

Revised January 2024

State Management Plan (SMP)

**FTA Section 5310, 5311, and 5339
Grant Programs**

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Acronyms

ADA	Americans with Disabilities Act
ADTAP	Appalachian Development Public Transportation Assistance Program
CHSM	Coordinated Human Service Mobility Plan
COG	Council of Governments of Metropolitan Washington
CSB	Community Services Board
CTB	Commonwealth Transportation Board of Virginia
DBE	Disadvantaged Business Enterprise
DGS	Virginia Department of General Services
DOT	Department of Transportation
DRPT	Virginia Department of Rail and Public Transportation
ECHO	Electronic Clearing House Operation
FHWA	Federal Highway Administration
FTA	Federal Transit Administration
IJA	Infrastructure Investment and Jobs Act
ITS	Intelligent Transportation Systems
MAJ	Major Expansion
MAP-21	Moving Ahead for Progress in the 21st Century Act
MERIT	Making Efficient Responsible Investments In Transit
MIN	Minor Enhancement
MIS	Management Information System
MPO	Metropolitan Planning Organization
NTD	National Transit Database
PDC	Planning District Commission
POP	Program of Projects
RTAP	Rural Transportation Assistance Program
SAM	System for Award Management
SGR	State of Good Repair
SMP	State Management Plan
STIP	Statewide Transportation Improvement Program
SYIP	Six-Year Improvement Plan
TIP	Transportation Improvement Program
TrAMS	Transit Award Management System
TransAM	Transportation Asset Management
TSDAC	Transit Service Delivery Advisory Committee
VDOT	Virginia Department of Transportation

Chapter 1. Introduction

1.1 SMP Purpose

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

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

The SMP describes DRPT's policies and procedures for administering the state-managed portions of FTA Section 5310, 5311, and 5339 programs. DRPT's goals, policies, procedures, and administrative requirements are also included in the SMP.

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

Virginia Department of Rail and Public Transportation (DRPT)
Attn: Director of Statewide Transit Programs
600 E. Main Street, Suite 2102
Richmond, VA 23219

1.2 DRPT Mission

The mission of DRPT is to connect and improve the quality of life for all Virginians with innovative transportation solutions. The agency works with rail and public transportation stakeholders to provide service to people throughout Virginia and promote transportation options to the general public, businesses, and community decision-makers. As an agency entrusted with public dollars, we seek the highest possible return on investment to maximize funding and strive to implement best-practice management tools and techniques. DRPT accomplishes this mission through three primary areas of activity:

- **Public Transportation:** DRPT administers public transportation funding and planning in Virginia. The transit systems include 40 bus providers as well as commuter rail, heavy rail, light rail, paratransit, and ferryboat.
- **Commuter Programs:** DRPT manages investments in local and regional commuter assistance programs that mitigate congestion, manage transportation demand, and promote and encourage the use of transit, vanpools, and carpools.

- Rail: DRPT oversees programs and initiatives supporting freight investments and delivers data-driven planning recommendations and policies for passenger and freight rail.

DRPT developed a strategic plan that guides both our long-term strategy and day-to-day decision-making as the agency strives to meet the transportation needs of Virginians. The plan sets out clear priorities for DRPT: expanding transparency and performance metrics and promoting more collaboration with the agency's partners. DRPT has focused on four goals that relate to excellent service, opportunity and partnership, sustainability, and innovation.

Chapter 2. Roles and Responsibilities

2.1 Federal Transit Administration

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

Most Federal transit laws are codified in [Title 49 USC Chapter 53](#) and establish the authority of the FTA. It incorporates the Urban Mass Transportation Act, originally enacted in 1964. Congress authorizes money to FTA in long- and short-term transportation legislation, such as the [Infrastructure Investment and Jobs Act of 2021](#). The transportation bills amend Chapter 53 to modify or set up funding programs and laws for FTA.

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

- Reviewing and approving grant applications
- Obligating funds
- Managing grants
- Overseeing states' implementation of annual programs and Program of Projects (POP)
- Receiving certifications
- Reviewing and approving State Management Plans and Program Management Plans
- Performing State Management Reviews every three years for states receiving Sections 5310, 5311 and 5339 program funds
- Performing Triennial Reviews of direct recipients of Section 5307 program funds
- Performing special and enhanced reviews at FTA's discretion
- Providing technical assistance and guidance as needed

2.2 Commonwealth Transportation Board of Virginia

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

2.3 Regional Planning Agencies

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

2.3.1 Metropolitan Planning Organizations

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

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

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

2.3.2 Planning District Commissions

The Commonwealth of Virginia is divided into Planning District Commissions/Regional Councils made up of elected officials and citizens appointed by member local governments. The PDC promotes the orderly and efficient development of the district's physical, social, and economic elements by planning, encouraging, and assisting localities in planning for the future.

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

- Accomack-Northampton Planning District Commission
- Central Shenandoah Planning District Commission
- Central Virginia Planning District Commission
- Commonwealth Regional Council
- Crater Planning District Commission
- Cumberland Plateau Planning District Commission

- George Washington Regional Commission
- Hampton Roads Planning District Commission
- Lenowisco Planning District Commission
- Middle Peninsula Planning District Commission
- Mount Rogers Planning District Commission
- New River Valley Regional Commission
- Northern Neck Planning District Commission
- Northern Shenandoah Valley Regional Commission
- Northern Virginia Regional Commission
- PlanRVA
- Rappahannock-Rapidan Regional Commission
- Roanoke Valley-Alleghany Regional Commission
- Southside Planning District Commission
- Thomas Jefferson Planning District Commission
- West Piedmont Planning District Commission

