

FY 2021 Grants for Buses and Bus Facilities

Applicant and Proposal Profile

Is this a resubmission due to an invalid/error message from FTA? Yes No

Section I. Applicant Information

Organization Legal Name:

FTA Recipient ID:

Organization Chief Executive Officer:
(Name and Direct Phone Number)

- Applicant Eligibility:
- Designated recipient
 - State
 - Local governmental entity that operates fixed route bus service
 - Tribe (Federally recognized Native American Tribe)

- Project Location:
- Small Urbanized Area
 - Large Urbanized Area
 - Rural

Description of services provided and areas served:

Texas has the largest rural area and rural area population of any state in the nation (2010 Census: 6,197,604 - half again as many as the next largest state, North Carolina). A network of 36 independently governed and operated rural public transportation systems cover over 95% of Texas' entire geographic land area. Collectively these rural systems maintain a fleet in excess of 1,600 vehicles, operating over 56 million miles of service and providing 4 - 5 million passenger trips each year. Most significantly for this application, these agencies also maintain 85 facilities performing a variety of important functions including: operations, fleet maintenance, administration, and passenger transfer activity.

Working collaboratively with stakeholders and other providers, including private intercity bus carriers such as Greyhound and All Aboard America, rural transit systems in Texas provide a coordinated, basic mobility network which allows rural area residents to use transit for a variety of trip purposes including: health care (36%), shopping and personal business (24%), travel to work (23%), education and training (12%) and other purposes (5%). Increasingly, Rural Transit Districts are part of metropolitan area air quality and regional mobility solutions, providing longer distance commuter service connections to major destinations or connection points into the regional service provider. In West Texas several Rural Transit Districts partner with rural area employers to provide lower cost, reliable access to employment locations. Particularly in coastal regions of the state, rural transit systems are an integral part of local and regional emergency response plans in the event of natural disasters such as Hurricane Harvey in 2017. Additionally, many rural Transit Districts are under contract to provide Non-emergency Medicaid Medical Transportation services, particularly in areas of the state where private sector providers and/or transportation network companies are not available.

Justice40 Population Impacted

Justice40 Disadvantaged Community Served as Identified in the NOFO

Actual or Estimated Annual Ridership Count

El Paso County	443,895
City of Del Rio	41,582
Kleberg County Human Services	54,212
Webb County Community Action Agency	68,557
Southwest Area Rural Transit District	117,693
Rural Economic Assistance League, Inc.	287,897
Lower Rio Grande Valley Development Council	819,209

Section II. Project Information

About the Project

Project Title: Rural Transit Asset Replacement & Modernization Project
(Descriptive title of this project)

Project Executive Summary:

The Texas Department of Transportation (TxDOT) is seeking \$23,192,758 in FY2021 Buses and Bus Facilities (Section 5339) grant funding for the Rural Transit Asset Replacement & Modernization Project (Project) to bring critically needed rural transit facilities and fleet in rural transit districts (RTDs) throughout Texas to a state of good repair (SGR). The Project is part of an ongoing program by TxDOT to ensure transit accessibility in rural areas, and includes the replacement of 194 transit vehicles, construction of four new transit facilities, and an electric vehicle (EV) pilot program to integrate zero emission fleet and charging station infrastructure into existing rural transit vehicle fleets.

This grant award will help RTDs in Texas replace aged vehicles and construct four vital facilities. Without the requested funding, by 2024 approximately 13 percent of the rural fleet will exceed FTA recommended useful life standards, and construction of the four facilities will stretch for years into the future, further delaying other critically needed investments. Figure 1 of the narrative identifies the RTDs where fleet replacement is needed and the location of proposed new transit facilities.

34 of the State's 36 rural transit districts and 26 of 36 Congressional Districts are part of this proposal.

Project Statement of Work (one sentence summarizing request):

The Texas Department of Transportation (TxDOT) is seeking \$23,192,758 in FY2021 Buses and Bus Facilities (Section 5339) grant funding

for the Rural Transit Asset Replacement & Modernization Project (Project) to bring critically needed rural transit facilities and fleet in rural transit districts (RTDs) throughout Texas to a state of good repair (SGR).

