Transit Manager's Handbook and Policy Manual

2026

This document contains guidance and policies applicable to Iowa's designated public transit agencies. Iowa public transit agencies with questions about its contents should contact the Iowa DOT for clarification.

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Chapter 1 Role of Iowa DOT

Role of Iowa Department of Transportation

This handbook provides an overview of public transit in Iowa and how to do business with the Iowa Department of Transportation (DOT). It is intended to be a tool to assist transit managers in navigating the many policies, procedures and requirements of state and federal government. This handbook can be used to provide orientation for new personnel, and to help clarify the required procedures for existing personnel. Input on the content of the handbook is encouraged at any time.

The Iowa DOT is responsible for the administration of state and federal transit programs through the Modal Transportation Bureau's Public Transit Team (PTT). Chapter 307 in the Iowa Code gives the Iowa DOT the responsibility to identify needs of public transportation, collect data, and apply for, accept and disperse funds for the improvements of mass transit. Chapter 920 of the Iowa Administrative Code defines regional and urban transit systems, provides the coordination of the services, and discusses the role in the distribution of state funds. As recipients of funding administered by the Iowa DOT and users of the transportation network, transit systems interact with the Iowa DOT to carry out their public transportation mission.

Public Transit Team

The mission of the Iowa DOT's Public Transit Team is to advocate and deliver services that support and promote a safe and comprehensive transit system in Iowa that enhances Iowans access to opportunities and improves quality of life.

The PTT provides funding and technical assistance, as well as many other oversite functions. The major functions of the PTT include:

- Administering State Transit Assistance (STA) funding
- Administering the Public Transit Infrastructure Grant Program (PTIG)
- Administering the intercity bus program (ICB)
- Applying for and administering federal funds to rural transit systems and small urban systems
- Applying for and administering federal statewide capital funds
- Developing the transit portion of the State Transportation Improvement Program (STIP)
- Allocating federal funds for urban transit systems in cities with populations between 50,000 and 200,000
- Promoting coordination of public transportation by agencies receiving public funds
- Assuring compliance with state and federal requirements
- Providing technical assistance and training
- Developing and maintaining a website
- Advocating and promoting the use of public transit in Iowa

Technical assistance is provided through new manager orientation, compliance reviews and on site monitoring of all small urban and regional transit systems. Public Transit Team staff are available for day-to-day assistance and regulatory investigations. Technical assistance on procurement/contracts and specifications are also available from the Public Transit Team.

As the recipient of section 5310, 5311, statewide 5339 FTA funds, PTT is responsible for ensuring that all subrecipients follow federal regulations.

There are many federal regulations that relate to Federal Transit Administration (FTA) programs. Transit managers should become familiar with the Federal Register (FR) and the Code of Federal Regulations (CFR). The Federal Register is a daily publication that provides a uniform system for publishing presidential and federal agency documents. To sign up for the daily Federal Register Table of Contents, go to the website and enter an email address. The CFR is revised annually and incorporates changes published in the Federal Register as of the date noted on the cover. FTA's regulations are in Title 49, Chapter VI. Regulations in the CFR are cited by title, part and section number. 49 CFR 604.11 refers to title 49, part 604, section 11.

Changes to the CFR are published in the FR as codified regulations. However, not all documents published in the FR are codified in the CFR. New regulations or amendments to existing regulations that are under consideration are published in the Federal Register as notices of proposed rulemaking (NPRM) to give interested parties the opportunity to comment before the regulation becomes a final rule. The FTA web site lists Federal Register notices of interest to transit. PTT will communicate regulations that may affect transit systems via email.

PTT conducts compliance reviews with 5310 and 5311 transit systems at least every three years to help transit systems understand the federal regulations and identify where transit systems need to improve. Compliance reviews involve an on-site visit by PTT staff. Approximately 250 questions are used in the compliance reviews along with documentation of the federal requirements addressed. The questionnaire can be previewed on the PTT website under the Policy, Regulation and Legislation

The Iowa DOT Public Transit website was developed to provide a source of information to transit systems and the public. The website includes information and resources on the criteria and application process for all programs administered by the Public Transit Team, information on each of the transit systems, links to FTA rules and regulations, and much more. Transit Agencies are encouraged to check the PTT's website resources on a regular basis. For more information on the Public Transit services in Iowa and a listing of staff responsible for the various transit duties please visit the Iowa DOT Public Transit Website.

References & Important Links

- Iowa DOT Public Transit Website
  https://iowadot.gov/transit/
- Iowa Code Chapter 307
  https://www.legis.iowa.gov/docs/ico/chapter/307.pdf
- Iowa Administrative Code Chapter 920 State Transit Assistance
  https://www.legis.iowa.gov/docs/iac/chapter/761.920.pdf

Chapter 2 Iowa Transit Systems

Designation of a Single Administrative Agency

Iowa DOT may only distribute state and federal public transit assistance to public transit systems that have been duly designated as a single administrative agency (transit system). A city must have a population of at least 20,000 or be part of an urbanized area before it can be designated a transit system and be funded directly. Chapter 324A of the Iowa Code defines transit systems as an urban or regional transit system providing transit services assessable to the general public and receiving federal, state, or local tax support, and mandates that transportation services be coordinated.

A regional transit system means a public transit system serving one county or all or part of a multicounty area whose boundaries correspond to the same boundaries as those of the regional planning areas designated by the governor except as agreed upon by the county and the department. Each county, through the county board of supervisors, within the region shall be responsible for determining the service and funding within its own county. However, the administration and overhead support service for the regional transit system shall be consolidated into one existing or new agency to be mutually agreed upon by the participating members.

The Iowa DOT, in coming to agreement on the regional transit system boundary with the participating county or counties, will enforce the following:

The regional transit system boundary will be a county or all or part of a multicounty area whose boundaries correspond to the same boundaries as those of the regional planning areas, up to the urbanized area (UZA) boundary as defined and designated by the U.S. Secretary of Commerce in the most recent decennial census, as applicable.

An urban transit system means a system designated by the department in which motor buses are operated primarily upon the streets of cities for the transportation of passengers who present themselves for transportation without discrimination up to the limit of the capacity of each motor bus. Urban transit system also includes motor buses operated upon the streets of adjoining cities, whether interstate or intrastate for the transportation of passengers without discrimination p to the limit of the capacity of each motor bus. A privately chartered bus service or interurban carrier subject to the jurisdiction of the state department of transportation is not an urban system.

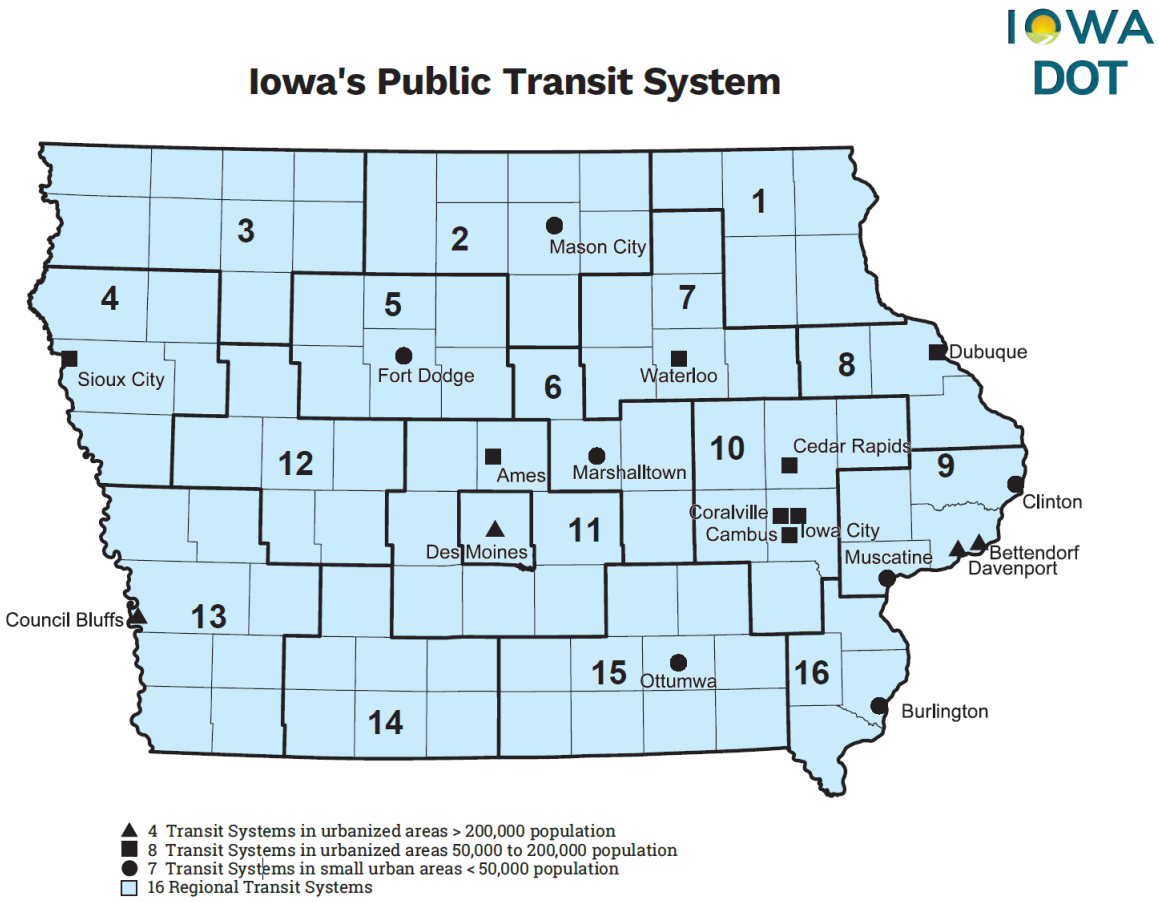
The state of Iowa requires coordination of publicly funded passenger transportation services to maximize benefits from limited resources. Accordingly, all agencies providing transportation services need to coordinate services through urban or regional transit systems designated by local officials. The designated transit systems may purchase service from other transportation providers. Agencies other than a designated transit system may receive state or federal transit funding only through pass through agreements with a designated system. If a designated transit system chooses to subcontract services from other entities, those other entities must also comply with state and federal requirements. The designated transit system is responsible for overseeing the operations and assuring compliance of its sub providers.

Managers of each transit system should coordinate their service to meet the transportation needs of human service agencies in their area. When an agency asks for service (other than charter

service), the transit system should make every effort to provide the service if drivers, vehicles, and funds are available. The cost of the service should reflect subsidized state and federal funds when possible.

At least one public transit system is designated to serve every area of the state. Iowa has 35 designated transit systems. Sixteen of these systems are rural and nineteen are urban.

Iowa's Public Transit System



The map on this page shows the service area of each of Iowa's sixteen regional transit systems. Regional systems are organized in various ways. Some are public agencies, while others are private, non-profit entities. Some of the agencies are part of another agency and some are free-standing.

Brokered systems are those transit systems that provide no direct service, but contract with sub providers to operate transit services. Brokered systems are responsible for all services and compliance of all operators.

Service is provided within each of Iowa's ninety-nine counties as well as between counties and between regions. Agencies can travel over county lines as long as the trip begins or ends in their region and should not be completed wholly within another region.

Organization of Iowa's Designated Rural Transit Systems

Transit System and Service Area	Public Agency	Private Non profit	Free Standing	Part of Planning Agency	Social Agency	Brokered System
Northeast Iowa Community Action Corporation Region 1		Y			Y	
North Iowa Area Council of Governments / Region 2 Transit Region 2	Y			Y		Y
Regional Transit Authority/Rides Region 3		Y	Y			
Siouxland Regional Transit System Region 4		Y		Y		
MIDAS Council of Governments Region 5	Y			Y		
Region Six Planning Commission / PeopleRides Region 6	Y			Y		
Iowa Northland Regional Council of Governments/ Onboard Public Transit Region 7	Y			Y		
Region 8 Transit Authority / RTA Region 8		Y		Y		
River Bend Transit Region 9		Y	Y			
CorridorRides Region 10	Y			Y		Y
Heart of Iowa Regional Transit Region 11	Y		Y			
Region XII Council of Governments / Western Iowa Transit System Region 12	Y			Y		
Southwest Iowa Planning Council / Southwest Iowa Transit Agency Region 13	Y			Y		
Southern Iowa Trolley Region 14	Y		Y			
10 15 Regional Transit Agency Region 15	Y		Y			
Southern Iowa Regional Planning Commission / SEIBUS Region 16	Y			Y		

Regional Public Transit System Boundary Designation Process/Policy

On occasion, a county may elect to withdraw from participating in a region's public transit program. If a county elects to withdraw, it may designate another region as its single administrative agency if all three of the following conditions are met:

1. The new region's area adjoins the county
2. A majority of the counties participating in the public transit program of the adjoining region agree to accept the county as a participant in their program
3. The Iowa DOT concurs in a county's designation of a single administrative agency that has already been duly designated by a contiguous region

If an agency designated as the regional transit system no longer wishes to serve this function, or if the counties involved feel the agency is not performing its role adequately, the counties may choose to designate a new transit agency.

The Iowa DOT must agree with this new designation and will require the following information to assist in its decision-making:

1. Proposed entity to serve as the single administrative agency for the regional transit system, responsible for the administration and provision of transit services to the general public. If this is an existing agency or organization, include the agency's federal Unique Entity Identifier (UEI) number allowing the department to conduct a search on sam.gov.
2. Listing of proposed members of the transit system board of directors, consisting of local elected officials or persons officially appointed by elected officials, who will manage the system and have responsibility for policy and oversight of transit services.
3. A description of the factors leading to the determination that the current regional transit system no longer wishes to serve in its current capacity or how the county(ies) making this request determined the current agency is not performing its role adequately. Please include meeting minutes and agendas, letters or emails, and any other pertinent background information, as available.
4. A description of the services the proposed regional transit system wishes to provide, keeping in mind that all services must be open to the public, including those with disabilities, without discrimination.
5. Acknowledgement that if the department concurs with the designation of the new regional transit system, the transit system, its staff, and board of directors will abide by and follow all rules, regulations, and requirements for operation of public transit services set forth by the U.S. Department of Transportation, the Federal Transit Administration, and the Iowa Department of Transportation.

Please submit the above listed information and documents to the Iowa DOT Public Transit Director. Once a complete regional transit system designation request is received, the department will issue a decision within 45 days.

The department will take the following into consideration when accepting or declining an application for designation of a new regional transit system:

- Results of the search on sam.gov of the proposed single administrative agency's UEI number.
- All members of the proposed board of directors are either local elected officials or persons officially appointed by elected officials.
- Reasons for the dissolution of the current regional transit system or how the county(ies) making this request determined the current agency is not performing its role adequately.
- Assurance the proposed regional transit system will provide open to the public services without discrimination, including to those with disabilities.
- Satisfaction that the regional transit system's staff and leadership will follow all applicable rules, laws, and regulations.

Iowa DOT policy requires the federal share of all vehicles and any other federally funded equipment to be transferred to a newly designated regional system to be used for the original public transportation purpose. Iowa DOT policy does not require any buyout of the local share; however, a buyout is normally a locally negotiated issue. In the past, agreements have ranged from a complete local share transfer to complete buyout of the local share by the new agency.

