

December 5, 2012

TO: Members of the MAG Transit Committee

FROM: Cathy Colbath, City of Glendale, Chair

SUBJECT: MEETING NOTICE AND TRANSMITTAL OF TENTATIVE AGENDA

Wednesday, December 12, 2012 – 10:00 a.m. (NOTE SPECIAL DATE)
MAG Office, Suite 200, Ironwood Room
302 North 1st Avenue, Suite 200
Phoenix, AZ. 85003

A meeting of the MAG Transit Committee will be held at the time and place noted above. Please park in the garage under the building. Bring your ticket to the meeting as parking will be validated. Bicycles can be locked in the rack at the entrance to the parking garage. Committee members or their proxies may attend in person, via videoconference or by telephone conference call. Those attending video conference must notify the MAG site three business days prior to the meeting. Those attending by telephone conference call please contact MAG offices for conference call instructions.

Pursuant to Title II of the Americans with Disabilities Act (ADA), MAG does not discriminate on the basis of disability in admissions to or participation in its public meetings. Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, by contacting Marc Pearsall or Jason Stephens at the MAG Office. Requests should be made as early as possible to allow time to arrange the accommodation.

Please be advised that under procedures adopted by the MAG Regional Council on June 26, 1996, all MAG committees need to have a quorum in order to conduct business. A quorum is a simple majority of the membership or twelve people for the MAG Transit Committee. If the Transit Committee does not meet the quorum requirement, members who have arrived at the meeting will be instructed a legal meeting cannot occur and subsequently be dismissed. Your attendance at the meeting is strongly encouraged. If you are unable to attend the meeting, please make arrangements for a proxy from your jurisdiction to represent you. Please contact Marc Pearsall at (602) 254-6300 if you have any questions or need additional information.

TENTATIVE AGENDA

1. Call to Order

2. Approval of Draft November 8, 2012 Minutes

3. Call to the Audience

An opportunity will be provided to members of the public to address the Transit Committee on items not scheduled on the agenda that fall under the jurisdiction of MAG, or on items on the agenda for discussion but not for action. Citizens will be requested not to exceed a three minute time period for their comments. A total of 15 minutes will be provided for the Call to the Audience agenda item, unless the Transit Committee requests an exception to this limit.

4. Transit Program Manager's Report

The MAG Transit Program Manager will review recent transit planning activities and upcoming agenda items for other MAG committees.

5. MAG Regional Programming Guidelines for Federal Transit Formula Funds

MAG staff has been working in collaboration with the Transit Committee, Regional Public Transit Authority (RPTA), the designated recipients City of Phoenix and the Transit Operators Working Group to draft policy guidelines for Regional Programming Guidelines for Federal Transit Formula Funds. Several issues need to be resolved as the region moves towards defining a set of guidelines. The issues to be discussed include: 1) Schedule, 2) Financial Overview, 3) Preventive Maintenance PHX-MESA UZA, 4) Preventive Maintenance Avondale- Goodyear UZA, 5) Job Access Reverse Commute (JARC). While this item is not on the agenda for recommended action to

COMMITTEE ACTION REQUESTED

2. Approve Draft minutes of the November 8, 2012 meeting.

3. For information and discussion.

4. For information and discussion.

5. For Information and discussion.

MAG regional council, in order to move forward with the process it is suggested that the issues discussed above are resolved during the meeting and an agreement be reached.

6. Transit Committee 2013 Meeting Schedule

The Transit Committee 2013 Meeting Schedule is enclosed.

7. Request for Future Agenda Items

Topics or issues of interest that the Transit Committee would like to have considered for discussion at a future meeting will be requested.

8. Next Meeting Date

The next regular Transit Committee meeting is scheduled for Thursday, January 10, 2013, at 10:00 a.m. in the MAG Office, Chaparral Room.

Adjournment

6. For information and discussion.

7. For information and discussion.

8. For information and discussion.

DRAFT MEETING MINUTES
MARICOPA ASSOCIATION OF GOVERNMENTS
TRANSIT COMMITTEE

November 8, 2012
Maricopa Association of Governments; Ironwood Room;
302 N. 1st Avenue, Suite 200
Phoenix, Arizona

MEMBERS ATTENDING

*ADOT: Nicole Patrick	Paradise Valley: Jeremy Knapp
Avondale: Kristen Sexton for Rogene Hill	Peoria: Maher Hazine
*Buckeye: Andrea Marquez	Phoenix: Kini Knudson for Neal Young
Chandler: Dan Cook for RJ Zeder	*Queen Creek: Kevin Johnson
El Mirage: Sue McDermott	*Scottsdale: Madeline Clemann, Vice Chair
Gilbert: Mike Gillespie for Nicole Dailey	Surprise: Karen Savage for David Kohlbeck
Glendale: Cathy Colbath, Chair	Tempe: Robert Yabes for Greg Jordan
*Goodyear: Cato Esquivel	*Tolleson: Chris Hagen
*Maricopa County DOT: Mitch Wagner	Valley Metro: John Farry for Wulf Grote
Mesa: Jeff Martin for Jodi Sorrell	Youngtown: Grant Anderson for Jim Fox

*Members neither present nor represented by proxy. + - Attended by Videoconference
- Attended by Audioconference

OTHERS PRESENT

Marc Pearsall, MAG	Bob Antila, Valley Metro/RPTA
Alice Chen, MAG	Jason Crampton, Chandler
Teri Kennedy, MAG	Christine McMurdy, Goodyear
Jorge Luna, MAG	Ken Kessler, Phoenix
De De Gaisthea, MAG	Bill Cowdrey, HDR
Nathan Pryor, MAG	

1. Call to Order

The meeting was called to order at 10:06 a.m. by Chair Cathy Colbath. She welcomed everyone in attendance and announced that a quorum was present. She noted that no members were joining the meeting by teleconference. Chair Colbath asked if there were any public comment cards, and there being none, proceeded to the next item on the agenda.

2. Approval of Draft October 11, 2012 Minutes

Chair Colbath asked if there were any comments or corrections to the Draft October 11, 2012 meeting minutes. Hearing none, she called for a motion to approve the draft meeting minutes. Maher Hazine moved to approve the motion and Jeff Martin seconded, and the motion passed unanimously.

3. Call to the Audience

Chair Colbath stated that she had not received any request to speak cards from the audience and moved onto the next item on the agenda.

4. Transit Program Manager's Report

Chair Colbath invited Marc Pearsall to brief the Committee on behalf of Transit Program Manager Eileen Yazzie. Mr. Pearsall noted that Ms. Yazzie would be returning to MAG part-time in mid-December and then full time in January. He also noted that the Sustainable Transportation and Land Use Integration Study Tool that Mr. Jorge Luna had been working on for the past year was now available for review by MAG member agencies on the BQAZ website. He also added that Regional Council recently approved the Major Amendment to allow the allocation of flexing STP funds to be used for the Gilbert Road light rail extension, and were currently soliciting public comments in the November time-frame and referred further questions to Valley Metro staff. Mr. Pearsall also noted that at a future Transit Committee meeting, both Mr. Luna and he would be presenting updates to their respective Southwest and Northwest Transit Studies. Chair Colbath thanked Mr. Pearsall and moved onto the next item on the agenda.

5. Federal Transit Funds Programming Update

Chair Colbath then requested that Alice Chen of MAG present Federal Transit Funds Programming Update.

Ms. Chen began her presentation by referring to two handouts associated with Agenda 5, the Federal Funds Programming Metrics Working Group v2 handout and the Transit Close Out handout. She stated that at the October 2012 Transit Committee Meeting, MAG staff proposed scenarios for setting baseline preventative maintenance (PM) funding. MAG member agencies suggested that PM funding should be programmed at or above the current TIP levels for the future beyond 2015. She also noted that it was suggested that a minimum level of PM of 22% to 25% of the 5307 apportionment was proposed therefore the balance of available federal funds would be programmed for projects through a regional evaluation process. The transit operators working group met on Thursday November 6, 2012 to discuss the evaluation criteria and process.

She elaborated in her presentation that the funding in question was not for park-and-rides, transit centers, or projects that would be addressed directly in RTP (or "Prop 500"), nor was it for congestion management (CMAQ dedicated funding). She added that there was a focus on small projects (following objectives of the RTP), but always inherently competing with PM. She also

explained qualifying criteria, eligible projects, evaluation criteria/metrics, and the close-out scenarios.

Ms. Chen further elaborated on qualifying criteria: 1. demonstrated requirements of the program; 2. Local Match as demonstrated by either the: CIP budget or letter of commitment project scope; 3. NEPA started (non-CE projects) or demonstration of CE; 4. close-out, design, bid/award/complete; 5. environmental (Including Design 1 year); 6. initiation review/documentation; 7. complete/FTA approved, right-of-way (1 year); 8. site selection/acquisition completion; 9. construction (1 year), and bid/award/completed. She also noted that any deferments must go through the committee process and demonstrate extraordinary circumstances. There would be a maximum deferment of 1 year, and a 2nd call for projects at year three, with new project follow same time line (3 years to complete), with all unused funds at end of year six allocated to PM.