- Project Type:
- Bus Replacement
 - Bus Rehabilitation
 - Bus Expansion
 - Bus Facility Replacement
 - Bus Facility Rehabilitation
 - Bus Facility Expansion
 - Bus Equipment
 - Other

If Other, specify:

Nonattainment Area

Is your project located in or will impact a maintenance or nonattainment area? Yes No

Please list the maintenance or nonattainment area that the project will be located in or will impact and the National Ambient Air Quality Standards (NAAQS) pollutants addressed by the project:

Non-attainment:

Brazoria, Denton, El Paso, Ellis, Fort Bend, Galveston, Johnson, Kaufman, Liberty, Montgomery, Parker, Rockwall, Waller

Near non-attainment, Maintenance and EAC:

Bastrop, Caldwell, Comal, Gregg, Guadalupe, Hardin, Harrison, Hays, Henderson, Hood, Hunt, Nueces, Orange, Rusk, San Patricio, Smith, Travis, Upshur, Victoria, Williamson, Wilson

Environmental Justice Populations

Is there an environmental justice population(s) located within the service area? Yes No

Describe the environmental justice population(s) and the anticipated benefits resulting from the project for those population(s):

A total of seven RTDs were identified as Environmental Justice (EJ) areas due to the percentages of low-income and minority populations in their rural service areas being higher than the state-level percentages for those two populations. In addition, six other RTDs were identified as low-income areas due to the percentage of low-income populations in their rural service areas being higher than the state-level percentage for that population. Project benefit to EJ population is \$23,904,559.

Racial Equity

Does the project address racial equity as described in the NOFO (Section E.2)? Yes No

If yes, please describe:

This Project directs needed investments to marginalized communities impacted by institutional barriers to opportunities. 88 of the state's 254 counties have a majority non-white alone population and 94% of those counties are in the project scope. RTD service areas benefiting from the Project account for 80% of the 35 total counties in Texas classified by the USDOT as areas with persistent poverty. Over half of the 628 Opportunity Zone tracts in Texas are in counties within the Project area.

Barriers To Opportunity

Does the project address barriers to opportunity as described in the NOFO (Section E.2)? Yes No

If yes, please describe:

Within the RTDs scoped for investment in this Project, there is a greater share of people over 18 years old that have less than a high school education compared to the national average in rural counties (16% vs. 13.6%). In addition, 11.4% of families and people earn incomes below the poverty line, 7.6% of people have veteran status, and 12.5% of this population has a disability, such as hearing, vision, cognitive, ambulatory, self-care, or independent living difficulties. See Narrative: Table 4

Justice40

Does the project support the Justice40 Initiative? Yes No

Describe how the project supports the Justice40 Initiative and the benefits provided:

Based on a distribution of Project benefits total dollar values to the percentage of either low-income or minority populations aggregated across the state, the benefits associated with the Project largely serve disadvantaged populations. At least 45% of the Project benefits are attributed to disadvantaged populations. Of the \$92 million in benefits attributed to the Project, approximately \$42 million in Project benefits are distributed to disadvantaged groups.

During development of TxDOT-sponsored Health and Human Services - Transit Coordinated Plans in RTDs across the state, plan development teams engaged rural stakeholders and transit customers to identify deficiencies in service delivery. Discussions in the stakeholder engagement process regarding vulnerable populations, system reliability due to fleet age, and the long travel distances to reach jobs and services were a contributing factor in the development of the bus replacement portion of the Project. See Narrative: Table 5

Describe the methodology used to determine the project meets the Justice40 Initiative:

To establish if the Project benefits meet or exceed the criteria of the Justice40 initiative, EJSCREEN data on low-income and minority populations was used to determine which individual category of rural disadvantaged population comprises the largest percentage of the total rural service area population in each RTD benefiting from the Project.

The % of total RTD service area population of the largest disadvantaged group was used to estimate what percentage of each RTD's riders fell into that same group. In each Project RTD, a total \$ value of benefits to be received by the disadvantaged portion of transit riders was calculated using the % of benefit determined based on the portion of rural transit riders they comprise. This value was then divided by the total benefit dollar value attributed to the entire collection of projects across the state to determine whether at least 40 percent of Project benefits will be received by disadvantaged populations. See methodology in Narrative.

