307, 5310, 5311, and 5339 programs. Compliance features for several of these requirements have been further defined by the Federal Transit Administration, inclusive of several unique provisions applicable to all FTA grant assistance programs. The applicable laws stated within this section are subject to revision by Federal and State law or guidance.

A combination of quarterly and annual reports, site visits, and compliance reviews will be used to monitor compliance with Federal and State rules and regulations. To ensure compliance, the Transit Section will consult and/or coordinate with other ALDOT Bureaus such as the Legal Bureau (lobbying, ADA, and Labor Relations), Equipment Bureau (procurement, bus testing, and Buy America), Personnel Bureau (ADA), Compliance & Business Opportunity Bureau (Title VI and EEO), and Construction Bureau (Disadvantaged Business Enterprises). Technical assistance will be included in the monitoring process.

## 13.2 Civil Rights

The following additional provisions are required of the ALDOT and all subrecipients. Subrecipients are responsible for compliance with all civil rights requirements applicable to transit related projects, including the non-discrimination prohibitions of 49 USC 5332 and of Title VI of the Civil Rights Act of 1964, as amended; the Equal Employment Opportunity (EEO) requirements; FTA's Disadvantaged Business Enterprise (DBE) program requirements; the Federal protection of persons with disabilities of Section 504 of the Rehabilitation Act of 1973, as amended; and the Americans with Disabilities Act of 1990 (ADA), as amended.

ALDOT certifies to FTA in the annual certifications and assurances submission that civil rights compliance will be met, and the necessary reports will be provided to the FTA. The subrecipients certify to ALDOT annually that civil rights compliance will be met, and the necessary reports will be submitted to ALDOT.

All recipients must agree to comply and assure the compliance of each third-party contractor at any tier under the Project as applicable. Monitoring is done by either ALDOT staff or designated representatives of the state.

### 13.2.1 Title VI of the Civil Rights Act of 1964

No person in the United States shall on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

ALDOT passes through FTA funds without regard to race, color, or national origin and assures that no minority populations are being denied the benefits of or excluded from participation in these programs.

As required by FTA Circular 4702.1B, ALDOT submits a Title VI Program to the FTA regional office once every three years. All subrecipients must develop a Title VI Program and submit it to ALDOT consistent with reporting timelines established by ALDOT. The following contents will be required for submission in all Title VI Programs as applicable:

- 1) A copy of the notice to the public that the subrecipient complies with Title VI and informs members of the public of the protections against discrimination afforded to them by Title VI.
- 2) Instructions to the public on how to file a discrimination complaint and a copy of the complaint form (see Appendix 13A).
- 3) A list of any Title VI investigations, complaints, or lawsuits filed with the subrecipient. This list should include only those investigations, complaints, or lawsuits that pertain to allegations of discrimination on the basis of race, color, and/or national origin in transit-related activities and programs and that pertain to the recipient submitting the report, not necessarily the larger agency or department of which the entity is a part.
- 4) A public participation plan that includes an outreach plan to engage minority and limited English proficient populations (LEP), as well as a summary of outreach efforts made since the last Title VI Program submission. The Four-Factor Analysis shall be used to determine the need for language assistance. This analysis includes the following factors:
  - The number or proportion of LEP persons eligible to be served or likely to be encountered by the program,
  - The frequency with which LEP individuals come into contact with the program,
  - The nature and importance of the program to people's lives, and
  - The resources available for LEP outreach and the costs associated with that outreach.

- 5) A copy of the recipient's plan for providing language assistance for persons with limited English proficiency (plan will be based on the DOT LEP Guidance).
- 6) A table depicting the racial breakdown of the membership of those transit-related non-elected planning boards, advisory councils or committees, or similar bodies, in which the membership is selected by the subrecipient, and a description of efforts made to encourage the participation of minorities on such committees or councils.
- 7) If the subrecipient has constructed a facility, such as a vehicle storage facility, maintenance facility, operation center, etc., the subrecipient shall include a copy of the Title VI equity analysis conducted during the planning stage with regard to the location of the facility.
- 8) Subrecipients that provide fixed route services must provide service standards and meet all applicable requirements in accordance with FTA Circular 4702.1B.
- 9) Metropolitan Planning Organizations (MPOs) and States must provide additional Title VI information in accordance with FTA Circular 4702.1B.

ALDOT is responsible for complying with Federal requirements including preparing demographic profiles and maps, analyzing disparate impacts, participating in statewide transportation planning processes, implementing pass-through procedures, and establishing procedures to assist subrecipients. ALDOT is responsible for ensuring that subrecipients comply with FTA Circular 4702.1B requirements and develop Title VI programs. Subrecipients may choose to adopt the Notice to Rights under Title VI, Complaint Procedures, Complaint Form, Public Participation Plan, and LEP Analysis and Language Assistance Plan from ALDOT's Title VI Plan.

The subrecipient Title VI plans are due to the ALDOT Transit Section. ALDOT will review each Title VI Plan for the following items at a minimum: EEO officer designation, utilization analysis, narrative and statistical assessment of employment practices, and the internal monitoring and reporting system. ALDOT will then approve the plans, return the document with a letter of approval to the subrecipient, and maintain copies in its files. Copies will be made available to the FTA upon request.

ALDOT and its subrecipients will comply with all of the applicable requirements in FTA Circular 4702.1B. The Transit Section of ALDOT's Local Transportation Bureau ensures that the requirements and guidelines within FTA Circular 4702.1B are implemented and monitored as required. ALDOT conducts compliance reviews triennially to ensure compliance with Title VI requirements.

If ALDOT receives a construction project that could potentially have an environmental or

social impact on the minority communities, an analysis will be conducted and ALDOT will adhere to all environmental and public participation requirements.

ALDOT will submit the following information to FTA to meet the program specific requirements of the Title VI Program:

- A description of the process ALDOT uses to develop the annual program of projects to ensure fair and equitable distribution of funds to all including Native American tribes
- A description of ALDOT's efforts to assist agencies in applying for Federal funds including efforts made to assist minority applicants and Native American tribes
- A description of ALDOT's criteria for selecting transit providers to participate in the program including subrecipients serving significant minority populations and Indian Reservations
- A record of funding requests received from private non-profit organizations, State or local governmental authorities, and Indian tribes

Funding request records shall identify those applicants that would use funds to assist predominantly minority populations. The records shall also indicate which applications were rejected and accepted for funding.

### 13.2.2 Nondiscrimination - 49 USC 5332(b)

49 USC 5332(b) provides that "no person in the United States shall on the grounds of race, color, religion, national origin, sex, or age be excluded from the participation in, be denied the benefits of, or be subjected to discrimination under any project, program or activity funded in whole or in part through financial assistance under this Act." FTA specifies both general requirements and program-specific requirements for Title VI compliance.

ALDOT agrees to comply with nondiscrimination assurances and submit assurances to FTA annually. Subrecipients and all third-party contractors at any tier must comply with these assurances.

### 13.2.3 Equal Employment Opportunity (EEO)

All Section 5307, 5310, and 5311 subrecipients are required to submit assurances to ALDOT indicating their compliance with FTA's Equal Employment Opportunity objectives as detailed in FTA Circular 4704.1A. ALDOT must comply with and assure FTA that all subrecipients are in compliance with FTA's Equal Employment Opportunity (EEO) objectives. ALDOT can require any documentation it deems necessary from subrecipients to ensure that they do not discriminate in employment on the basis of race, color, religion,

national origin, sex, age, or disability.

If any subrecipient meets the threshold specified in FTA Circular 4704.1A, they are required to develop and submit an EEO Program documenting their nondiscrimination on the basis of race, color, religion, national origin, sex, age, or disability. The threshold is currently set at 100 or more transit-related employees (including full-time, part-time, and temporary) and request or receipt of more than \$1,000,000 in capital or operating assistance or more than \$250,000 in planning assistance in the previous Federal fiscal year. An abbreviated EEO Program is required for subrecipients with 50-99 transit-related employees (including full-time, part-time, and temporary) and request or receipt of more than \$1,000,000 in capital or operating assistance or more than \$250,000 in planning assistance in the previous Federal fiscal year.

The ALDOT Local Transportation Bureau Transit Section does not employ 50 or more transit-related employees (including full-time, part-time, and temporary). The Transit Section is included in ALDOT's EEO Program.