Ms. Chen's presentation also explored the elements of the project selection, where variables like eligible projects/evaluation criteria/metrics, goals/projects/metrics and the preservation of system, state of good repair, accessibility / livability, safety; performance based system, and equity as per Title VI and special needs transit users. She further explained the components of livability/transit accessibility and a performance based system at a factor of (40%), with criteria guidelines based upon: 1. improved access to the riders, 2. improved system connectivity and system, 3. relation to land use, and 4. cost of the project in relation to the number of people served.

She also summarized some other important elements of the programming guidelines. She said that the equitable / Title VI /special needs (30%) and stated that it would improve accessibility and transport services for economically disadvantaged populations, non-drivers, senior citizens, and persons with disabilities. She added that the safety factors (20%), was integral in that it asked: does the project improve the safety of transit users or providers; 2. does it directly address transit crime concerns including bicyclists and pedestrians; 3. does it directly address the pedestrian and bicyclists traffic safety concerns; and 4. does it improve security of the transit location. Ms. Chen concluded with a summary of the other criteria specifically the age relative to its useful life and if the project was critical to the type of service it provides, and whether it is bus replacement, midlife rebuilt, parts replacement or facility maintenance issue.

Chair Colbath asked if there was any discussion on this agenda item. Ms. Sexton inquired as to whether the Avondale UZA would be using the same or different guidelines as the MAG Phoenix UZA. Ms. Chen recalled that a previous committee discussion, noted the need to apply consistent regional guidelines for project evaluation to both UZA's in the region however she noted that if there were components within these guidelines that gave concern, then they may be able to be adjusted, especially since operations falls outside of PM.

Mr. Jeff Martin noted that in the agenda the suggested minimum level for PM was 22-25%, but inquired what the original recommended level. Ms. Chen replied that the original recommendation was 20%, which translated into approximately 11 million annually for the region. She noted that the previous discussions acknowledged that the amount would be slightly lower than what was programmed in the TIP. She said that the 11 million estimated for 2013/14 did not include additional CMAQ funds in the calculation, so at least 9 million would be available each year in CMAQ funds from 2015-18, but the overall apportionments would be significantly lower than the original projected 11 million. Mr. Martin commented that while the 20% level was discussed previously,

there was not consent on that percentage by the committee as a whole and that there should be consensus at TC, in lieu of what the operators group decided upon.

Discussion followed with comments by Kini Knudson, Dan Cook, Grant Anderson, and Robert Yabes. Chair Colbath asked Ms. Chen to provide a timeline of when these processes need to be formalized, and Ms. Chen summarized that in order to make the February deadline for the TIP process, the Transit Committee would have to begin working on the TIP in December or January. Mr. Martin asked if it was possible to provide a summary spreadsheet on the savings associated with how the agencies were spending PM funds for the region. Ms. Chen had requested this information from the member agencies so that she may compile the information for the next meeting.

Chair Colbath asked if there was any additional discussion on this agenda item. Hearing none, she thanked Ms. Chen and moved onto the next agenda item.

6. Designing Transit Accessible Communities Update

Chair Colbath then requested that Alice Chen of MAG continue with a presentation on Designing Transit Accessible Communities.

Ms. Chen began by explaining the Designing Transit Accessible communities Study focused on addressing the greatest needs and mitigating the primary concerns of the bicyclist and pedestrian accessing transit. She noted that the study began in December 2011 and during the course of the study, MAG staff and the consultant team had held stakeholder workshops, on-sight interviews, and technical working groups in communities throughout the MAG Region to identify areas of focus and need for improvement. The study's objective was to provide low cost or cost neutral planning and design recommendations along with implementation strategies for planners, engineers, and policy makers. She also referred to a quote from the American Public Transit Association that said 'Transit Accessibility is... the segment of an individual trip that occurs between an origin or destination point and the transit system.'

She then proceeded with giving a brief project overview of the goals & objectives of the study. She referred to her presentation that identified the challenges faced by users getting to transit, and that the study's conclusions insofar were recommending improvements, polices and guidelines to enhance transit accessibility, as well as providing measures and strategies for local governments to create transit accessible and livable neighborhoods, in addition to identifying options and provide a regional framework for applying for federal grants.

Ms. Chen then showcased some case study methods that had been reviewed over the past year. She stated that stakeholder input, review of demographics and Built Environment Data in GIS review had been integral in the study process. She also said that invaluable data had been culled by the consultants using Intercept Surveying of bus riders, as well as in-person field reviews had also been of great benefit. The Technical Working Group established within the perimeters of the study had also focused on key areas such as transit, bike/ped, street, land use, safety, and rail interface. She also added that they were key examples of common recurring themes within the study duration. Specifically, what would make a person walk/ride transit more often; what were some near misses for transit service accessibility; and how does the transit rider feel about their bus stop. The study

also broke down accessible market types; specifically Suburban Residential; Suburban Retail; Urban Residential; Urban Retail; and Metropolitan Core.

Ms. Chen summarized that there were overall rankings that had emerged from the study in terms of bus stop facilities demand from the transit users. They were in descending order: 1. Shade Trees (58%); 2. Bus Schedule Information (55%); 3. Streetlights (46%); 4. Bicycle Lanes (42%); 5. Bicycle Parking (38%); 6. Landscaping (38%); 7. Curb Extensions (35%); 8. Decorative Pavement (30%); 9. Art (27%); and 10. Medians (26%). She also noted the next steps in the study process were to develop the accessible transit tool box, followed by a tabulation of new bus stops, then infill development, street improvements and new communities.

Chair Colbath asked if there was any discussion on this agenda item. Mr. Cook inquired as to the ability of bicycle integration into the study efforts, specifically on the option of riding bicycles on sidewalks. Ms. Chen replied that riding bicycles on sidewalks as opposed to in the general traffic lanes were statutes left up to each individual municipality. Mr. Cook replied that it would be a good idea to get the cycling community to weigh-in on their views of sidewalk riding, as it seems that in some communities there are environs that encourage riding on the sidewalks rather than in traffic lanes that do not feature bicycle lanes. Discussion followed as to whether there could be regional bike lane standards developed and adopted in the future under the Complete Streets program. Additional discussion followed.

Chair Colbath asked if there was any additional discussion on this agenda item. Hearing none, she thanked Ms. Chen and moved onto the next agenda item.

7. MAP-21 Information and Interim Guidance

Chair Colbath then requested that Ken Kessler of City of Phoenix present an update on MAP-21 Information and Interim Guidance.

Mr. Kessler began by explaining that in the October 16, 2012, the Federal Register of the Federal Transit Administration (FTA) issued important information and interim guidance about new FTA programs and changes to existing programs authorized regarding the Moving Ahead for Progress in the 21st Century Act (MAP-21). He added that the City of Phoenix, as the designated recipient for federal transit funds for the Phoenix-Mesa Urbanized Area, would provide an overview of the information and highlights of the impacts to the region. He added that it was being provided to allow sufficient time to prepare for action steps that may be required of agencies and jurisdictions in the region as a result the implementation of MAP-21 in 2013.

Mr. Kessler proceeded with his presentation and provided a general overview of the MAP-21 program, featuring sections on the areas such as repealed programs, consolidated & modified programs, new programs, cross-cutting programmatic requirements and changes. He further explained that within the issuance of MAP-21 in the October 16, 2012 Federal Register FTA Notice, there was an overall decrease in discretionary programs, but an increase in formula programs and that 2010 Census data would be used for funding formulas beginning with 2013 apportionments, as well as the Section 5307 Phoenix-Mesa UZA 2013 partial apportionments.

Mr. Kessler then explained that the list of repealed programs, which included Section 5308 Clean Fuels, Section 5309 Fixed Guideway Modernization, Section 5309 Bus and Bus Facilities, Section 5316 Job Access and Reverse Commute, Section 5317 New Freedom, and Section 5339 Alternatives Analysis.

Mr. Kessler also briefed the committee on the consolidated & modified programs, which included: Section 5307 Urbanized Area Formula Grants, Section 5309 Fixed Guideway Capital Investment, Section 5310 Enhanced Mobility of Seniors and Individuals with Disabilities. He noted that Section 5307 Urbanized Area Formula Grants and JARC projects would be eligible under 5307. He said that JARC projects would be for maintenance or development, but that there was no floor or ceiling on the amount of funds that can be spent on JARC activities. The funding formula included a low-income factor, with certain vanpool expenditures that may count as part of local match for a capital project. He summarized by stating that the operating assistance provision for operators was in large UZA's operating less than 100 vehicles.