Project Budget

Description	QTY	Federal Amount	Federal Match Amount	Other Federal Funds	Other	Total Cost	
EV Pilot Program	1	4,840,000	1,210,000	0	0	6,050,000	<input checked="" type="checkbox"/>
CVTD Maintenance Facility	1	3,600,000	900,000	0	0	4,500,000	<input checked="" type="checkbox"/>
REAL Multi-modal Transit Facility	1	4,000,000	1,000,000	0	0	5,000,000	<input checked="" type="checkbox"/>
TAPS Operations and Administration Center	1	2,400,000	600,000	0	0	3,000,000	<input checked="" type="checkbox"/>
BTD	1	2,960,000	740,000	0	0	3,700,000	<input checked="" type="checkbox"/>
Vehicle Replacement - 194 vehicles	1	5,392,758	0	10,000,000	3,848,189.5	19,240,947.5	<input checked="" type="checkbox"/>
Total:		23,192,758	4,450,000	10,000,000	3,848,189.5	41,490,947.5	

Does the project budget include funding for workforce development activities or training at the National Transit Institute (NTI)? Yes No

Matching Funds Information

Matching Funds Amount:

Source of Matching Funds:

Transportation Development Credits (TDC) in an amount of 3,848,189.5 to match the federal vehicle replacement request of \$5,392,758 which has been combined with \$10,000,000 STP funding flexed to 5311 for a federal funding total of \$15,392,758 for vehicle replacement.

State funds of \$1,210,000 for the EV pilot component. State funds of \$3,240,000 in match for the facility project components.

See Narrative: Table 7

Supporting Documentation of Local Match:

Transportation Development Credits (TDC) and state funds will be used as match.

Project Scalability

Is project scope scalable? Yes No

If Yes, specify minimum Federal Funds necessary:

Provide explanation of scalability with specific references to the budget line items above:

The scaled project option removes the electric vehicle pilot program for a total project reduction of \$6,050,000, comprised of a federal 5339 ask of \$4,840,000 matched with \$1,210,000 in state funds. See Narrative: Table 8

Project Timeline (Please be as specific as possible)

Timeline Item Description	Timeline Item Date
Execute Grant in TrAMs (assumes award in March 2022)	09/19/2022
Vehicle Replacement - Execute Grant Agreements with Subrecipients	01/16/2023
Vehicle Replacement - Purchase Agreements	03/20/2023
Vehicle Replacement - Procurement	05/22/2023
EV Pilot Program - Select Rural Transit Districts	11/21/2022
EV Pilot Program - Execute Grant Agreements with Subrecipients	01/16/2023
EV Pilot Program - Purchase Agreements	03/20/2023
EV Pilot Program - Procurement	05/22/2023
Facility Projects CVTD, REAL, BTD - Execute Grant Agreements with Subrecipients	01/23/2023
Facility Projects CVTD, REAL, BTD - Procurement	05/22/2023
Facility Projects CVTD, REAL, BTD - Construction	06/16/2025

Facility Projects TAPS- Execute Grant Agreement with Subrecipient	01/23/2023
Facility Projects TAPS - Design & Procurement	07/17/2023
Facility Projects TAPS - Construction	09/22/2025

Congressional Districts (Place of Performance)

Congressional District

- TX-001
- TX-004
- TX-005
- TX-006
- TX-008
- TX-009
- TX-010
- TX-011
- TX-012
- TX-013
- TX-014
- TX-015
- TX-016
- TX-017
- TX-019
- TX-021
- TX-022
- TX-023
- TX-025

TX-026

TX-027

TX-028

TX-031

TX-034

TX-035

TX-036

Section III . Evaluation Criteria

*****Address each of the evaluation criteria as described in the Notice of Funding Opportunity.*****

Demonstration of Need

The Project addresses unmet needs for capital investments in rural transit in Texas where additional funding is necessary to replace aging vehicle fleets and facilities that have exceeded their functional service life. The condition of these assets impacts the ability of RTDs in Texas to operate systems efficiently, maintain an SGR, and meet the growing demand for service. RTDs provide essential connections to jobs, healthcare, and education for rural communities with large numbers of low-income households and vulnerable populations that cannot operate or afford a private automobile. Without the requested Section 5339 funding, by 2024 approximately 13 percent of Texas' rural fleet will exceed FTA recommended useful life standards. Construction of the four facility projects will stretch for years into the future, further delaying other critically needed investments such as passenger facilities and technology needs.