2.4 Virginia Department of Rail and Public Transportation

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

1. Determine present and future needs for, and economic feasibility of providing, public transportation, transportation demand management, and ridesharing facilities and services and the retention, improvement, and addition of passenger and freight rail transportation in the Commonwealth;
2. Formulate and implement plans and programs for the establishment, improvement, development, and coordination of public transportation, transportation demand management, and ridesharing facilities and services, and the development, retention, and improvement of passenger and freight rail transportation services and corridors in the Commonwealth, including lines for higher speed passenger rail that will shift traffic from the highways to passenger rail and thereby reduce traffic congestion, and coordinate transportation demand management and innovative technological transportation initiatives with the Department of Transportation;
3. Coordinate with the Department of Transportation in the conduct of research, policy analysis, and planning for the rail and public transportation modes as may be appropriate to alleviate traffic congestion on highways by shifting traffic to passenger rail and to ensure the provision of effective, safe, and efficient public transportation and passenger and freight rail services in the Commonwealth;
4. Develop uniform financial and operating data on and criteria for evaluating all public transportation activities in the Commonwealth, develop specific methodologies for the collection of such data by public transit operators, regularly and systematically verify such data through financial audits and periodic field reviews of operating data collection methodologies, and develop such other information as may be required to evaluate the performance and improve the economy or efficiency of public transit or passenger and

- freight rail operations, transportation demand management programs, and ridesharing in the Commonwealth;
5. Compile and maintain an up-to-date inventory of all abandoned railroad corridors in the Commonwealth abandoned after January 1st, 1970;
 6. Provide training and other technical support services to transportation operators and ridesharing coordinators as may be appropriate to improve public transportation, ridesharing, and passenger and freight rail services;
 7. Maintain liaison with state, local, district, and federal agencies or other entities, private and public, having responsibilities for passenger and freight rail, transportation demand management, ridesharing, and public transportation programs;
 8. Receive, administer, and allocate all planning, operating, capital, and any other grant programs from the Federal Transit Administration, the Federal Railroad Administration, the Federal Highway Administration, and other agencies of the United States government for public transportation, passenger and freight rail transportation, transportation demand management, and ridesharing purposes with approval of the Board and to comply with all conditions attendant thereto;
 9. Administer all state grants for public transportation, rail transportation, ridesharing, and transportation demand management purposes with the approval of the Board;
 10. Promote the use of public transportation, transportation demand management, ridesharing, and passenger and freight rail services to improve the mobility of Virginia's citizens and the transportation of goods;
 11. Represent the Commonwealth on local, regional, and national agencies, industry associations, committees, task forces, and other entities, public and private, having responsibility for passenger and freight rail, transportation demand management, ridesharing, and public transportation;
 12. Represent the Commonwealth's interests in passenger and freight rail, transportation demand management, ridesharing, and public transportation and coordinate with the Department of Transportation in the planning, location, design, construction, implementation, monitoring, evaluation, purchase, and rehabilitation of facilities and services that affect or are used by passenger and freight rail, transportation demand management, ridesharing, or public transportation;
 13. Coordinate with the State Corporation Commission on all matters dealing with rail safety inspections and rail regulations that fall within its purview;
 14. Prepare and review state legislation and Commonwealth recommendations on federal legislation and regulations as directed by the Secretary of Transportation;
 15. Promote public transportation, ridesharing, and passenger and freight rail safety; and
 16. Ensure the safety of rail fixed guideway transit systems within the Commonwealth and carry out state safety and security oversight responsibilities for rail fixed guideway transit systems as required by the Federal Transit Administration and federal law. For any rail fixed

guideway transit system operated within the Commonwealth pursuant to an interstate compact, the Department of Rail and Public Transportation shall perform its oversight responsibilities in accordance with the interstate compact governing the operation of such system and any applicable federal law.

According to the Code of Virginia, as quoted above, the Governor has designated DRPT to administer FTA funding programs under FTA Sections 5310, 5311, and 5339. DRPT will follow the prescribed procedures published by the US Department of Transportation ([CFR Title 23, Subchapter I, Part 810](#)) and the existing federal and state regulations pertaining to administering federal grants in Virginia.

2.5 State Administration

DRPT has staff in both the Transit Division and the Finance Division to provide program management and oversight of its programs. DRPT staff is always available to recipients to provide ongoing support and technical assistance to ensure they meet FTA and DRPT regulations and requirements.

DRPT's role in state administration includes but is not limited to the following:

- Outreach to potential grant recipients and solicit applications for funding.
- Certify eligibility of applicants and project activities.
- Develop project selection criteria and a competitive selection process.
- Evaluate applications based on selection criteria and prescribed prioritization for funding.
- Select projects for approval.
- Develop the State Transportation Improvement Program (STIP) for each FTA section.
- Develop an annual program of projects in the Six-Year Improvement Plan (SYIP) for public comment and approval by the CTB.
- Develop funding agreements for approved projects with selected agencies.
- Develop and submit grant applications to the FTA.
- Monitor transit provider participation in regional Transportation Improvement Plan development.
- Monitor project activity and program management of transit providers and sub-recipients.
- Ensure subrecipient compliance with all federal requirements, including all certifications and assurances, drug and alcohol, and civil rights regulations.
- Provide statewide training and manage the Rural Transportation Assistance Program (RTAP).
- Oversee and assist in the development of Transit Development Plans and Transit Strategic Plans.
- Submit reports as required to the FTA, including National Transit Database, Disadvantaged Business Enterprise, Title VI, the Americans with Disability Act, Equal Employment Opportunity, and Drug and Alcohol reporting and any other specialty federal reporting requirements for subrecipients.
- Develop and monitor the Coordinated Human Services Mobility Plan and oversee the plan coordination across the state.
- Maintain statewide vehicle contracts in cooperation with the Virginia Department of General Services Division of Purchases and Supply.
- Procure all Section 5310 vehicles.
- Develop and implement the Intercity Bus Program under Section 5311(f)
- Provide technical assistance and guidance as needed.

Chapter 3. Coordination

3.1 Coordination at the State Level

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

One element of state-level coordination is the development and distribution of grant program information. Each year, DRPT publishes a Program Application Guidance Manual to provide application guidance to grant applicants. DRPT's Grant Administration Procedures Manual is published annually to outline procedures for grant recipients. These guidance documents are updated with current policies and procedures and transmitted to all grant recipients each year. The current guidance documents are also on DRPT's website at <https://drpt.virginia.gov/>.