### 13.3 Disadvantaged Business Enterprises (DBE)

It is the policy of the Alabama Department of Transportation (ALDOT) to ensure nondiscrimination in the award and administration of Federally assisted contracts and to use Disadvantaged Business Enterprises (DBEs) in Federally assisted contracting and procurement activities in accordance with the regulations and objectives of 49 CFR Part 26 and State law.

The ALDOT Transit Section has established a DBE program in accordance with regulations and objectives of the United States Department of Transportation (USDOT) found in 49 CFR Part 26. ALDOT will require each transit vehicle manufacturer (TVM), as a condition of being authorized to bid or propose on FTA-assisted transit vehicle procurement, to certify that the TVM has complied with the requirements of the TVM's DBE program goal. Alternatively, ALDOT may, at its discretion and with FTA approval, establish project-specific goals for DBE participation in the procurement of transit vehicles in lieu of the TVM complying with this element of the program.

FTA Section 5311 projects/contracts must comply with the U.S. Department of Transportation's regulations on the participation of business concerns owned and controlled by socially and economically disadvantaged individuals. The regulations are outlined in "Participation of DBEs in DOT Programs", (49 CFR, Part 26) which became effective on March 4, 1999 (64 F.R. 5096). FTA Circular 9040.1G outlines the USDOT's requirements and delineates the steps that the recipient of public transit funds (ALDOT) and its Section 5311 subrecipients (including the subrecipient's contractors and subcontractors) should take to set goals and meet other requirements for FTA-assisted contracts and procurements.

Since Section 5311 subrecipients receive funds from ALDOT, they will be required to make every

reasonable effort to utilize DBEs to contribute to ALDOT's attainment of its overall goal of a minimum DBE participation in the Section 5311 program. The ALDOT Transit Section DBE goal is listed on the ALDOT website and is periodically updated at three-year intervals through ALDOT DBE methodology and goal assignment as per 49 CFR Part 26.

ALDOT through its Construction Bureau takes the necessary steps to ensure that disadvantaged business enterprises have the maximum opportunity to compete for contracts. The Transit Section, in cooperation with the Construction Bureau, informs all subrecipients of their responsibility to make a reasonable effort to use DBE firms, monitors the subrecipient contracting activity for DBE compliance, and reports to FTA on contracting activities. ALDOT's small business element for fostering small business participation is included in the DBE program.

ALDOT and its subrecipients of capital, planning, and/or operating assistance that have contracting opportunities (excluding transit vehicle purchases) exceeding \$250,000 in a Federal fiscal year must submit a written DBE program that sets goals for DBE participation. In setting a DBE transit goal, the ALDOT Transit Section and its subrecipients will only consider contracting opportunities that meet the previously described criteria. DBE goals must be submitted every three years to FTA or as otherwise directed.

The Local Transportation Bureau will work with the Construction Bureau to ensure that plans and goals are maintained in order to allow the FTA to review them during a state management review or other compliance review. ALDOT shall review and approve DBE plans and goals based on advice received from ALDOT's Construction Bureau.

## 13.4 Protection of the Environment

FTA's environmental impact regulation requires different levels of analysis and documentation for the various types of projects funded through its programs. The majority of projects and activities funded through ALDOT/FTA programs do not normally involve significant environmental impacts. Such projects are termed "categorical exclusions" because they are types of projects that have been categorically excluded from the requirement to prepare an environmental review document. FTA's regulation classifies categorically excluded actions and projects into two groups:

- Those having very limited or no environmental effects at all such as planning and technical studies, preliminary design work, program administration, operating assistance, and transit vehicle purchases.
- Those involving more construction and greater potential for off-site impacts, for example new construction or expansion of transit terminals, storage and maintenance garages, office facilities, and parking facilities. These can be built and operated without causing significant impacts if they are sited in areas with compatible land use where the primary

access routes are adequate to handle additional transit vehicle traffic.

Vehicles, radio and computer equipment, and other related equipment items routinely purchased under the Section 5307, 5310, 5311, and 5339 programs are considered categorical exclusions from FTA's requirements to prepare environmental documentation.

Subrecipients shall submit declarations of environmental assessments for approval by FTA through their respective application process as necessary and/or as requested by ALDOT's Transit Section.

## 13.5 Clean Air Act

The Clean Air Act Amendments of 1990 established substantive requirements in order to bring air quality regions which currently violate the National Ambient Air Quality Standards into attainment by prescribed dates. The principal requirement that affects Section 5307, 5310, 5311, and 5339 subrecipients is the transportation/air quality conformity review process. In general, transportation plans, programs, and projects must "conform" with approved State (air quality) Implementation Plans before FHWA or FTA can fund them.

Most of the projects typically funded under Sections 5311 and 5339 have been exempted by regulation from the conformity review process (e.g., operating assistance; purchase and rehabilitation of transit vehicles; operating, equipment, and construction of storage and maintenance facilities). However, air quality could become an issue for certain large facilities (e.g., transit terminals and park-and-ride facilities). A complete list of exempted highway and transit projects is found in 40 CFR 93.126. Section 5311 and 5339 subrecipients planning a construction project should consult with their ALDOT Regional Manager when in question. Larger projects, such as a transit center or park-and-ride facility, may require a detailed air quality analysis to determine whether the project would create a violation of a standard or make an existing violation worse.

Other Clean Air Act requirements may apply to Section 5307, 5310, 5311, and 5339 subrecipients, for example, a phase-in of more stringent bus emissions standards. ALDOT will relay to subrecipients guidance that is received from the FTA regional office on various provisions of the Clean Air Act related to mobile sources.

## 13.6 Environmental Justice

The purpose of this policy is to provide subrecipients of FTA's financial assistance administered through ALDOT's Transit Section with the guidance to incorporate environmental justice principles into their planned projects and activities.

Environmental justice is the fair treatment and meaningful involvement of all people regardless of race, gender, religion, color, national origin, or income with respect to the development,

implementation, and enforcement of environmental laws, regulations, and policies. Environmental burdens that may be considered under the umbrella of environmental justice cover many aspects of community life. These burdens can include any environmental pollutant, hazard, or disadvantage that compromises the health of a community or its residents.

All new construction projects seeking ALDOT Transit Section administered funds must include evidence of a documented environmental justice process.

## 13.7 Labor Protection

ALDOT addresses issues relating to 49 U.S.C. 5333(b) Special Warranty, Labor Protection Provisions, when applications are received from subrecipients for project consideration.

When ALDOT recommends a project for funding, each subrecipient is required to provide a written acceptance of the terms and conditions of the 49 U.S.C. 5333(b) Special Warranty. The written acceptance provides assurance that the subrecipient agrees to be bound by certain portions of the National (Model) Agreement.

Additionally, subrecipients are required to list all (private or public) providers of public transportation in their service area including their labor status on a form provided with the Section 5311 application. The Special Warranty is incorporated by reference in the grant agreement between FTA and ALDOT and between ALDOT and the subrecipients. The subrecipients must post the Special Warranty where affected employees may see it.

All Section 5311 applicants must provide assurance that they are in compliance with the law through the application process.

In 1974, the Secretary of Transportation determined that it was not "necessary or appropriate" to apply the conditions of 49 U.S.C. 5333(b) to organizational subrecipients under the Section 5310 program.

## 13.8 Inter-State Services Using FTA Funds

The service area for a subrecipient of Sections 5310, 5311, or 5339 funding may include destinations across a state line (interstate service). Operators of interstate service "for compensation" are required to comply with the Federal Motor Carrier Safety Administration (FMCSA) regulations. A USDOT number is required of ALL vehicles involved in interstate service for compensation. A USDOT number can be obtained by filling out Form MCS-150 at <https://www.fmcsa.dot.gov/>.

Receipts of FTA Section 5310, 5311 or 5339 funds qualify as "for compensation." Generally, if operators are engaged in interstate travel, are "for-compensation," and operate a vehicle designed or used for nine or more passengers (including the driver), they must comply with

FMCSA regulations. This includes ensuring adequate insurance coverage (financial responsibility) for the states traveled within. (Note: Transit carriers operating vehicles designed for fewer than 9 passengers and carrying fewer than 9 people do not need to meet the requirements detailed in this section.)

Further information is available and can be accessed through the [National Cooperative Highway Research Program Research Results Digest 311](#): *FMCSA Regulations as They Apply to FTA Section 5310/5311 Providers: A Handbook*. This information was published in 2006 and, while still meaningful, these requirements apply beyond Section 5310 and 5311 as stated in this plan.