Any program surplus dollars reserved for a specified transit purpose, such as designated transit capital replacement funds, are expected to transfer. The transfer of transit funds generated as an inadvertent result of differences in contracted service rates and actual costs would be negotiated between the transferring parties. The transfer of any remaining transit funds received from local governments and agencies is also negotiated between the newly designated agency and the former agency. The counties involved will resolve any conflicts or concerns to local share. Transit surplus contracts should state how surplus funds are handled.

Iowa's Designated Urban Transit Systems

Small Urban Population under 50, 000	Large Urban Population 50,000 200,000	Larger Urban Population over 200,000
Burlington	Ames	Bettendorf
Clinton	Cedar Rapids	Council Bluffs
Fort Dodge	Coralville	Davenport
Marshalltown	Dubuque	Des Moines
Mason City	Iowa City	
Muscatine	Sioux City	
Ottumwa	University of Iowa	
	Waterloo	

The Federal Transit Administration (FTA) categorizes urban systems by population of the city. Iowa has seven small urban transit systems in cities with population under 50,000, eight large urban

transit systems in cities with population between 50,000 and 200,000, and four larger urban systems in metropolitan areas with populations greater than 200,000. The size of the city affects how transit funds are distributed.

Most urban transit systems are a department within their respective city. The exceptions are:

- Ottumwa, operated by the regional public transit agency, 10-15 Transit
- Fort Dodge, operated by the local Council of Governments, MIDAS
- The Metropolitan Transit Authority of Black Hawk County, based in Waterloo and Cedar Falls under Chapter 28E of the Code of Iowa
- The Des Moines Area Regional Transit Authority (dart) which serves all of Polk County as well as communities that are at least partially within Dallas, Madison, and Warren counties
- Cambus, which is operated by the University of Iowa

At present two of Iowa's counties are eligible to form Regional Transit Districts, under Chapter 28M of the Code of Iowa. Iowa Code only allows counties with a population in excess of 175,000 and participation cities to create, by Chapter 28 E agreement, a regional transit district. Among the features of a Regional Transit District are the authority to issue bonds and the authority to levy property taxes on both the incorporated and unincorporated portions of participating counties to support the public transit system. The property tax levy may not exceed 95 cents per thousand dollars of the assessed value of all taxable property in the regional transit district to the extent allowed by Chapter 28M and may not be used in conjunction with any municipal transit levy.

Cities within counties contiguous to a Regional Transit District may also join, whether or not the county is a member. Only Linn and Polk counties currently meet the population criteria. In Polk County, the Des Moines Area Regional Transit Authority (dart) is organized as Iowa's only Regional Transit District.

Urban Transit System Designation Process/Policy

To request designation as an urban transit system eligible to receive State Transit Assistance, Federal Transit Administration, and other funding, as applicable, for providing open-to-the-public transit service, a city or cities will furnish the department with the following information:

1. Population total for the city or cities from the most recent decennial US Census showing a population of 20,000 or more in at least one of the cities requesting designation.
2. Proposed entity to serve as the single administrative agency for the urban transit system, responsible for the administration and provision of transit services to the general public. If this is an existing agency or organization, include the agency's federal Unique Entity Identifier (UEI) number allowing the department to conduct a search on sam.gov.
3. Listing of proposed members of the transit system board of directors, consisting of local elected officials or persons officially appointed by elected officials, who will manage the system and have responsibility for policy and oversight of transit services. A city council may serve as the transit system's board of directors, if desired.
4. If the city(ies) is/are directly contiguous to a current designated urban transit system, please describe the work done with the current urban public transit system to

coordinate and consolidate funding and resulting service and the reason for requesting designation as a new urban transit system despite that coordination and consolidation work. Please include meeting minutes and agendas, letters or emails, and any other pertinent background information, as available.

5. A description of the services the city or cities wish to provide as a designated urban transit system, keeping in mind that all services must be open to the public, including those with disabilities, without discrimination.
6. Acknowledgement that if designated an urban transit system by the department, the transit system, its staff, and board of directors will abide by and follow all rules, regulations, and requirements for operation of public transit services set forth by the U.S. Department of Transportation, the Federal Transit Administration, and the Iowa Department of Transportation.

Please submit the above listed information and documents to the Iowa DOT Public Transit Director. Once a complete urban transit system designation request is received, the department will issue a decision within 45 days.

The department will take the following into consideration when accepting or declining an application for designation as an urban transit system:

- Population for at least one of the applicant cities is 20,000 or greater.
- Results of the search on sam.gov of the proposed single administrative agency's UEI number.
- All members of the proposed board of directors are either local elected officials or persons officially appointed by elected officials.
- Where applicable, extent to which the applicant worked to coordinate and consolidate transit services and funding with the established contiguous urban transit system prior to making this application. It is the desire of the State for public transit services to be as coordinated and seamless as possible. This is in the best interest of the passengers navigating the system and reduces overhead in management of the transit system(s).
- Assurance the proposed urban transit system will provide open to the public services without discrimination, including to those with disabilities.
- Satisfaction that the urban transit system's staff and leadership will follow all applicable rules, laws, and regulations.

Transit System Responsibilities

Transit systems receiving federal or state funds are required to be open to the general public and all services must meet ADA accessibility requirements. FTA requires that each transit system provide information on routes or service areas and make it available to the public at all times. Any brochure, publication or other printed material regarding a transit agency's service area or schedule must state that the service is open to the general public, including persons with disabilities. The general public must also be provided information on the general public fare. General public fares must reflect the benefit of state and federal subsidies. All system information must be available in all accessible formats such as large print, audio, or braille versions of the brochure if requested in a specific format.

Transit agencies are encouraged to have websites that are user-friendly and meet all accessibility standards as it relates to Section 508 of the Rehabilitation Act, as Amended in 1998. The recommendation is for each transit agency to develop a plan to be ready by the compliance deadline based on population size and/or type of agency. Details can be found on the FTA's Civil Rights webpage.

Iowa DOT Public Transit Team requires each transit agency's website to include:

- Information that is updated and accurate
- Transit agency hours of operation
- General public fares and (for 5307 recipients only) reduced fare information
- Services provided/routes including vanpool, rideshare, and any incidental services
- Dispatch/reservation telephone number
- Relay Iowa/TTY/711 phone number for hearing impaired
- Procedure and Complaint Forms: Title VI, ADA, and ADA Reasonable Modification
- ADA complementary paratransit information and application process
- Statement "open to the general public, including persons with disabilities"

Preferred content on the transit agency's website includes:

- Instructions about how to use the services, especially if Flag Stop along the fixed route is offered
- Rider's Guide
- No Show Policy for ADA complementary paratransit or demand response services only

Optional content can include:

- Procurement Protest Procedure
- Link to transit agency brochure and any translated versions of the brochure
- Trip planner tools
- Links to neighboring transit system websites

Types of Public Transit Services

Three main types of public transit services are fixed route, ADA complementary paratransit, and demand response service. A few of Iowa public transit agencies also provide ridesharing and incidental transportation.

Fixed Route

Fixed route public transit services are provided by the 19 urban transit agencies. This type of transit is provided with set routes, stops, and time points. No advance reservations are necessary. Service is available to the general public, including persons with disabilities. Several urban systems also offer deviated fixed route to accommodate persons with disabilities living near, but not on, the fixed route. Also, rather than having signed stops along the route, a few of Iowa's fixed route public transit agencies utilize a flag-stop system where persons wishing to ride simply stand at any intersection along the designated route and wave to flag down the bus as it approaches in order to signal their desire to board. The passenger informs the driver of their desired destination along the route.

ADA Complementary Paratransit

Americans with Disabilities Act (ADA) complementary paratransit is provided by the 19 urban transit agencies in, at a minimum, ¾-mile around the fixed route. Passengers must apply, meeting ADA qualifications in order to ride. Ride reservations are arranged by the rider at least one day prior to a desired trip. The public transit vehicle picks the passenger up at their location, taking them to the desired destination. Fares for this origin-destination service may be no more than double the regular fixed route fare.

Demand Response Service

Demand response public transit services are provided by the 16 regional transit agencies. These services are provided where there is no fixed route. There are no eligibility requirements and demand response services are open to the general public, including persons with disabilities. Ride reservations are made in advance, usually within 24 hours, but there is no requirement. With demand response service, the public transit vehicle picks the passenger up at their location and takes them to their desired destination. Everyone is charged the same amount.

Rideshare

A few of Iowa's public transit agencies also provide ridesharing services, also known as vanpooling. This is done with vans owned or leased by the public transit agency with ridership consisting of several passengers, typically commuters, with similar origins and destinations. A monthly fare is paid to participate. One or more of the passengers serve as drivers in the rideshare, thus reducing their fare to utilize the service.

Iowa Rideshare information is available on Iowa DOT's PTT website. The link is available at the end of this chapter.

Client Transportation

Client transportation may also be provided with federal and/or state funds as long as the service is open to the general public. All services must meet ADA accessibility requirements. An example is when the transit agency is providing service to a care facility. The service description and fares must be shared on the agency's website and included in the brochures.

Intercity Shuttles

Intercity shuttles may be offered by the transit system when: services are not available from private-for-profit intercity carriers, or schedules offered by intercity carriers are not realistically usable for medical or shopping trip purposes (single day round trips unavailable). Any intercity shuttle service offered by a transit system must be open to the general public and advertised with individual fares

Incidental

Incidental transportation activities such as charters, parcel delivery, or meal delivery are allowed as long as the use of any equipment for these purposes does not exceed 20% of the total use. This service should be identified, reported separately, and documented that it is fully supported with non-federal or non-state transit funds. Meal delivery services do not count as rides.

Transit service contracts may allow use of a vehicle funded by PTT for incidental service (nonpublic transit service) in cases when:

- The fully allocated cost of the incidental service must be from non-public transit money
- The service does not interfere with the use of the vehicle for public transit purposes
- The service does not violate federal, or state vehicle use rules
- The total incidental use does not constitute more that 20% of the use of the vehicle
- Tracked miles for incidental use must be tracked and reported separately
- Justification for additional vehicles cannot be based on incidental services

Charter Service

Charter rules are in place to ensure transit agencies, subsidized with federal money do not unfairly compete with privately owned bus companies. If your transit system has subcontractors operating FTA-funded vehicles as part of your transit service, the subcontractors are covered by the FTA charter rule in the same manner as your transit system. Chapter 324A in Iowa code prohibits public agencies from competing with private enterprise. However, transit systems are allowed under the chapter to provide public transit services, as well as charter services that comply with FTA charter regulations. FTA charter regulations are found in 49 C.F.R Part 604.

Charter Service is defined as:

Transportation provided by an FTA recipient or subrecipient at the request of a third party for the exclusive use of a bus or van for a negotiated price where:

- A third party pays the transit provider a negotiated price for the group
- Any fares charged to individual members of the group are collected by a third party
- The service is not part of the transit provider's regularly scheduled service, or is offered for a limited period of time
- A third party determines the origin and destination of the trip as well as scheduling
- Transportation provided by a recipient to the public for events or functions that occur on an irregular basis or for a limited duration and:
    1. A premium fare is charged that is greater than the usual or customary fee
    2. The service is paid for in whole or in part by a third party

The Charter definition does not include demand response service to individuals.

The Charter rules apply to recipients and subrecipients of FTA financial assistance except for:

- A public transit system transporting its employees, other transit system employees, transit management officials, transit contractors and bidders, government officials and their contractors and official guests, to or from transit facilities or projects within its geographic service area or proposed geographic service area for the purpose of conducting oversight functions such as inspection, evaluation, review or for emergency preparedness planning and operations.
- Private charter operators that receive, directly or indirectly, federal financial assistance under section 3038 or to the non-FTA funded activities of private charter operators that receive, directly or indirectly, FTA financial assistance under any of the following programs: 5307, 5339, 5310, or 5311.
- Transit services performed specifically under the program purposes of 5310 or 5311.

- A public transit system, for actions directly responding to an emergency declared by the President, Governor, or Mayor or in an emergency requiring immediate action prior to a formal declaration. If the emergency lasts more than 45 days, the recipient shall follow procedures set out in the rules.
- A public transit system in a non-urbanized area transporting its employees, other transit system employees, transit management officials, and transit contractors and bidders to or from transit training outside its geographic service area.

Charter Service Agreement

A recipient or subrecipient must enter into a Charter Service Agreement in order to receive FTA funds for equipment or facilities. The terms of the Charter service Agreement are as follows: "The recipient/subrecipient agrees that it, and each of its subrecipients, and third party contractors at any level who use FTA-funded vehicles, may provide charter service using equipment or facilities acquired with federal assistance authorized under the Federal Transit Laws only in compliance with regulations set out in 49 CFR 604, the terms and conditions of which are incorporated herein by reference."

The Charter Service Agreement is contained in the Certifications and Assurances published annually by FTA for applicants for federal financial assistance, which each direct recipient submits electronically to FTA and which Iowa subrecipients sign as part of the annual Consolidated Transit Funding Application. Once a recipient or subrecipient receives federal funds, the Certifications and Assurances become part of its Grant Agreement for federal financial assistance.

Exceptions

A recipient or subrecipient may provide charter service to the following groups, under certain circumstances:

- A recipient/subrecipient may provider charter service, on its own initiative or at the request of a third party, if no registered charter provider responds to the notice issued (per 49 CFR Part 604.14): Within 72 hours for charter service requested to be provided in less than 30 days, or Within 14 calendar days for the charter service requested to be provided in 30 days or more. A recipient/subrecipient shall not provide charter service under this section if a registered charter provider indicates an interest in providing the charter service set out in the notice issued pursuant to 49 CFR Part 604.14 and the registered charter provider has informed the recipient of its interest in providing the service.
- To government officials (Federal, State, and local) for official government business, which can include non-transit related purposes, if the recipient/subrecipient provides the service in its geographic service area and does not generate revenue from the charter service, except as required by law. Maximum of 80 charter service hours annually.
- To qualified human service organization (QHSO) for the purpose of serving persons with mobility limitations related to advanced age, with disabilities, or with low-income. If the QHSO is receiving funding, directly or indirectly, from the programs listed as a QHSO, the QHSO shall not be required to register on the FTA charter registration website. If a QHSO does not receive funding from any or the programs listed on the CCAM Program Inventory, but provides services to individuals with advanced age, with disabilities, or with low-income, the QHSO shall register on the FTA charter registration website.

- A recipient/subrecipient may lease its FTA-funded equipment and drivers to registered charter providers for charter service only if:
    1. The private charter operator is registered on the FTA charter registration website
    2. The registered charter provider owns and operates buses or vans in a charter service business
    3. The registered charter provider received a request for charter service that exceeds its available capacity either of the number of vehicles operated by the registered charter provider or the number of accessible vehicles operated by the registered charter provider
    4. The registered charter provider has exhausted all of the available vehicles of all charter providers registered for the recipient's/subrecipient's geographic service area
- A recipient/subrecipient may provide charter service to a customer consistent with an agreement entered into with all charter providers registered for the recipient's/subrecipient's geographic service area.
- A petition to the FTA Administrator for an exception to the charter service regulations to provide charter service directly to a customer for events of regional or national significance, hardship (only for non-urbanized areas under 50,000 in population or small urbanized areas under 200,000 in population), or unique and time sensitive events (i.e., funerals of local, regional, or national significance) that are in the public's interest. Any exception granted by the Administrator under this section shall be effective only for the event identified by the date and description submitted to the Administrator.