He then proceeded with the Section 5309 Fixed Guideway Capital Investment overview. He added that it provided funding for projects that will expand the core capacity of an existing fixed guideway corridor and that core capacity improvement projects must increase the capacity of the existing fixed guideway system in the corridor by at least 10%. He said that there was a streamlined process with reduced steps. He noted as well that Section 5310 Enhanced Mobility of Seniors and Individuals with Disabilities would now include the former New Freedom program (5317), which as folded into this program.

Mr. Kessler also added that for funds apportioned to large urbanized areas, the projects must be included in a locally developed, coordinated public transit-human services transportation plan. Therein, the competitive selection process was now optional, with 10% of apportionment that may be used for grant administration expenses. He also noted that not less than 55 percent of program funds must be spent on prior 5310 program activities, with the remaining 45 percent that may be used for prior 5317 program activities. The designated recipient may be the State, but the current 5310 designated recipient (ADOT) remains in effect until changed by Governor.

He also briefed the committee members on the five new programs featured within MAP-21. Section 5326 Transit Asset Management¹, Section 5329 Transit Safety and Oversight¹, Section 5337 State of Good Repair, Section 5339 Bus and Bus Facilities, Transit-Oriented Development Planning Pilot. Section 5326 Transit Asset Management. He explained that MAP-21 required FTA to define the term "state of good repair" and create objective standards, and based on that definition, the FTA must establish a national transit asset management system. Additionally, the FTA must develop performance measures under which all FTA grantees will be required to set targets. He stated a crucial element in that all FTA grantees and their sub-recipients were required to develop transit asset management plans, and that each designated recipient of FTA formula funding will be required to report TAP measures and targets must be incorporated into metropolitan and statewide transportation plans and transportation improvement programs (TIPs). He added that FTA staff would support this effort through technical assistance, but said that the requirement for the Transit Asset Management plan was not in effect until FTA issued its final rulemaking, which were in the NTD Reporting Manual and would be published in a future Federal Register notice.

On another explanation from the PowerPoint, Mr. Kessler said that within Section 5329 Transit Safety, FTA must develop safety performance criteria for all modes of public transportation (rail, bus, etc.), and that FTA must develop minimum safety performance standards for vehicles not regulated by other Federal agencies. Further, the FTA must develop a public transportation safety certification training program for individuals involved in transit safety, and all recipients of FTA funding required to develop agency safety plans. The safety measures and targets must be incorporated into metropolitan and statewide transportation plans and transportation improvement programs (TIPs), and the safety plan must include an adequately trained safety officer who reports directly to the recipient's chief executive.

Mr. Kessler then proceeded with a background on the Section 5337 State of Good Repair, which replaced the Section 5309 fixed guideway modernization program. He said that it was limited to fixed guideway systems and high intensity bus, and that projects were limited to replacement, rehabilitation, or to maintain public transportation systems in a state of good repair. He also said that the projects must be included in a transit asset management plan to receive funding, and that the new formula comprised of the following: (1) the former fixed guideway modernization formula; (2) a new service-based formula; and (3) a new formula for buses on HOV lanes. He concluded with a rundown of Section 5339 Bus and Bus Facilities, which replaced the previous Section 5309 discretionary Bus and Bus Facilities program, and provided funding to replace, rehabilitate, and purchase buses and related equipment, and to construct bus-related facilities.

Mr. Kessler then explained the elements regarding the Transit-Oriented Development Planning Pilot, which was a new discretionary pilot program for TOD planning grants. They included funding eligible activities that featured comprehensive planning in corridors with new rail, BRT, or core capacity projects. He said that the plans should seek to: enhance economic development, ridership, and other goals, facilitate multi modal connectivity and accessibility, increase access to transit hubs for pedestrian and bicycle traffic, enable mixed-use development, identify infrastructure needs associated with the project, and include private sector participation. He noted that funds were not available under the current Continuing Resolution.

He also briefed the members on the Cross-cutting Programmatic Requirements and Changes, Veteran Hiring preference required for FTA funded capital projects. He said that neither required a preference to any veteran over equally qualified applicant who was a member of any racial or ethnic minority, female, an individual with a disability, or a former employee. He noted that the federal procurement clauses would be updated, and that the FTA may bar an entity from receiving funding for non-compliance with FTA's drug and alcohol regulations. He concluded with explain that the FTA share now required that 85% for acquisition of vehicles to comply or maintain compliance with the ADA or the Clean Air Act, whereas the previous requirement was 83%.

He completed his presentation by adding that there was an expanded period of availability for Section 5307 Urbanized Area Formula Grants, which was 6 years. For Section 5309 Fixed Guideway Capital Investment, the period was 5 years, Section 5310 Enhanced Mobility of Seniors and Individuals with Disabilities was 3 years, Section 5337 State of Good Repair was 4 years, and lastly Section 5339 Bus and Bus Facilities was 4 years. For MPO/Statewide Planning, MAP-21 established a performance-based planning process to target USDOT-issued national goals, such as safety, infrastructure condition, congestion reduction, system reliability, economic vitality, environmental

sustainability, reduced project delivery delays, transit safety, and transit asset management. Mr. Kessler noted that the legislation also requires transit representation on MPO Boards.

Chair Colbath asked if there was any discussion on this agenda item. Mr. Farry commented that in the long run, it would be good for the region to work together to have a coordinated response to FTA regarding their requirements on rule-making. Brief discussion followed.

Chair Colbath asked if there was any additional discussion on this agenda item. Hearing none, she thanked Mr. Kessler and moved onto the next agenda item.

8. Sustainable Transportation and Land Use Integration (STLUIIS) Study Update

Chair Colbath noted that due to the constraints of time, the Sustainable Transportation and Land Use Integration (STLUIIS) Study Update would not be heard and would be postponed until a future meeting.

9. Quarterly Status Report on Federal Grant Activity

Chair Colbath noted that Mr. Ken Kessler of the City of Phoenix Transit Department was available to answer committee questions for the Quarterly Status Report on Federal Grant Activity for September 2012. She asked if there were any questions or comments on the agenda item. Hearing no further comments or questions, Chair Colbath thanked Mr. Kessler and proceeded to the next item on the agenda.

10. Request for Future Agenda Items

Chair Colbath asked the members of the Committee if there were any issues that they would like added as future agenda items. Hearing no comments, she proceeded to the next item on the agenda.

11. Next Meeting Date

Chair Colbath thanked those present and she announced that the next meeting of the MAG Transit Committee would be held on Thursday, December 13, 2012 at 10:00 a.m. in the MAG Office, Ironwood Room. However, it was noted by members present that there may be a potential conflict with the Transportation Review Committee meeting scheduled for the same time. Mr. Pearsall advised that he would schedule an alternative time/date in order to avoid a conflict and send that information to the Committee. There being no further business, Chair Colbath adjourned the meeting at 11:50 a.m.

Adjourn.

ATTACHMENT #1

Agenda Item 5

December 5, 2012

To: MAG Transit Committee

From: Alice Chen, Transportation Planner II

Re: MAG Regional Programming Guidelines for Federal Transit Formula Funds

MAG staff has been working in collaboration with the Transit Committee, Regional Public Transit Authority (RPTA), the designated grant recipient City of Phoenix and the Transit Operators Working Group to draft policy guidelines for Regional Programming Guidelines for Federal Transit Formula Funds.

This memo details several issues that need to be resolved as the region moves towards defining a set of guidelines.

Schedule

Given that this is a Transportation Improvement Programming (TIP) year for MAG, projects need to be accepted by Regional Council by September 2013. Staff has been working to develop a schedule for implementation. The draft schedule is as follows:

Date	Item to be Discussed/Agreed Upon
December 2012	Overall financial outlook Programming levels for PM JARC allocation of 5307 Funds Evaluation Committee
January 2013	Development of Application Evaluation criteria Closeout Process Qualifying Criteria
February 2013	Full policy document for approval through MAG committee process
March 2013	Applications made available to member agencies
April 2013	Applications due
May 2013	Reading scores due Questions due
June 2013	Projects approved by Transit Committee
July 2013	Projects approved by MAG Regional Council for inclusion in TIP

Financial Overview

Currently the full 5307 funding allocation for the MAG region has not been made available by FTA. However, the Phoenix-Mesa UZA has received the half year allocation for the 5307 funds in the amount of \$22.7 Million. Given the initial allocation, it is expected that the region will receive \$45.3M for FY 2013. This represents a decrease of roughly \$8 Million dollars from previous years. Other changes under MAP-21 legislation include a merging of the Job Access Reverse Commute program (JARC) which is a loss of \$1.8 million formula funds, and the elimination of the discretionary grant program which amounts to a \$5 million increase in formula funds but a \$10 million decrease in discretionary funds.

Under the guidelines of the initial apportionment, Avondale-Goodyear experienced an increase in federal funds allocation from \$1 million in FY 2012 to \$3.9 Million. These funds may be used for projects in the Avondale-Goodyear UZA and any project that demonstrates a direct benefit to Cities in the Avondale-Goodyear UZA.