## 13.9 Section 504 and ADA Program Requirements

### 13.9.1 Section 504 and ADA Requirements

Section 504 of the Rehabilitation Act of 1973, (Section 504), as amended (29 U.S.C. 794), prohibits discrimination on the basis of handicap by recipients of Federal financial assistance. The Americans with Disabilities Act of 1990 (ADA), as amended (42 U.S.C. 12101 et seq.), affords equal opportunity for employment, transportation, telecommunications, and places of public accommodation for people with disabilities.

Subrecipients must comply with 49 CFR Parts 27, 37, and 38 when implementing the ADA and Section 504. These provisions:

- Prohibit discrimination against individuals with disabilities
- Specify accessibility requirements for the design and construction of new transportation facilities
- Require that vehicles acquired be accessible to and usable by individuals with disabilities, including individuals using wheelchairs (with limited exceptions for demand responsive systems providing equivalent service to individuals with disabilities), or a demonstration of inability to obtain an accessible vehicle despite good faith efforts to do so
- Require governmental authorities, including a private non-profit entity “standing in the shoes” of the State as a subrecipient operating fixed route transit, to have complementary paratransit plans on file (effective January 26, 1992)
- Require subrecipients of Federal funds to ensure compliance in the areas of employment, public services, public accommodations, telecommunications, and other provisions

Certification is accomplished annually through the funding application packages containing appropriate compliance assurances, and through program site review.

If a Section 5311 subrecipient is operating fixed route transit, the subrecipient must submit an annual paratransit plan to the Transit Section. This is reviewed by the Regional Manager during the application process.

ALDOT's Transit Section must also ensure that all vehicles acquired with Section 5311 and 5339 funds are equipped, maintained, and operated in accordance with 49 CFR Parts 27, 37, and 38 and that service provided does not discriminate against individuals with disabilities.

All FTA subrecipients must sign an "Assurance of Non-Discrimination on the Basis of Disability" that states they will not discriminate against persons with disabilities while providing transportation service. The transportation service must meet a significant portion of the actual transportation needs of persons with disabilities within a reasonable time. Alabama defines a person with disabilities as an individual whose impairment prevents or restricts normal mobility, to include vision, hearing, mental, and physical impairments and who may need special assistance to move. In Alabama, all subrecipients are required to provide services as stated in their application to persons with disabilities. Specific requirements include the following:

- Each subrecipient's service area must have at least one accessible vehicle that can accommodate persons with disabilities.
- All accessible vehicles and their equipment must be maintained in proper operating conditions.
- A back-up accessible vehicle is available that can accommodate persons with disabilities when an accessible vehicle is out of service. If no back-up accessible vehicle is available, other arrangements have been made to ensure accessible service continues.
- When a subrecipient replaces an accessible vehicle, another accessible vehicle is available in the service area that can accommodate persons with disabilities until delivery of the new accessible vehicle.
- Personnel are trained and supervised so that they operate accessible vehicles and equipment safely and properly.
- Adequate assistance and information concerning accessible transportation services is available to all persons with disabilities.
- Service is provided in a timely manner, and no person with a disability is denied access to mass transportation for the general public if the person with a disability is capable of using that system, even if the subrecipient provides special service to persons with disabilities.

### 13.9.2 ADA Program Requirements

The Americans with Disabilities Act (ADA) affords equal opportunity for employment, transportation, telecommunications, and access to places of public accommodation for people with disabilities. The ADA refers to only persons with certified disabilities and does not apply to the general elderly population. The Federal agency designated to administer the public transportation provisions of ADA is the Federal Transit Administration (FTA). FTA has issued implementation regulations that apply to both public and private transportation providers, even if they do not receive Federal funding. These regulations contain provisions for accessible vehicle acquisition, development, and implementation of a plan for providing complementary paratransit service, and the prohibition of discrimination on accessible transportation service.

The ADA mandates that complementary paratransit or other special service must be available for individuals whose needs cannot be met by a fixed-route system. The service must be comparable to the level of service offered to individuals without disabilities who use the fixed-route system. Complementary paratransit service must also be provided to a personal care attendant traveling with an eligible rider and visitors who have been determined by another public entity to be eligible for such service. If the visitor has been certified as eligible by another entity, they are entitled to complementary paratransit service for up to 21 days. After that time, they must qualify through the local public entity for eligibility. Any animal trained to assist a disabled individual must be allowed to accompany that individual during the ride.

ADA regulations apply only to designated public transportation which is transportation provided by a public entity (other than public school transportation) by bus, rail, or other conveyance (other than transportation by aircraft, intercity, or commuter rail transportation) that provides the public with general or special service, including charter service, on a regular and continuing basis. If a public entity contracts with a private transportation provider to operate the “public” system, the private operator must comply with the ADA regulations. Vanpools and airport shuttle systems are required to provide accessible transportation. This may be done by a joint agreement with other shuttle systems, where the agencies share an accessible vehicle. A system is not considered fixed route if the rider must request the service and his request determines the exact route the bus will take. This type of system is called demand-response or dial-a-ride. A route deviation system where the bus travels a specific route but deviates off of that route to pick up individuals is also not considered fixed-route. Subrecipients must certify to ALDOT that they are complying with the provisions of the ADA. ALDOT ensures that all vehicles acquired with FTA funds are equipped, maintained, and operated in accordance with the regulations, and that service provided does not discriminate against individuals with

disabilities.

Subrecipients agree to the ADA certification as part of the agreement with ALDOT. The signed agreements are retained in the subrecipient files.

ALDOT obtains certifications of equivalent services and ADA complementary paratransit plans from public providers as applicable.

During management reviews, ALDOT reviews subrecipients' procedures to ensure compliance with Section 504 and ADA Program requirements.

Newly constructed facilities, including joint use stops and depots for intercity bus transportation, must comply with ADA accessibility standards.

### 13.9.3 Requirements for Public Providers

The U.S. Department of Transportation requires public transportation providers to make reasonable modifications to their policies, practices, and procedures to ensure that their programs and services can be accessed by individuals with disabilities. The ADA has separate sets of requirements for public fixed-route and public demand-responsive services.

**Fixed-Route:** Public operators of fixed-route services open to the general public are required to provide "complementary paratransit service" to individuals with disabilities that is comparable to the level of service provided to individuals without disabilities who use the fixed-route system. However, commuter bus service is not required to provide complementary paratransit service. Commuter bus service is defined as "fixed-route bus service, characterized by service predominantly in one direction during peak period, limited stops, use of multi-ride tickets, and routes of extended length, usually between the central business district and outlying areas". Commuter bus service may also include other service characterized by limited route structure, limited stops, and a coordinated relationship with another mode of transportation. Service design strategies such as route-deviation, point-deviation, or point-to-point (and other hybrid strategies) are by definition "demand-response" only if they deviate to pick up the general public. If the service limits its deviations to specific individuals, including persons with disabilities, the service does not meet the intent of the demand-response definition and the service must conform to fixed-route rules.

**Demand Response:** Public operators of demand responsive services must conform to requirements defined as "equivalency service standards," 49 CFR Part 37.77. Service is considered to be equivalent when the system, viewed in its entirety, provides equivalent service "if the service available to individuals with disabilities, including individuals who use wheelchairs, is provided in the most integrated setting appropriate to the needs of

the individual and is equivalent to the service provided to other individuals with respect to the following service characteristics”.

- Response time,
- Fares,
- Geographic area of service,
- Hours and days of service,
- Restrictions or priorities based on trip purpose,
- Availability of information and reservations capability, and
- Any constraints on capacity or service availability.

Service strategies that are designed as route-deviation, point-deviation, or point-to-point (and other hybrid strategies) are by definition “demand-response” only if they deviate to pick up members of the general public.

#### 13.9.4 Requirements for Private Providers

Per 49 CFR Part 37.105, private providers must conform to “equivalency service standards”. The equivalency service standard applies whether the service is fixed-route or demand responsive. Private providers with a fixed-route system are not required to provide complementary paratransit. In this instance, private providers are distinguished from those private operators that are acting in as a subcontractor to a public agency.

Equivalency means that the system when viewed in its entirety, provides equivalent service “if the service available to individuals with disabilities, including individuals who use wheelchairs, is provided in the most integrated setting appropriate to the needs of the individual and is equivalent to the service provided other individuals with respect to the following service characteristics”:

- Schedules/headways (if the system is fixed route),
- Response time (if the system is demand responsive),
- Fares,
- Geographic area of service,
- Hours and days of service,
- Availability of information,
- Reservations capability (if the system is demand responsive),
- Any constraints on capacity or service availability, and

- Restrictions on priorities based on trip purpose (if the system is demand responsive).