DRPT conducts appropriate public outreach. Public notice is published in all major newspapers in Virginia, announcing its availability to the public and any public or private agency interested in the program.

DRPT hosts a series of Transit, Mobility, and Commuter Assistance Program Grant Workshops held each summer and fall for local and regional partners across the Commonwealth. Attendees engage directly with DRPT's programming and planning experts regarding the latest information on the grant cycle, including technical assistance and application guidance on all public transportation and mobility programs administered by DRPT.

3.2 Coordination at the Project Level (Section 5310)

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

The CHSM Plan also serves as the foundation for the Program of Projects and is encouraged to be integrated into the metropolitan transportation planning processes and documents. DRPT takes a broad approach to CHSM planning efforts to help ensure the participation of stakeholders at the local level. In its outreach effort, DRPT receives feedback from seniors, individuals with disabilities, and public, private, and non-profit transportation representatives, including human services, other transportation providers, and other organizations. Overall, several broad categories of agencies are included in outreach activities, as appropriate and applicable:

1. Community Services Boards (CSBs) and Behavioral Health Authority (BHA): These boards provide or arrange for behavioral health, developmental disability, and substance use disorder services within each locality.
2. Area Agencies on Aging (AAAs): These organizations offer various community-based and in-home services to older adults, including senior centers, congregate meals, adult day care services, home health services, and Meals-on-Wheels.
3. Other Local- and State-Supported Boards and Organizations: These organizations provide various services in accordance with agreements to deliver specific services to a specific population, such as Centers for Independent Living and Disability Services Boards.
4. Public Transportation Providers: These include publicly or privately owned operators that provide transportation services to the public regularly and continuously. They have published routes and schedules and have vehicles marked in a manner that denotes availability for public transportation service.
5. State Agencies with an Interest in Transportation: DRPT convened a statewide committee comprising members of state agencies interested in transportation, particularly for individuals with disabilities and older adults. Membership is open and fluctuates.
6. Other appropriate associations and organizations include AARP, the Wounded Warrior Program, brain injury programs, and schools for children with disabilities.

Following the release of the draft CHSM plan, DRPT requests additional input through approved public channels, such as the Virginia Regulatory Town Hall at <https://townhall.virginia.gov/> and the DRPT website at <https://drpt.virginia.gov/>. After incorporating feedback, the final plan is published in or around December each year.

The CHSM Plans follow a three-year update cycle but can be updated earlier based on local conditions and needs or legislative changes. DRPT's CHSM Plan can be found on our website at <https://www.drpt.virginia.gov/ongoing-grant-programs/human-services-grant-program/>.

Chapter 4. Requirements, Policies, and Procedures

4.1 Local Share and Local Funding Requirements

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

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

4.2 Annual Program of Projects Development and Approval Process

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

All applications must be submitted to DRPT through WebGrants, DRPT's grants management system, at <https://grants.drpt.virginia.gov>. Applications open on December 1st of each year. Annual Performance Data and an Asset Inventory showing all FTA-funded equipment must also be submitted annually.

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

Projects screened for funding are included in a Draft Six-Year Improvement Plan (SYIP), which is presented to the Chief of Public Transportation for preliminary review and revisions. The Draft SYIP is then presented to DRPT's Director. The final Draft SYIP is presented to the Secretary of Transportation after the Director's approval. Upon the review and approval by the Secretary of Transportation, the SYIP is presented to the CTB in April. The draft SYIP is also posted on

DRPT's website for review by applicants and the public. Simultaneously, DRPT notifies all applicants by email about specific project recommendations. After hosting regional public meetings across the Commonwealth to solicit public comment, the final SYIP is submitted to the CTB for approval in June. Following CTB authorization, the applications for each FTA Program are submitted to the FTA. Projects are also included in the DRPT's Statewide Transportation Improvement Program (STIP).

STIP/TIP Requirement

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

4.3 Transfer of Funds

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

4.4 Civil Rights

DRPT requires all applicants to certify through the annual application process that they comply with all Civil Rights requirements associated with the program, as outlined in [FTA Circular 4702.1B](#). Specifically:

1. Title VI Program Requirements: Each applicant is required to sign an Assurance.
2. Civil Rights Requirements: Each applicant will be required to sign an Assurance.
3. Each applicant is requested to state if their agency is a minority organization.
4. Each applicant is required to show the racial and ethnic breakdown of anticipated ridership.

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

Disadvantaged Business Enterprise (DBE): DRPT will assist and encourage all subrecipients to utilize DBEs throughout their procurement process. All subrecipients will report their contracting opportunities and utilization of certified DBE vendors to DRPT semi-annually. DRPT

will review all subrecipient contract procurements for DBE's "good faith efforts." Subrecipients receiving FTA funds for construction projects will be required to set a separate DBE goal. DRPT will monitor the subrecipient's progress toward meeting the goal.

Transit Vehicle Manufacturer (TVM) DBE Program: DRPT reports TVM purchases made by both DRPT and its subrecipients to the FTA. All submissions to the FTA are made through FTA's online Transit Vehicle Award Reporting Form. DRPT works with the Virginia Department of General Services Division of Purchases and Supply (DGS) to provide statewide vehicle contracts. All vehicles on state contract must be ordered through the DGS procurement portal, eVa.

- **5310 Subrecipients:** DRPT purchases vehicles through eVa. DRPT notifies the FTA within 30 days of the transit vehicle award made by DRPT.
- **Non-5310 Subrecipients:** DRPT subrecipients purchase vehicles on state contract directly from the vendors using eVa. Vehicle order reports are pulled from eVa bi-weekly and submitted to the FTA within 30 days of the transit vehicle award.

Prompt Payment Requirement: All subcontractors must be paid within 30 days following payment from DRPT to a subrecipient or a primary consultant. DRPT's financial management system documents when subrecipients and prime contractors are paid, and DRPT monitors their payments to subcontractors. Subrecipients and primary consultants must provide DRPT with documentation of the timing of all payments to subcontractors to ensure they are made in a timely fashion.