The fleet replacement project will replace a total of 194 vehicles, a majority of which (53%) have been in service for 6 to 10 years and nearly 30 percent are between 11 and 15+ years old. Please see Attachment 3 for replacement vehicle information. TxDOT considers and adheres to the spare ratio requirements of circular FTA C 5010.1E.

The condition of existing transit facilities underscores a need for capital investments that will enable RTDs to perform preventative maintenance more frequently and cost effectively. The new facilities also provide opportunities to collocate administrative and transportation functions to improve operational efficiencies and service delivery.

Investing in this Project will enhance the safety of the transit system through the following measures: reducing the rural area crash rate by serving additional transit trips, resulting in \$260,000 in safety cost savings throughout the Project's lifecycle, replacing older fleet vehicles reaching end of life that are less reliable and could break down and expose passengers to unsafe conditions, providing facilities that allow RTD operators to properly maintain vehicles in good operating condition, providing a safer and more reliable rider experience, and facilitating emergency response and recovery, particularly for the coastal regions where the RTD systems are an integral part of local and regional emergency response efforts during hurricanes and major storm events.

Promoting safety is an overarching goal of TxDOT and the Project. The fleet replacement and new maintenance facilities will enable RTDs to keep assets in an SGR and perform vehicle maintenance more effectively with in-house resources. SGR ensures that vehicle and facility conditions pose fewer safety risks to passengers, the traveling public, vehicle operators, and facility workers. The replacement of the older vehicles also provides an opportunity to put vehicles with advanced or upgraded safety technologies into service.

Access to healthcare is a particularly daunting challenge in rural Texas and a critical service that the state's RTDs provide. Residents in some rural counties must travel long distances to see a physician. Data from the Texas Department of State Health Services indicates that 25 Texas counties have zero primary care physicians, while an additional 24 counties have only one. Most of these "medical desert" counties are over 1,000 square miles, though some are as large as 6,000 square miles. The Project provides critical access to healthcare for some of the most disadvantaged communities in the state.

In addition to addressing accessibility across the state's most rural places, this Project will improve connectivity of bus systems in the Coastal Bend region in South Texas. The proposed REAL Multimodal Transit Facility in Alice, Texas is needed to close existing gaps among different route networks in the region and provide a centralized hub for rural transit users to access intercity bus service (ICB). See Narrative: Demonstration of Need

Demonstration of Benefits

Project Improves Condition and Reliability of the Rural Transit System

The Project will improve the condition and reliability of the transit system by:

- Replacing older, unreliable vehicles with new transit vehicles, resulting in \$3.7 million in maintenance cost savings throughout the Project's lifecycle.
- Providing facilities that support in-house maintenance operations will allow RTDs to lower costs, increase quality, and apply agency policies and best practices for maintaining SGR—enabling RTDs to increase safety and manage risks.
- Providing facilities that will enable RTDs to perform mid-life rehabilitation and overhauls to meet the lifecycle needs of transit vehicle assets.

Project Improves Accessibility and Mobility of Rural Texans

The Project will enhance access and mobility by:

- Improving service reliability by reducing the frequency of breakdowns or other service interruptions through improved, in-house preventative maintenance.
- Providing opportunities for Texas RTDs to reinvest cost savings into operations to expand mobility options as population growth in rural areas increases demand for service, especially among seniors, persons with disabilities, and other transit-dependent populations.

Project Supports State and Local Government Priorities

The facility and fleet replacement components as part of this Project are aligned with the goals and objectives established as part of the TxDOT-led, group-sponsored Transit Asset Management (TAM) plan covering the state's participating rural transit providers. The group TAM plan ensures that asset management planning and outcomes comply with FTA requirements and regulations. The plan coordinates statewide policies for SGR across participating RTDs and includes performance goals for tracking progress towards SGR targets. The group TAM plan inventories transit assets and reports on the condition of facilities and fleet vehicles.