Private operators are divided into two subgroups by the ADA: Private not-primarily in the business of transportation and private primarily in the business of transportation.

Private not primarily in the business of transportation: Fixed route systems with vehicles over the capacity to serve 16 passengers or more plus the driver must have accessible vehicles. Fixed route systems with vehicles having a capacity of under 16 persons must have accessible vehicles unless the system when viewed in its entirety meets the standard for equivalent service provisions.

Private primarily in the business of transportation: Fixed route systems with vehicles having the capacity of over eight passengers (excluding over-the road vehicles) must ensure that the vehicles are accessible.

### 13.9.5 Requirements for Passenger Facilities

Facilities that are built using federal funds must meet ADA regulations for accessibility. Facilities that are altered using federal funds must meet ADA regulations for accessibility unless the cost of making the facility accessible is disproportionate to the overall cost of the project. Disproportionate is defined as the cost to make the facility accessible exceeds 20% of the total cost of alteration. Failure to make the facility ADA-accessible as required may cause ALDOT and/or FTA to require the subrecipient to make the modifications to bring the facility into compliance. Failure to make the required modifications will result in repayment of grant funds. Subrecipients must maintain the accessible features of FTA-funded vehicles and facilities. The accessible features must be inspected, kept in operating condition, and repaired promptly.

Passenger facilities include, and are not limited to, passenger waiting areas, shelters, and transfer stations. The guidelines for the accessibility of facilities are provided by the United States Access Board and can be found at this link: <https://www.access-board.gov/files/aba/ABASTandards.pdf>.

### 13.9.6 ADA Related Complaints and Grievances

Any individual who believes that he or she is a victim of discrimination prohibited by the Americans with Disabilities Act of 1990 and/or Section 504 of the Rehabilitation Act of 1973 may file a complaint. Complaints on behalf of classes of individuals are also permitted. Complaints should be in writing, signed by the complainant or an authorized representative, and should contain the complainant's name and address and describe the public entity's alleged discriminatory action. Complaints may be sent to: Disability Rights Section, U.S. Department of Justice, Civil Rights Division, 950 Pennsylvania Avenue, NW,

4CON, 9th Floor, Washington, DC 20530.

Complaints may also be sent to agencies designated to process complaints under the regulation or to agencies that provide Federal financial assistance to the program in question. If a complainant chooses to file with an agency, they must follow that agency's process for ADA grievances.

## 13.10 Safety

Safety is paramount and inherent in the provision of ALDOT Transit Section's services both at the organizational level as well as to the ultimate customer – the transit passenger.

FTA's authority in transit safety is set forth in 49 U.S.C. § 5329, "Public Transportation Safety Program". Under 49 U.S.C. § 5329, FTA may withhold further financial assistance from any grantee that fails to correct any condition that FTA believes "creates a serious hazard of death or injury." As the designated recipient for Federal funds in Alabama, ALDOT is empowered to carry out the authority indicated above.

Community transportation systems operate in a wide variety of environments including rural, urban, and resort areas. Community transit includes fixed route, shared ride, paratransit, and specialized service for the general public, as well as high-risk passengers such as individuals with disabilities, the elderly, and young children.

Safety has always been a priority for public transportation providers, ALDOT, and the FTA. As a result of the events of September 11, 2001, and the transit attacks in Madrid and London, there are heightened concerns for transit security even in rural communities. The destruction wrought by Hurricanes Katrina, Rita, and other acts of nature have renewed national awareness of the role that public transportation can play as a first responder resource.

All public transit providers have been asked to designate safety, security, and emergency preparedness as a top priority and to prepare to manage critical incidents for the wide array of hazards that transit programs face. Critical incidents could include accidents, natural disasters, pandemics, sabotage, civil unrest, hazardous materials spills, criminal activity, or acts of terrorism. Regardless of the cause, critical incidents require swift and decisive action to protect life and property. Critical incidents must be stabilized prior to the resumption of regular service or activities. Successful resolution of critical incidents typically requires cooperative efforts by a variety of responding agencies. Public transit providers should coordinate with emergency management organizations and first responders to develop a response plan for incidents.

As a result of the COVID-19 pandemic, transit safety practices have recently been expanded to further protect workers and passengers. Enhanced protection measures include face coverings, gloves, and other Personal Protective Equipment (PPE) designed to protect the wearer from injury or the spread of infection or illness. Increased cleaning, disinfecting, and ventilating of

vehicles and buildings is another result of the pandemic. Transit agencies have implemented processes to avoid crowding by changing schedules, limiting occupancy, and installing separation indicators. To reduce touch points, agencies have promoted the use of technology to offer more contactless payment options.

### 13.10.1 Safety, Security and Emergency Preparedness Plan (SSEPP)

To establish the importance of safety, security, and emergency preparedness, ALDOT has developed a Safety, Security and Emergency Preparedness Plan (SSEPP). The SSEPP outlines the process by which subrecipients can make informed decisions that are appropriate for their operations, passengers, employees, and communities regarding the development and implementation of a comprehensive security and emergency preparedness program.

The SSEPP will result in ALDOT's subrecipients achieving not only an effective physical security program, but it will enhance the transit system associations with the local public safety agencies in their service areas. Improved communication between transit and first responders fosters an awareness of transit resources and capabilities. These open communication channels improve transit's ability to support first responders in managing community-wide emergencies, including accidents and incidents, acts of nature, hazardous materials, criminal activity, and terrorism.

The activities documented in the SSEPP focus on establishing responsibilities for safety, security, and emergency preparedness. It is important to develop a methodology for documenting and analyzing potential safety, security, and emergency preparedness issues, and develop a management system to track and monitor progress in addressing these issues.

The structure of the SSEPP focuses first on a description of the transit provider's mission and critical assets, and then on identifying threats and vulnerabilities to the transit system and the environment in which they operate. These items are followed by strategies for reducing vulnerabilities, including training on reacting to possible threatening events, and finally, preparing transit systems to manage incidents in concert with external emergency management organizations and first responders.

### 13.10.2 Public Transportation Agency Safety Plans (PTASP)

Through recent infrastructure legislation, Congress required operators of public transportation systems that receive FTA funds to develop and implement a Public Transportation Agency Safety Plan (49 U.S.C. § 5329(d)). On July 19, 2018, FTA published the PTASP final rule (49 CFR Part 673, "Public Transportation Agency Safety Plan") to

implement this requirement. Section 5307 recipients of FTA funding must prepare a PTASP. At this time, Section 5310 and Section 5311 recipients of FTA funding are exempt from this requirement. The ALDOT Transit Section provides assistance to transit agencies for PTASP preparation.

The PTASP must be approved by each agency's Accountable Executive and Board of Directors and must be reviewed and updated annually. It must comply with the Public Transportation Safety Program / National Safety Plan. A Chief Safety Officer must be assigned as a part of the PTASP. In addition, the PTASP must include the following components:

- Safety Management Systems (SMS),
- Safety Performance Targets,
- Employee Reporting Program, and
- Emergency Preparedness Plan (rail agencies only).

Safety Management Systems include a safety management policy, safety risk management, safety assurance, and safety promotion. Safety performance targets measure fatalities, injuries, safety events, and system reliability.

### 13.11 Drug and Alcohol Program

*"Prevention of Alcohol Misuse and Prohibited Drug Use in Transit Operations,"* as implemented by 49 CFR Part 655 (August 2001), as amended, and to be read in conjunction with 49 CFR Part 40, requires all subrecipients receiving Federal Transit Administration funds under Urbanized Area Formula Grant Programs, Rural Area Formula Grant Programs, and Bus and Bus Facilities Grant Programs to have a drug and alcohol testing program in place for all safety sensitive employees. This requirement applies to Sections 5307, 5311, and 5339 subrecipients.

In addition, the U.S. Department of Transportation has issued 49 CFR Part 40, *"Procedures for Transportation Workplace Drug and Alcohol Testing Programs,"* which prescribes testing methods to be followed.

The certification must be signed by the subrecipient's governing board or other authorized individual or body in compliance with the above requirements. Failure to certify compliance with the drug and alcohol rules will result in jeopardizing federal funding from FTA. In addition, an FTA grant recipient is subject to criminal sanctions and fines for false statements or misrepresentation under Section 1001 of Title 18 of the U.S. Code.