Satisfactory Continuing Control: All subrecipients are required to maintain adequate insurance coverage in an amount and form satisfactory to DRPT, typically a minimum of \$1,000,000 combined single limit, and in accordance with the laws of the Commonwealth of Virginia and submit a copy of their insurance policy declarations to DRPT annually.

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

4.5 Section 504 and the Americans with Disabilities Act

Each subrecipient will sign a certification that it has reviewed the policies, practices, and facilities used in the provision of transportation services to fulfill the requirements of the Americans with Disabilities Act of 1990, [28 CFR parts 35](#) (title II - state and local government services) and 36 (title III - public accommodations and commercial facilities). The ADA ensures that no entity shall discriminate against an individual with a disability in connection with the provision of transportation services. The law sets forth specific requirements for vehicle and facility accessibility and the provision of service, including complementary paratransit service. DRPT and its subrecipients must have procedures for prompt and equitable resolution of ADA complaints. The process for filing an ADA complaint must be advertised to the public on the subrecipient website. DRPT will check annually in January to ensure that ADA information is posted on each subrecipient website and will remediate issues immediately or during the

triennial compliance review process for those subrecipients scheduled for a review within the same calendar year.

4.6 Program Management

General Procedures

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

4.6.1 Procurement

All procurements made within FTA programs will be in accordance with the Common Rule, the [Virginia Public Procurement Act](#), Federal law, and the standards identified in [2 CFR Part 200](#) and [FTA Circular 4220.1F](#), "Third Party Contracting Guidelines." All FTA-required third-party contracts above the procurement threshold of \$25,000 will comply with FTA and U.S. Inspector General related to fraud, waste, abuse, Buy America Requirements, or other legal matters. Construction materials used in the project are subject to the domestic preference requirement of the Build America, Buy America Act, Pub. L. 117-58, div. G, tit. IX, §§ 70911 – 70927 (2021), as implemented by the US Office of Management and Budget, the US Department of Transportation, and FTA.

All procurements of DRPT and its subrecipients must contain the following:

- **Record of Procurement History:** Records must be maintained and available detailing the history of each procurement, which includes the rationale for the procurement method, the reason for the selection of the contract type, the reason for contractor selection or rejection, and the basis for the contract price.
- **Independent Cost Estimate in conjunction with a Cost or Price Analysis:** An independent cost estimate (ICE) must be done on procurements above the Simplified Acquisition Threshold (small purchases). The threshold for simplified acquisitions is \$250,000 for federal and \$200,000 for the Commonwealth of Virginia.
- **Essential Contract Elements:** Third-party contracts, subcontracts, and contract modifications funded under a project award must contain essential elements including, but not limited to, the following: parties, price or rate of compensation, the scope of work, contract timeline, contract termination, and other legal considerations.
- **Federally Required Clauses and Requirements:** As a general rule, federally required clauses and requirements are required except under special circumstances.

State Procurement Contracts: DRPT works with the Virginia Department of General Services Division of Purchases and Supply (DGS) to develop bid specifications for its state procurement contracts. DGS prepares the bid package, including the bid specifications, the state's standard terms, and a list of federally required clauses. DGS solicits the bid package and determines if bids meet the specifications.

State Vehicle Procurement Contracts: In coordination with DGS, DRPT will review all vehicle specifications, monitor the bid process to ensure that federal and state procurement procedures are followed, and approve all bid awards. DGS handles the administrative vehicle bid process for DRPT and all state agencies in accordance with state laws and regulations. All Commonwealth of Virginia agencies, institutions of higher education, or other public bodies as

defined in the Code of Virginia [§2.2-1110](#), [2.2-1120](#), [2.2-4301](#), and [2.2-4304](#) may purchase off the state vehicle contract or may go out to bid for vehicles under the [FTA Circular 4220.1F](#). In addition to the file requirements listed above, all vehicle procurement files must also contain the following:

- Bus testing certification (complies with [49 CFR Part 665](#))
- Pre-Award Purchaser's Requirements Certification ([49 CFR Part 663, Subpart B](#))
- Pre-Award FMVSS Compliance Certification ([49 CFR Part 663, Subpart D](#))
- Pre-Award Audit Requirements
- Description of Pre-Award Audit
- Compliance with Buy America and FMVSS Rolling Stock Requirements
- On-Site Manufacturer Inspection Compliance Certification
- Transit Vehicle Manufacturer (TVM) Certification
- Post-Delivery Audit Requirements
- Post-Delivery Buy America Certification
- Post-Delivery Purchasers Requirements Certification
- Post-Delivery Audit Review
- Post Delivery FMVSS Compliance Certification

Procurement of 5310 Vehicles: DRPT requires all 5310 subrecipients to select vehicles from Virginia's procurement contracts. DRPT deals directly with the vendor to issue all purchase orders and receives all vendor invoices. 5310 subrecipients submit the 20 percent local share to DRPT in advance of the official purchase order. DRPT Transit Program Managers notify the FTA within 30 days of the transit vehicle award made by DRPT to a transit vehicle vendor.

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

Procurement of other capital assets: DRPT will ensure that all equipment purchased with FTA funds conforms with federal and state procurement procedures.

4.6.2 Financial Management

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

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

DRPT submits an annual program status report for the Program of Projects for each active grant to the FTA. These reports cover the 12 months ending September 30th and will be submitted via TrAMS within 30 days after the end of the reporting period. Reports include, as necessary: An updated Program of Projects and revised budget for each active project reflecting revised

project descriptions, project changes from one category to another, adjustments within budget categories, performance measures data, and updated milestones.