Reporting

If charter service is provided by a recipient/subrecipient under any of the above exceptions, the records should include the following for each trip:

- The group/organization's name, address, telephone number, and email address
- The date and time of service
- The number of passengers (if provided under the government official exception, please note the number of government officials on the trip)
- The origin, destination, and trip length (miles and hours)
- The fee collected, if any
- The vehicle number for the vehicle used to provide the service
- A clear statement identifying which exception the recipient/subrecipient relied upon when it provided the charter service.

A recipient/subrecipient that provides charter service in accordance with one or more of the exceptions contained above shall maintain the required notice and records in an electronic format for a period of at least three years from the date of the service or lease. A recipient/subrecipient may maintain the required records in other formats in addition to the electronic format.

A recipient/subrecipient providing charter service under these exceptions shall post the records required under this rule on the FTA charter registration website (large urban areas) 30 days after the end of each calendar quarter or to the Iowa DOT (small urban and regional systems) 25 days after

each calendar quarter. A single document or charter log may include all charter service trips provided during the quarter.

Charter trips are considered incidental service and must be separately reported on Quarterly/Year End statistical reports. The miles and rides will not count toward STA and FTA operating funds distribution.

Fuel used in providing charter services as well as in other non-public or non-passenger services is taxable under state law and must be identified in quarterly fuel tax reports.

Recipient's/Subrecipient's Notification to Registered Charter Providers

Upon receiving a request for charter service, a recipient/subrecipient may:

- Decline to provide the service with or without referring the requestor to FTA's charter registration website.
- Provide the service under and exception noted above.
- Provide notice to registered charter providers as provided in this rule and provide the service if no other registered charter provider responds to the notice from a recipient/subrecipient.

If a transit system is interested in providing charter service that does not qualify for an exception, then upon receipt of a request for charter service, the recipient shall provide email notice to registered charter providers in the recipient's geographic service area in the following manner:

- Email notice of the request shall be sent by the close of business on the day the recipient receives the request unless the recipient received the request after 2 pm, in which case the recipient shall send the notice by the close of business the next business day.
- Email notice sent to the list of registered charter providers shall include:
    1. Customer name, address, phone number, and email address (if available)
    2. Requested date of service
    3. Approximate number of passengers
    4. Whether the type of equipment requested is (are) bus(es) or van(s)
    5. Trip itinerary and approximate duration
- If the recipient intends to provide the service that meets the definition of charter service, the email notice must include the fare the recipient intends to charge for the service.

The transit system needs to retain an electronic copy of the email notice and the list of registered charter providers that were sent email notice of the requested charter service for a period of at least three years from the date the email notice was sent. If a transit system receives and undeliverable notice in response to its email notice, the transit system shall send the notice via fax. The transit system shall maintain the record of the undeliverable email notice and the fax sent confirmation for a period of three years.

Coordination of State and Federal Transit Funds

Managers of each transit system should coordinate their service to meet the transportation needs of human service agencies in their area. When an agency asks for service (other than charter service) the transit system should make every effort to provide service if drivers, vehicles and funds are available. Portions of the service may be designated around the specific transportation needs

of the particular user group, allowing that group to share in the benefits of the federal and state transit programs. However, all services using federal, or state operating funds or vehicles purchased with funds administered by PTT must be open to the general public at all times. The cost of this service should reflect subsidized state and federal funds when possible.

State and federal transit funds are to be fairly distributed among all the services a transit system provides. The actual cost of providing the service needs to be presented to the agency, along with the amount they will be charged when federal and state transit funds help subsidize the service. The benefit of state and federal transit assistance should be considered when calculating all fares. Although the allocation of the distribution is a local decision, PTT encourages the transit system to distribute the transit funds equitably, and PTT may review and comment. Information on internal distribution of funds by each of Iowa's transit systems is public information and is subject to public scrutiny.

Other sources of funding may be available for transportation. Agencies contracting with public transit systems may use these funds to pay for the service they receive from the transit system.

Intergovernmental Agreements

Chapter 28E of the Iowa Code permits state and local governments in Iowa to make efficient use of their powers by enabling them to provide joint services and facilities with other agencies and to cooperate in other ways of mutual advantage.

This provision has been used to create some of Iowa's regional transit systems. The counties in these regions have entered into an agreement that establishes a separate legal entity that provides transit service in those counties. This entity has all the powers, privileges and authority of a public agency. The following regional transit systems are organized under a 28E agreement:

- Region 2
- Region 5
- Region 6
- Region 7
- Region 10
- Region 11
- Region 12
- Region 13
- Region 14
- Region 15

A 28E agreement may also be made between one or more cities and other public agencies. The following urban transit systems are organized under a 28E agreement:

- Ames Transit Agency (CyRide)
- Des Moines Area Regional Transit Authority (dart)
- Metropolitan Transit Authority of Black Hawk County (MET, Waterloo)

A 28E agreement can also allow multiple transit systems to act jointly on a project. Such an agreement can include transit systems organized as private not-for-profit corporations under

Chapter 504 of Iowa Code. 28E organizations are subject to the same rules as their member governments. This includes open meeting requirements, ethanol use, etc.

Private Sector Participation in Public Transit

FTA's Private Sector Participation Policy encourages local officials to involve private-for-profit bus operators and taxicab companies in the planning process for public transit and to consider whether private operators could provide any existing or new public transit services. Specifically, FTA recommends that:

- Existing transit services should be reviewed periodically to determine if they can be provided more efficiently by the private sector
- When new transit services are being developed, or major restructuring of services is being considered, the option of operation by a private-for-profit carrier should be considered; or
- Private-for-profit enterprises should be given a fair opportunity to bid for operation of any transit services or other aspect of the transit program.

The transit system and the planning agency are impacted by FTA's policy on involving the private sector in planning of transit services. Involvement of the private sector in the provision of public transit services can relate to aspects of operations, maintenance, or administration.

The federal government requires that private for-profit providers of transit services be given the opportunity to participate in the transportation planning process. The joint planning regulations from FHWA and FTA specifically address a need to provide all private providers with "timely information about transit issues and processes", and to allow involvement in the planning process to appropriate private transportation providers, including both for-profit transit providers and private owners of toll facilities. Planning agencies are encouraged to take advantage of PTT's Private Sector Notification Clearinghouse function (Public Hearings) in order to provide notice to private for-profit transit operators anytime a notice is being given to the public involving public hearings, or public input sessions related to the planning process. Planning agencies are encouraged to take advantage of PTT's Private Sector Notification Clearinghouse function in order to provide notice to private for-profit transit operators anytime a notice is being given to the public involving public hearings, or public input sessions related to the planning process.

Meetings of members of a governmental body where there is deliberation or action on any matter within the scope of the governmental body's policy making duties must be open to the public. Closed sessions may be permitted only in specific situations. PTT requires public transit systems that are private-for-profit corporations to conform to the open meeting requirements as if they are a public agency. Meetings must be held in an ADA accessible facility.

Mobility Management

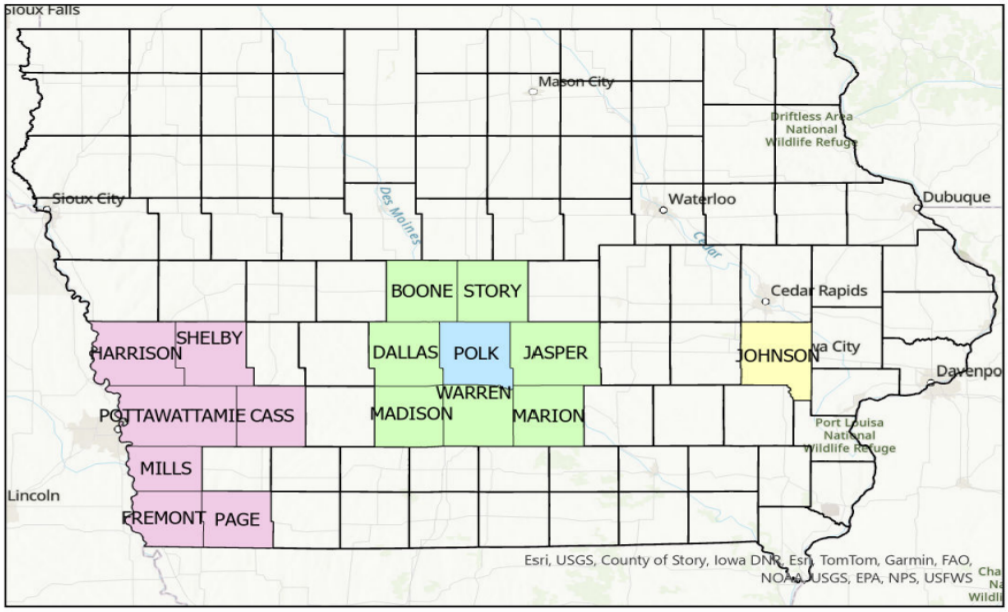
As previously mentioned, coordination of public transit services is required in Iowa. One way to reach out to partner agencies in the community and region is through a mobility manager or, as they are sometimes known, a mobility coordinator.

The areas of concentration for these mobility managers typically are dictated by the boundaries of the transit agency employing the mobility manager. Iowa DOT also employs one statewide mobility coordinator who maintains a broad scope of work, focused on systemic initiatives to improve

passenger transportation in Iowa as a whole. Statewide efforts have included ongoing outreach and education, partnership on coordination grants and initiatives, aligning priorities with various state agencies, and participation with planning effort and/or committees.

Mobility Management is an eligible capital expense and can be supported by (up to) 80% federal participation, under Federal Transit Administration (FTA) sections 5307, 5310, 5311, and various discretionary grant programs. The goals of mobility management are to develop and enhance coordination among Iowa's 35 public transit providers in conjunction with human service providers to assist people that need transportation, and to expand the availability of services to meet unmet transportation needs of the community.

Iowa Mobility Manager Map



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References & Important Links

- Iowa Code Chapter 28E
  https://www.legis.iowa.gov/docs/ico/chapter/28E.pdf
- Iowa Code Chapter 504
  https://www.legis.iowa.gov/docs/ico/chapter/504.pdf
- Iowa Code Chapter 324A
  https://www.legis.iowa.gov/docs/ico/chapter/324A.pdf
- 49 CFR Part 604
  https://www.ecfr.gov/current/title-49/subtitle-B/chapter-VI/part-604?toc=1
- FTA Civil Rights Webpage
  https://www.transit.dot.gov/civilrights
- The Coordination Council on Access and Mobility Technical Assistance Center (CCAM-TAC)
  https://www.ccam-tac.org/
- FTA Mobility Management
  https://www.transit.dot.gov/ccam/mobility-management
- American Public Transportation Association
  https://www.apta.com/research-technical-resources/
- Private Sector Notification Clearinghouse
  https://iowadot.gov/transit/private-sector-notification-clearinghouse
- Rideshare
  https://iowarideshare.org/

Chapter 3 Funding Programs

Financial support for the planning and delivery of public transit services comes from many sources. This chapter will focus primarily on state and federal funding programs available either through the Public Transit Team (PTT) or directly through the Federal Transit Administration (FTA). A more general discussion is provided concerning other federal programs that may be available to support public transit agencies in addressing human service transportation needs, as well as possible sources of local funding for public transit services. The primary federal and state programs supporting transit and transit funding are as follows:

Federal Transit Assistance Programs

- Metropolitan Transportation Planning program (Section 5305(d))
- Statewide and Nonmetropolitan Transportation Planning program (Section 5305(e))
- Urbanized Area Formula Grant program (Section 5307)
- Enhanced Mobility of Seniors and Individuals with Disabilities Program (Section 5310)
- Formula Grants for Rural Areas program (Section 5311)
- Rural Transit Assistance program (RTAP) (Section 5311(b)(3))
- Intercity Bus Assistance program (Section 5311(f))
- Buses and Bus Facilities Grants program (Section 5339)

Federal Flexible Funds Available to Transit

- Surface Transportation Block Grant (STBG) program
- Congestion Mitigation and Air Quality Program (CMAQ) Program
    - Iowa's Clean Air Attainment Program (ICAAP)
- Carbon Reduction Program (CRP)
- Diesel Emission Reduction Act (DERA) Grant Program
- Volkswagen Settlement Grant
- Community Development Block Grant (CDBG) Career Link Program – Employment Transportation

State Transit Assistance (STA) Programs

- STA Formula Program
- STA Fellowship Program
- STA Special Projects
- Public Transit Infrastructure Grant Program
- Capital Match Loan Program (AMOCO Loans)

Types of Assistance

Before discussing the individual programs, it is important to understand the basic types of financial assistance that may be available. These include assistance with the costs of:

- Operations
- Capital Improvements
- Transit Planning
- Training Assistance

Operating Assistance

Operating assistance may be used to support the general operation and administration of the transit system in areas serving populations under 200,000. Generally, federal operating assistance is limited to 50% of a transit system's operating deficit (total operating cost minus passenger revenues). Under certain circumstances, public transit system in urbanized areas with populations over 200,000 may be eligible for operating assistance depending on the number of vehicles operated on fixed routes during peak service hours. State transit formula funds can be used for support of transit operating costs, potentially to the full extent of the deficit, though lack of local contribution would lead to reduced state funding in future years. In the STA formula there is a factor that uses local funds in your area. The more local money you get, the more state funding you get. Operating costs commonly include, but are not limited to the following:

- Accounting, billing, recordkeeping
- Administration of daily activities
- Advertising
- Dispatching
- Drug & alcohol testing
- Fuel
- Maintenance
- Marketing
- Office supplies
- Rental
- Supervision
- Training
- Telephone
- Vehicle insurance
- Wages & benefits

Capital Assistance

Capital assistance may help to support the cost of transit capital improvements such as purchase of rolling stock, accessory equipment and parts, as well as office or maintenance equipment, plus construction or purchase of facilities. Federal funding used for transit capital purchases or improvements is generally based on 80% federal 20% non-federal participation rate. This means that the federal funds may pay up to 80% of eligible project costs, while 20% of the cost must be from nonfederal funds. ADA retrofit projects, clean air retrofit projects and certain bicycle accommodation projects can be funded at 90% federal, 10% non-federal ratio. FTA has allowed revenue vehicles with required ADA and clean air equipment to be purchased at a blended participation rate of 85% federal, 15% non-federal.

Eligible capital expenses include equipment that has a useful life of more than one year. Any equipment or accessory purchased with federal, or state capital funds is considered capital. Iowa DOT considers purchases of equipment that cost more than $5,000 capital regardless of the funding source. The cost of leasing equipment may be treated as a capital expense provided the lease period is at least one year, and it is determined that leasing is cost effective compared to

purchase. All types of transit facilities and improvements to those facilities are eligible capital expenses for 5339, 5307, and 5311 funds. Section 5310 limits facility eligibility.

Planning Assistance

Planning assistance may be used to support transit planning activities as well as more general intermodal transportation planning activities, whether conducted by planning agencies or by transit system personnel. Although Congress has established dedicated sources of funding for planning, the costs of planning activities are also eligible under most other federal transit programs. The federal participation ratio for planning assistance is normally 80% federal, 20% non-federal.

Training Assistance

Federal training funds are available for regional and small urban systems through the Rural Transit Assistance Program (RTAP). A similar program providing training funds for urban transit systems is available from STA funds in the fellowship program.