Subrecipients that receive only Section 5310 assistance are not subject to FTA's Drug and Alcohol testing rules, but they must comply with the Federal Motor Carrier Safety Administration (FMCSA)

rule for employees who hold Commercial Driver's Licenses (CDLs) (49 CFR Part 382).

### 3.11.1 Drug and Alcohol Testing

ALDOT subrecipients of specific Federal Transit Administration (FTA) funding must establish and maintain a Drug and Alcohol Testing Program in accordance with 49 CFR § 655, and in consonance with 49 CFR Part 40. To ensure compliance with FTA Drug and Alcohol Testing Program requirements, public transportation providers must:

- Establish an anti-drug use and alcohol misuse program as outlined in 49 CFR Part 655.11- 12
- Establish an education and training program for all covered employees as outlined in 49 CFR Part 655.14
- Establish and provide written notice to every covered employee of the employer's anti-drug and alcohol misuse program policy in accordance with 49 CFR Part 655.15-17
- Establish a program that provides testing for prohibited drugs as outlined in 49 CFR Part 655.21
- Establish a program that provides testing for alcohol as outlined in 49 CFR Part 655.31- 35 and in conjunction with 49 CFR Part 40
- Comply with the testing requirements as detailed in 49 CFR Part 655.41-62
- Maintain in a secure location, with controlled access, all records of its anti-drug and alcohol misuse program as detailed in 49 CFR Part 655.71 and in accordance with records disclosure instructions provided in 49 CFR Part 655.73

ALDOT will prepare, maintain, and electronically complete and submit a Drug and Alcohol Management Information System (DAMIS) Report reflecting the results of its anti-drug and alcohol misuse testing programs from the previous calendar year. This report is submitted annually to FTA.

Through a consortium, ALDOT ensures subrecipient compliance with the FTA mandated Drug and Alcohol Testing Program and the Drug-Free Workplace requirements. ALDOT has secured a contractor who will:

- Periodically review each transit agency's Drug and Alcohol Program Policy for compliance
- Conduct on-site visits to review all aspects of each transit agency's Drug and

Alcohol Program that cannot be reviewed via desktop audit (e.g., compliance with program management requirements, records maintenance and storage review, verification that all applicable Drug and Alcohol Program regulations are readily available, review of employee training documentation, confirmation of collector compliance with regulations, and review of any other program compliance requirements)

- Provide technical assistance in all matters pertaining to transit agency Drug and Alcohol Program management as requested, or deemed to be appropriate
- Provide employee/supervisor training, such as “Reasonable Suspicion Referral for Supervisors” and other program related training as available/required
- Monitor transit agency Drug and Alcohol Program management activities by accessing and reviewing the Third Party Administrator (TPA) Website
- Ensure that transit providers have the TPA resources available through state contract
- Monitor collection sites for compliance with FTA Drug and Alcohol Testing Program requirements
- Coordinate efforts that would allow individual transit agencies to review their Drug and Alcohol Testing Program activities through the TPA website

### 3.11.2 Drug-Free Workplace Act

The Drug-Free Workplace Act of 1988, as amended, and Alabama state law require all subrecipients receiving grants from any state agency to certify that they will maintain a drug-free workplace for all employees and have an anti-drug policy and awareness program.

ALDOT has an established a drug-free workplace policy and implemented an anti-drug policy and awareness program. The policy applies to all ALDOT employees. New employees must sign a form acknowledging the policy at the time of employment (see Appendix 13B).

## 13.12 Private Sector Participation

Federal law requires the public to have both an opportunity to comment and the opportunity for early and continuing involvement throughout the transportation planning process. Federal law also specifically requires that private providers be given an opportunity to be consulted in developing transportation plans and programs in both urban and rural areas. Public involvement processes must be proactive and provide complete information, timely public notice, full public

access to key decisions, and opportunities for early and continuing involvement throughout the transportation planning and programming process.

Under the requirements of 49 U.S.C. § 5323(a)(1), states or local governments may use FTA funds to operate public transportation service in competition with or in addition to transportation service provided by an existing public transportation company but only if the subrecipient “provides for the participation of private companies engaged in public transportation to the maximum extent feasible”.

Because of ALDOT's continued commitment, to the maximum extent feasible, to the involvement of private enterprise in the provision of mass transit services, applicants must provide reasonable notice to private transportation providers regarding proposed services and opportunities for their participation in such services. To ensure that all interested persons, businesses, and agencies have been notified of a subrecipient's intention to provide transportation services and to provide adequate opportunity for them to comment, the subrecipient must issue a public notice describing its proposed services. This notice invites any interested private operator within the service area to comment or request a public hearing on the proposed services by written notice to the subrecipient. A minimum response time of 7 days shall be provided.

### 13.13 Commercial Driver's License

Effective April 1, 1992, all drivers of vehicles designed to transport 16 persons or more (including the driver) must have a Commercial Driver's License (CDL). Mechanics that drive the vehicles must also have a CDL.

## Appendix 13A

### Title VI Complaint Form

# Title VI Complaint Form

[illegible]

<b>Section IV</b>	
Have you previously filed a Title VI complaint with this agency?	<input type="checkbox"/> Yes <input type="checkbox"/> No
<b>Section V</b>	
Have you filed this complaint with any other Federal, State, or local agency, or with any Federal or State court? <input type="checkbox"/> Yes <input type="checkbox"/> No	
If yes, check and specify all that apply:	
<input type="checkbox"/> Federal Agency: _____	
<input type="checkbox"/> Federal Court: _____	<input type="checkbox"/> State Agency: _____
<input type="checkbox"/> State Court: _____	<input type="checkbox"/> Local Agency: _____
Please provide information about a contact person at the agency/court where the complaint was filed.	
Name: _____	
Title: _____	
Agency: _____	
Address: _____	
Phone: _____	
E-mail: _____	
<b>Section VI</b>	
Name of agency complaint is against: _____	
Contact person: _____	
Title: _____	
Phone: _____	
E-mail: _____	

Attach any written materials or other information that you think is relevant to your complaint.  
Signature and date required below:

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

Please submit this form in person, by mail, or via e-mail using the contact information below:

**<CONTACT PERSON>**  
**<AGENCY>**  
**<ADDRESS>**  
**<CITY>, <STATE> <ZIP CODE>**  
**<E-MAIL ADDRESS>**

*If provider meets the Safe Harbor Threshold, then this form must be provided in English and any other language(s) spoken by LEP populations that meet the Safe Harbor Threshold.*

## Appendix 13B

### Employee Receipt of Drug and Alcohol Testing Policy Form

**EMPLOYEE RECEIPT OF ( \_\_\_\_\_ )**  
**DRUG AND ALCOHOL TESTING POLICY**

**Return this completed form to your immediate supervisor**

Employee Name: \_\_\_\_\_  
Print

I have received and will read The Company's Drug and Alcohol Abuse Testing Policy. I understand that I will be held responsible for the content of the policy and I agree to abide by drug and alcohol testing policy. If I need any clarification or if I have any questions regarding the substance of the policy, I will address them with the company's program administrator.

I understand that violation of this Policy may be grounds for immediate termination of my employment

This policy adheres to the Federal Transit Administration's mandated regulations for drug and alcohol testing.

Employee Signature: \_\_\_\_\_

**Date Signed:**

# 14 Project Reporting, Monitoring, and On-Site Reviews

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## 14.1 Background

The Federal Transit Administration gives the State, to the extent permitted by law, maximum discretion in designing and managing the Sections 5310, 5311, and 5339 Programs. FTA staff provides overall policy for the respective programs; apportions funds annually to the State; develops and implements financial management procedures; and conducts national program reviews and evaluations.

The FTA defers to the State, where possible, the development of specific program standards, criteria, procedures, and policies in order to provide Alabama the flexibility to standardize its management of these Federal programs and related State programs.

The ALDOT Transit Section 5339 Program is available to small urban 5307, 5310, and 5311 subrecipients. Therefore, monitoring of 5339 occurs simultaneously with small urban 5307, 5310, and 5311 monitoring.

All Alabama transit grant subrecipients are required to complete and submit periodic forms designed to capture data reflecting key performance and utilization measures.

## 14.2 Project Reporting and Monitoring

ALDOT collects operational data from each of its subrecipients on a quarterly, semi-annually, or annual basis. Data collection includes the number of miles, hours, and trips provided during the reporting period, as well as financial information such as expenses and revenues. These reports identify productivity and cost-effectiveness.