Attachment 1 shows expected federal transit revenue stream for FY 2013¹. Table 1 in Attachment 2 is an analysis of expected formula funds less TLCP expenses. This analysis was done utilizing the most recent TLCP updated provided by RPTA. Any revisions since then are not included.

Preventive Maintenance PHX-MESA UZA

Preventive maintenance is critical to viable transit operations in the region. A formula for distribution to the operators was agreed upon by the Transit Committee and adopted by MAG Regional Council on May 25, 2011. Funding for preventive maintenance provides benefits to all member agencies with transit service although the distribution is directly made to only transit operators. Attachment 3 shows the savings to each member agency for each \$1 million in regional preventive maintenance funding.

Currently no baseline funding level has been defined by the region. Preventive maintenance funding, in order to serve its purpose needs to be consistent and viable. A consistent amount allows operators and member agencies to make reasonable assumptions when making transit service updates. A viable source implies that the funds will be available regardless of future funding disruptions from the State or Federal Transit Administration.

Recommendation

MAG staff is recommending baseline preventive maintenance funding for the Phoenix-Mesa UZA region 20% of the formula 5307 funds. In FY 2011, MAG transit agencies received a CMAQ transfer from ADOT for unutilized CMAQ funds. The funds totaled \$22.6 million additional dollars to be programmed for PM in FY 2013 and FY 2014. The funds may be drawn down over the TIP programming period at an average annual amount of \$3.7 million, this in addition to the 20% of 5307 federal allocation, equates to annual PM of approximately \$12.8 million. See Table 2 in Attachment 2.

¹ No revenue growth is assumed due to the uncertainty of federal funds. TLCP expenditures are in 2012 dollars.

Additional Note

Any amount available after funds have been distributed will be awarded by a regional competitive process. The competitive process may result in a balance of funds not allocated to projects. Those funds may be eligible for additional Preventive Maintenance at the discretion of the Transit Committee. All MAG member agencies are eligible to apply for projects under the competitive grant process. Table 3 in Attachment 2 illustrates likely funds available for projects.

Other options: 1) Fund PM at 25%. This would leave very little available for unfunded local and regional projects, 2) Fund PM at 25% in FY 2013, 22.5% in FY 2014, and 20% in FYs 2015 – 2018. This allows for a graduated decrease with some allocation to explore unfunded needs in the region.

Preventive Maintenance Avondale- Goodyear UZA

Unlike Phoenix-Mesa UZA, Avondale-Goodyear UZA 5307 funds may be utilized directly for operations. Under SAFTEA-LU, the Avondale-Goodyear UZA was allocated \$1 million in FY 2012 5307 formula funds, which was directly used to fund transit operations for the affected cities.

Recommendation

MAG staff is recommending operations funding maintained in the FY 2012 amount for the FY Tip years 2015-2018 to be reviewed after the current programming cycle.

Additional Note

TLCP projects that directly benefit agencies in the Avondale-Goodyear UZA will be funded with Avondale-Goodyear UZA 5307 apportionment. Any amount available after funds have been distributed will be awarded by a competitive process eligible for projects in Cities within the Avondale-Goodyear UZA and projects that can demonstrate a direct benefit to Cities within the Avondale-Goodyear UZA. The competitive process may result in a balance of funds not allocated to projects. Those funds may be eligible for Preventive Maintenance/Operations at the discretion of the Transit Committee. Table 3 in Attachment 2 illustrates likely funds available for projects.

Other options: 1) maintaining FY 2013-2015 operations funding and reduced 20% of 5307 apportionment for TIP years 2016-2018.

Job Access Reverse Commute (JARC)

Under SAFTEA-LU, the MAG region was allocated \$1.8 million in FY 2012 specifically for JARC eligible projects. With the passage of MAP-21, JARC dedicated funding was repealed. However, JARC projects are eligible under 5307 formula funds. The program goals as stated in the circular are:

...supports the development and maintenance of job access projects designed to transport welfare recipients and eligible low income individuals to and from jobs and activities related to their employment.

...supports reverse commute projects designed to transport residents of urbanized areas and other than urbanized areas to suburban employment opportunities.

JARC eligibility includes private and public agencies, operations and capital projects under MAP-21 do not have to be derived from the Human Service Coordination Plan. FTA encourages MPO's and recipients to continue the coordinated planning process in identifying and developing projects for funding. The plan is updated annually and can be found on the MAG website (http://www.azmag.gov/Documents/EaPWD_2012-05-01_Final-FY2013-Human-Services-Coordination-Transportation-Plan.pdf). JARC circular may be found here: http://www.fta.dot.gov/13093_7172.html and Attachment 4 is the Q&A².

Recommendation

MAG staff is recommending that JARC funding levels remain unchanged from FY 2012 with annual adjustments consistent with 5307 increases. JARC funds may be used for capital and operations. It has in the past provided operations support to routes that have high employment and low income populations.

Additional Notes

In the event there are unutilized JARC funds, the balance will be distributed as Preventive Maintenance utilized under the existing methodology.

In previous years, City of Phoenix led the JARC evaluation process coordinating with the MAG Human Services Division. Future applications would be a coordinated effort between MAG Human Services Division and the City of Phoenix with final approval from MAG Regional Council.

Next Steps

Other issues will need to be resolved prior to the recommendation of the policy guidelines for approval. They will be discussed in the January 2013 Transit Committee meetings. The concerns to be addressed include:

1. Project application
2. Projection evaluation criteria
3. Project Evaluation Committee
4. Close-out process
5. Qualifying Criteria

While this item is not on the agenda for recommended action to the MAG Regional Council, in order to move forward with the process it is suggested that the issues discussed above are resolved during the meeting and an agreement be reached.

If you have any questions or concerns, please contact Alice Chen, Transportation Planner II at achen@azmag.gov or 602-554-6300.

² The program updates can be found here: <http://www.fta.dot.gov/map21>

Attachment 1: Federal Funds Revenue Stream¹

PHX/MESA UZA (\$ In Mil)									
Fiscal Year	5307	5337			5339(d)(2)	STP-AZ ²	CMAQ	CMAQ (2012 Closeout)	TOTAL
	5307 & 5340	FGM	HI Bus	Total 5337					
2013	\$ 45.3	\$ 0.3	\$ 2.0	\$ 2.3	\$ 5.0	\$ 3.0	\$ 16.4	\$ 11.3	\$ 83.4
2014	\$ 45.3	\$ 0.3	\$ 2.0	\$ 2.3	\$ 5.0	\$ 3.0	\$ 16.4	\$ 11.3	\$ 83.4
2015	\$ 45.3	\$ 0.3	\$ 2.0	\$ 2.3	\$ 5.0	\$ 3.0	\$ 16.4		\$ 72.1
2016	\$ 45.3	\$ 0.3	\$ 2.0	\$ 2.3	\$ 5.0	\$ 3.0	\$ 16.4		\$ 72.1
2017	\$ 45.3	\$ 0.3	\$ 2.0	\$ 2.3	\$ 5.0	\$ 3.0	\$ 16.4		\$ 72.1
2018	\$ 45.3	\$ 0.3	\$ 2.0	\$ 2.3	\$ 5.0	\$ 3.0	\$ 16.4		\$ 72.1
TOTAL	\$ 272.1	\$ 6.3	\$ 37.4	\$ 43.7	\$ 94.9	\$ 57.0	\$ 312.1	\$ 22.6	\$ 1,421.8

AVN/GDY UZA (\$In Mil)									
Fiscal Year	5307	5337			5339(d)(2)	STP-AZ	CMAQ	CMAQ (2012 Closeout)	TOTAL
	5307 & 5340	FGM	HI Bus	Total 5337					
2013	\$ 2.8	\$ -	\$ -	\$ -	\$ 0.3	\$ -	\$ -	\$ -	\$ 3.1
2014	\$ 2.8	\$ -	\$ -	\$ -	\$ 0.3	\$ -	\$ -	\$ -	\$ 3.1
2015	\$ 2.8	\$ -	\$ -	\$ -	\$ 0.3	\$ -	\$ -	\$ -	\$ 3.1
2016	\$ 2.8	\$ -	\$ -	\$ -	\$ 0.3	\$ -	\$ -	\$ -	\$ 3.1
2017	\$ 2.8	\$ -	\$ -	\$ -	\$ 0.3	\$ -	\$ -	\$ -	\$ 3.1
2018	\$ 2.8	\$ -	\$ -	\$ -	\$ 0.3	\$ -	\$ -	\$ -	\$ 3.1
TOTAL	\$ 16.6	\$ -	\$ -	\$ -	\$ 1.9	\$ -	\$ -	\$ -	\$ 18.6

¹ Based on preliminary apportionments. Final numbers may be different.

² Estimate. Past transfer from ADOT was \$3.3 million annually.