Federal Programs

Chapter 53 of Title 49 of the U.S. Code establishes the authority for FTA. Since 1964 when the Urban Mass Transportation Act was originally enacted, FTA has partnered with state and local governments to create and enhance public transportation systems, investing more than $20 billion annually to support and expand public transit services. FTA provides annual formula grants to transit agencies as well as discretionary funding in competitive processes.

The Infrastructure Investment and Jobs Act (IIJA) authorizes up to $108 billion for public transportation from FY 2022 through 2026. Since the early 1990s, the transit programs have been codified or incorporated into the U.S. Code. Congress establishes the funding for FTA programs through authorizing legislation that amends Chapter 53 of title 49 of the U.S. Code. The transit programs found in Chapter 53 are referenced in each section that establishes each program. This is why they are called 5307, 5310, 5311, etc.

Section 5305(d) Metropolitan Transportation Planning

This is an FTA program to support planning activities in metropolitan areas on an 80% federal, 20% non-federal basis. By law, the state is the direct recipient of the funding. In Iowa, these funds are administered by the Iowa DOT Systems Planning Bureau and are distributed annually to each of the state's nine Metropolitan Planning Organizations (MPOs).

Section 5305(e) Statewide and Nonmetropolitan Transportation Planning

These funds are intended to support transit planning in addition to what is conducted by the individual MPOs. By law the state is the direct recipient of the funding. Iowa uses these funds along with 5311 funds set aside specifically for planning to support a system of Regional Planning Affiliations (RPAs). Iowa DOT Systems Planning Bureau serves as the direct recipient of these funds. The combined 5305(e) and 5311 planning funds are distributed annually to each of the state's 18 RPAs. These funds jointly support regional intermodal planning on an 80% federal, 20%non-federal basis.

Section 5307 Urbanized Area Formula Grants

This is a federal program for support of urban transit systems serving communities with more than 50,000 population.

In all urbanized areas, eligible activities for 5307 funds include planning, engineering design and evaluation of transit projects and other technical transportation related studies: capital investments in bus and bus related activities such as replacement of buses, overhaul and rebuilding of buses; crime prevention and security equipment; construction of maintenance and passenger facilities; and capital investments in new and existing fixed guideway systems including rolling stock, overhaul and rebuilding of vehicles, track, signals, communications, and computer hardware and software. All preventive maintenance and some American with Disabilities Act complementary paratransit service costs are considered capital costs. In general, funding is provided in an 80% federal, 20% non-federal basis for capital projects under the 5307 program. Purchase and installation of special equipment or features required by the Americans with Disabilities Act or the Clean Air Act Amendments, and certain bicycle accommodation projects are eligible for 90% federal assistance. FTA has allowed revenue vehicles with required ADA and clean air equipment to be purchased at a blended participation rate of 85% federal, 15% non-federal.

For urbanized areas with populations less than 200,000, operating assistance is an eligible expense. Urbanized areas of 200,000 or more may not use funds for operating assistance except in certain situations.

According to FTA Circular 9050.1A, all recipients operating a fixed-route system may use up to 10% of its annual formula apportionment at the capital project 80/20 federal/local share ratio to pay for complementary paratransit services provided in accordance with 49 CFR Part 37, Subpart F if the applicable recipient is in compliance with the USDOT regulations at 49 CFR Parts 27,37,and 38 in its implementation of the transportation provisions of the ADA.

A recipient may use up to 20% of its annual apportionment at the capital project 80/20 federal/local share ratio to pay for complementary paratransit services if it meets the requirements above and demonstrates it meets at least two of the following requirements

- Provides and active fixed route travel training program that is available for riders with disabilities
- Provides that all fixed route and paratransit operators participate in a passenger safety, disability awareness and sensitivity training class on at least a biennial basis.
- Has memoranda of understanding in place with employers and the American Job Center to increase access to employment opportunities for people with disabilities.

Note: when a UZA has more than one recipient, it is the designated recipient's responsibility to work with the public transportation operator in the UZA to allocate the 10 or 20% (depending on eligibility) of the UZA's apportionment that may be used for ADA paratransit purposes. Recipient's subarea allocation documentation should include language regarding the use of the ADA paratransit provision.

Areas with populations over 200,000 receive their own 5307 allocation directly from FTA. The allocations are based on a combination of bus revenue vehicle miles, bus passenger miles, fixed

guideway route miles as well as population and population density. Four Iowa transit systems are funded under this program: Des Moines receives its own allocation, Davenport and Bettendorf both receive a portion of funds allocated to the Quad Cities area, and Council Bluffs receives benefit of a portion of the funds allocated to the Omaha-Council Bluffs area. Within each of these larger urbanized areas, transit systems are no longer required to set aside 1% of the 5307 funds for transit enhancement activities but do have to submit an annual report listing projects that were carried out during the previous fiscal year. Each recipient of these funds must also expend at least 1% on public transportation security projects or certify that this is not necessary. Within each area, the MPO is responsible for programming the funds as part of the Transportation Improvement Program.

Each state receives a single allocation of 5307 funds for use in the smaller urbanized areas (with population from 50,000 – 200,000). For these Governor's Apportionment areas, funding is apportioned to the state on the basis of population and density. There is also a "small transit intensive cities" tier that provides additional funding if any of the small urbanized areas in the state exceed the average performance of the larger communities across the nation on one or more of six specified performance measures. The state distributes these funds using the same formula. Ames, University of Iowa's Cambus, Cedar Rapids, Coralville, Dubuque, Iowa City, Sioux City and Waterloo all receive funding from the Iowa Governor's Apportionment. Sioux City also receives funding from the Nebraska and South Dakota Governor's Apportionments. In addition to capital and planning uses, funding for these smaller urbanized areas can also be used to support operating deficit. Funds for operating support must be matched by non-federal funds (other than passenger revenues) on a dollar-for-dollar basis.

The Iowa DOT determines the allocation of the 5307 Governor's Apportionment funds after the federal appropriation process is completed. At present, Iowa DOT is using the information that FTA publishes in the Federal Register regarding the amount of the Governor's Apportionment attributable to statistics from each urbanized area as a guide in determining the suballocations. All transit systems in this category except Ames and Iowa City areas, depend on this allocation to support transit activities in the current fiscal year.

Section 5310 Formula Grants for the Enhanced Mobility of Seniors and Individuals with Disabilities

This is a federal program for support of transit services serving elderly and persons with disabilities. These funds are allocated to Iowa on the basis of the number of older adults and individuals with disabilities and allocated by area:

- 60% Large Urbanized over 200,000 population
- 20% Small Urbanized 50,000 – 200,000 population
- 20% Rural under 50,000 population

By law, the state is the direct recipient of funding for areas under 200,000 in population. Large Urbanized areas receive a direct allocation and includes Des Moines and Bettendorf. Public agencies responsible for coordinating human service transportation and private non-profit agencies are eligible. Because Iowa requires the designated public transit systems to coordinate all publicly funded passenger transportation services, Iowa distributes these funds to the public transit agencies.

At least 55% of program funds must be used on capital or "traditional" projects (buses, vans, wheelchair lifts, ramps, etc.), and 45% must be used on non-traditional projects (expand transportation mobility options beyond requirements of ADA, travel training, etc.). Mobility management is eligible under either the traditional or non-traditional funding. The cost of contracted operations, equipment, and passenger or vehicle shelters are funded on an 80% federal 20% non-federal basis. Purchase of ADA vehicles can be funded at 85% federal participation. Facilities other than passenger or vehicle shelters are not eligible. Operating assistance is funded at 50% federal share. Match can come from other federal (non-US DOT) funds.

Section 5310 funds administered by the PTT are distributed based on a formula that factors in ridership and revenue miles. To simplify administration, the 5310 funds going to rural systems are only distributed to transit systems that purchase contracted transportation services. All projects using the 5310 funding must derive from the Passenger Transportation Plan (PTP) prepared by the respective metropolitan or regional planning agency through their joint public transit/human service transportation planning process. All services supported with 5310 funding must be operated open to the general public. Complementary ADA paratransit meets this requirement as long as it matches up with an urban transit system's fixed-route hours and service area.

Federal guidance on the 5310 program can be found in the FTA circular 9070.1H.

Section 5311 Formula Grants for Rural Areas

This federal program supports transit activities in rural areas and communities with populations less than 50,000. Thes funds are allocated to Iowa:

- 83.15% based on land area and population in rural areas
- 16.85% based on land area, revenue vehicle miles, and low-income individuals in rural areas

By law, the state is the direct recipient of the funding. Iowa DOT serves as the direct recipient of the funds through both the Public Transit Team (PTT) and the Systems Planning Bureau. The PTT administers the bulk of the 5311 funding that is provided to small urban and regional transit systems, as well at the 15% annual apportionment, that is used to support intercity bus services.

The Systems Planning Bureau administers a portion of the 5311 funds that are combined with the 5305 funding to support rural transit and intermodal planning activities. The amount used for planning is determined on an annual basis between the Public Transit and Systems Planning. In recent years, that amount has been $400,000 annually.

The portion of the 5311 funds used for support of public transit services in Iowa is administered in conjunction with the non-urbanized area (less than 50,000 in population) allocation of the 5310 funding. The 5311 funds may be used to support:

- operating deficits (potentially on a 50%federal, 50% non-federal match)
- capital purchases (on an 80% federal, 20% non-federal match or 85% federal, 15% non-federal for ADA or Clean Air vehicles)
- job access/reverse commute projects (on an 80% federal, 20% non-federal match)
- mobility management (on an 80% federal, 20% non-federal match)

- planning activities (on an 80% federal, 20% non-federal match)

State policy does not allow local transit administration costs for public transit systems to be treated any differently than operating expenses.

The Iowa DOT formula allocating 5310 and 5311 funds uses the complete past year's performance statistics. (for example, FY23 statistics would be used for FY25 as Iowa DOT wouldn't have a full year to calculate the formula by using the previous fiscal year) The amount of formula funds to be distributed to small urban systems versus regions systems is determined by first splitting the allocations with 75% going to the regional systems and 25% going to the small urban systems.

The individual allocations to small urban systems are then determined on the basis of 50% of the percentage of total small urban ridership accomplished by that system and 50% of the percentage of total small urban revenue miles provided by the individual system.

Individual allocations for regional systems are based on 40% of the system's percentage contribution to the total regional ridership and 60% on the systems percentage contribution to total regional revenue miles.

The formula apportionment funds received by each system must be used to support services open to the public. This would include eligible transit capital or operating expense as defined by the federal government. The decision of how the formula funds is programmed is a part of the local transportation planning and programming process conducted through the regional planning affiliation. PTT provides a projection of the formula funding that will be available to each system for the coming state fiscal year, usually between January and March, to facilitate integration of the 5311 programming process with the annual preparation of the regional Transportation Improvement Program (TIP).

PTT decides which agencies will receive 5310 funds versus 5311 funds, based on how the transit systems will use the monies. At present, most transit systems choose to use their formula funds for support of transit service costs. The 5310 funds are targeted to systems that purchase services from subproviders, and the 5311 funds are targeted first to systems that provide their services directly. To the extent that any system proposes to use its 5310/5311 allocation for purchase of rolling stock to operate within an urbanized area, 5310 funds will be used, and the project will be included in that urbanized area's TIP. If facility improvements are programmed with the formula funds, 5311 funding will be used.

The federal requirements for the 5311 program are described in FTA circular 9040.1H

Section 5311(b)(3) Rural Transit Assistance Program (RTAP)

This federal program provides a source of funding to assist in the design and implementation of training and technical assistance programs and other support services tailored to meet the specific needs of transit operators in non-urbanized areas less than 50,000 in population. By law, the state is the direct recipient of the funding. In Iowa, the DOT's PTT serves as the recipient of these funds. Iowa's RTAP funds are mainly used to provide local transit agencies training fellowships. Federal guidance for the RTAP program is contained in FTA circular 9040.1H

Section 5311(f) Intercity Bus Assistance

A minimum of 15% of each year's non-urbanized formula funds allocated to Iowa under the 5311 program is required to be set aside to support intercity bus transportation. Private-for-profit companies, private non-profit corporations, or public entities may apply for this funding. Connections to Amtrak or passenger air service terminals are desirable. Service strictly for commuter purposes is not eligible. Projects may include operating assistance, capital assistance, planning, or administrative costs such as marketing and insurance.

Proposed projects must directly support the provision of intercity bus services in Iowa. Eligible routes must serve Iowa intercity bus terminals connected to the nationwide intercity bus network and include stops in non-urbanized areas. Funds cannot be received to go from urbanized area to urbanized area only. The following funding categories have been established for the Iowa Intercity Bus Program. Iowa's program has two components, in priority order:

- Iowa based operating deficit (including marketing).
    - 50% Federal with a 50% match
- Support for intercity bus capital improvements.
    - Over the road motorcoaches, vertical infrastructure, vehicle renovations/improvements, ADA improvements to vehicles and facilities.
        - ADA vehicles require a 15% match
        - All other capital projects require 20% match

The Intercity Bus Assistance Program is included as a statewide total in the Statewide Transportation Improvement Program (STIP). Annual intercity bus assistance applications must be received by PTT by September 1st for projects to begin in January. The projects run on a calendar year. Project selections are finalized by December.

Section 5339 Bus and Bus Facilities Formula Grants

Section 5339 funds can finance capital projects to replace, rehabilitate, and purchase buses and related equipment and to construct bus related facilities. Funds for transit vehicle replacements are distributed utilizing the vehicle rankings of the Public Transit Management System (PTMS). Vehicles are assigned points based on age and milage. Transit systems serving populations over 200,000 receive direct allocations from the FTA and are not included in the statewide distribution through PTMS. Iowa DOT requires vehicles to be ADA accessible, so funding amounts are 85% federal and 15% local. Facility funding amounts are 80% federal and 20% local.

Federal Flexible Funds

Surface Transportation Block Grant (STBG) Program

These funds come to the state based on a number of factors including vehicle miles of travel, highway lane miles, and the number and size of bridges. The funds can be used for roadway, transit capital projects, pedestrian/bikeway projects, or intermodal planning projects on an 80% federal, 20% local basis. It is always this percentage of federal/local when using STBG funds. In Iowa, a portion of these funds is programmed by local governments action through metropolitan or regional planning agencies. Nearly all of Iowa RPAs and some MPOs fund a portion of their intermodal transportation planning activities from STBG funds. Most transit systems have also been successful

in receiving STBG funding from their local MPO or RPA. Each MPO or RPA gets to decide how the funds are spent in their area. When programmed for transit planning projects, these funds are transferred from FHWA to FTA for administration, either through a direct 5307 grant for large urban transit systems, though a statewide 5311 grant for small urban or regional systems, or through the statewide consolidated planning grant for planning projects. PTT administers the statewide grant for individual small urban and regional transit systems. The Iowa DOT Systems Planning Bureau administers the planning grant.

Congestion Mitigation Air Quality (CMAQ) Program

This program is one of the five core funding programs of the Federal Highway Administration (FHWA) that can be flexed between highway, transit, or bicycle/pedestrian uses. Nationally, the CMAQ program is intended to fund transportation projects to assist metropolitan areas in non-attainment of Clean Air Act standards. In those states with areas in non-attainment, all CMAQ monies must be spent in the affected areas for projects conforming to a state air quality implementation plan. Because Iowa dos not have any area in non-attainment of transportation related federal clean air standards, the state receives a minimum allocation of CMAQ funding that can be used anywhere in the state for any purpose for which STBG funds can be used on the same 80% federal, 20% nonfederal basis. City, county and state projects are all eligible under this program.