Some reports are filed quarterly, and others are filed annually. Subrecipients report on DBE attainment semi-annually. Each Section 5307, 5310, 5311, and 5339 subrecipient reports electronically using the appropriate ALDOT electronic transit reporting system. ALDOT Transit Section supports an electronic reporting system that has been developed to manage part of the subrecipients' reporting requirements. The ALDOT electronic reporting system allows subrecipients to file their reports through a Web-based program and permits ALDOT employees to manage the reports. The program allows ALDOT users to file, view, edit, and print reports that have been filed online, and track reports that are past due. Bus maintenance and management reports are submitted to ALDOT electronically for the Section 5311 program. Hard copies are permitted for agencies funded through Section 5310.

### 14.2.1 Project Monitoring

A continuous system of checks and balances is built into project monitoring through various means such as subrecipient reports, invoice processing, the generation of supplemental agreements, data collection, and the review of operating performance data. These methods are enhanced through open channels of communication, site visits, and a compliance review process.

The open channels of communication and compliance review process are complementary and intended to provide a qualitative closing the “loop” method by continually ensuring that the subrecipient(s) requirements, as identified in the application and resultant contract, are being met through what ALDOT is providing.

When an issue surfaces, a proactive response is needed. It should include an analysis of the program challenge and alternatives and ultimately yield an appropriate recommendation that strives to be satisfactory to all parties.

ALDOT monitors projects through on-site reviews, equipment inspections, reporting requirements, and other activities as necessary. Subrecipients are required to monitor and report on a variety of items, including ridership, revenues, expenses, vehicle and equipment management, ADA operations requirements, drug and alcohol testing, DBE attainment, and service coordination efforts as applicable.

The on-site compliance reviews shall include all FTA-required programs in the following major areas:

- Legal
- Financial
- Technical
- Satisfactory Continuing Control
- Maintenance
- Procurement
- Disadvantaged Business Enterprise (DBE)
- Buy America
- Suspension/Debarment
- Lobbying
- Planning/Program of Projects
- Civil Rights (Title VI)
- Public Participation Process for Fare and Service Changes
- Half Fare Policy and Management
- Americans with Disability Act (ADA)

- Charter Bus
- School Bus
- National Transit Database
- Safety and Security
- Drug Free Workplace
- Drug and Alcohol Program
- Equal Employment Opportunity
- Intelligent Transportation Systems (ITS) Architecture
- ALDOT Contract Compliance

#### 14.2.1.1 Section 5310 Monitoring

All Section 5310 subrecipients are subject to a detailed onsite review, to include Civil Rights requirements, conducted by either ALDOT Staff or designated representatives of the State at least once every three years. Additionally, quarterly management information reports must be uploaded to the appropriate ALDOT electronic reporting system by all Section 5310 subrecipients. Finally, an annual report with proper certification is required of all Section 5310 subrecipients recapitulating maintenance performed on vehicles and accessibility equipment. Other oversight/monitoring activities are implemented on case-by-case bases, as necessary.

#### 14.2.1.2 Section 5311 Monitoring

All Section 5311 subrecipients are subject to a detailed onsite review, to include Civil Rights requirements, conducted by either ALDOT Staff or designated representatives of the State at least once every three years. Additionally, quarterly management information reports must be uploaded electronically to the appropriate ALDOT electronic reporting system by all Section 5311 subrecipients. ALDOT monitors and oversees Section 5311 subrecipients to ensure that services delivered continue to be eligible and are open and promoted to the general public through its management performance review process, routine reporting, and the annual grant application process.

### 14.2.2 ALDOT Required Reporting

ALDOT submits to FTA the following reports for Sections 5310, 5311, and 5339:

- Annual Program of Projects Status Reports. By October 31<sup>st</sup> of each year, ALDOT submits to FTA an updated program status report as applicable for each active grant, covering the 12-month period ending September 30. The updated POP

reflects project descriptions, changes in projects from one category to another, and adjustments if applicable. The updated POP is attached electronically in TrAMS (Transit Award Management System).

- Milestone Progress Reports. ALDOT submits revised milestone dates quarterly if the estimated completion date for the grant has changed with an explanation as to why the date has changed. Subrecipients assist with providing milestone dates for specific projects.
- Federal Financial Report. ALDOT electronically submits an annual Federal Financial Report for each active grant for the reporting period. Reports are prepared using the accrual method of accounting.
- Federal Funding Accountability & Transparency Act of 2006 (FFATA) Reports. ALDOT is required to report all sub-award information exceeding \$25,000 and awarded after October 1, 2010, to the Federal Funding Accountability & Transparency Act Sub-Award Reporting System (FFRS) at <https://www.fsrs.gov/> by the end of the month, after the month in which ALDOT makes any sub-award under a grant.
- Disadvantaged Business Enterprise (DBE) Reports. ALDOT submits a DBE program goal once every three years to FTA, and semi-annual reports to FTA twice per year. All subrecipients are required to submit semi-annual reports to ALDOT as applicable. ALDOT and its subrecipients use only race neutral measures. The three-year goal is based on historical DBE attainment and the availability of DBE contracting opportunities. The ALDOT Transit Section prepares and submits a shortfall analysis to FTA if the yearly DBE goal is not met.

#### 14.2.3 Section 5310 Required Reporting

ALDOT must follow the stated regulations and procedures in the FTA Circular to remain eligible for funding but can add additional requirements or priorities as it administers the FTA Section 5310 program in the State. In Alabama, the subrecipient must provide a Quarterly Report that lists the number of trips provided, the type of trip (elderly, disabled, public) and, where possible, the purpose of the trip (medical, nutritional, recreational, employment, education, shop/personal), and a Maintenance Plan (Manufacturer's suggested maintenance plan or similar) describing how the subrecipient maintains its program vehicles(s) and accessibility equipment, as applicable.

ALDOT is required to submit to FTA annually program measures for the Section 5310 programs. FTA captures overall program measures to be used with the Government Performance Results Act (GPRA) and the Performance Assessment Rating Tool process

for the Office of Management and Budget.

The following indicators are targeted to capture overarching program information as part of the annual report that ALDOT submits to FTA. ALDOT requires the subrecipients to provide the necessary information in order to complete performance measure reports.

The two measures established for the “traditional” Section 5310 program are:

1. Gaps in Service Filled. Provision of transportation options that would not otherwise be available for older adults and individuals with disabilities measured in numbers of older adults and individuals with disabilities afforded mobility they would not have without program support.
2. Ridership. Actual or estimated number of rides (as measured by one-way trips) provided annually for individuals with disabilities and older adults on Section 5310—supported vehicles and services.

The three measures established for the ALDOT “non-traditional” Section 5310 program, based on **FTA Circular 9070.1 (series)**, are:

1. Service Improvements. 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.
2. Physical Improvements. 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.
3. Ridership. Actual or estimated number of rides (as measured by one-way trips) provided for seniors and individuals with disabilities.

#### 14.2.4 Section 5311 Required Reporting

Subrecipients must submit a Transportation Management Information Report on a quarterly basis and submit yearly the following reports: Transportation Vehicle Maintenance and Drug and Alcohol MIS Data collection. The Disadvantaged Business Enterprise (DBE) report is submitted semi-annually.

Section 5311(b)(4) specifies that each Section 5311 recipient shall submit an annual report containing information on capital investment, operations, and service provided under Section 5311. Items to be reported include total annual revenue; sources of revenue; total annual operating costs; total annual capital costs; fleet size and type, and related facilities; revenue vehicle miles; and ridership.

#### 14.2.4.1 The National Transit Database (NTD)

The National Transit Database (NTD) is FTA's primary national database for statistics on the transit industry. Recipients and beneficiaries of FTA's Rural Area Formula Program (49 U.S.C. 5311) grants are required by 49 U.S.C. 5335(a) and (b) to submit data to the NTD as a condition of the award. Some of the information and data that ALDOT collects from subrecipients through its electronic reporting systems will be used to comply with Federally mandated data reporting of rural transit service activities in the State.

Section 5311(b)(4) specifies that each Section 5311 recipient shall submit an annual report containing information on capital investment, operations, and service provided under Section 5311. Items to be reported include total annual revenue; sources of revenue; total annual operating costs; total annual capital costs; fleet size and type, and related facilities; revenue vehicle miles; and ridership. Safety data are also collected for NTD reporting.

