

URBAN TRANSIT PROGRAM

FY 2018 Criteria

Jerry Wray
Director

Ohio Department of Transportation
Office of Transit

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Governor

AN EQUAL OPPORTUNITY EMPLOYER AND PROVIDER OF SERVICES

I. INTRODUCTION

The Ohio Department of Transportation (ODOT) provides financial assistance to urban public transit systems in Ohio through the Urban Transit Program (UTP).

These Criteria describe the eligibility requirements, eligible assistance, funds distribution, program administration, and application instructions for the UTP. The Program goals are to facilitate the most efficient and effective use of both federal and state funds in the provision of transportation services to Ohio's urban public transit systems in order to maximize the impact of the federal and state dollars available through the Ohio Department of Transportation.

The Director of the Ohio Department of Transportation has delegated authority to administer this program to the Administrator of the Office of Transit. Applications, questions, and all correspondence relating to these Criteria should be addressed to:

Administrator
Office of Transit
Ohio Department of Transportation
1980 West Broad Street, Mail Stop 3110
Columbus, Ohio 43223
(614) 466-8955

II. ELIGIBLE APPLICANTS

Regional Transit Authorities
County Transit Boards
Municipalities
County Boards of Commissioners

III. ELIGIBLE ASSISTANCE

Two types of projects are eligible for UTP funding: operating and capital.

A. Operating Assistance

1. Eligible Projects

- a. Operating expenditures for a transit system eligible to receive FTA Section 5307 operating assistance;
- b. Operating expenditures for a transit system *not* eligible to receive FTA Section 5307 operating assistance but using state funds; and

- c. Operating expenditures beginning no earlier than January 1, 2017 and ending no later than December 31, 2018 unless another program year is requested and approved. There can be no overlap from the previous year's UTP grant.

2. State Operating Participation Rate

State funds may be used to provide as much as 50% of the full formula allocation.

3. State Operating Reimbursement Invoice Schedule

For expenses in calendar year 2017, submit to the Office of Transit expenses from January 1, 2017 to December 31, 2017 by March 31, 2018. For expenses incurred in 2018, submit expenses by the 15th of the month following the end of the quarter.

The final invoice must be submitted by May 30, 2019 to avoid the loss of funds.

B. Capital Assistance

1. Eligible Projects

- a. Buses, garages, transit centers, signs, fareboxes, and equipment.
- b. Complementary paratransit expenses incurred between January 1, 2017 and December 31, 2018. If federal funds are used, the amount cannot exceed the 10% allowable per FTA.
- c. Capitalized maintenance and capital cost of contracting expenses incurred between January 1, 2017 and December 31, 2018.

2. Ineligible Projects

- a. Project administration and force account work.

3. State Capital Participation Rate

State funding for capital projects may be up to 80% of the Total Project Cost.

NOTE: The maximum State participation will be based on the purchase order and/or Board Authorization for the items to be purchased.

4. State Capital Reimbursement Invoice Schedule

- a. Capitalized maintenance, complementary paratransit and capital cost of contracting invoices must be submitted for a period of time equal to one month or one quarter (i.e. Jan 1st – Jan 31st or Jan 1st – Mar 31st) and must be submitted by the 15th of the month following the billing period. All final capitalized maintenance, complementary paratransit, and capital cost of contracting invoices must be received by May 31, 2019 to avoid the loss of funds.
- b. All other capital project billing must be submitted as costs are incurred but no more than once per month per project.

5. Project Sale Dates

ODOT will closely monitor the progress of projects awarded state funding. Transit systems not meeting sale dates specified in their application may incur a penalty in future UTP allocations.

IV. FEDERAL MATCH WAIVER

To allow urban transit systems more flexibility in the use of their state funds, state funds do not have to match a federal grant.

Where federal funding is awarded in lieu of state funding, projects must meet federal eligibility requirements.

V. DISTRIBUTION OF UTP FUNDS

A. UTP Funds

1. Ohio's urban public transit systems have been placed into five (5) categories according to system size. A fixed percentage of the UTP funds have been allocated to each category.

UTP FUNDING CATEGORIES

CATEGORY	DESIGNATION	SYSTEMS	FUNDS ALLOCATED (%)
I	Rail/Bus Systems	Greater Cleveland RTA	18%
II	Large Bus Systems	Southwest Ohio RTA Central Ohio Transit Authority Greater Dayton RTA	35%
III	Mid Sized Bus System	Metro RTA (Akron) Toledo Area RTA	16%
IV	Intermediate Bus Systems	Laketran Stark Area RTA Western Reserve Transit Authority	11%
V	Small Bus Systems	Allen County RTA Butler County Regional Transit Authority Clermont Transportation Connection Delaware Area Transit Agency Eastern Ohio RTA Greene CATS Lawrence County Transit Licking County Transit Services Lorain County Transit Medina County Transit Miami County Transit System Middletown Transit System Portage Area RTA Richland County Transit Springfield City Area Transit Steel Valley RTA Trumbull County Transit System Warren County Transit	20%

2. Funds are sub-allocated to the individual systems within each category using a formula which incorporates system data and performance measures based on ridership, revenue service miles, revenue hours, and farebox revenue. (See Appendix A)
3. In the event of a legislative or administrative reduction in program funds, the Division of Planning reserves the right to adjust the allocation to each category.