Iowa's Clean Air Attainment Program (ICAAP)

In Iowa, a portion of the CMAQ funds is split off to create a competitive grant program for eligible city, county or public transit clean air attainment projects. This grant program is called Iowa's Clean Air Attainment Program (ICAAP). Funds are programmed for highway or transit projects through a statewide application process based on the project's anticipated air quality or congestion relief benefits. Applications are due October 1st for projects to begin the following federal fiscal year. Project selections are determined in February. Funding is transferred from FHWA to FTA for administration through statewide grant under either the 5307 or 5311 programs depending on whether the projects are in urbanized or non-urbanized areas.

Carbon Reduction Program (CRP)

A flexible funding program called The Carbon Reduction Program (CRP) was created from the IIJA for public transit. Starting in FY24 $3,000,000 will be used to replace revenue vehicles for Iowa's 35 transit systems. These funds are transferred from FHWA to FTA and administered through statewide grants by the PTT. The funds are programmed based on the Public Transit Management System PTMS process that selects projects based on their useful life thresholds of miles and age. These funds can be used on the 80% federal, 20% nonfederal basis.

Diesel Emission Reduction Act (DERA) Grant Program

The Iowa DOT administers the Environmental Protection Agency's (EPA) DERA grant program for the state of Iowa. DERA comes out of the Energy Policy Act of 2005. The DERA grant funding is available for profit, non-profit and public entities that own or operate diesel fleets and equipment in any of the 99 counties in the state of Iowa. Public transit agencies operating medium and heavy duty diesel vehicles are eligible to apply. In 2023, the amount of funding available was $1,058,940 which includes a base grant amount of $423,576 and Environmental Protection Agency incentive bonus of

$211,78. In addition, the state is matching that base grant amount with monies from Iowa's Volkswagen Environmental Mitigation Trust Fund settlement.

Volkswagen Settlement Grant

In 2016, the Environmental Protection Agency (EPA) filed a complaint alleging Volkswagen violated the Clean Air Act with the sale of motor vehicles between 2009 and 2016. Vehicles exceeded the EPA compliant levels of nitrogen oxides during normal use. Volkswagen agreed to settle some of the allegations with the creation of an Environmental Mitigation Trust to fund strategies that will reduce the emission of nitrogen oxides. Iowa will receive $21 million which are distributed through competitive application programs.

Rural Community Development Initiative Grants

Awarded to community development organizations, low-income rural communities and federally recognized tribes supporting housing, community facilities, or community and economic development projects in rural areas. Public entities, non- and for-profit organizations who represent rural and tribal areas adjacent to a city or town with a population greater than 50,000 are eligible. Funds are competitively awarded on an annual basis, a minimum of $50,000 is required with a maximum available at $500,000. Applications must be submitted through Grants.gov, contact USDA with questions, iowacommunityprograms@usda.gov.

Community Development Block Grant (CDBG) Career Link Program-Employment Transportation

This is a program administered by the Iowa Economic Development Authority (IEDA). The Career Link program can be used to address other employment barriers by providing funding for employment related transportation services. Eligible activities include transportation services for individuals to job activities and adult students to educational training /instructional opportunities. The majority of beneficiaries (individuals utilizing transportation) must reside in non-entitlement communities under 50,000 in population. For more information, please call 515.725.3081 or email cdbg@iowa.gov

- Eligible applicants are non-entitlement cities or counties. Funds will flow through the local government to a non-profit transportation entity providing the transportation services.
- The majority of the beneficiaries must reside in non-entitlement communities.
- Eligible activities will include transportation services for individuals to job activities and adult students to educational training/instructional opportunities.
- Participating businesses may not include retail or service businesses. A service business is one providing services to a local consumer market which does not have a significant proportion of its sales coming from outside the state.
- The maximum grant award for employment related transportation projects will be $150,000.
- IEDA will require a 1 for 1 cash match for projects. Matching funds can be a combination of funds from participating business, local, state, and federal funds.
- Funds will be used for operational expenses only, not buses or equipment
- For each project, the majority of beneficiaries, 51%, must be low to moderate income individuals, as defined by the federal Department of Housing and Urban Development.
- Grant recipients must document compliance by collecting income surveys from project beneficiaries.

State Programs

The State of Iowa currently offers three programs providing financial assistance to public transit systems. Each year up to $600,000 of the total STA funds are set aside to fund subscriptions that benefit statewide projects, STA Fellowship Program and the STA Special Projects Program.

State Transit Assistance (STA)

All public transit systems are eligible for funding under the STA program. STA funding is derived from an amount equal to 4% of the fees for new registration collected on sales of motor vehicle and accessory equipment. The majority of funds are distributed by a formula based on each transit system's performance during the previous year in terms of rides, miles and local funding support. These formula funds can be used to support any operating, capital or planning expenses related to the provision of public passenger transportation. The STA program is described in Chapter 920 of the Iowa Administrative Rules.

STA Formula Program

The majority of the state transit assistance funds received in a fiscal year are distributed to individual transit systems on the basis of a formula using performance statistics from the most recent available year. Each month, the dollars received in the fund during the prior month are allocated to the transit agencies. These funds can be used by the public transit system for operating, capital or planning expenses related to the provision of open to the public passenger transportation.

The STA formula funds are first split between urban and regional systems on the basis of total revenue miles of service provided by each group. The funds are then split among individual systems in each category:

- 50% on the basis of locally determined income (LDI)
- 25% on the basis of rides per dollar of expense
- 25% on the basis of revenue miles per dollar of expenditure

PTT calculates LDI by subtracting FTA and STA formula funds from the system's operating expenses. A transit system will receive more in state funds when their local area provides more. The formula for determination of formula percentage can be found in Iowa Administrative Code 920. An example of the current FY State Allocation can be found in BlackCat under the consolidated application forms.

STA Fellowship Program

A major component of the STA funding is a program of transit training fellowships that parallels the RTAP fellowship program described previously. The STA fellowship program focuses on training costs for Iowa's large urban transit systems and metropolitan planning organizations that are not eligible under RTAP.

STA Special Projects

Iowa DOT sets aside funds for STA Special Projects. Special projects are extraordinary, emergency or innovative in nature and may include, but are not limited to:

- Expanding the scope of planning, managerial, or technical expertise.
- Increasing the public's awareness and understanding of transit.
- Enhancing the capacity for administration consolidation and service coordination
- Reducing impediments to intramodal or intermodal transfers.
- Increasing the cooperation and coordination between private sectors.
- Developing, demonstrating, or refining a technical, procedural, or mechanical innovation that may be utilized by other public transit systems in Iowa.
- Responding to an emergency situation that places an extraordinary and unforeseen strain on the resources of a public transit system.

Grants can include projects which support transit services developed in conjunction with human service agencies or local community partners or statewide projects to improve public transit in Iowa. Priority is given to projects which include a financial contribution from human service agencies or community partners. In-kind funding is not allowed as a local match source.

- Projects are intended to assist with startup of new services that have been identified as needs by health, employment or human service agencies or other community partners.
- Statewide projects may be used on transit marketing and projects exploring new transit technologies.
- Each Special Project must be included in the current year of the locally adopted transportation improvement program (TIP) before the beginning of the fiscal year in which the project will begin.
- Operating and small capital projects are eligible for funding up to a maximum of 50% state participation for two years. Vehicles and facilities are not eligible under this program.
- One project per transit system at a time is allowed.

Items not eligible for funding:

- Administrative, operations, or capital expenses which are determined by the DOT to be inconsistent with DOT policies, public law, officially approved planning and programming documents, or inconsistent with the purpose of improving the effectiveness and quality of transit services.
- Development of managerial, administrative, or operational systems which duplicate programs made available at no charge to the transit system by the DOT.

Applications are available on BlackCat and are due by October 1st. Projects begin July 1st of the following fiscal year.

Applications will be evaluated on the following:

- Financial contribution from human service agency(ies) or community partners.
- Demonstration of need. Was this project identified through the Passenger Transportation Plan development? What problem will this solve? How many passengers will this project serve? Why is this project needed now?
- Demonstration of Benefits. What measures will be in place to determine if the project was successful? How will the project benefit the area in which it operates?

- Demonstration of Coordinated Transportation. Description of how the project contributes to coordinated transportation in the community. How does this project respond to the needs of local human service agencies and/or other community partners?
- Addressing Long Range Public Transit Needs. How does the project address the vision for Iowa's public transit system? A public transit system that supports the physical, social, and economic wellbeing of Iowans, provides enhanced mobility and travel choices, and accommodates the unique needs of dependent and choice riders through rightsized solutions. Which goal area(s) and strategy(ies) from the Iowa Public Transit Long Range Plan does this project address?

In addition to Iowa DOT public transit staff, the STA Special Project Applications will be evaluated by members of the Iowa Transportation Coordination Council.

If the funds are not needed for special projects, the money set aside for that purpose may be moved back into the STA formula program for distribution to all systems or used for a mid-year solicitation of STA Special Projects.

Public Transit Infrastructure Grants (PTIG)

The purpose of the Iowa Public Transit Infrastructure Grants (PTIG)is to provide funding for improvement of the vertical infrastructure of Iowa's designated public transit systems. This grant uses the Rebuild Iowa Infrastructure Fund (RIIF) for some of the vertical infrastructure needs of Iowa's transit systems. Applications are accepted as part of the annual Consolidated Transit Funding applications. Projects can involve new construction, reconstruction or remodeling, but must include a vertical component to qualify. Projects are evaluated based on the anticipated benefits to transit, as well as the ability to have projects completed quickly. The infrastructure program participation in the cost of transit related elements of a facility project is limited to 80% and cannot, in combination with federal funding, exceed that number. No single system can receive more than 40% of the available infrastructure funding in a given year. Additional specifics of the program can be found in Chapter 924 of the state's administrative rules.

PTIG projects are also subject to useful life standards, similar to federally funded capital projects. When applying for PTIG funding, those transit agencies organized under Iowa Codes Chapter 28E should keep the requirement of shared use facilities in mind:

- Before proceeding to construct or purchase a facility as otherwise provided by law, a public agency shall inquire of other public agencies having facilities within the same general geographic area concerning the availability of all or part of those facilities for rent or sharing by agreement with the inquiring public agency. If there are no suitable facilities available for rent or sharing, the governing body of the public agency shall record it findings in its meeting minutes.

Capital Match Revolving Loan Fund (AMOCO Loan)

The capital match revolving loan fund was created by the Iowa Legislature in the early 1980's with funds from Iowa's share of the federal government's petroleum overcharge settlement against the American Oil Company (Amoco). The loan program is subject to an intergovernmental agreement between the Iowa DOT and the Iowa Department of Natural Resources (DNR). All public transit systems are eligible for loans under this program. The intent of the program is to increase the

inherent energy conservation benefits of public transit by expediting the implementation of transit capital projects.

The program allows no interest loans to transit systems, which the transit system uses towards the required local match on a state or federally funded capital project, paying the loan amount back over a period not to exceed five years, depending on the initial loan amount. The loan can be used to temporarily fund the entire local match on capital equipment projects or 50% of the required non-state or non-federal match on facility projects. Loan recipients may be required to report project energy savings annually to PTT until the loan is repaid.

A project is eligible if it is a transit capital project that is approved for state or federal funding. The project should be targeted at energy savings. The public transit system must submit the loan request at the same time as the capital funding application by May 1st. Amoco loan requests will be considered throughout the year if a transit agency should encounter a financial hardship.

The PTT will review the loan request based on available funds and project eligibility. Upon approval, the public transit system will be offered a contract designating the amount of the loan and the repayment schedule.

Note that all funding agreements between the Iowa DOT and transit agencies include the provision that all payments will be withheld to any transit system delinquent in loan repayments. If repayments are not received in a reasonable timeframe, the transit system's STA funding may be applied to the loan repayment obligation.

Based on the agreement between Iowa DOT and DNR, if loan funds are not needed to expedite transit capital projects, they may be used as no interest loans to individuals for the purchase of vans for vanpooling.

The administrative rules for the Transit Capital Match Revolving Loans are found in Chapter 923 of the department's administrative rules.

AMOCO Loan Lending Policy Effective June 21, 2021

The AMOCO Loan Program allows no interest loans to transit systems to be used toward the required local match on a state or federally funded capital project. This is a revolving loan fund, depleted when multiple or large loans are made and replenished upon loan repayment. This fund also earns interest when not utilized for local match loans.

Eligible Projects: State and federally funded public transit vehicles and facilities. A project is eligible if it is a transit capital improvement project that is approved for state or federal funding and included in the Transportation Improvement Program. The project should be targeted at energy savings and loan recipients may be required to report project energy savings annually to the Iowa DOT until the loan is repaid.

Maximum Loan Amount: The loan can be used to temporarily fund the entire local match on capital vehicle purchases or 50% of the local match on facility projects. A maximum of $350,000 may be loaned to any one public transit agency at any given time, depending on loan funding availability to repay the loan.

Loan Term: AMOCO loans will be paid back quarterly over a period not to exceed five years. Loans of $100,000 or less will be paid back within two years. Loans of $100,001 or more will be paid back over a five year period or less.

Loan Request: The public transit team shall normally submit a request for an AMOCO loan to the department when the annual consolidated grant application is made but may submit a request at any time if a specific need arises. The request shall include, but not be limited to the following topics and documents:

- A description and cost estimate of the proposed project
- An explanation of the benefits, including projected energy conservation benefits, to be gained from the project.
- An explanation and justification of need for the loan.
- A proposed schedule of when funds will be needed for the project.
- A proposed loan repayment plan with schedule and source of funds.
- A completed AMOCO Loan Application Form

Selection Criteria: Iowa DOT shall review each loan request and shall evaluate the projects for funding. Based on the following criteria, projects shall be given preference that:

- Foster coordination among transit services, such as ground transportation center, a joint maintenance facility, or cooperative vehicle usage
- Enhance local or regional economic development, such as a transit mall, passenger shelter facilities, or vehicles for extension of services.
- Increase federal funding to the state, such as accelerating purchase of replacement vehicles.
- Extend services to the transportation disadvantaged.
- Promote energy conservation, such as fuel efficiency.
- Require the loan as only a portion of the local matching funds required.

Loan Default: If a public transit system fails to make a loan payment as agreed in the contract, the department may, as its option, deduct the amount of any past due loan payment from state transit assistance payments allocated to that transit system.

Local Funding

The bulk of transit funding in Iowa comes from local sources, especially on the operating side. How systems generate their local financial support varies, but some of the more common sources are as follows:

Passenger Revenue

Fees paid by the passengers is one of the most common sources of local support. This can include monies collected onboard the transit vehicle (farebox receipts), as well as prepaid fares from the sale of passes or tickets, or fares billed to the passenger after the fact. FTA requires that all passenger revenues be subtracted from the total cost of operating transit service to identify a net operating cost, before eligibility for federal financial support of the operations can be calculated.

Contract Revenue

Human service agencies, local communities, as well as private businesses are often willing to pay a part or all of the cost for certain types of rides provided as part of the open to the public transit operation. Such subsidies are classified as contract revenues and can count toward the required local match on federal projects.