4.6.3 State Reporting Requirements

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

1. Semi-annual Disadvantaged Business Enterprise Report indicating the recipients' progress in meeting DBE Goals; revised DBE goals will be submitted every three years
2. Annual Performance Evaluation Report
3. Final Fiscal Year Operating Expenses/Revenues Data Summary
4. Annual Financial Audit
5. Annual NTD report
6. Annual FTA Drug & Alcohol Testing MIS Report
7. Annual Facility and Equipment Inventory Report in Asset Management
8. Certification of Insurance for facilities
9. Title VI update
10. Monthly performance data, including Unlinked Passenger Trips, Revenue Hours, Revenue Miles, and, if applicable, Passenger Miles Traveled (PMT)

4.6.4 Property Management and Disposition

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

DRPT is the first recorded lien holder on all subrecipient vehicles. Vehicle titles are maintained in two ways: paper titles issued prior to June 2021 are stored in a locked file cabinet at DRPT's offices in Richmond, and electronic titles issued after June 2021 and stored electronically through PDP Technologies, a vendor approved by the Virginia Department of Motor Vehicles to maintain electronic title records for Virginia lienholders.

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

Upon subrecipient request, DRPT will generate title/lien release documents and return titles for those FTA-funded vehicles for which 1) DRPT holds title or an electronic lien, and 2) have a reported age and mileage in DRPT's Transportation Asset Management System (TransAM) that exceeds the specified useful life. Vehicle age is calculated from the date the vehicle is put into service.

Procedure

In January and July of each year, subrecipients update their asset inventories in DRPT's TransAM Asset Management System. Each vehicle will remain in the subrecipients' TransAM inventory until they update their record to reflect vehicle disposition, sale price, and sale date.

In accordance with the FTA, subrecipients are required to return to DRPT/FTA proceeds from the sale of equipment purchased with federal funds exceeding useful life standards, with a fair market value of greater than \$5,000. DRPT requires the bill of sale, sales receipt, or other documentation of the sales price to initiate the proceeds return process and to calculate the total

amount to be returned to the FTA through DRPT. Proceeds from a sale of equipment purchased with federal funds retained by the subrecipient must be used for transportation purposes.

A subrecipient may request the title for a vehicle that is not past its useful life because the subrecipient no longer needs the vehicle for the purpose for which it was acquired. However, in this case, DRPT will seek to transfer the vehicle to another eligible subrecipient. The new subrecipient will reimburse the original subrecipient for the equivalent percentage of the original local match times the vehicle's fair market value.

If a vehicle is damaged beyond repair (total loss) during its useful life, the subrecipient will use insurance proceeds to replace it. If the proceeds are insufficient to replace the vehicle or they choose not to replace it, then the equivalent percentage of the original local match times the fair market value before damage will be returned to DRPT.

All subrecipients are required to maintain adequate insurance coverage in an amount and form satisfactory to DRPT and in accordance with the laws of the Commonwealth of Virginia and applicable FTA Circulars, typically a minimum of \$1,000,000 combined single limit. DRPT receives a copy of the insurance policy with each application and reviews the policies during on-site visits.

4.6.5 Vehicle Use

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

4.6.6 Preventative Maintenance

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

DRPT Transit Programs Managers will ensure subrecipients' implementation of preventive maintenance plan through activities including the following:

- As appropriate, offer technical assistance, recommendations, and model policies to assist project staff in implementing required corrective actions.
- As appropriate, follow up with project staff to ensure deficiencies are being addressed and corrective actions are implemented, as evidenced by appropriate changes to policies, procedures, forms, and technology.

- As appropriate, require project staff to submit documentation demonstrating ongoing monitoring of corrective actions and/or improved on-time performance of preventive maintenance activities.
- As appropriate, DRPT staff will conduct on-site preventive Maintenance reviews.

4.6.7 Accounting Systems

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

4.6.8 Audit

The Commonwealth of Virginia has annual audits conducted in accordance with [2 CFR part 200; subpart F](#). DRPT subrecipients must have annual independent audits conducted.

4.6.9 Grants Management and Financial Review

FTA grant files and information will be maintained through FTA's TrAMS and DRPT's internal systems. FTA program files include the following:

FTA Grant File

- TrAMS Application
- Any Amendments
- FTA Correspondence

File for Each Bid

- Bid Documents
- Any Correspondence

Vendor File

- Purchase Order
- Factory Inspection Checklist
- Invoices
- Any Correspondence

Individual Subrecipient Files

- DRPT Grant Application
- DRPT Grant Agreement
- Invoices
- Any Correspondence

4.6.10 Appalachian Development Public Transportation Assistance Program (ADTAP)

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

4.6.11 Incidental Use of FTA-Funded Property

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

4.6.12 Charter Rule

FTA regulations in **49 CFR Part 604** place limits on the charter services that federally funded public transportation operators may provide. DRPT further limits its subrecipient public transit providers by permitting charter service on an exception basis. All subrecipients must contact DRPT and receive prior approval before providing any charter service. Subrecipients approved by DRPT to provide charter service must comply with all 49 CFR Part 604 regulations and submit appropriate reports to DRPT every quarter.

4.6.13 School Bus

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

4.6.14 Certifications and Assurances

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

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

Twenty-one (21) Categories of certifications and assurances are listed. The FTA and the applicant understand and agree that not every provision of every certification will apply to every applicant or award. If a provision of a certification does not apply to the applicant or its award, FTA will not enforce that provision. (Source: <https://www.transit.dot.gov/funding/grantee-resources/certifications-and-assurances/certifications-assurances>)

Chapter 5. Section 5310 Program — Enhanced Mobility of Seniors and Individuals with Disabilities

5.1 Program Goals and Objectives

FTA defines the Section 5310 program goals in [FTA Circular 9070.1G](#): "To enhance mobility for seniors and persons with disabilities." The program is carried out by removing barriers to transportation services and expanding available transportation mobility options. Toward this goal, FTA provides financial assistance for transportation services planned, designed, and carried out to meet the special transportation needs of seniors and individuals with disabilities in all areas. So that federal resources are used efficiently, the program requires coordination with other federally assisted programs and services.

DRPT Goals and Objectives

The Governor of the Commonwealth of Virginia has designated DRPT as the agency responsible for administering the Section 5310 program in Virginia. Through mutual agreement, this includes the large urbanized areas of Richmond, Roanoke, and Virginia Beach. The Metropolitan Washington Council of Governments (MWCOC) administers the Section 5310 program serving the metropolitan Washington, DC, a large urbanized area, including portions of Northern Virginia.