ALDOT is responsible for ensuring that data is collected and compiled from each Section 5311 subrecipient and transportation provider in the State that benefits from the grant. ALDOT uses the subrecipient reporting data to submit rural agency data, on their behalf, to the National Transit Database (NTD).

### 14.3 Project Invoicing

Approved subrecipients have funds disbursed on a reimbursement basis. The ALDOT transit staff, or an ALDOT designee, are responsible for processing subrecipient requests for reimbursement for capital, planning, operating and/or project administration costs incurred, and to pay other bills associated with the administration of the State Transit Program. At ALDOT's discretion, the invoicing process may change to better meet the needs of the FTA, ALDOT and ALDOT's subrecipients. Proper notice of any change in process or procedures will be given to affected subrecipients.

Section 5307, 5310, 5311, and 5339 subrecipients are required to submit reimbursement requests to ALDOT through their Regional Managers at the Office of Public Transit (OPT). All billings including vehicle purchases, equipment purchases, capital maintenance requests, RTAP travel reimbursement, and consultant charges are reviewed by OPT staff for accuracy, eligibility, and compliance with ALDOT's reimbursement procedures. Billings must contain the same task items and funding per item as approved in their budget. If sufficient funds are available and the request is eligible, the F25 and backup material that is prepared by the subrecipients is then sent to ALDOT's OPT Accounting Division. A copy is sent to the ALDOT Transit Section staff at this time. Invoices may not be submitted more frequently than once monthly.

Expenditures made by the subrecipients are reimbursable if they meet all of the following conditions:

1. in conformance with the project description and project budget and all other provisions of the subrecipient agreement
2. necessary in order to accomplish the project
3. reasonable in amount for the goods or services purchased
4. reflective of actual net cost
5. incurred and are for work performed within the grant year
6. supported with invoices and attachments documenting the costs

Invoicing provides ALDOT the opportunity to ensure the quality progression of a project. It also provides an excellent opportunity for the interaction of the various staff members at ALDOT who are involved with a project.

The subrecipient's invoice is then routed from OPT's Accounting Division and a routing mechanism is then implemented, and the invoice is dispatched to the Local Transportation Bureau Chief and ALDOT Transit Section staff for review and approval. Invoices for vehicle purchases are sent through the Local Transportation Bureau Vehicle Coordinator for review before they are recommended for payment.

Primary consideration is given to program compliance in accordance with the scope of the contract in consultation with the ALDOT Transit Section staff.

In the event an error is located, ALDOT Transit Section staff will notify the submitting subrecipient and request a corrected original invoice. The invoice will remain on hold until the discrepancy is cleared.

After review and approval by the Local Transportation Bureau, the invoice is forwarded to the ALDOT Finance and Audits Bureau where it is also reviewed, approved, and processed for payment. The final payment approval is reviewed by the ALDOT Transit Manager, and the invoice is then submitted to the Alabama Department of Finance for payment.

ALDOT reserves the right to request, at such time and in such manner as it requires, any other project reports to adequately monitor progress or as may be required under Federal or State regulations.

Eligible project costs shall be determined in accordance with OMB Super Circular 2 CFR 200, FTA Circulars (as amended), and guidance issued by ALDOT. Project expenditures shall be categorized as capital, planning, operating, or administrative expenses.

## 14.4 Compliance Reviews

### 14.4.1 Monitoring

ALDOT is authorized to monitor all project activities, services, project administration and management practices supported with Federal funds, to ensure compliance with Federal regulations.

### 14.4.2 Section 5310 Compliance Reviews

All Section 5310 subrecipients are subject to a detailed on-site review conducted by either ALDOT Staff or designated representatives of the State at least once every three years. ALDOT will give the subrecipient prior notification of each monitoring activity (on-site review) to be conducted by the ALDOT staff or designated representative. ALDOT staff notifies the subrecipient in writing of any deficiencies or findings noted during a monitoring visit and conducts follow-up visits to ensure that corrective actions are taken, as necessary. Additionally, quarterly management information reports must be uploaded to the appropriate ALDOT electronic reporting system by all Section 5310 subrecipients. Finally, an annual report with proper certification is required of all Section 5310 subrecipients recapitulating maintenance performed on vehicles and accessibility equipment. Other oversight/monitoring activities are implemented on case-by-case basis, as necessary.

### 14.4.3 Section 5311 Compliance Reviews

Management Performance Reviews assess the management practices and program implementation of the Non-urbanized Area Public Transportation Program (49 USC 5311) to ensure that the program is being administered in accordance with the Federal Transit Administration (FTA) and the Alabama Department of Transportation (ALDOT) requirements. The reviews are performed at least every three years or as circumstances warrant.

ALDOT is authorized to monitor all project activities, services, project administration and management practices supported with Federal funds, to ensure compliance with Federal regulations. To that regard, ALDOT has developed a Statewide Monitoring Program that uses visual inspection of the subrecipients' site and equipment. The monitoring program verifies information about the subrecipients, such as contact name, address, and location of the site; records the number, types, and condition of vehicles being used in the program; and asks questions about the subrecipients' compliance with Federal and State regulations and procedures.

At the time of the visit, any subrecipients found to be out of compliance with Federal and State regulations and procedures are notified of such non-compliance and given time to remedy the situation. The subrecipient is cautioned that if the non-compliance issues are not rectified, FTA funding may be jeopardized, and subrecipient vehicle(s) may have to be returned. ALDOT will provide a report -- ALDOT's Management Review -- identifying findings and corrective action and recommendations and guidance which requires subrecipient input. Findings and guidance will be closed once issues have been adequately addressed. ALDOT's Management Review document contains Checklists, that include but are not limited to the areas of Maintenance, Americans with Disabilities Act (ADA), Title VI, and Procurement. The Checklists further verify the subrecipients' responses to the compliance questions.

The following are areas covered by the compliance review:

- Management and organization
- Service planning
- Marketing and public relations
- Fares and contract rates
- Accounting and finance
- Purchasing and procurement
- Personnel and labor relations
- Scheduling transportation
- Safety and training
- Inventory
- Maintenance
- Americans with Disabilities Act compliance
- Drug and alcohol requirements
- Other Federal regulatory compliances

## 14.5 Disciplinary Action for Non-Compliance

As with any program involving public funds, accountability is critical. Failure to respond to ALDOT required corrective action may result in disciplinary action based on Federal guidance. Failure to comply with Federal statutes, regulations, or conditions of the ALDOT agreement and other ALDOT requirements may result in disciplinary action based on 2 CFR Subpart C Specific

Conditions. ALDOT will consider taking appropriate actions to include, but not be limited to, the following measures, including measures outlined in 2 CFR Part 200 (as amended):

- Temporarily withholding processing request for reimbursement invoices pending correction of the deficiency
- Considering non-compliance when determining future awards
- Disallowing costs associated with the deficiency(deficiencies)
- Require subrecipient to obtain technical assistance
- Initiating suspension or debarment proceedings
- Require subrecipient to obtain technical assistance
- Other actions permissible by law

In remedying subrecipient non-compliance, ALDOT will provide correspondence explaining the reason for the action(s), the time frame associated with disciplinary action, and what the subrecipient must accomplish before the disciplinary action is removed.

#### 14.5.1 Additional Award Conditions

When a subrecipient has a history of failure to comply, at a minimum, with conditions of the ALDOT agreement, failure to meet performance goals, failure to be responsive, then additional requirements may be instituted:

- Considering placing an agency on high-risk status
- Withhold authority to proceed until ALDOT is in receipt of evidence of acceptable performance;
- Require submission of detailed reports, financial statements, mileage, maintenance, drug & alcohol, etc.
- Require subrecipient to adhere to increased monitoring and/or increased ALDOT approvals
- Require subrecipient to obtain technical assistance

If the additional conditions do not remedy the noncompliance, then ALDOT may take additional action referred to in 2 CFR Subpart D Remedies for Noncompliance as is appropriate in the circumstance:

- Temporarily withholding processing request for reimbursement invoices pending correction of the deficiency

- Disallow all or part of the costs of the activity or action associated with the noncompliance
- Suspend or terminate all or part of the ALDOT agreement
- Transfer assets to another transit system if subrecipient continues to fail to properly use or maintain ALDOT funded assets
- Withhold further ALDOT agreements
- Initiate suspension or debarment proceedings as authorized under 2 CFR part 180
- Other actions permissible by law

ALDOT will provide written correspondence explaining the reason for the disciplinary action(s), the time frame associated with disciplinary action and what the subrecipient must accomplish before the disciplinary action is removed.