Local Taxes

- Municipal Transit Levy - Iowa Code Chapter 384.12 authorizes a city to levy up to 95 cents per $1,000 of assessed taxable property in order to support the cost of operation and maintenance of a public transit system. These funds are over and above any general funds spent on transit and are not included in the state imposed caps on general fund levies. Most of Iowa's larger communities levy for support of their urban transit systems. It is not required to go toward the fixed route. A number of smaller communities use this authority to generate funding used to support services contracted from their designated regional transit system. Regional Transit Districts, organized under Chapter 28M of the code of Iowa may levy a tax of identical nature for support of public transit across both urban and rural portions of member cities and counties. The regional transit district levy and the municipal transit levy cannot be used in tandem.
- Regional Transit Levy - In 2005 the Iowa legislature authorized that counties with populations exceeding 175,000 are able to form regional transit districts for support of area wide public transit services. A commission appointed from the governing bodies of participating counties and municipalities is responsible to manage and administer the regional transit district. Once formed, adjacent counties can become part of the district, and municipalities in participating adjacent counties can join. The district can levy up to the 95 cents per $1,000 of the assessed value of all taxable property in a district. Unlike the provisions in the municipal levy, a regional transit district can set differing levy rates across their territory. While both Linn and Polk Counties have the population to form a regional transit district, as of March 2011 only Polk County has chosen to form a district, including several municipalities from adjacent non-participating counties. This can change over time depending on which counties want to participate. They are able to opt out if they do not feel they are receiving the service they are supporting.
- General Fund Levy - The cost of supporting transit services is an eligible use of general fund revenues for all Iowa governments and is the primary source of funding to support transit for

counties who don't have the option of a transit levy, as well as for cities which chose not to use the transit levy. One of the city services from the general fund can be designated as public transit. The general fund levy is limited by state law. Chapter 384.1 of the Iowa Code states these limits.

Recent property tax reform

- Applies a 2% hard cap on general fund levies and transit levies
- Provides a 3% levy limitation for regional transit districts operating under a 28M agreement

- Trust and Agency Levy - The Trust and Agency Levy can be used by cities and counties to support employee benefit plans. An urban transit system, with the city's approval, may use these funds as outlined in Chapter 384.6 of the Iowa Code. As with the transit levy, the trust and agency fund levy are not covered by controls on general fund levies.
- Hotel and Motel Tax – A city or county may impose a hotel and motel tax at a rate not to exceed 7%. Chapter 423A of the Iowa Code explains the hotel and motel tax.
- Local Option Taxes – A local option tax may be imposed after a majority of those voting approve the tax. Chapter 423B of the Iowa Code explains the local option taxes.

Other

Student Fees

Mandatory student fees established by a college or university are similar to a tax levy in that all members of the particular community contribute.

Advertising

Sale of onboard advertising or advertising space in brochures, etc. can provide some additional revenues to the transit program.

Qualified Transportation Benefits

As part of an employer's fringe benefits package, Qualified Transportation Benefits may be provided. These benefits assist with the costs of vanpooling in a "commuter highway vehicle" or for purchasing a transit pass and generally be excluded from the employee wages up to the allowed limits. In 2025, the value of these benefits is $325 per month for combined commuter highway vehicle and transportation passes. Transit agencies may want to discuss these benefit offerings with local businesses to encourage more transit ridership.

References & Important Links

- FTA Circular 9050.1A Urbanized Areas Formula Grant Programs Guidance https://www.transit.dot.gov/sites/fta.dot.gov/files/2024-11/C9050.1A-Circular-11-01-2024.pdf
- FTA Circular 9070.1H Enhanced Mobility of Seniors and Individuals with Disabilities Programs Guidance https://www.transit.dot.gov/sites/fta.dot.gov/files/2024-10/C9070.1H-Circular-11-01-2024.pdf
- FTA Circular 9040.1H Rural Areas Formula Grant Programs Guidance https://www.transit.dot.gov/sites/fta.dot.gov/files/2024-10/C9040.1H-Circular-11-01-2024.pdf
- FTA Circular Award Management Requirements https://www.transit.dot.gov/sites/fta.dot.gov/files/2024-10/C5010.1F-Circular-11-01-2024_0.pdf
- Diesel Emission Reduction Act (DERA) Grant Program https://iowadot.gov/dera/application-process
- Volkswagen Settlement Grant https://iowadot.gov/vwsettlement/default.aspx
- Iowa Administrative Code Chapter 920 State Transit Assistance https://www.legis.iowa.gov/docs/iac/chapter/761.920.pdf
- Iowa Administrative Code Chapter 924 Public Transit Infrastructure Grant Program https://www.legis.iowa.gov/docs/iac/chapter/761.924.pdf#:~:text=761%E2%80%94924.1(324A)%20Purpose.%20The%20purpose%20of%20the%20public,infrastructure%20of%20Iowa's%20designated%20public%20transit%20systems.
- Iowa Administrative Code Chapter 923 Capital Match Revolving Loan Fund https://www.legis.iowa.gov/law/administrativeRules/rules?agency=761&chapter=923&pubDate=08-21-2024
- AMOCO Loan Application https://iowadot.seamlessdocs.com/f/AMOCOLoanApplication
- Iowa Code Chapter 384 City Finance https://www.legis.iowa.gov/docs/ico/chapter/384.pdf
- Iowa Code Chapter 423 Streamlined Sales and Use Tax Act https://www.legis.iowa.gov/docs/ico/chapter/423.pdf
- Qualified Transportation Benefits https://www.irs.gov/pub/irs-pdf/p15b.pdf
- Rural Community Development Initiative Grants in Iowa https://www.rd.usda.gov/programs-services/community-facilities/rural-community-development-initiative-grants-6

Chapter 4 Planning

Transit planning is a process to determine the community's or region's current and future needs for public transportation and to choose the best match between those needs and the available resources. The needs can be multifaceted, involving unserved or underserved populations, geographic areas, or lack of appropriate equipment. The resources can include finances, equipment, workforce and roadways.

The planning for transit must be integrated and coordinated with many other types of planning to be effective. By law, transit planning is part of an intermodal transportation planning process covering primarily highways and transit but is also including other transportation modes such as bicycle/pedestrian and freight. The best planning processes also integrate transit planning with human services planning, as well as planning for the other community services.

Exactly how the planning process is carried out and how successful it might be, varies from area to area. There is, however, a basic structure and basic elements that are common to transportation planning anywhere within the state of Iowa. This chapter describes that basic structure and describes some of the elements of transit planning that are seen in Iowa. It also discusses other issues relating to planning in Iowa.

Iowa's Transportation Planning Organizations

The federal government requires intermodal transportation planning. The Federal Transit Administration (FTA) and the Federal Highway Administration (FHWA) have issued joint planning regulations that require an intermodal planning process at both the metropolitan and the state level. The regulation can be found in 49 CFR Part 613 and 23 C.F.R Part 450. According to 23 CFR Part 450.306, a MPO's planning process shall be continuous, cooperative, and comprehensive, meaning it should be ongoing and taking many viewpoints into account.

Metropolitan Planning Organizations (MPOs)

At the metropolitan level, the joint planning regulations require the designation of a MPO by the local units of general government and the governor (or governors of each state if the MPO extends to other states) with a minimum population of 50,000. The boundaries of the MPO are required to include all territory included in the urbanized area by the most recent U.S. Census, and all territory expected to become urbanized within the next 20 years. The MPO is responsible for preparing transportation plans for this area and for programming any federal transportation funds to be spent in the area. A map of Iowa's MPO boundaries and contact list can be found at the Systems Planning Bureau website.

Regional Planning Affiliations (RPAs)

Outside the metropolitan area, the joint planning regulations require the state to have a planning process that involves consultation with local officials. Iowa has chosen to accomplish this through a system of multicounty RPAs that operate along the same principles as the MPOs. Although Iowa DOT originally proposed 16 RPAs with boundaries similar to those of the regional transit system, a compromise between the DOT and counties resulted in formation of 18 RPAs, with some transit regions split across two, or even three, planning regions. A map of Iowa's RPA boundaries and contact list can be found at the Systems Planning Bureau website.

Each MPO or RPA is controlled by a Policy Committee made up primarily of elected officials from the local units of government. Each RPA and MPO also has a Technical Committee typically made up of local planners, zoning administrators, public works directors, transit managers, airport operators, county engineers, etc., who advise the Policy Committee on transportation planning issues. The joint planning regulations require discrete representation of major operators from each transportation mode (including transit) on the policy committees of newly designated MPOs, but do not require changes in committee membership within existing planning organizations. Iowa has encouraged transit operators to be represented on all MPO and RPA committees, but a number of Iowa's planning organizations do not include a transit representative on the policy committee, and few do not have a transit representative on the technical committee.

Some MPOs and RPAs have a separate Transit Advisory Committee, which is not at the same level as the Technical Committee, but which does provide a forum for local human service agencies, school districts, etc. to work with the transit operator(s) on topics relating to transit planning and operations.

MPOs and RPAs are responsible for preparing long-range and short-range transportation plans for their areas. They are also responsible for preparing a program document listing all highway transit projects that will receive federal transportation funding, as well as providing transportation planning and technical assistance to local governments and project sponsors in their areas. In Iowa, the programming function is much more than just assembling a list of projects that other parties have decided to fund with federal transportation assistance. This is because Iowa provides each MPO and RPA with an apportionment of flexible funding under the Surface Transportation Block Grant (STBG) that the MPO/RPA Policy Committee can program to any eligible projects, whether they are streets, highways, transit capital, or bicycle/pedestrian facilities.

Because the RPA process is unique to Iowa, there are not federal programs dedicated to support it. Both FTA and FHWA do provide "State Planning and Research" (SPR) funds to support the overall statewide planning effort. Iowa DOT uses all of its 5305(e) funds from FTA for support of the RPA process and supplements these funds with off-the-top portion of its 5311 apportionment. These funds are allocated among the RPAs on the basis of a formula that gives each RPA a basic allocation, plus additional funding reflecting the number of counties and population of the area. On the highway side, both SPR and STBG funding allocation will be used for this purpose.

No state funds currently support the MPO and RPA planning process. All match required for the federal funds used for local transportation planning must be generated by the local planning agencies.

Transportation Planning Activities

The following paragraphs describe some of the intermodal planning activities that should be of benefit to transit, as well as more targeted transit planning activities that Iowa MPOs or RPAs might get involved in. The Systems Planning Bureau coordinates the effectiveness in the planning process by holding quarterly meetings with the MPOs and RPAs. The Iowa DOT Systems Planning Bureau has guidelines on their website and works with the MPOs and RPA to as the following five items are being developed.

- Transportation Planning Work Program (TPWP)
  Each MPO and RPA must annually prepare a work program that discusses the current transportation issues for its area and describes what transportation planning activities are proposed for the fiscal year. This work program should be developed with input from all major operators from the various transportation modes, even if they are not represented on the planning organization's committees. Although certain transportation planning activities are required of all MPOs or RPAs, the work plan from each should be responsive to the specific needs raised by the transportation agencies in its planning area.

  Transit systems need to actively participate in the process of developing these TPWPs and find out when they are being done in their area. Although FTA funds used for support of the intermodal transportation planning process are not restricted to fund only transit-related planning activities, there should be an expectation that transit needs will be addressed somewhat proportionately to the share of the planning funding contributed by transit. By participating in the process and actively advocating for transit interests, the transit manager can help assure that transit receives an appropriate share of the benefits of the transportation planning effort. In monitoring this, the transit manager must recognize that, even though some of the common intermodal transportation activities might not initially be considered a transit planning activity, they can still be very valuable to transit. It may be necessary for the transit system to monitor how some of these activities are being designed and carried out to assure their potential value is realized.

- Public Participation Plan (PPP)
  This document describes the proactive strategies, procedures and desired outcomes that support an agency's public participation activities as described in 23 C.F.R 450.316 and Title VI of the Civil Rights Act of 1964. It helps the agency to ensure that all community members who might be affected by a transportation decision are invited to engage in the decision making process. Recipients engaged in planning and other decision-making activities at the local level should consider the principles embodied in the planning regulations and develop and use a documented public participation plan that provides adequate notice of public participation activities as well as early and continuous opportunities for public review and comment at key decision points. It is the responsibility of a transportation agency to involve the public and other stakeholders throughout the transportation process, including when developing transportation plans, programs or projects.

  FTA requires that each large urban transit operator have a locally developed process to solicit and consider public comment before raising a fare or carrying out a major service reduction of transit service. PTT has the same requirement for small urban and regional transit systems. This written policy can be included in the Public Participation Plan or may be its own stand-alone document. The public comment opportunity requirement is in effect even if the fare is increasing by only $0.01. The definition of "major service reduction of transit service" is one to be made locally. The transit system needs to describe what is considered a major service reduction.

The transit system is expected to have a written policy that describes the public comment process on increases in the basic fare structure and on major service reductions. The policy should provide an opportunity for a public hearing or a public meeting for any fare increase or major service reduction. Should describe how meetings will be conducted, and how the results of such meetings will be considered in the process of changing fares and service. A public meeting is not mandatory; however, an opportunity for a public meeting to solicit comments must be given. While the requirement is limited to fare increases and major service reductions, it is good policy to receive public input for any significant fare or service changes. Consider contracted services in the policy. If there is a reduction is contracted service, would it meet the definition of a major service reduction? If so, then a public meeting should be held.

- Long-Range Transportation Plan (LRTP)
  One of the required activities for all MPOs and RPAs is the development of a LRTP. The joint planning regulations require that the plan address a minimum 20-year planning horizon. Generally, the process involves projecting how the area will change over this time, and what transportation developments will be needed. This can involve breaking the planning area into transportation analysis zones and projecting socio-economic variables for each zone. The next step would apply a transportation model to project travel demand as a result of those projections. Next, the travel would be assigned to the existing street and transit network to identify areas that will approach or exceed capacity. Finally, an analysis of alternative strategies or projects for addressing identified needs is done. The long-range plan can also be much less technical, depending on the nature and needs of the planning area. It is required that transit be addressed in the plan.

  While it may not be practical to design detailed bus routes to be implemented 10, 15, or 20 years into the future, the plan is valuable in getting area officials to commit to a future for transit. Things to consider may involve service level policies, long-term replacement of facilities, changes in type of transit vehicle, or even identification of a point at which service densities might make rail transit feasible. Even if local officials may not be able to provide transit funding today, it is entirely appropriate to ask them to envision a future with a strong transit component and to outline the steps that would be necessary to reach that goal. Developing that vision and thinking through the steps can start the process of developing support for that future. Getting a long-range plan adopted with a strong transit component and well laid out strategies, provides an opportunity to frame future funding discussions in terms of progress toward the community's goal.
  If major changes are proposed in other modes, it is important to identify the impacts to transit. If new transit service is indicated, it is important to have transit costs tied into the discussion of the proposed project from the beginning.

- Transportation Improvement Program (TIP)
  Each MPO and RPA is required to annually adopt a TIP listing all projects within its planning area that are programmed to receive funding through either FTA or FHWA. The TIP includes and "annual element" listing projects to be obligated during the current fiscal year, and also

three years of projects. For each project, the TIP must give the name of the project sponsor, a description of the project, the estimated overall project cost, and the amount and source of the federal funding to be used. For transit vehicle projects, the TIP must also document the justification for the project. The individual TIPs are aggregated by Iowa DOT into a Statewide Transportation Improvement Program (STIP). To facilitate this, Iowa has established a standardized format for submission of TIPs for inclusion in the STIP. Iowa DOT's Program Management Bureau has issued a "Guidelines for Development" document to provide guidance concerning this process.