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

1. Encourage the maintenance and improvement of existing transportation providers serving seniors and individuals with disabilities in the Commonwealth of Virginia through reliable programming of Federal Financial Assistance;
2. Help to maximize the efficiency, effectiveness, and safety of existing human service transportation providers and public transportation systems through capital and technical assistance;
3. Enhance the access of all citizens in Virginia, especially the transportation disadvantaged, to transportation services for trip purposes such as health care, shopping, education, recreation, and employment through the introduction of new transportation services and the protection of existing services;
4. Encourage efforts to avoid service duplication and improve the reliability of human service transportation providers;
5. Maintain administrative and technical assistance capabilities at the state level to assist human service transportation providers and local governments in the management of their systems;
6. Ensure that there is a fair and equitable distribution of program funds;

7. Ensure a process whereby private transit operators that meet the program criteria and provide public transportation are provided an opportunity to participate to the maximum extent feasible; and
8. Provide for maximum feasible coordination of public transportation assisted by FTA with transportation services assisted by other Federal sources.

5.2 Eligible Subrecipients

1. Private non-profit organizations for the specific purpose of providing transportation services meeting the special needs of individuals with disabilities and older adults (65 and older) where public transportation services are unavailable, insufficient, or inappropriate;
2. State or local governmental authorities that are approved by the state to coordinate services for the elderly and persons with disabilities:
 - a. DRPT has documented through two studies (the "2005 United We Ride Inventory" and "State Coordination Model for Human Services Transportation") that services supported by the Virginia Department of Behavioral Health and Developmental Services for mental health, substance use, and developmental disability are provided through 39 local community services boards (CSB) and one behavioral health authority (BHA). In Virginia, CSBs are established at the local level and are either structured as non-profits supported by multiple local governments or as single-locality organizations as an extension of local government. Some CSBs provide transportation for the individuals they serve. Because some CSBs are required to apply for the FTA Section 5310 program as public entities, DRPT has documented through these two studies that CSBs are the only local agencies able to provide transportation services;
3. Governmental authorities that certify to the Governor that no non-profit corporations are readily available in the area to provide coordinated transportation services for elderly persons and persons with disabilities; and
4. Operators of public transportation may receive Section 5310 funds indirectly through a recipient. For example, taxi operators that provide shared-ride service may be subrecipients for non-traditional Section 5310 projects as an operator of public transportation. Taxi companies that wish to participate in the Section 5310 Program that does not provide shared-ride service may do so as contractors to subrecipients.

Other Eligibility Considerations

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

The Metropolitan Washington Council of Governments (COG) administers the Section 5310 program serving metropolitan Washington, DC, a large urbanized area that includes portions of Northern Virginia.

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

Traditional Section 5310 Projects

A minimum of 55 percent of DRPT's 5310 funds will be used on "traditional" 5310 capital projects **such as** vehicles, radios and communications equipment, wheelchair lifts and restraints, vehicle rehabilitation, computer hardware, and software to be used for transportation programs, acquisition of transportation services under a contract lease, Intelligent Transportation Systems (ITS), and mobility management.

Non-Traditional Section 5310 Projects

The remaining 5310 funds not used for traditional capital will be designated for "non-traditional" projects such as expanding paratransit service beyond the minimum requirements of the Americans with Disabilities Act (ADA), expanding current hours for paratransit service, enhancing services, voucher programs, volunteer driver programs, travel training, and mobility management activities.

5.3 Project Selection Criteria and Method of Distributing Funds

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

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

FTA requires DRPT to ensure grant recipients have provided for maximum coordination of transportation services. Through the development of the CHSM plan, DRPT has assisted regional stakeholders in making coordination of transportation services a high priority of Virginia's Section 5310 Program.

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

DRPT retains sole discretion in determining the level of funding for all Section 5310 projects.

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

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

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

5.4 Annual Program of Projects Development and Approval Process

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

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

- Articles of Incorporation/Charter
- IRS Letter of Exemption (501c3, for example)
- SAM Debarment check
- Title VI plan dated within three years of the application due date
- Copy of public notice printed in area newspaper(s), dated no later than two weeks before the application deadline
- Organization/Agency Budget
- Program Budget
- One copy of the letter of notice to transportation providers of intent to apply
- Copy of letter of notice to MPO for the proposed service area, if applicable
- Response letter from the MPO, if applicable
- Copy of vehicle insurance package
- Preventative maintenance plan and schedules
- Project request budget (12-month; template provided)
- Independent cost estimates (capital items)
- Job descriptions for any grant-supported position(s)
- Performance metrics spreadsheet for the application year (template provided)
- Completed performance metrics spreadsheet for the previous year

Additional information on 5310 and the application process can be found on our website at <https://drpt.virginia.gov/our-grant-programs/human-services-grant-program/> and in our Program Application Guidance located on our website, which includes a typical timeline of the grant cycle.

STIP/TIP Requirement

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

5.5 Procurement of 5310 Vehicles

Following CTB authorization of the 5310 Program of Projects, 5310 subrecipients are required to submit their 20 percent local share to DRPT in advance of vehicle purchase orders. DRPT deals directly with vehicle vendors to issue purchase orders. DRPT receives and pays all vendor invoices. DRPT Transit Program Managers notify the FTA within 30 days of making a transit vehicle award through the FTA's online Transit Vehicle Award Reporting Form on the FTA's Civil Rights Webpage to satisfy the Transit Vehicle Manufacturer (TVM) DBE requirements.

5.6 State Administration, Planning, and Technical Assistance

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

5.7 Private Sector Participation

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

Public Bodies that apply for the FTA Section 5310 program are required, if requested, to hold a public hearing on the application to receive comments from the public. A copy of a public notice published in a major newspaper must be attached to the FTA Section 5310 application. Such notice should be published at least fourteen (14) calendar days before the application due date.

If a private sector provider has indicated that they can provide the same service, the applicant must examine the feasibility of purchasing transportation services from the private sector provider.