Based on the benchmarks, the group TAM plan has an SGR goal of 85 percent for rolling stock assets operating within its useful life. To maintain the SGR goal of 85 percent through FY 2024, the plan identified a need to replace approximately 70 vehicles per year for the planning period from FY 2019 to FY 2023. The fleet replacement project, part of this funding application, would provide funding to replace 194 vehicles, 53 percent of which have been in service for 6 to 10 years and nearly 30 percent are between 11 and 15+ years old. See Attachment 3: Fleet Replacement Vehicle List

Project is Consistent with Transit Priorities in Local Human Services Public Transportation Coordinated Plans

Collaboration between TxDOT and the 36 RTDs throughout the state has been ongoing for many years. Since 2006, the Public Transportation Division at TxDOT has worked closely with transit providers and other key stakeholders on increasing the efficiency and effectiveness of rural transit services through the development of Regionally Coordinated Transportation Plans (RCTP). In 2016 the RTDs prepared updates to their plans for the 2017 – 2021 time-frame. In these collaborative efforts, TxDOT works with the RTDs to identify aspects of the network most in need of replacement and modernization to ensure overall system continuity and resiliency. In seeking capital funding for fleet and facility replacements, this Project is consistent with achieving an SGR as a goal that cross-cuts the regional coordination plans. By replacing aging assets the RTDs can increase operational performance and reinvest cost savings, thereby improving service availability and quality. These benefits, support regional priorities to improve transit service delivery to the public and

transit-dependent users such as low-income households, seniors, veterans, families with young children, and other vulnerable populations.

For a more detailed discussion of Demonstrated Benefits see narrative: Demonstration of Benefits.

Planning and Local/Regional Prioritization

The facility and fleet replacement components as part of this Project are aligned with the goals and objectives established as part of the TxDOT-led, group-sponsored Transit Asset Management (TAM) plan covering the state's participating rural transit providers. The group TAM plan ensures that asset management planning and outcomes comply with FTA requirements and regulations. The plan coordinates statewide policies for SGR across participating RTDs and includes performance goals for tracking progress towards SGR targets. The group TAM plan inventories transit assets and reports on the condition of facilities and fleet vehicles.

Project is Consistent with Transit Priorities in Local Human Services - Regionally Public Transportation Coordinated Plans (RCTP). Collaboration between TxDOT and the 36 RTDs throughout the state has been ongoing for many years. Since 2006, the Public Transportation Division at TxDOT has worked closely with transit providers and other key stakeholders on increasing the efficiency and effectiveness of rural transit services through the development of regionally coordinated transportation plans. In 2016 the RTDs prepared updates to their plans for the 2017 – 2021 time-frame. In these collaborative efforts, TxDOT works with the RTDs to identify aspects of the network most in need of replacement and modernization to ensure overall system continuity and resiliency. In seeking capital funding for fleet and facility replacements, this Project is consistent with achieving an SGR as a goal that cross-cuts the regional coordination plans. By replacing aging assets the RTDs can increase operational performance and reinvest cost savings, thereby cost savings, thereby improving service availability and quality. These benefits, support regional priorities to improve transit service delivery to the public and transit-dependent users such as low-income households, seniors, veterans, families with young children, and other vulnerable populations.

The RTDs collectively operate millions of trips each year as they partner with each other, health and human service agencies, workforce agencies, government entities, intercity bus operators, employers, educational institutions, and TxDOT. Through this collaboration and TxDOT's commitment to rural transit mobility and accessibility, a broad range of partners and stakeholders have offered their support for the continuation of the rural transit investment program and this Project in particular.

Community support of the Project is evidenced by letters of support received from critical health and human service organizations throughout the state. Support ranges from community health centers in East and South Texas to public entities, including U.S. Senator John Cornyn and regional entities such as the Texoma Council of Governments. In total this application includes 15 letters of support. See Attachment 4: Letters of Support

Local Financial Commitment

TxDOT is committed to building these crucial rural capital facility projects in order to maintain a SGR for rural transit facilities. It will use a combination of state funds and TDCs in its commitment to the overarching goals of the Section 5339 program.

TxDOT is requesting \$23,192,758 in FY 2021 Section 5339 grant funds for the Project (estimates in year of expenditure dollars). The remaining \$14,450,000 will come from Surface Transportation Program flexed to 5311 and state funds. The Vehicle Replacement component of the Section 5339 funding request is \$5,392,758 and will be matched by TDCs. The Section 5339 funding request for all other Project components is matched at 20 percent by state funds.