Analysis of Six Year Revenue and Expenditure Estimate
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Table 1

	2013	2014	2015	2016	2017	2018	Total
Federal Formula Funds							
PHX/MES UZA - 5307	\$ 45,341,764	\$ 45,341,764	\$ 45,341,764	\$ 45,341,764	\$ 45,341,764	\$ 45,341,764	\$ 272,050,584
PHX/MES UZA - Other FTA	\$ 21,622,512	\$ 21,622,512	\$ 10,297,823	\$ 10,297,823	\$ 10,297,823	\$ 10,297,823	\$ 84,436,316
CMAQ	\$ 16,426,780	\$ 16,426,780	\$ 16,426,780	\$ 16,426,780	\$ 16,426,780	\$ 16,426,780	\$ 98,560,680
<i>Total PHX/MESA</i>	<i>\$ 83,393,069</i>	<i>\$ 83,393,070</i>	<i>\$ 72,068,382</i>	<i>\$ 72,068,383</i>	<i>\$ 72,068,384</i>	<i>\$ 72,068,385</i>	<i>\$ 272,050,584</i>
AVN/GDY UZA - 5307	\$ 2,768,850	\$ 2,768,850	\$ 2,768,850	\$ 2,768,850	\$ 2,768,850	\$ 2,768,850	\$ 16,613,100
AVN/GDY UZA - Other FTA	\$ 324,503	\$ 324,503	\$ 324,503	\$ 324,503	\$ 324,503	\$ 324,503	\$ 1,947,018
<i>Total AVN/GDY</i>	<i>\$ 3,093,353</i>	<i>\$ 18,560,118</i>					
CMAQ Close Out	\$ 11,324,689	\$ 11,324,689	\$ -	\$ -	\$ -	\$ -	\$ 22,649,378
Total MAG Region	\$ 97,809,098	\$ 86,484,409	\$ 75,159,720	\$ 75,159,720	\$ 75,159,720	\$ 97,809,098	\$ 473,607,699
TLCP Expenditures							
Bus - Facilities PHX/MESA	\$ 19,488,212	\$ 3,097,858	\$ 5,600,969	\$ 3,201,014	\$ 3,031,378	\$ -	\$ 34,419,432
Bus - Fleet PHX/MESA	\$ 46,321,962	\$ 40,810,936	\$ 23,823,008	\$ 28,829,077	\$ 19,152,304	\$ 73,537,691	\$ 232,474,977
LRT**	\$ 16,426,780	\$ 16,426,780	\$ 16,426,780	\$ 16,426,780	\$ 16,426,780	\$ 16,426,780	\$ 98,560,680
<i>Subtotal PHX/MESA</i>	<i>\$ 82,236,954</i>	<i>\$ 60,335,575</i>	<i>\$ 45,850,756</i>	<i>\$ 48,456,871</i>	<i>\$ 38,610,462</i>	<i>\$ 89,964,471</i>	<i>\$ 365,455,089</i>
Bus - Fleet AVN/GDY	\$ 1,465,258	\$ -	\$ -	\$ -	\$ -	\$ 151,389	\$ 1,616,647
<i>Subtotal AVN/GDY</i>	<i>\$ 1,465,258</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ 151,389</i>	<i>\$ 1,616,647</i>
Unallocated Formula Funds	\$ 1,156,115	\$ 23,057,495	\$ 26,217,626	\$ 23,611,512	\$ 33,457,922	\$ (17,896,086)	\$ 89,604,584

Table 2

Non-TLCP Expenditures							
JARC	\$ 1,839,232	\$ 1,839,232	\$ 1,839,232	\$ 1,839,232	\$ 1,839,232	\$ 1,839,232	\$ 11,035,392
Fund Preventive Maint. @ 20% of 5307 - PHX/MES UZA	\$ 9,068,353	\$ 9,068,353	\$ 9,068,353	\$ 9,068,353	\$ 9,068,353	\$ 9,068,353	\$ 54,410,117
<i>Subtotal PHX/MESA UZA</i>	<i>\$ 10,907,585</i>	<i>\$ 65,445,509</i>					
CMAQ Close Out PM	\$ 11,324,689	\$ 11,324,689	\$ -	\$ -	\$ -	\$ -	\$ 22,649,378
<i>Average Annual PM Including CMAQ</i>	<i>\$ 12,843,249</i>	<i>\$ 77,059,495</i>					
Fund AVN/GDY Operations/ Preventive Maint. @ FY 2012 Levels	\$ 1,146,384	\$ 1,146,384	\$ 1,146,384	\$ 1,146,384	\$ 1,146,384	\$ 1,146,384	\$ 6,878,304
<i>Total AVN/GDY UZA</i>	<i>\$ 1,146,384</i>	<i>\$ 65,445,509</i>					

Table 3

Available PHX/MESA Competitive Funds	\$ (9,751,469)	\$ 12,149,911	\$ 15,310,041	\$ 12,703,927	\$ 22,550,337	\$ (28,803,670)	\$ 24,159,076
Average PHX/MESA Competitive Funds	\$ 4,026,513	\$ 4,026,513	\$ 4,026,513	\$ 4,026,513	\$ 4,026,513	\$ 4,026,513	\$ 24,159,076
Available AVN/GDY Competitive Funds	\$ 481,711	\$ 1,946,969	\$ 1,946,969	\$ 1,946,969	\$ 1,946,969	\$ 1,795,580	\$ 10,065,167
Average AVN/GDY Competitive Funds	\$ 1,677,528	\$ 1,677,528	\$ 1,677,528	\$ 1,677,528	\$ 1,677,528	\$ 1,677,528	\$ 10,065,167

* The Revenues exclude 5310 and are estimates

** Expenditures adjusted down to match CMAQ revenue allocation stream

Attachment 3: PM Savings to Member Agencies

PM Allocation

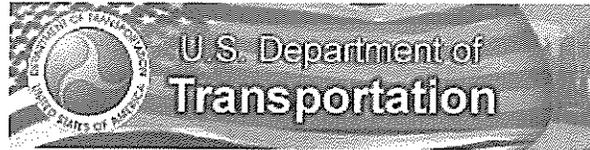
1,000,000

Allocation between Rail and Bus (Based on 2010 NTD Data)

Bus	89.3%	\$893,000
Rail	10.7%	\$107,000

Transit Provider	Bus Percentage	Total PM Percentage	Amount
Metro	10.70%	10.70%	\$107,000
Phoenix	60.56%	54.08%	\$540,810
RPTA	21.13%	18.87%	\$188,709
Tempe	16.06%	14.34%	\$143,407
Scottsdale	0.85%	0.76%	\$7,617
Glendale	0.96%	0.86%	\$8,564
Surprise	0.15%	0.13%	\$1,348
Peoria	0.29%	0.25%	\$2,545
Total	100.00%	100.00%	\$1,000,000

Agency Summary	Savings
ADOT	\$ -
Avondale	\$ 3,315
Buckeye	\$ 24
Chandler	\$ 30,286
El Mirage	\$ 437
Fountain Hills	\$ 127
Gilbert	\$ 15,304
Glendale	\$ 62,326
Goodyear	\$ 820
Guadalupe	\$ 986
Maricopa County DOT	\$ -
Mesa	\$ 100,643
Paradise Valley	\$ 1,803
Peoria	\$ 5,178
Phoenix	\$ 576,602
Queen Creek	\$ -
Regional Public Transportation Authority	\$ -
Scottsdale	\$ 49,640
Surprise	\$ 2,501
Tempe	\$ 149,041
Tolleson	\$ 968
Valley Metro Rail/Metro	\$ -
Youngtown	\$ -
Total	\$ 1,000,000



Questions & Answers

Elderly Individuals & Individuals with Disabilities (Section 5310), JARC & New Freedom Programs Last Updated April 29, 2009

All Programs:

1. June 2007

Q. Do applicants have to list the source of non-U.S. DOT funds for the local match?

A. As a general rule, applicants do not have to list the source of a non-U.S. DOT local match. However, FTA grant representatives reserve the right to ask for more detailed information from the grantee such as the source of local match.

2. June 2007

Q. Are contributions of funds from human service agencies eligible to be used as local match? How are these applied as local match?

A. Local funds and non-U.S. DOT federal funds may be used as local match for these programs. If human service agencies are using other federal funds as a source of local match, the grantee should verify that those funds are eligible to match transportation projects and are being used for eligible costs of the project.

3. June 2007

Q. Can revenue from human service transportation contracts be used as local match?

A. Income from contracts to provide human service transportation may be used either to reduce the net project cost (treated as revenue) or to provide local match for New Freedom or JARC operating assistance. In either case, the cost of providing the contract service is included in the total project cost. FTA program funds may not be used as a source of local match for other FTA programs, even when used to contract for service. For example, if a Section 5310 subrecipient has a service contract to buy service from a Section 5311 provider, the Section 5311 provider may not use the revenue from the Section 5310 service contract as local match for other FTA grants.

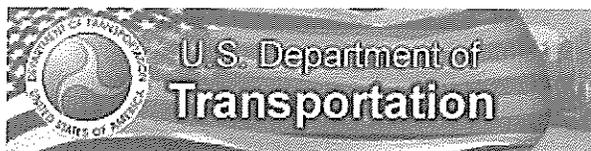
4. May 21, 2008

Q: Can fare-box revenue be used as local match?