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

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

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

5.8 Program Measures

Traditional Section 5310 Projects

1. **Gaps in Service Filled:** Provision of transportation options that would not otherwise be available for seniors and individuals with disabilities measured in numbers of seniors and individuals with disabilities afforded mobility they would not have without program support as a result of traditional Section 5310 projects implemented in the current reporting year.
2. **Ridership:** Actual or estimated number of rides (as measured by one-way trips) provided annually for individuals with disabilities and seniors on Section 5310-supported vehicles and services as a result of traditional Section 5310 projects implemented in the current reporting year.

Non-Traditional Section 5310 Projects

1. Increases or enhancements related to geographic coverage, service quality, and/or service times that impact the availability of transportation services for seniors and individuals with disabilities as a result of other Section 5310 projects implemented in the current reporting year.
2. Additions or changes to physical infrastructure (e.g., transportation facilities, sidewalks, etc.), technology, and vehicles that impact the availability of transportation services for seniors and individuals with disabilities as a result of other Section 5310 projects implemented in the current reporting year.
3. Actual or estimated number of rides (as measured by one-way trips) provided for seniors and individuals with disabilities resulted from other Section 5310 projects implemented in the current reporting year.

DRPT will ensure that the above information is reported for all DRPT subrecipients of Section 5310 funding awarded by DRPT. The Metropolitan Washington Council of Governments (COG), as the designated recipient of funds for the Northern Virginia Urbanized Area, will report on behalf of itself and any subrecipients.

Chapter 6. Section 5311 Program — Rural Areas

6.1 Program Goals and Objectives

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

FTA Section 5311 Program Guidance ([FTA Circular 9040.1G](#)) was issued by the Federal Transit Administration (FTA) on November 24th, 2014. [FTA Title 49 USC Section 5311\(f\)](#) requires the state to spend not less than 15 percent of the annual 5311 funding to develop and support intercity bus transportation unless the Governor certifies to the US Secretary of Transportation that the intercity bus service needs of the state are being met.

DRPT Goals and Objectives

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

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

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

1. Encourage the maintenance, development, and improvement of existing public transportation systems in the non-urbanized areas of the state through a reliable program of Federal and state financial assistance.
2. Help to maximize the efficiency, effectiveness, and safety of existing non-urbanized public transportation systems through capital, technical, and planning assistance.
3. Enhance the access of all citizens in non-urbanized areas of Virginia, especially the transportation disadvantaged, for trip purposes such as health care, shopping, education, recreation, and employment through introducing new public transportation services and protecting existing services.
4. Conserve energy resources by reducing fuel consumption, traffic congestion, and associated travel delays by providing fuel-efficient alternatives to the private automobile.
5. Maintain an administrative and technical assistance capability at the state level to assist local governments in planning, developing, and managing rural and intercity public transportation systems.
6. Ensure fair and equitable distribution of Section 5311 program funds.

7. Ensure a process whereby private transit operators are provided an opportunity to participate to the maximum extent feasible.
8. Support intercity bus transportation.
9. Provide for maximum feasible coordination of public transportation service assisted by the FTA with transportation services assisted by other Federal sources.

6.2 Eligible Subrecipients

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

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

6.3 Eligible Services and Service Area

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

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

6.4 Eligible Assistance Categories

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

1. **Operating Expenses:** Eligible operating expenses include fuel, oil, replacement tires, replacement parts, maintenance and repairs, operator's and mechanic's salaries and fringe benefits, dispatcher's salaries and fringe benefits, and licenses.
 - a. Net operating expenses are those expenses that remain after operating revenues are subtracted from eligible operating expenses. At a minimum, operating revenues must include fare box revenues.
 - b. Operating revenues are all revenues accrued to the benefit of the project and may include fare box revenue (passenger fares). Fare box revenues include fares paid by passengers who are later reimbursed by a human service agency or other user-side subsidy arrangements but do not include payments made directly to the transit provider

by human service agencies. The Federal share of operating expenses may not exceed 50 percent.

2. **Administrative Expenses:** Eligible administrative expenses include the transit director's salary, the secretary's and bookkeeper's salaries, marketing expenses, office supplies, vehicle insurance, and facility rental. The Federal share of administrative expenses may not exceed 50 percent. Administrative expenses are included in each subrecipient's operating budget. DRPT does not create a separate administrative budget.
3. **Capital Expenses:** Eligible capital expenses include buses, vans, paratransit vans, associated capital maintenance items, radio equipment, passenger shelters, wheelchair lifts, and restraints, service vehicles, vehicle rehabilitation, computer hardware/software, and construction or rehabilitation of transit facilities and the like. The Federal share of capital expenses may not exceed 80 percent.
4. **Planning Expenses:** Eligible planning expenses include feasibility, technical, marketing, and planning studies to support or expand rural public transit within the Commonwealth. The federal share of planning expenses is up to 80 percent.

6.5 Project Selection Criteria and Method of Distributing Funds

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

1. **First Priority:** The first funding priority is to continue operating assistance to current Section 5311 recipients where there exists a continuing demand for public transportation service, a need for government subsidy, and local financial and administrative support commitment.
2. **Second Priority:** The second priority for funding is to support capital projects for existing systems. If funding is made available, eligible requests will be scored based on the MERIT prioritization program, explained below.
3. **Third Priority:** The third priority is the funding of operating and capital expenses for new rural transportation systems. If funding is made available, eligible requests will be scored based on the MERIT prioritization program, explained below.

6.6 Making Efficient Responsible Investments In Transit (MERIT)

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

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

The prioritization process determines which projects achieve the policy objective of maintaining a state-of-good repair of existing assets and determines which projects receive funding for new

investments. Under the Capital Assistance program, projects are classified, scored, and prioritized separately in the following categories:

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

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

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

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

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

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

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

6.7 Intercity Bus Transportation

Program Overview

In 2017, DRPT implemented the first state-operated intercity bus route in the Commonwealth. This route operates from Blacksburg, Virginia, to Union Station in Washington, DC, with nine stops. The route and the stops it serves were identified as a result of a [2013 study](#) to identify intercity bus needs in the Commonwealth.