Project Implementation Strategy

Can this project be obligated within 12 months? Yes No

Following the execution of the Section 5339 funding agreement between TxDOT and the FTA, grant funds will be obligated within 12 months from the time of award.

Overall strategy on receipt of funding: Depending on award amount, confirm sub-recipient needs, secure Commission approval, and execute a grant in TrAMS. Following execution, enter into individual project grant agreements with sub-recipients to procure fleet units, implement EV pilot project and advance facility projects. Include specific milestones within individual grant agreements to ensure timely completion.

The facility development processes are ready for implementation as soon as funds are executed in TrAMS:

- TxDOT and rural transit districts have existing processes and practices to procure consultant services to support facility development tasks.
- A simplified National Environmental Policy Act (NEPA) process is required; the transit facility development effort is anticipated to be/are approved programmatic Categorical Exclusions (CE) under 23 CFR 771.118 (c)(7).
- No legislative approvals are necessary. State funds are available in approved Department/Division Appropriations for FY 21 and FY 22.
- Project partnership and implementation agreements are active.
- The Statewide Transportation Improvement Program (STIP) will be amended at the next quarterly update, pending notification of award.
- The Texas Transportation Commission has approved a sufficient quantity of Transportation Development Credits (TDCs) as match in the Unified Transportation Program (UTP).

All facility work will be monitored by TxDOT as part of the focused compliance program for FTA grants, as described in the Certifications and Assurances executed annually by TxDOT, and as described in the Texas State Management Plan for Sections 5311 and 5339. The department employs a full-time transit facility project manager who focuses on facility development and scheduling, providing technical assistance, maintaining compliance and documenting project activities throughout Texas. This position is essential as all rural transit districts have a varying range of experience on facility development. The Department will provide technical assistance as necessary.

Technical, Legal, and Financial Capacity

TxDOT has ample experience implementing projects similar to the Project proposed in this grant application. The Project is part of a larger, multi-year strategy to rehabilitate and replace aging rural facilities. Since 2015, TxDOT has funded the replacement of over 800 fleet vehicles and planned, designed, and constructed nine new rural transit facilities to support operations, maintenance, and passenger activities. This includes the Texas Rural Transit Asset Replacement Project funded during the FY 2015 TIGER grant funding cycle. The Project and TxDOT's rural transit investment program overall align with the U.S. DOT's strategic objective for life cycle and preventative maintenance: "Keep the Nation's transportation infrastructure secure and in a state of good repair by maintaining and upgrading existing systems in rural [and urban] communities." Maintaining fleet and facilities in a state of good repair reduces operating costs and maximizes service levels and quality.

TxDOT is the Designated Recipient for Rural Program funding in Texas and routinely administers sub-recipient grant agreements to procure fleet and rehabilitate or construct facilities. The Texas Transportation Commission approves all sub-recipient awards. TxDOT provides oversight of sub-recipient grant project activities to ensure compliance with project-specific expectations and all federal and state regulations.

The FTA conducted a Management Review of TxDOT in 2021. The review found two deficiencies that TxDOT is actively working to address; one for Electronic Clearing House Operation System (ECHO) draw reconciliations and the second for inclusion of FTA clauses in department contracts for the Clean Air Act and Federal Clean Water Act provisions. TxDOT will respond with corrective actions no later than November 22, 2021, as prescribed by the Triennial Review. These corrective actions will have no impact on the performance of TxDOT in delivering a successful Section 5339 grant-funded project.

TxDOT is the lead project party and directs project implementation through to completion. TxDOT is a strong supporter of all project components, both financially and institutionally, because it is familiar with the critical need for the facilities and vehicles. TxDOT will mitigate risk by continuing to be a financial partner in each component, as needed, should any unforeseen conditions arise above the Section 5339 funding dedicated to the project.

TxDOT has statutory authority to administer these funds and provide the required compliance oversight for all areas of federal and state statute and regulations, including Buy America, DBE, Title VI, and all other areas of procurement and capital asset management. In 2016, TxDOT had no procurement findings as a result of the State Management Review.

TxDOT has been awarded and successfully managed many grants within the past decade. TxDOT is familiar with and has complied with U.S. DOT's processes for grant awards and implementation. A listing of recent Federal awards is shown in Narrative: Table 11.