A: Fare box revenue cannot be used as local match, however it can be used to reduce the net project cost of a project.

5. January 5, 2009

Q: Can Federal Lands Highway Program Funds be used as local match for JARC and New Freedom projects?



A: Yes. While matching funds generally must come from non U.S. DOT funding sources, there is an exception for the Federal Lands Highway Program. According to, 23 USC - Section 120(l). "Notwithstanding any other provisions of law, the funds authorized to be appropriated to carry out the Federal lands highways program under section 204 may be used to pay the non-Federal share of the cost of any project that is funded under this title or chapter 53 of title 49 and that provides access to or within Federal or Indian Lands."

49 U.S.C. §5310 contains language permitting Federal Lands Highway Program funds to be used as match, and FTA has determined that this program can be used as match for the Section 5316 (JARC) and 5317 (New Freedom) programs as well. Programs funded through the Federal Lands Highway Program, such as the Indian Reservation Roads program, can only be used as match for those JARC and New Freedom projects that serve the populations for whom Federal Lands Highways Program funds were also intended to serve.

6. June 2007

Q. Who is responsible for determining that matching funds are allowable for transportation purposes?

A. The grantee is responsible for ensuring that non-U.S. DOT federal funds may be used to match transportation projects and that the funds are available for the project.

7. June 2007

Q. If the MPO, State DOT or other designated recipient had a JARC plan in place prior to the passage of SAFETEA-LU, what else do they need to do to be in compliance with the coordinated planning requirements to receive JARC, New Freedom, or Section 5310 funds for FY 2007?

A. In order to receive program funds for FY 2007 the MPO, State DOT, or other designated recipient must 1) make an assessment of available services; 2) make an assessment of needs; 3) develop strategies to address gaps for target populations; and 4) the lead agency developing the plan should also include the needs of elderly individuals and individuals with disabilities in the coordinated plan, unless they do not plan to apply for Section 5310 or New Freedom funding.

8. June 2007

Q. If the MPO, State DOT, or other designated recipient did not have a coordinated plan prior to the passage of SAFETEA-LU, will they need to have a completed plan in place to receive JARC, New Freedom, and/or Section 5310 funds for fiscal year 2007?

A. Yes, and the coordinated plan should be consistent with the program circulars for fiscal year 2007 planning requirements. These requirements are outlined in Chapter V of the program circulars.

9. June 2007



Q. Beginning in fiscal year 2008, must MPOs, State DOTs, and other designated recipients have a completed coordinated public transit-human service transportation plan in place in accordance with the JARC, New Freedom, and Section 5310 programs before they can be awarded any program funds?

A. Yes. FTA expects plans developed for FY 2008 and beyond to include more information than plans developed for FY 2007. Please see Chapter V of the program circulars for the required elements of coordinated plans.

JARC (Section 5316) and New Freedom (Section 5317) Programs:

10. June 2007

Q. Can a Small Urbanized Area be a designated recipient?

A. No. Please see Chapter III, Section 4, ELIGIBLE DIRECT RECIPIENTS, in the JARC and New Freedom circulars, stating, "The State is the designated recipient and may apply directly to FTA for grant funds for itself and its subrecipients." This is consistent with the language found in 49 U.S.C. 5316 and 5317.

11. October 18, 2008

Q: Can New Freedom funds be transferred between the non-urbanized portion of the governor's apportionment to and the small-urbanized apportionment, or to or from a large urbanized apportionment?

A: No. With the exception of consolidating grants to insular areas, Congress did not provide States and Designated Recipients with the authority to transfer New Freedom funds into or out of the areas in which they were apportioned. Accordingly, funds apportioned to non-urbanized areas, small-urbanized, and large-urbanized areas must be used for projects in those areas. New Freedom funds can be transferred to Section 5307 or 5311 recipients provided that they are used for projects that are eligible under the New Freedom program.

12. June 2007

Q. When the State is transferring funds from JARC or New Freedom to Section 5307 or Section 5311, is a certification or declaration needed to assure JARC and New Freedom needs are met?

A. No. Please see Chapter III, Section 8 of the circulars:

- o Transfer to Other FTA Programs. A State may transfer funds apportioned to it for rural or small urbanized areas to apportionments under Section 5311(c) or 5307, or both. The purpose of the transfer provision, however, is not to supplement the resources available under the State's Section 5311 or Section 5307 apportionments. Transfer to Section 5311 or Section 5307 is permitted, but not required. Transferred funds must be used for JARC and New Freedom projects. A State may make the transfer only after consulting with local officials and publicly owned operators of public transportation. The period of availability for the transferred funds is not changed by the transfer.
- o Notification of Transfers. The State must notify the FTA regional administrator of the State's intent to have funds transferred so that FTA can initiate the transfer. For transfers of JARC or



New Freedom funds into the Section 5307 program for urbanized areas (UZAs) under 200,000 in population or Section 5311(c), and for transfers of flexible funds, the notification must indicate the amount of funds transferred, the recipient of transferred funds, and the program to which they are being transferred.

13. June 2007

Q. How do we differentiate State administration for each program at the time of draw down if funds are transferred to Section 5307? How will we know if they are JARC or New Freedom funds?

A. JARC, New Freedom, and Section 5307 funds should not be combined in a single grant. Grantees should have individual Section 5307 grants for each program. A Section 5307 grant that contains JARC or New Freedom funds should use the appropriate scope code in TEAM (646-00 for JARC and 647-00 for New Freedom.)

14. June 2007

Q. What is the difference between a “direct” and a “designated” recipient?

A. The “designated recipient” is the entity designated, pursuant to 49 U.S.C. 5302(a)(2), by the Governor of a State to receive FTA funds. Under the JARC and New Freedom programs, the designated recipient is responsible for competitively allocating JARC or New Freedom funds to itself and subrecipients in an area. The “direct recipient” is an entity that can apply directly to FTA for grant funding they have received through the designated recipient’s competitive selection process.

- o The designated recipient may be the direct recipient for all funds on behalf of itself and all subrecipients

For example:

- o **In Small UZAs** (50,000 – 200,000 population) an entity receiving Section 5307 funds directly from FTA can be the direct recipient for JARC and New Freedom funds if the State (the designated recipient) transfers the funds to Section 5307 after consultation with responsible local officials and publicly owned operators of public transportation.
- o **In a large UZA** (over 200,000 in population) a public entity that is a designated recipient for Section 5307 can be the direct recipient of a JARC and New Freedom grant if it is selected for funding through the designated recipient’s competitive selection process.
- o **In nonurbanized areas** (areas under 50,000 in population) tribes can be direct recipients for JARC and New Freedom funds if the funds are transferred to the Section 5311 program and applied for in a Section 5311 grant. The appropriate scope codes 646-00 and 647-00 should be used in TEAM.
- o **In all other cases**, the entity selected to receive JARC and New Freedom funds will be a sub-recipient of the designated recipient.
 - Private non-profits
 - Private for profit operators



- Public transportation providers in nonurbanized areas.

15. January 10, 2008

Q: Can a Section 5307 recipient in a small urbanized area apply directly to FTA for JARC and New Freedom funds or does the application need to come from the State?

A: The 5307 recipient can apply directly to FTA for funds provided the State has competitively awarded the funds to small urbanized areas and that the State transfers the funds to the Section 5307 recipient. The state must notify FTA of the amount of funds transferred, the program to which they are transferred, and the specific projects to be implemented under JARC and New Freedom.

16. June 2007

Q. Does the designated recipient have to be a public agency?

A. Yes, consistent with FTA's interpretation of 49 U.S.C. 5307(a)(2).

17. June 2007

Q. Can the title for vehicles purchased using JARC or New Freedom funds pass from a designated recipient through to a subrecipient?

A. Yes. Please refer to Chapter VI, Section 6 "TITLE TO VEHICLES" and Section 7 "SATISFACTORY CONTINUING CONTROL" in the circulars. The designated recipient is encouraged to either hold title or record a lien against the title to vehicles. This is not mandatory, however. What is mandatory is that the designated recipient establish continuing control over the vehicles and accept the responsibility for continued public transit use of the vehicles, and more particularly use for New Freedom purposes, whether by itself or a subrecipient. When capital equipment or facilities are acquired, built, or improved, provisions must be made to assure satisfactory continuing control of that capital equipment and facilities. While the designated recipient may delegate these responsibilities to a subrecipient, the designated recipient is ultimately responsible for compliance with this requirement.

This means that designated recipients responsible for administering JARC or New Freedom funds may hold title to vehicles purchased with Section 5316 or Section 5317 funds, or title may be held by a subrecipient.

18. June 2007

Q. Which activities are capital and which are operating? Where can grantees find guidance on determining the difference? Is there a more detailed listing of eligible capital and operating expenses for JARC and New Freedom grants? Specifically, are insurance costs associated with some of the New Freedom projects, costs associated with car loan programs, and costs associated with voucher programs operating or capital expenses?