Transit systems need to make sure that any project they wish to have included in a direct or statewide FTA grant is included in the first year (annual element) of an approved TIP, since FTA cannot obligate funds to any project that is not in the current fiscal year. In discussing the project scheduling and the TIP process with planners, it is important for transit managers to be aware that FTA considers a project obligated when they include it in an approved grant. This includes flexible funds programmed to transit, since FHWA considers the funds programmed at the point money is transferred to FTA, and FTA considers them programmed when a grant containing the project is approved.

A STA formula projection must be included in at least the first year of the local area TIP and Iowa STIP.

Most MPOs and RPAs consider their local process for programming flexible STBG funds to be part of the TIP process. Transit systems should pay particular attention to the STBG process, since transit capital projects are an eligible use of STGB dollars. Almost three-fourths of Iowa's planning agencies have programmed STBG funding for a transit project at some time since the program began in 1992. There are several of the planning agencies that program STBG funds for transit consistently every year. Transit systems have succeeded in receiving STBG funding both in areas that use a project-prioritization programming technique and those which sub-allocate funds. Transit systems wanting to access these funds need to stay active in the process and work with their planning agency and the members of their Technical and Policy Boards to get transit included in the local process.

Transit systems wishing to have capital projects considered as candidates for funding through any capital appropriations to the state, must make sure their project is listed in the first year "annual element" of the TIP/STIP. Once the federal appropriation is enacted, PTT will work with the transit industry to adjust the statewide programming to the actual funding level, using the prioritization tools that are part of The Public Transit Management System (PTMS). As part of this process, candidate projects may be selected to receive 5339 funding or they may be funded with Carbon Reduction Program (CRP) funds, approved by the Iowa Transportation Commission. PTT will adjust the STIP to reflect these decisions and will move all projects not selected for the current year funding to the second year of the program, unless informed by the transit system that the project will be funded in some other way. Local TIPs should also be updated to reflect these changes.

As a general rule, federal transportation funds cannot pay for any costs that were encumbered prior to the obligation of federal funds. Neither FTA nor Iowa DOT make any assurance that funding will be approved for a specific project until the grant is approved. All risks related to the projects eligibility for reimbursement, or timing of the approval are borne by the transit system. Please contact your TPA to discuss the possibility of pre-award authority to incur costs.

Please note that project justification is required for all transit projects included in the TIP. Projects for replacement of revenue vehicles can rely on the vehicle's age and milage as documented in the PTMS. Other capital and operating projects, other than for general operating support for existing service, should be supported by a description and justification of the project. When expansion, rehabilitation, or new transit facility projects are proposed, feasibility documentation needs to include:

- The need for the project
- An examination of project alternatives
- A detailed project concept
- A detailed budget estimate for the project including source of local match
- An environmental assessment document
- Alternatives Map
- List of all shared use/joint development components with square footage of each use
- Future expansion
- Floor plan with room use
- Project location map

If there is a possibility to use federal funds for the expansion, rehabilitation, or new transit facility, then an FTA Facility Planning Basis Information Sheet will need to be filled out which includes all of the items listed above.

- Passenger Transportation Plan (PTP)
  Any projects utilizing FTA section 5310 funding must be derived from a coordinated human service and passenger transportation planning process. In Iowa, that coordinated plan is called the PTP. Iowa's MPOs and RPAs are responsible for this process and the writing of the PTP. While not all transit systems in Iowa are eligible to receive section 5310 funding, the Passenger Transportation Plan is required of all planning agencies in cooperation with their local public transit and human service agencies as there is a benefit to coordinating passenger transportation no matter the funding source. PTP updates are due every five years. If a transit system receives 5310 funding, then specific projects will need to be included in the PTP describing how the 5310 dollars will be spent.

  Contributing to the PTP process in each region, meeting at least twice per year, is a group called the Transit Advisory Group (TAG). The TAG is made up of human service agency representatives, public transit system staff, transportation planners, and other parties interested in coordinated passenger transportation. TAGs discuss passenger transportation needs in the area and propose projects to address those needs. Projects are funded

through both local sources and federal or state transit monies. To find the TAG serving a particular area, contact your local transportation planning organization.

Transit Service Planning

One of the general types of transit planning functions is service planning and analysis. This can involve looking at the need for new service in growth areas or in areas or groups that have been un-served or under-served. It can also involve looking at existing services to see if there might be a reason to adjust, such as when a new activity center opens in the vicinity of an existing route or new residential developments allow new routing options in outlying areas. Sometimes it may be appropriate to consider a wholesale restructuring of route services to change the focus of a system. For regional systems, there might be a consideration of whether scheduled shuttle services might help to address high volumes of requests from certain locations, or how to integrate trips for new clientele considering contracting service. It might also involve how to get more benefit from under-utilized portions of existing services.

The planning agency can work with the transit system to look at such issues. Often, the planning agency can help collect data needed for the analysis. They can help track down service standards that may have been developed and which might be usable locally. They can coordinate public input sessions and help facilitate coordination with other agencies that might be hesitant to respond to the transit system because of a perception that the transit system is a competitor. Increased support for service recommendations can be generated by involving the planning agency in the transit service analyses.

Transit Capital Planning

Capital improvements are very important to the delivery of transit services and justifications are required for each capital project. Capital planning for transit can involve analyzing the fleet in terms of FTA and PTT's useful life guidance to develop a replacement schedule or comparing the benefits of vehicle rehabilitation vs. replacement. It can also include analyzing vehicle utilization to determine whether additional vehicles are needed to accommodate new services, or even to make decisions on the appropriate vehicle sizing for either a specific service or for the entire fleet.

On the facility and infrastructure side, capital planning can involve going through an existing facility to evaluate the adequacy or need for improvement of storage space, maintenance bays, heating/air conditioning/ventilation systems, etc. This may lead to a logical schedule of projects for facility repairs or upgrades, or it could trigger a feasibility study to consider the need for a new facility. Similar analyses may be appropriate for offices and other types of transit facilities. An organized facility analysis avoids problems caused by a series of unplanned facility projects, which can end up with conflicting schedules and requirements.

There are many phases and federal regulations to be considered when using federal funds for capital construction projects. Missing any of the required steps could potentially disqualify the transit system from using federal dollars for the project. The FTA Award Management Requirements Circular C5010.1F includes a Construction Project Management Handbook and Project and Construction Management Guidelines to be used by public transit agencies undertaking substantial construction projects with an award. If you are planning an expansion, new facility, shelter replacements, concrete pads, etc., contact the PTT with your intentions prior to starting any

project. Large Urban systems may reach out to FTA Region 7 directly. Small Urban and Regional systems need to go through Iowa DOT.

Other Types of Transit Planning Activities

There are a number of specific transit planning activities that may be appropriate. These include:

- Route Profiles/Analyses are studies that look at the pattern of passenger boardings and alighting along one or more bus route(s). This may be done for various reasons: to identify nonproductive segments, to analyze whether to shift service to a facility a few blocks off the current route, or it could be a part of a passenger amenity study.
- Passenger Amenity Studies are an organized way to analyze where the transit system or some other party should place bus stop pads, benches or shelters along bus routes. Factors typically considered include: the level of passenger usage, the type of passengers, and the nature of the location. The study may also look at alternative means of providing the amenities such as through private vendors or through sponsorship by local groups or businesses.
- Fare Studies look at the transit system's fares. Passenger revenues are not a major source of support for most transit systems, yet they are a source over which the transit system has more control than with most others. A fare study might compare the local transit system's fare structure with similarly situated systems. It should also look at the passenger mix and look at the probable impact of fare increase or rollback in terms of both revenues and ridership.
- Transit Organizational Studies typically look at how the transit system has been organized to accomplish its responsibilities and compares this to alternative organizational structures that may be used by other transit systems or other agencies. Different structures will likely affect how the system is perceived locally, but it may also affect its ability to comply with federal requirements.
- Emergency Response Plans typically involve an inventory of the systems vehicles and information about its radio system, etc. with a discussion of responses to different types of events.
- Maintenance Plans should address the goals and objectives of the maintenance program (extending useful life of vehicles, equipment and facilities, reducing road calls, etc.) and include the strategies and actions that will accomplish the objectives.

Technical Assistance

There are a number of ways that planning agencies can help the transit system other than in preparing plans. In many cases, this may involve sharing the benefits of technology or sharing the skills of the planning staff. Some areas might include:

- Assistance with marketing may involve using desktop publishing to design a brochure or getting planning staff to write/edit/copy for a brochure, and advertisement or a script.
- Assistance with mapping may involve using the planning agency's GIS to produce route maps or brochures.
- Assistance with public involvement may involve hosting a public hearing for the transit system or setting up a series of neighborhood meetings to discuss service changes.

- Assistance with public opinion surveys is a planning analysis tool but can also be performed as a stand-alone function for the transit system.
- Assistance with grant applications is a function that tends to fit well with the planner's writing abilities and access to community data, although writing grant applications is technically not an eligible planning activity under transportation planning grants.

Safety and Security

The PTT strives for transit agencies to achieve the highest practical level of safety and security in transit operations. All transit systems are encouraged to implement measures to improve overall system awareness including developing and implementing a transit system safety plan, a security and emergency management plan that cover passengers, employees, vehicles, and facilities, conducting threat and vulnerability assessments, cybersecurity preparedness, as well as refining programs accordingly.

- FTA Transit Bus Safety and Security Program A voluntary program that provides practical technical assistance and resources to transit bus providers.
- Safety, Security, and Emergency Preparedness Plan Template (SSEPP) A detailed template that can be customized for transit systems to utilize.
- Transit System Safety and Performance Measurement Volume 1 Guidebook Provides information regarding the developments of Safety Management Systems and measuring safety performance.
- The Public Transportation System Security and Emergency Preparedness Planning Guide discusses the activities of public transportation systems to plan for and respond to major security threats and emergencies, emphasizing the importance of developing critical relationships, preparing strategies and policies, and setting training and funding priorities.
- Cybersecurity Assessment Tool for Transit (CATT) which assists public transit agencies in formalizing and developing their cybersecurity program.
- General Directive 24-1: Required Actions Regarding Assaults on Transit Workers requires transit agencies subject to FTA's Public Transportation Safety Plans regulation to conduct a safety risk assessment that determines safety risk mitigation necessary to reduce the risk of assaults on transit workers.

In Summer 2018, the FTA issued the Public Transportation Agency Safety Plan (PTASP) Final Rule requiring operators of urban public transportation systems that receive federal funds to develop safety plans that include the process and procedures to implement Safety Management Systems. The rule applies to all operators of public transportation systems that are recipients and sub-recipients of federal financial assistance under the Urbanized Area Formula Program (Section 5307). The PTASP must be updated and certified by the transit agency annually.

Human Trafficking

The FTA's Human Trafficking Awareness and Public Safety Initiative fact sheet defines Human Trafficking as a crime involving the exploitation of someone for the purposes of compelled labor or a commercial sex act through the use of force, fraud, or coercion. Where a person younger than 18 is induced to perform a commercial sex act, it is a crime regardless of whether there is any force,

fraud, or coercion. Victims can be anyone from around the world or right next door: women and men, adults and children, citizens and noncitizens alike.

Human trafficking is a modern form of slavery with nearly 25 million victims worldwide, including in the United States. Traffickers use all modes of transportation to conduct their activities and often use public transit because it is low cost, has greater anonymity in ticket buying, and less direct interaction with government or transit officials.

People may not realize they are in a trafficking situation. The bus may be the mode of transportation used when meeting human traffickers, moving or controlling victims, and when victims are trying to escape a trafficking situation. Bus stops and transit stations are often places where traffickers approach their potential targets. Transit agencies and employees play a role in identifying, reporting and preventing potential trafficking situations. Ensure employees know the steps they are expected to take if they suspect human trafficking is occurring. Place these procedures in employee handbooks and encourage additional training. Evaluate bus stops for safety and consider visibility, lighting and access. Consider placing stickers with the hotline information at ticket counters, bus stops, in restrooms and in vehicles. To report a human trafficking tip, call the National Human Trafficking Hotline at 1-888-373-7888

Flyers and posters can be downloaded from safety4transit.org or Truckers Against Trafficking. Additional training and resources can be found at Truckers Against Trafficking, National RTAP, and FTA's website. There are links to these resources at the end of this chapter.

Funding Process for Transportation Planning

FTA and FHWA provide specific "Metropolitan Planning" funding programs to support the MPO process that they require. This includes FTA 5305(d) funds and FHWA PL funds. One-third of the 5305(d) funds are distributed equally among all MPOs; one-third is distributed based on each MPO's share of the total statewide urbanized area population from the most recent decennial census; and one-third is distributed based on each MPO's share of the of the total statewide urbanized area population from the prior decennial census. FHWA PL funds are distributed based on each MPO's share of the total statewide urbanized area population from the most recent decennial census. FTA funding from the 5307 program can also be used to support transportation planning with metropolitan areas, as can STBG funds under FHWA.

For Iowa's RPAs, the agreed upon formula is that the combined FTA 5305(e) and 5311 funds are distributed one-half equally among all RPAs, one-quarter based on each RPA's share of the total statewide non-urbanized population from the most recent decennial census, and one-quarter based on the ratio of the number of counties in each RPA out of the statewide total counties. For Iowa RPAs, the agreed upon formula is that FHWA SPR funds are distributed on a 1:1 match of each RPA's FTA 5305(d)/5311 funding allocation, after such is determined.

A guidance document for agency TPWPs is updated and sent to MPOs and RPAs annually. Using the planning fund targets, MPOs/RPAs develop and approve an annual TPWP. Systems Planning Bureau develops and submits the federal Consolidated Planning Grant (CPG) for MPO/RPA transportation planning funding. An annual transportation planning contract to implement intermodal planning is

executed. MPOs and RPAs begin to perform transportation planning work activities listed within their TPWP.

References & Important Links

- 49 CFR Part 613
  https://www.ecfr.gov/current/title-49/subtitle-B/chapter-VI/part-613
- 23 C.F.R Part 450
  https://www.ecfr.gov/current/title-23/chapter-I/subchapter-E/part-450?toc=1
- Systems Planning Bureau Website
  https://iowadot.gov/systems_planning
- Guidelines for Development TIP and STIP
  https://www.iowadot.gov/program_management/Final_TIP_STIP_Documentation.pdf
- Award Management Requirements Circular C5010.1F
  https://www.transit.dot.gov/sites/fta.dot.gov/files/2024-10/C5010.1F-Circular-11-01-2024_0.pdf
- Public Transportation Agency Safety Plan (PTASP)
  https://www.transit.dot.gov/PTASP
- FTA Human Trafficking Awareness and Public Safety Initiative
  https://www.transit.dot.gov/HumanTraffickingAwareness
- Safety4Transit
  https://safety4transit.org/
- Truckers Against Trafficking
  https://tatnonprofit.org/
- National RTAP Human Trafficking Topic Guide
  https://www.nationalrtap.org/Resource-Center/Topic-Guides/human-trafficking

Chapter 5 Funding Applications and Agreements

The process for transit agencies to apply for state and federal funding varies with the type of funding. The Iowa DOT's Public Transit Team (PTT) has developed a Consolidated Transit funding Application to use for State Transit Assistance (STA), and state administered federal operating and capital assistance. Other funding programs use separate application processes and may involve applying through the Iowa DOT or directly to Federal Transit Administration (FTA). This chapter will provide an overview of the application process for different funding programs, as well as the types of agreements used by the various programs.