# 15 Technical Assistance and Training

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## 15.1 ALDOT Transit Section Technical Assistance (TA)

It is the goal of the ALDOT Transit Section to maintain an ongoing technical assistance program with its subrecipients to ensure compliance with Federal and State requirements governing the receipt of Federal Transit Administration (FTA) funds. Transit Section staff provide technical assistance to subrecipients in the following areas: new subrecipient program overview, program management, financial management, asset management, and planning. ALDOT also provides technical assistance to the general public (including minority applicants) and applicants serving minority populations.

This chapter describes the planning resources that the State provides to subrecipients along with technical and management assistance. The State uses FTA Section 5311 funds within the 10 percent (10%) limitation for administration, planning, technical assistance, and research.

The Local Transportation Bureau is comprised of a staff of financial, planning, project management, and operational specialists who are available to provide a wide range of technical assistance to local areas upon request. Additionally, the ALDOT Local Transportation Bureau may draw upon other resources within ALDOT (i.e., Director's Office, Legal, Computer Services, Data Processing, Purchasing, Accounting, Internal and External Auditing, Safety, Compliance and Business Opportunities, and Office Engineer) as well as contracted professional services to provide technical and management assistance for the transit programs.

### 15.1.1 Technical Assistance for Subrecipients

A request for TA may originate from a subrecipient or from Transit Section staff. Regardless of how the request was initiated, Transit Section staff must first determine what type of assistance is needed. In most cases, this is done through a conference call but, depending on the complexity of the situation, a one-on-one site visit may be required. The level of research and preparation for TA is determined by the nature and complexity of the problem but, as a general rule, the following steps occur:

1. Transit Section staff study the issue to determine what assistance is needed.
2. One or more Transit Section staff is/are scheduled to assist the subrecipient.
3. Transit Section staff prepare for follow-up with subrecipient.
4. A preliminary conference call may be conducted between Transit Section staff and subrecipient to further assess the need.
5. A conference call, on-site visit, or virtual site visit is scheduled to assist the

subrecipient.

6. Preliminary instructions are provided to the subrecipient to assist with preparing for the TA.
7. Transit Section staff prepare for TA.
8. TA occurs.
9. Transit Section staff prepare a TA report only if an on-site or virtual site visit was provided.
10. Transit Section staff is advised to follow-up in a timely manner to make sure the issue is corrected.
11. Subrecipient request for TA is closed.

The ALDOT Transit Section may also designate a representative to provide TA. In addition to the process shown above, TA is provided to subrecipients in the form of program updates during the biannual transportation association conferences.

#### 15.1.2 ALDOT Technical Assistance Report

The ALDOT Transit Section prepares a Technical Assistance Report only if an on-site or virtual technical assistance visit occurs. Assistance by telephone or email does not require a formal document. The written report states whether additional TA is needed and if so, the specific areas that will require follow-up. The level of TA varies based on the size of the agency and the complexity of the problem or problems.

The TA may include, but is not limited to, the following items:

- Preparing grant applications
- Involving private sector transportation providers in service delivery
- Reviewing contracts and budgets
- Operating and managing systems
- Developing and evaluating service routes and schedules
- Managing grants (invoicing, record keeping, and accounting)
- Reporting (financial and progress reports)
- Performing inspections (vehicle and facility inspections)
- Reporting information pertaining to civil rights
- Procurement and third party contracting

- Developing and providing driver training and preventive maintenance programs
- Representing ALDOT in public involvement efforts
- Transportation coordination issues
- Disadvantaged Business Enterprises (DBEs)
- Other issues and requests as needed

## 15.2 State Rural Transportation Assistance Program (RTAP)

### 15.2.1 Program Goals and Objectives

The main goal of the Alabama RTAP program is to provide training opportunities and technical assistance to the State's rural transit providers to build capacity, increase operating efficiency and safety, and ensure compliance with various Federal regulations. The specific objectives of the RTAP program are to:

- Promote the safe and effective delivery of public transportation in non-urbanized areas through efficient use of public and private resources
- Identify the training and technical assistance needs of ALDOT and the rural transportation community
- Improve the quality of information and technical assistance available to the rural and small urban subrecipients through conferences, workshops, coalition meetings, and through resources available on the ALTRANS website (<http://altrans.org/>)
- Provide technical assistance through transit professionals to meet subrecipient needs
- Support the coordination of public, private, specialized, and human service transportation services

RTAP is intended to be a broad and flexible program of training, technical assistance, research, and other support services for non-urbanized area operators. It provides Federal funding to assist in the design and implementation of training and technical assistance programs tailored to meet the specific needs of non-urbanized transit operators. In Alabama, providers of specialized transportation and urbanized public transit operators are allowed to participate in RTAP sponsored activities as long as the activities are primarily designed to benefit small urban and rural transit providers.

### 15.2.2 Training Opportunities

Alabama RTAP schedules training throughout the year including, but not limited to, Defensive Driving, First Aid, Passenger Assistance Training, Customer Service, and Drug/Alcohol Testing. The ALDOT Transit Section has formed an advisory committee to plan training which addresses issues that transit providers are experiencing. ALDOT provider training is conducted yearly and during the biannual transportation association conferences to highlight new Federal regulations, changes to the State program, and other topics of interest.

In addition to participating in the technical assistance that is offered through ALDOT organized workshops, subrecipients are encouraged to attend non-ALDOT conferences and workshops, both in and out of the State, which offer information on transit related issues. Subrecipients wishing to access RTAP funding for non-ALDOT training, workshops, or conferences are required to submit a written request to ALDOT on the “Request for Out-of-State Travel” form (see Appendix 15A). After the written request is reviewed, the subrecipient will receive written confirmation of funding availability. Upon completion of non-ALDOT training, subrecipients are expected to share what they learned by providing ALDOT with a short report that documents key points.

### 15.2.3 RTAP Program Manager

The RTAP in Alabama is managed and directed by the RTAP Program Manager or ALDOT’s representative who is located within the ALDOT Transit Section. The RTAP Program Manager reports directly to the Local Transportation Assistant Bureau Chief in charge of the Transit Section and is responsible for developing and implementing the program.

### 15.2.4 Eligible Assistance Categories

Alabama may use RTAP funds to support non-urbanized transit activities in four categories:

- Training (including workshops, conferences, etc.)
- Technical assistance
- Research
- Related support services

### 15.2.5 Funding

The RTAP program is funded at 100% for non-urbanized area operators; therefore, no local match is required. As mentioned previously, providers of specialized transportation and urbanized public transit operators in Alabama are allowed to participate in RTAP

sponsored activities as long as the activities are primarily designed to benefit small urban and rural transit providers.

#### 15.2.6 Travel

All approved RTAP related travel activities will be reimbursed at the current State or Federal rates. Only 5311 expenses are eligible for reimbursement.

## Appendix 15A

### Request for Out-of-State Travel Form

## REQUEST FOR OUT-OF-STATE TRAVEL

Agency Name \_\_\_\_\_

Agency Address \_\_\_\_\_

Name and Address of Person Making Request \_\_\_\_\_

Request is made for authorization of travel for the purpose of meeting the following professional needs: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

(Additional information such as meeting agenda and registration forms must be attached)

Meeting Sponsor (if applicable) \_\_\_\_\_

Meeting Location \_\_\_\_\_

Mode of Transportation \_\_\_\_\_

Lodging (specify if known) \_\_\_\_\_

Date and Place of Departure \_\_\_\_\_

Date and Place of Return \_\_\_\_\_

### ESTIMATED COST

Transportation \_\_\_\_\_

Registration/Conference Fee \_\_\_\_\_

Lodging \_\_\_\_\_

Meals \_\_\_\_\_

In City Transportation \_\_\_\_\_

Taxi \_\_\_\_\_

Car Rental \_\_\_\_\_

Other (explain) \_\_\_\_\_

TOTAL ESTIMATED COST \_\_\_\_\_

CHARGE TO: Section 5311 \_\_\_\_\_ Section 5307 \_\_\_\_\_ Other (specify) \_\_\_\_\_

Grant Number \_\_\_\_\_

Charge Code (if known) \_\_\_\_\_

\_\_\_\_\_  
Signature of Person Making Request

Approved: \_\_\_\_\_

Local Transportation Bureau  
Alabama Department of Transportation

\_\_\_\_\_  
Agency Signature of Authority