A. The basic definition of an operating cost is something that does not have a useful life of more than one year. In contrast, a capital item is usually a tangible item that has a useful life of more



than one year. For example, vouchers are considered an operating expense, consistent with FTA program requirements; insurance is considered an operating expense; a guaranteed loan fund or a revolving fund used to make loans are capital expenses; and funds used to pay the administrative costs of loan programs are operating expenses. The construction of bus stops, installation of elevators, or the purchase of buses are examples of capital expenses. Also, mobility management is defined by law as an eligible capital expense. Chapter III of each program circular contains a list of eligible activities for the program.

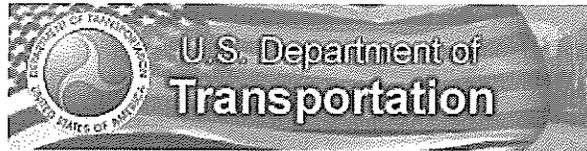
19. May 21, 2008

Q: Are private, for-profit taxicab companies that seek to purchase accessible taxis eligible subrecipients under the New Freedom program?

A: In some cases, yes. FTA considers private taxi companies that provide shared-ride taxi service to the public or to special categories of users (such as older adults or persons with disabilities) on a regular basis to be 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.

Local (municipal/State) statutes or regulations, or company policy, will generally determine whether a taxi company provides shared-ride or exclusive-ride service. For example, if the local regulation permits the driver to determine whether or not a trip may be shared, the service is not shared-ride. Similarly, if the regulation requires the consent of the first passenger to hire a taxi be obtained before the taxi may take on additional riders, the service is not shared-ride. In essence, services which can be reserved for the exclusive use of individuals or private groups, either by the operator or the first passenger's refusal to permit additional passengers, is exclusive-ride taxi service, and is not shared-ride taxi service. A recipient passing funds through to a taxi company subrecipient should request documentation from the taxi company to assure the company is providing shared-ride service.

Taxi companies that provide only exclusive-ride service are not eligible subrecipients; however, they may participate in the New Freedom program. Exclusive-ride taxi companies can receive New Freedom funds to purchase accessible taxis under contract with a State, designated recipient or eligible subrecipient such as a local government or non-profit organization. The taxi company may hold title to the accessible vehicle(s) as long as the agreement between the State, designated recipient or subrecipient and the taxi company is sufficient to establish satisfactory continuing control. Acceptable means of establishing satisfactory continuing control could include a State, designated recipient or subrecipient's lien on the vehicle, or contract provisions that require the accessible taxi to be used to provide transportation to people with disabilities, and that the vehicle may not



be removed from service or disposed of prior to the end of its useful life without the express written consent of the FTA recipient or subrecipient.

20. April 29, 2009

Q Can New Freedom funds be used to expand service hours and days for existing fixed route or demand responsive services (other than ADA complementary paratransit), and (2) Can NF funds be used to fund public transportation services where they currently do not exist?

FTA has published a notice of policy statement for eligible New Freedom projects in the Federal Register (see 74 FR 19624, April 29, 2009). Under this statement, new or expanded fixed route service and new or expanded demand response service constitute new public transportation services beyond those required by the ADA that assist individuals with disabilities with transportation, and are therefore eligible for funding under the New Freedom program, provided that these services:

- (1) Are identified in the grant applicant's coordinated public transit-human services transportation plan;
- (2) Are available to the public at large but were planned and designed to meet the mobility needs of individuals with disabilities in response to circumstances where existing fixed route and demand response transportation is unavailable or insufficient to meet the mobility needs of individuals with disabilities;
- (3) Were not operational on August 10, 2005, and did not have an identified funding source as of August 10, 2005, as evidenced by inclusion in the Transportation Improvement Program (TIP) or the State Transportation Improvement Program (STIP); and
- (4) Are not designed to allow an agency to meet its obligations under the ADA or the DOT ADA implementing regulations at 49 CFR parts 37 and 38.

Examples of such services would be a fixed route service that is open to the general public but that is extended to serve a congregate living facility or a workplace serving large numbers of individuals with disabilities, or demand response service that is available to the general public but whose service coverage or span of service is designed in response to mobility needs expressed by individuals with disabilities. FTA notes that expanded fixed route service may result in expanded ADA complementary paratransit service; since the ADA complementary paratransit service is required under the ADA, it would not be eligible for New Freedom funding. All new or expanded fixed route and demand responsive services funded under the New Freedom program will be subject to the requirements of the ADA and DOT ADA implementing regulations.

21. August 25, 2008

Q: Can New Freedom program funds be used to purchase new vehicles designed to accommodate oversized wheelchairs or that include multiple securement areas, for use on fixed route or demand response service?

A: Yes. While the New Freedom circular lists the acquisition of vehicles designed to accommodate oversized wheelchairs and installing additional securement locations within the



context of enhancing paratransit services beyond the minimum requirements of the ADA, these vehicles can also be put into service on fixed routes and demand response service, provided that the service is targeted towards people with disabilities. New Freedom funds can be used to acquire the vehicle and fund the labor costs of aids to help drivers assist passengers with oversized wheelchairs.

22. October 17, 2007

Q: Can a human service transportation provider use New Freedom funds to reduce the cost of fares paid by their clients?

A: No. Although New Freedom program funds can be used to support voucher programs offered by human service providers, the vouchers are intended to supplement existing services and expand the number of providers available or the number of passengers receiving transportation services. Offering reduced fares on an existing service does not meet the New Freedom program goal of expanding services. Other Federal funding is available for transit passes.

23. January 10, 2008

Q: Are there limits on what constitutes an “employment support service” for the purposes of the JARC program?

A: FTA considers job training and childcare to be employment support services because access to these services can help low-income persons attract and retain employment. Applicants who are considering providing service to destinations other than job training or child care locations should contact FTA to determine whether these destinations constitute employment support service. Projects that transport children of low-income parents to and from school or after school locations do not constitute transportation to employment support services under the JARC program and would not be eligible for JARC funds.

24. January 10, 2008

Q: Can mobility management projects be funded and implemented over multiple years?

A: Yes. Although mobility management refers to “short term”: management activities to plan and implement coordinated services these activities can occur on a multi-year basis.

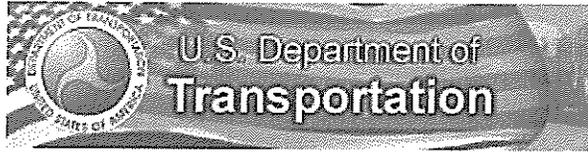
25. May 21., 2008

Q: Is sidewalk construction an eligible activity under the JARC and New Freedom programs?

A. Sidewalk construction is not an eligible activity under the JARC program and may be an eligible activity under the New Freedom program, provided two conditions are met.

First, the sidewalk must be constructed in order to provide an accessible path to a bus stop that is currently inaccessible. Secondly, the recipient should determine whether Federal highways or other funds are available for pedestrian improvements before applying for New Freedom funds for this purpose.

26. January 5, 2009



Q: Is bus shelter construction an eligible activity under the JARC and New Freedom programs.

A: Grantees may use JARC funds to construct shelters provided that the shelters are located in predominantly low-income areas and along transit routes that connect low-income persons to employment or employment-related activities. Shelters can also be installed along routes that provide reverse commute service. JARC funds can also be used to make existing shelters accessible for people with disabilities, provided that the above conditions apply.

Grantees may also use New Freedom funds to construct accessible bus shelters or to modify existing bus shelters to make them accessible.

27. March 25, 2008

Q: Is travel training considered a capital expense on an operating expense under the New Freedom program?

A: The New Freedom program circular treats travel training as a component of mobility management, which is considered a capital expense and is eligible for up to an 80 percent Federal match.

Planning Process:

28. June 2007

Q. Do the FTA regional offices have to verify that projects are derived from coordinated plans?

A. Yes, in coordination with the grant application. Direct and designated recipients must certify that projects to be funded are derived from a coordinated plan and the grant application should include a page reference to the plan. In reviewing the application the FTA Regional Office needs to ensure that the grantee provides this information in the program of projects (POP). Appendix A of the circulars includes the following language: "Project activities shall be sufficiently described to assist the reviewer in determining eligibility under the program and shall include the page number of the coordinated plan from which the project was derived, as well as the date the plan was adopted."

29. January 10, 2008

Q: Are applicants required to attach their coordinated plan to their application in TEAM?

A: No. FTA regional offices will not review coordinated plans as a part of their review of an application for Section 5310, JARC, or New Freedom funding. Rather, FTA will rely on:



- (1)The applicant's certification in the grant that a project is derived from a coordinated plan; and
- (2)The "paper clipped" Program of Projects that contains the name of the applicable plan and the page number where the project or strategy is located within the plan.