In June 2019, a [second study](#) was conducted to identify additional areas of intercity bus need in the Commonwealth. Through the analysis of gaps in existing service, potential ridership, operational costs, and stakeholder and public input, two corridors of need were identified: Danville, Virginia, to Union Station in Washington, DC, via US Route 29, and Martinsville, Virginia to Richmond, Virginia via US Route 360. Both routes were launched in August 2020. DRPT identified additional unmet intercity bus needs through an alternative analysis conducted in 2019. DRPT decided to select an additional route along the I-81 corridor to connect Bristol,

Virginia, to Washington, DC. This service began on November 15th, 2021, and was among the first multimodal projects to receive funding through the Interstate 81 Corridor Improvement Program, which aims to make infrastructure and safety improvements to Interstate 81 and support alternative modes of transportation to reduce the number of vehicles, crashes, and incidents on crowded highways. The Interstate 81 funding offsets a portion of operating costs and funds improvements at some stop locations.

Additional needs assessments were conducted in 2022, which examined unmet needs along the US 17 Corridor from the Tidewater area to Washington, DC. DRPT determined after the conclusion of the study that near-term implementation of expanded service to this corridor was not feasible due to relatively low demand.

Together, all four routes make up Virginia's intercity bus network, known collectively as the "Virginia Breeze Bus Lines."

Program Goals

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

1. To support the connection between rural areas and the larger regional or national system of intercity bus service;
2. To support services to meet the intercity travel needs of residents in rural areas;
3. To support the infrastructure of the intercity bus network through planning and marketing assistance and capital investment in facilities.

Funding Source/Budget

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

In-kind Match

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

Eligible Expenses

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

6.8 State Administration and Technical Assistance

[FTA Circular 9040.1G](#) permits DRPT to retain up to 15% of the state's annual apportionment of FTA Section 5311 funding for state administrative and technical assistance.

6.9 State Rural Transit Assistance Program

1. **Program Management:** As with the FTA Section 5311 program, the Commonwealth's Rural Transit Assistance Program (RTAP) is the responsibility of DRPT. The RTAP program provides funding assistance for training, technical assistance, transit research, and related support services. These funds are available to assist Section 5311 and Section 5310 subrecipients in providing and coordinating rural transportation services.
2. **Goals and Objectives:** The RTAP program aims to promote the improvement of public transportation services and mobility for citizens living in rural areas.
3. **Local Match Requirements:** All RTAP activities are funded up to 100% with no local match requirement.
4. **Methods of Involving Operators in Program Development and Implementation:** The Commonwealth's RTAP program utilizes the following means of involving rural operators in the development and implementation of the annual RTAP Program of Projects:
 - a. **Input by Forum:** During an annual statewide DRPT/CTAV EXPO and training conference, a round table session is conducted among potential recipients of the RTAP services for suggestions on the use of the funds;
 - b. **On-site Visits:** At least once a year, the Department of Rail and Public Transportation's staff visits rural transit systems to evaluate and monitor their compliance with FTA rules and regulations. This visit may coincide with one of the sub-recipient DRPT quarterly meetings.
 - c. **DRPT Staff:** The Transit Project Managers and the Public Transportation Program Administrator will determine individual and statewide technical needs, which can be addressed through the RTAP program.
5. **Project Selection Criteria:** DRPT's Public Transit Programs Managers determine with input from section staff members what projects will be funded with RTAP funds.
 - a. **Eligible recipients:**
 - i. Section 5311 recipients
 - ii. Public Transit/Human Service Coordinated Systems
 - iii. Community Transportation Associations
 - iv. Section 5310 recipients
 - b. **Application types:**
 - i. Statewide application
 - ii. System specific
 - c. **Eligible Projects:**

- i. Training: DRPT sponsored
- ii. Training: Non-DRPT
- iii. Technical Assistance:
 - i. On-site
 - ii. Transit Studies
 - iii. Procurement Assistance
- iv. Support Services
- v. Organizational Development
- vi. Coordination with other states
- vii. Training Equipment
- viii. Marketing materials

6.10 Private Sector Participation

DRPT has made the FTA Section 5311 program open to all public transportation providers and private and governmental agencies. In addition, all applicants who desire FTA Section 5311-funded capital equipment are required to hold a public hearing as part of their FTA Section 5311 application. A copy of the public notice and a copy of the public hearing minutes are submitted as part of the application.

Chapter 7. Section 5339 Program — Bus and Bus Facilities

7.1 Program Goals and Objectives

FTA defines the § 5339 program goals in [Circular 5100.1](#): To provide funding to replace, rehabilitate, and purchase buses and related equipment and construct bus-related facilities. FTA Section 5339 Program Guidance Circular (Circular 5100.1) was issued by the Federal Transit Administration (FTA) on May 18th, 2015.

DRPT Goals and Objectives

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

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

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

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

1. Encourage the development and improvement of public transportation systems in the state's small urban and rural areas through a reliable program of Federal and state financial assistance.
2. Provide resources to rural and small urban transit systems to replace, rebuild, and purchase buses and related equipment and to construct and rehabilitate bus-related facilities.
3. Help to maximize the efficiency, effectiveness, safety, and expansion of rural or small urban transit services in the state.
4. Improve service quality and encourage the public's use of Virginia's rural or small urban transit services.
5. Conserve energy resources by reducing fuel consumption, traffic congestion, and associated travel delays by providing fuel-efficient alternatives to the private automobile.
6. Ensure fair and equitable distribution of program funds to eligible recipients.

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

7.2 Eligible Subrecipients

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

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

7.3 Eligible Services and Service Area

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

7.4 Eligible Assistance Categories

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

7.5 Project Selection Criteria and Method of Distributing Funds

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

1. **First Priority:** The top priority for funding is to bring existing rural or small urban bus and bus-related facilities into the FTA's definition of the state of good repair to meet asset management requirements.
2. **Second Priority:** The second priority for funding is for existing rural or small urban bus and bus-related facilities to expand service or improve bus-related facilities to meet demonstrated capacity needs;

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

7.6 Fund Distribution

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

7.7 Making Efficient Responsible Investments In Transit (MERIT)

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

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

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

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