VI. PROGRAM ADMINISTRATION

A. Contract Execution

Upon application approval for operating, capital cost of contracting, capitalized maintenance and complementary paratransit grant projects, ODOT will prepare and transmit a proposed grant contract to the grantee for execution. For all other capital projects, ODOT will issue a grant contract upon (a) receipt of a purchase order, (b) Board authorization, or (c) executed contract. Within thirty (30) days of the grant contract transmittal date, the grantee must execute the contract and return the original to the Office of Transit Administrator.

NOTE: When the capital purchase includes more than one vendor (i.e. bus purchase with separate farebox and ITS purchase orders; construction project with separate electric, plumbing purchase orders) a P.O. and/or Board authorization for each vendor must be submitted to the Office of Transit. The capital grant contract will be based on the total of all P.O.'s and/or Board authorizations submitted.

B. Milestones

Milestones for each project must be listed in the application. At a minimum, these milestones must include the Request for Proposal date or Invitation for Bid date, anticipated contract award date, and if the contract includes buses, the expected delivery date for the first and last bus, and the expected project completion date.

DOCUMENT	DEADLINE
BlackCat Financials tab	May 15
BlackCat Statistics tab	May 15
All audit reports required by OMB circular A-133	30 days after completion
Copy of the final FTA triennial review report within the last three years and a copy of the closeout letter from FTA	30 days after receipt of final FTA report
All other information requested by ODOT	As requested

C. Adjustments to Grant Amount

There are a number of situations in which grant amounts may change. They include:


1. upon completion of an audit, ODOT, at its discretion, may request a repayment or reconciliation of excess program funds;
2. legislative or administrative action may reduce program funds available to ODOT. In the event such action occurs before ODOT has made final payment under a grant contract, ODOT will adjust the amount of payment; or
3. as of February 15th of the program year, any UTP allocations not applied for will be redistributed at the discretion of the Division of Planning.

D. Project Closeout

1. Each project in a grant contract will be considered closed when (a) the line item shows a zero balance for that project, (b) the grantee has notified ODOT that the project is complete, (c) a signed invoice is submitted to ODOT authorizing close-out procedures and stating no amendments will be requested, or (d) there has been no activity documented on the Quarterly Progress Report for the grant project line item for 12 months.

Applications must be submitted electronically through BlackCat to the Office of Transit by 4:00 p.m. on August 31, 2017.

These Criteria for the Urban Transit Program funds are hereby established.



Jennifer Townley, Deputy Director
Division of Planning



Date

URBAN TRANSIT PROGRAM APPLICATION INSTRUCTIONS/SAMPLES

The following is a list of required exhibits for a UTP grant application. Samples are available on the Office of Transit web site at www.dot.state.oh.us/Divisions/Planning/Transit/Pages/default.aspx. Applications must be received in the Office of Transit by 4:00 p.m. on August 31, 2017. Applications received after the deadline will not be processed.

Required Application Exhibits:

- A. A cover letter signed by the authorized official.
- B. A copy of a resolution from the applicant's governing body authorizing the filing of this grant application to ODOT. The resolution must be received by ODOT before program invoices may be processed.
- C. A copy of a purchase order or Board authorization to purchase for each capital item (if applicable) except capitalized maintenance, complementary paratransit service, and capital cost of contracting projects.
- D. Financial breakdown. ADA, capitalized maintenance, and capital cost of contracting must be listed separately.
- E. Capital project description (if applicable). Capital items exclude capitalized maintenance, capital cost of contracting, and ADA.
- F. Current service and any proposed service changes.
- G. Next calendar year's operating and capital budget (if the final budget has not been approved, submit the estimated budget with the application and submit the final budget upon approval).
- H. The Standard State Assurances.

APPENDIX A

**Category Suballocation Process
Urban Transit Program**

Once the categorical funding allocations have been determined, funds are suballocated to the individual systems within each category using a formula which incorporates system data and performance measures based on ridership, revenue service miles, revenue hours and farebox revenue, weighted as follows:

SYSTEM DATA MEASURES	50%	SYSTEM PERFORMANCE MEASURES	50%
Ridership	20%	Cost/Hour	20%
Revenue Service Miles	20%	Passengers/Mile	20%
Farebox Revenue	10%	Farebox Recovery Rate	10%

Each grantee will receive a percentage of the funds distributed for each data or performance measure according to how they compare with the other systems in their category. The suballocations for the system data and performance measures are then added together to determine the total preliminary suballocation for each grantee. For example, assume ODOT has allocated \$1 million to Category III, which includes the ABC Transit System. The \$1 million allocation would be distributed within Category III, as follows:

<table border="0" style="width: 100%;"> <tr> <td>Data Measures</td> <td style="text-align: center;">= 50%</td> <td style="text-align: center;">=</td> <td style="text-align: right;">\$500,000</td> </tr> <tr> <td>Ridership</td> <td style="text-align: center;">= 20%</td> <td style="text-align: center;">x \$1M =</td> <td style="text-align: right;">\$200,000</td> </tr> <tr> <td>Revenue Miles</td> <td style="text-align: center;">= 20%</td> <td style="text-align: center;">x \$1M =</td> <td style="text-align: right;">\$200,000</td> </tr> <tr> <td>Farebox Revenue</td> <td style="text-align: center;">= 10%</td> <td style="text-align: center;">x \$1M =</td> <td style="text-align: right;">\$100,000</td> </tr> </table>	Data Measures	= 50%	=	\$500,000	Ridership	= 20%	x \$1M =	\$200,000	Revenue Miles	= 20%	x \$1M =	\$200,000	Farebox Revenue	= 10%	x \$1M =	\$100,000		<table border="0" style="width: 100%;"> <tr> <td>Performance Measures</td> <td style="text-align: center;">= 50%</td> <td style="text-align: center;">=</td> <td style="text-align: right;">\$500,000</td> </tr> <tr> <td>Cost/Hour</td> <td style="text-align: center;">= 20%</td> <td style="text-align: center;">x \$1M =</td> <td style="text-align: right;">\$200,000</td> </tr> <tr> <td>Passengers/Mile</td> <td style="text-align: center;">= 20%</td> <td style="text-align: center;">x \$1M =</td> <td style="text-align: right;">\$200,000</td> </tr> <tr> <td>Farebox Recovery</td> <td style="text-align: center;">= 10%</td> <td style="text-align: center;">x \$1M =</td> <td style="text-align: right;">\$100,000</td> </tr> </table>	Performance Measures	= 50%	=	\$500,000	Cost/Hour	= 20%	x \$1M =	\$200,000	Passengers/Mile	= 20%	x \$1M =	\$200,000	Farebox Recovery	= 10%	x \$1M =	\$100,000
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Under the System Data Measures suballocation, if ABC Transit accounted for 20% of the ridership for Category III subsystems, its suballocation for that particular performance measure would be:

$$\text{Ridership} = 20\% \times \$200,000 = \$40,000$$

Using the same methodology, under an assumption that ABC Transit provided 15% of the revenue service miles and 25% of the farebox revenue within Category III, its respective suballocations for these two performance measures would be:

$$\begin{aligned} \text{Revenue Service Miles} &= 15\% \times \$200,000 = \$30,000 \\ \text{Farebox Revenue} &= 25\% \times \$100,000 = \$25,000 \end{aligned}$$

Therefore, ABC Transit's preliminary suballocation under System Data Measures would be:

$$\begin{aligned} \text{Ridership} + \text{Revenue Service Miles} + \text{Farebox Revenue} &= \text{Preliminary Allocation} \\ \$40,000 + \$30,000 + \$25,000 &= \$95,000 \end{aligned}$$

Individual system allocations under the System Performance Measures suballocation are based on weighted performance measures. For example, if ABC Transit System's passenger per mile ratio is 28.7

compared to 35.2 passengers per miles for XYZ Transit System within the same category, the weighted passenger/mile performance measure for ABC transit would be:

$$\frac{28.7 \text{ Passenger per Mile}}{28.7 \text{ Passenger per Mile} + 35.2 \text{ Passengers per Mile}} = 0.449$$

Under this scenario, ABC Transit System's suballocation for Passengers per Mile would be:

$$\text{Passenger/Mile} = 0.449 \times \$200,000 = \$89,800$$

This same methodology will be used to determine the weighted Cost per Hour and Farebox Recovery suballocations for ABC Transit System. Assuming ABC Transit System's weighted ratios under these two performance measures were 0.231 and 0.224, respectively, its suballocation would be:

$$\begin{aligned} \text{Cost/Hour} &= 0.231 \times \$200,000 = \$46,200 \text{ and} \\ \text{Farebox Recovery} &= 0.224 \times \$100,000 = \$22,400 \end{aligned}$$

Therefore, ABC Transit System's preliminary suballocation under System Performance measures would be:

$$\begin{aligned} \text{Cost/Hour} + \text{Passenger/Mile} + \text{Farebox Recovery} &= \text{Preliminary Allocation} \\ \$46,200 + \$89,000 + \$22,400 &= \$158,400 \end{aligned}$$

In this example, ABC Transit System's SFY 2015 UTP Formula Allocation is:

$$\begin{aligned} \text{System Data Allocation} + \text{System Performance Allocation} &= \text{Total Allocation} \\ \$95,000 + \$158,400 &= \$253,400 \end{aligned}$$

** NOTE: Suballocations may be adjusted to meet budget appropriations.