30. June 2007

Q. Does the State have to have its own coordinated plan or can it rely on local plans?

A. There is no requirement for a State plan, just a local coordinated plan. However, the community will define "local" and in some cases the planning area may be defined as statewide. Please reference Chapter V, Section 2 of the circulars.

31. June 2007

Q. Do projects have to be in both the STIP/TIP?

A: If the project is within the planning boundary of a Metropolitan Planning Organization (MPO), the project has to be in both the TIP and the STIP. Projects in nonurbanized areas only have to be in the STIP. Depending on State or local requirements, the projects may show on the aggregate (program level) or be listed on the individual project level listing. TIP and STIP listings must be consistent with the metropolitan and statewide transportation plans.

32. January 10, 2008

Q: Can an applicant hold a competitive selection and apply to FTA for funding for projects that are derived from draft coordinated public transit human services transportation plans?

A: Designated recipients can hold a competitive selection for projects that are derived from a draft coordinated plan and can place those projects that were selected e in Category B of their application to FTA. Projects in Category B are those projects the designated recipient anticipates approving during the current year, but have not yet met all of the Federal statutory or administrative requirements. Grant money for projects derived from a draft coordinated plan can be obligated by FTA but may not be expended by the designated recipient until the plan is finalized.

Competitive Selection Process:

33. June 2007

Q. For projects or needs that cross UZA and rural or small urbanized boundaries, whose coordinated plans or competitive selection process should we compete in?

A. This is a local decision. If the service is completely located within an urbanized area, providers should compete for those funds in the urbanized area; and in a rural competition if the area is rural. If the service is targeted to serve the residents of the rural area (even if the provider is located within the urbanized area) the service is eligible for rural funding. Ideally in this situation the coordinated plan boundaries could include services in urbanized, rural, and small urban areas; however, this does not have to be the case.



- 34. June 2007**
Q. May a stakeholder or transportation provider that meets the criteria of both urban and rural compete within both categories?
- A. A transportation provider that provides services in rural, small urban, and/or large urbanized areas can compete and therefore receive funding in any area to provide services.
- 35. June 2007**
Q. May a transportation provider bid on projects if it participated in the coordinated planning process?
- A. Yes.
- 36. June 2007**
Q. Is a transportation provider required to participate in the coordinated planning process in order to bid on projects?
- A. No.
- 37. June 2007**
Q. Is it acceptable to compete different project components/costs in each of the categories, urban and rural?
- A. Yes, This is acceptable.
- 38. June 2007**
Q. Do projects have to be specifically listed or can they be “generally” consistent with the coordinated plan?
- A. Projects do not have to be listed specifically, but they have to be consistent with and derived from the coordinated plan. Chapter IV of the circulars contains examples of different types of competitive selection processes. These examples also illustrate how projects may be derived from the coordinated plan without being specifically listed in the plan.
- 39. June 2007**
Q. Can the State ask for projects regardless of specific program and then determine under which program the project will be funded?
- A. Yes, the State may have an open call for projects which meet the objectives of the various programs. However, the State must use developed criteria to competitively select projects funded by JARC or New Freedom program funds.
- 40. January 10, 2008**
Q: In response to a designated recipient’s request for proposals, can a potential subrecipient propose to pass through the funds to another subrecipient, or must an applicant conduct a third-party procurement before passing through funds to the subrecipient?



A: States or designated recipients can, in some cases, choose to grant Section 5310, JARC, or New Freedom assistance to a subrecipient through an intermediary subrecipient. For example, a state could pass funds to a non-profit organization through a local government authority. The arrangement between the first tier and second tier subrecipient is not a third party contract if the ultimate subrecipient would otherwise be eligible under Section 5310, JARC, or New Freedom to receive funds directly from the State or Designated recipient. If the ultimate subrecipient is not otherwise eligible, the intermediary subrecipient would need to conduct a procurement, consistent with FTA guidelines in Circular 4220.1

General Questions/Suggestions:

41. June 2007

Q. If a project includes purchase of a vehicle for a specific program and the program ceases to exist before useful life of the vehicle is achieved, what happens to the vehicle?

A. Grantees must follow the requirements of the Common Rule (49 CFR Part 18 or Part 19, depending on the nature of the grantee). This information is also referenced in Chapter VI, Section 5 in the program circulars.

42. June 2007

Q. Has oversight for JARC and New Freedom been established?

A. For States and Section 5307 direct recipients of JARC and New Freedom funds, FTA will incorporate additional questions into the State Management and Triennial Reviews. FTA is in the process of exploring oversight options for direct recipients that are not States or Section 5307 direct recipients.

43. June 2007

Q. If the State does not want to be responsible for implementing the JARC or New Freedom program can the Governor designate a large metropolitan/urban area to be responsible for the programs?

A. No, the State is the designated recipient for rural and small urbanized areas. For JARC and New Freedom the Governor may designate any state agency to manage the program.

44. June 2007

Q. Can the State be a designated recipient for a large urbanized area?

A. Yes, if the designation is in accordance Section 5307(a)(2).

45. June 2007

Q. Large UZA – If a traditional grantee that is not a designated recipient of New Freedom is allowed to apply directly, do they need to apply in a Section 5317 (“57”) application or can the funds be added to their regular Section 5307 (“90”) application for administrative purposes?

A. A traditional grantee in a large UZA could apply directly to FTA for the Section 5317 funds allocated to them through the designated recipient’s competitive selection process. However, the



grantee must make an application for a Section 5317 (57) grant in TEAM because there is no transfer provision that allows transfer to Section 5307 for large urbanized areas. A supplemental agreement will need to be executed between the designated recipient and the traditional Section 5307 recipient. This would also be the process if the funds being applied for were JARC funds: the direct recipient would apply for a Section 5316 (37) grant.

46. June 2007

Q. Small UZA – If the state transfers funds to Section 5307 so traditional grantees can apply directly, is a supplemental agreement with the state necessary?

A. No, the transfer also removes the oversight responsibility for those funds from the designated recipient to the grant recipient under Section 5307. The State will only be responsible for the program requirements (such as competitive selection and ensuring projects are derived from a coordinated plan) and data collection for annual reporting purposes. Although the funds can be applied for in a Section 5307 grant, the grant should only contain funding and activities for the New Freedom project. New Freedom, JARC, and Section 5307 funds cannot be combined in a single grant because disbursements cannot be recorded to the appropriate program.

47. June 2007

Q. If different funding programs administered by the State (JARC, New Freedom, 5310, 5311) are included in one application, what grant number is used (37, 57, 16, 18) or does it matter as long as the separate scopes are used?

A. The State will use the grant number for Section 5311 (18); separate scopes would still be used within the project budget to distinguish between the funds used. States may combine funds from multiple programs in a consolidated Section 5311 grant, but the State must track, manage, and report on each program's funds separately within the consolidated grant.

48. June 2007

Q. If a grantee submits one grant for the program administration (10%) for all three programs, how is the grant coded/numbered?

A. Administrative funds may not be combined into a single section 5307 grant. However, Chapter III of the program circulars specifies the following: "FTA will allow all or a portion of the administrative funds for JARC, New Freedom, and Section 5310 to be combined to support activities (such as coordinated planning) that are common to all three programs. Recipients may combine program administration funds into one administrative account, so long as the recipient uses the funds for costs associated with administering the Section 5310, JARC, and New Freedom programs. However, FTA must still track the funds attributable to each program at the accounting classification code, Activity Line Item (ALI), and Financial Purpose Code (FPC) Level in respective grants. As a recipient incurs expenses against the pooled funds for program administration, it can draw down the reimbursement against any grant that has undisbursed program administration funds." If the funds for multiple programs are combined in a Section 5311 grant, there could be one line item for state administration, equaling the total of state administration obligated using FPC 06 for all the programs included in the grant.



ATTACHMENT #2

Agenda Item 6

December 4, 2012

TO: Members of the MAG Transit Committee

FROM: Cathy Colbath, Glendale, Chair

SUBJECT: 2013 MAG TRANSIT COMMITTEE MEETING SCHEDULE

Below is the 2013 schedule for the MAG Transit Committee. These meetings will be held at 10:00 a.m. at the MAG Office Building, Ironwood Room, 302 North 1st Avenue, Suite 200, Phoenix, AZ. 85003.

Thursday, January 10, 2013 [Chaparral Room]

Thursday, February 14, 2013

Thursday, March 14, 2013

Thursday, April 11, 2013

Thursday, May 9, 2013

Thursday, June 13, 2013

Thursday, July 11, 2013 [Chaparral Room]

Thursday, August 8, 2013

Thursday, September 12, 2013

Thursday, October 10, 2013

Thursday, November 14, 2013

Thursday, December 12, 2013

If you have any questions, please contact Eileen Yazzie at the MAG office at (602) 254-6300 or by email at eyazzie@azmag.gov or Marc Pearsall at the MAG office at (602) 254-6300 or by email at mpearsall@azmag.gov

cc: Intergovernmental Representatives