Consolidated Transit Funding Application

Iowa's Consolidated Transit Funding Application is used by all transit agencies to apply for state, and in some cases, federal transit funding. All of Iowa's public transit agencies use the application to apply for STA. Transit systems providing service in areas up to 200,000 in population also use this process to apply for state administered FTA funding under the Section 5310 program. Small urban and regional transit systems, along with Des Moines Area Regional Transit Authority (dart), the provider for rural Polk County, use this process to apply for state administered FTA Section 5311 funding. Any system applying for statewide FTA section 5339 capital funds must include its request in the consolidated application. The consolidated application also requests information on expected direct funded federal transit assistance grants for large urban transit systems under the Section 5307 program, along with the Section 5310 program for transit systems servicing area with a population greater than 200,000. Any individual earmarks for capital projects for all transit systems should also be included.

Annually, following the release of information by the FTA, the PTT announces the departments forecast of allocations of state transit assistance and federal formula assistance under the 5310 and 5311 programs to all transit systems and planning agencies. Year-end reviews must be complete before this process can be announced. The timing for releasing these forecasts is dependent on FTA transmitting the information to PTT. These numbers are provided to assist local transit systems in budgeting for the next fiscal year. The numbers are also used to develop the transit element of the local Transportation Improvement Program (TIP) and the Consolidated Transit Funding Application. The 5310 and 5311 allocations are the actual dollars allocated, unless federal apportionments change. The STA allocation will include the transit system's percentage share of STA for the next year and a projection of the dollar amount. STA funds depend on the revenues from the motor vehicle use tax, which cannot be projected with any certainty.

The Consolidated Transit Funding Application along with the application guidance is available on BlackCat. The projected STA allocations, allocations of 5310, 5311, and 5307 Federal Transit Assistance will also be available, along with the current year's Programming Guidance for Transit Vehicles. The Application is due to the PTT no later than May 1st. The application is submitted through the BlackCat Transit Data Management System. Documents for all required sections need to be uploaded through BlackCat's Application Module. PTT staff reviews each application for accuracy and completeness. The Iowa DOT approves the STA allocations in June at approximately the same time the 5311 and 5310 projects are finalized with FTA.

5310 project proposals are received through the Consolidated Transit Funding Application process. The projects need to be coordinated with human service organizations and describe how the 5310 monies will be allocated. Eligible projects must be contained in the local Passenger Transportation Plan (PTP) and the Transportation Improvement Program (TIP). Funds for these programs come from the current fiscal year's federal appropriation to Iowa.

The 5307 formula allocations (for large urban systems in areas with population from 50,000 to 200,000) and all capital requests received through the Consolidated Transit Funding Applications are finalized after the next year's federal appropriation bill is adopted and FTA announces the apportionments to Iowa. Within 30 days of the announcement, the 5307 formula allocations are communicated to the affected transit system and to FTA. The decisions on 5339 capital requests are normally discussed with the Iowa Public Transit Association (IPTA) at the fall meeting, and then finalized by the Iowa DOT. These projects also should be in the first year of the Transportation Improvement Program (TIP).

Authorizing Resolution

Each Consolidated Transit Funding Application includes an authorizing resolution. The authorizing resolution includes:

- Dollar amount of funding
- Type of project in each funding program
- Transit system's percentage of state transit assistance formula funds
- Request for advanced payment of state funds as required by the Iowa Code
- Certification that the transit agency has the required non-federal match
- Designation of the transit system's authorized signatory who will be able to execute any agreements on the behalf of the transit system

The authorized signatory listed on this resolution is the only signatory that may sign agreements between the transit agency and the Iowa DOT.

Public Hearing Documentation

The Consolidated Transit Funding Application requires the transit agency to hold a public hearing to explain the state and federal funding requests. Public hearings must take place in an accessible building. Comments from the public regarding the need for the project will be recorded. A notice of the public hearing must be published in a newspaper of general circulation in the vicinity of the proposed project(s) approximately 30 days in advance of the hearing. The notice must describe the project(s) in sufficient detail to allow the public to be aware of the projects and funding sources. Vehicles must be broken out by category and listed with other major capital items with separate estimates of costs.

The hearing notice should be submitted to Emma Simmons, emma.simmons@iowadot.us with the Public Transit Team at least 30 days in advance of your public hearing in order for it to be posted appropriately on the clearinghouse website.

The following documentation of the public hearing needs to be uploaded with the application:

- Copy of the hearing notice
- Affidavit from the newspaper that the hearing notice was published
- Copy of the hearing transcript or minutes

TIP Documentation

All projects submitted in the Consolidated Transit Funding Application are required to be included in the first year of the local Transportation Improvement Program (TIP). The funding requests in the application must match the amounts programmed in the TIP. For rollingstock projects funded with statewide funds, the maximum programmed amount cannot exceed the ceilings for federal participation provided on the Programming Guidance for Transit Vehicles as part of the Consolidated Funding Application. Project justification for some projects, such as capital projects that are not replacement or rehabilitation of existing vehicles, is required in the TIP. A copy of the Draft Transit Element of the local TIP must be included as part of the Consolidated Transit Funding Application.

Programming of transit projects for the TIP is done through the online Transportation Program Management System (TPMS). This online system allows approvals to be applied at the transit agency, planning agency, DOT, and FTA levels without exchanging many paper copies of programmed project listings. It also includes vehicle inventories for each transit agency, so it is easy to move programmed vehicles from year to year depending on funding availability.

A TPMS login and pin code can be acquired from Brent Paulsen, Brent.Paulsen@iowadot.us, on the Public Transit Team. After logging in, the user is presented with the transit system's console showing the four year period covered by the TIP and all vehicles or other projects projected to use federal funding over that time. Within TPMS, the user can program and move projects between fiscal years and adjust funding amounts required.

FTA Certifications and Assurances

Each small urban and regional transit system must include a signed copy of FTA's current Certifications and Assurances. Large urban transit systems participating in FTA's TrAMS electronic grant management system may provide a signed copy of FTA's current Certifications and Assurances or provide the date the Certifications and Assurances were executed electronically. These individual forms will be the basis for PTT's Certifications and Assurances in the statewide application to FTA.

Labor Protection Document

All transit systems must submit a signed Labor Protection Agreement certifying the transit system will comply with the terms and conditions of the Special FTA Labor Protections Warranty Arrangement.

In addition, each small urban and regional transit system must supply two tables listing surface transportation provider in the project area. The first table should list providers under contract to the transit system. The second table should list providers not under contract but operating in the area. The address and the union affiliation (if any) of the provider's employees must be listed in both tables. PTT is required to submit this information to the U.S. Department of Labor as part of the

statewide 5339, 5310 and 5311 applications each year. These tables are part of the Consolidated Funding Application.

Cost Allocation Plan/ Indirect Cost Rate Documentation

The federal Office of Management and Budget (OMB) requires that each entity receiving federal funding prepare either a cost allocation plan or an indirect cost rate proposal, if any indirect costs will be charged to the federally assisted project. If the transit system is part of a COG or RPA, then this documentation is necessary. If no indirect costs are charged to the transit program, then a statement as such must be included. Each year, as part of the Consolidated Transit Funding Application, any system requesting federal funds that will be administered as part of the statewide grant must provide a cost allocation plan or indirect cost rate proposal. If the cost allocation plan or indirect cost rate proposal have already been approved by another state or federal agency, include documentation of that approval with your application submittal.

Pending Litigation/Civil Rights Complaints Documentation

Each transit system requesting funding that will be administered as part of a statewide grant must report all pending litigation or civil rights complaints that may affect its ability to implement the project(s). Systems that have reported any such incidents must also report on the outcome.

Certification of Equal Access for Persons with Disabilities

Any demand response transit system requesting STBG funds for the purchase of vehicles not meeting the standards of the Americans with Disabilities Act (ADA) must submit a Certification of Equal Access for Persons with Disabilities (CEAPD) and the accompanying ADA needs analysis for Demand Responsive Public Transit. This states that when viewed in its entirety, the transit system provides equivalent levels of service for persons with disabilities. Only local funds and STBG flex funds may be used for the purchase of non-ADA vehicles. The CEAPD is not required for the purchase of a non-ADA vehicle with local funds. The CEAPD is submitted on May 1st as part of the Consolidated Transit Funding Application, or at the time of an administrative modification to the Transportation Improvement Program to switch a STBG funded vehicle to non-ADA.

To purchase non-ADA vehicles with STBG funds:

- Transit System/Planning Agency programs in TIP the purchase of a non-ADA expansion vehicle using STBG funds
- Transit System submits CEAPD on May 1st as part of the Consolidated Transit Funding Application or at the time of a TIP administrative modification to change an ADA accessible vehicle to a non-ADA vehicle
- Transit System's respective Planning Agency sends letter to the Iowa DOT's Program Management requesting the STBG funds be transferred from FHWA to FTA

Please note this option is available only to demand response transit systems, not urban fixed route systems. All fixed route and complementary paratransit vehicles must be ADA accessible.

Facility Feasibility Documentation

Any transit system requesting statewide capital funds for a new transit facility or facility improvement must submit a feasibility study documenting:

- The need for the project
- An examination of project alternatives
- A detailed project concept
- A detailed budget estimate for the project including source of local match
- An environmental assessment document
- Alternatives Map
- List of all shared use/joint development components with square footage of each use
- Future expansion
- Floor plan with room use
- Project location map

If there is a possibility to use federal funds for the expansion, rehabilitation, or new transit facility, then an FTA Facility Planning Basis Information Sheet will need to be filled out which includes all of the items listed above.

A project for which a feasibility study is not submitted with the Consolidated Funding Application is not eligible for statewide capital funding. If the project is funded through an earmark and a feasibility study is not included, the transit agency may be denied the option of having the projects administered under the statewide grant for that year.

Political Involvement (Hatch Act)

All transit systems receive federal funding and are subject to the provisions of the Hatch Act, which regulates political activities of employees of agencies that receive federal funds. Regulations are found at Title 5 CFR Part 151. An individual principally employed by a state or local executive agency in connection with a program financed in whole or in part by federal grants may:

- be a candidate for public office in a nonpartisan election
- campaign for and hold elective office in political clubs and organizations
- actively campaign for candidates for public office in partisan and nonpartisan elections
- contribute money to political organization or attend political fundraising functions

An individual principally employed by a state or local executive agency in connection with a program financed in whole or in part by federal grants may not:

- be a candidate for public office in a partisan election
- use official authority or influence for the purpose of interfering with or affecting the results of an election or a nomination for office
- directly or indirectly coerce contributions from subordinates in support of a political party or candidate

For more information or to report violations of the Hatch Act contact: Office of the Special Counsel United States Merit Systems Protection Board 1730 M Street NW, Suite 201 Washington, D.C. 20036-4505, phone: 800-854-2824

Federal Level Grant Applications

All applications for grants from the FTA must be submitted electronically through the Transit Award Management System (TrAMS). The Iowa DOT submits the statewide grant applications for the FTA for section 5310 elderly and persons with disabilities program, 5311 non-urban program and the statewide 5339 capital program. 5339 program funds may also be set up as individual applications for transit systems who serve large urban areas over 50,000 in populations. 5307 urban applications are submitted directly by the individual urban systems. ICAAP and STBG grants administered by PTT are also submitted through TrAMS.

Statewide Application to FTA

The 5310/5311 statewide formula grants applications are normally submitted to FTA shortly after FTA publishes the annual apportionments. The 5310 application contains costs of contracted services and capital projects for the upcoming state fiscal year, based on the state's formula allocation process used for both the 5310 and 5311 programs. The 5311 application also includes funding for Intercity Bus projects, RTAP and planning. A separate 5311 application includes capital transit projects programmed for small urban or regional transit systems from flex fund programs such as STBG or ICAAP/CMAQ/CRP.

Each application includes a Program of Projects (POP) which lists each subrecipient project, with information as to whether the subrecipient has completed all certifications and assurances, etc. A summary project budget and the state's certifications and assurances are also included. Approval by FTA is generally obtained 60-90 days after the grant submittal, although complications related to capital projects sometimes delay the approval process.

The 5339 applications are normally submitted to FTA shortly after FTA publishes the annual apportionments. Two separate applications are submitted: one for projects programmed by transit systems servicing urbanized areas with populations of 50,000 – 200,000 and another for non-urbanized areas. Areas with a population over 200,000 receive direct apportionments. The applications submitted by the state contain capital projects selected through the PTMS process, in consultation with the Iowa Public Transit Association.

Individual Applications to FTA

A transit system in areas with more than 50,000 in population may submit its individual annual 5307 application directly to FTA any time after FTA publishes its funding apportionment tables following the adoption of the federal transportation apportionments bill. This application may contain operating assistance projects and/or preventive maintenance (operating is allowed only in areas with population under 200,000), capital projects, or planning projects programmed with 5307 funds. The application may also contain transit projects programmed to receive STBG funding. All projects must be in the annual element of an approved TIP/STIP. FTA generally approves the application within 60-90 days after submittal.

FTA Grant Agreements

FTA issues a grant agreement within the TrAMS system when the grant is approved. The grant agreement is in electronic form and is executed by both FTA and the applicant/recipient electronically. The FTA grant agreement sets forth the specifics of the grant award, in terms of the exact amount and source of funding, the project budget, plus any project specific restrictions or

conditions. The grant agreement incorporates, by reference, both the recipient's application information and FTA's Master Agreement.

The FTA Master Agreement is the boilerplate for all FTA grant agreements, providing a compilation of all the general requirements imposed for all FTA grants. A new version of the Master Agreement is issued at the beginning of each federal fiscal year (October 1) and applies to all FTA grants issued during that year. To determine which version of the Master Agreement applied, verify the date the FTA grant was approved.

The FTA requires a grant amendment any time additional funds are added to a grant. The process of applying for a grant amendment is identical to the process of applying for a grant. Changes to projects within a grant are considered budget revisions if the grant total does not change. Budget revisions are handled electronically through FTA's TrAMS system. Some revisions require advance FTA approval. The TrAMS system monitors the nature of the revision until FTA sign-off is received, if required.

Iowa DOT Contracts

The Iowa DOT issues contracts for State Transit Assistance and each subrecipient project that is part of an approved statewide grant from the FTA. The contract defines the project for which funds are being requested and presents the terms and conditions under which the project may proceed. All contracts, except those for STA formula funds, list all the individual project elements (line items/ALIs) funded, the maximum available for each, and the percentage of eligible costs that will be reimbursed under the agreement. STA formula agreements include a generic project element description and a percentage resulting from that year's distribution formula calculation. The percentage of the total STA funds available each month will be paid, rather than a firm dollar amount of funding.

All contracts list the project period during which the agreement will be in effect. For STA projects and federal operating assistance or cost of contracted operations projects, the project period is one state fiscal year (July1-June 30). For federal capital projects, the effective period will begin on the date that the Iowa DOT approves the revised program. The project ending date will be two years from the end of the quarter in which the federal grant is approved. However, there is a provision in the agreement that any project element (line item/ALI) not obligated within one year of the end of the quarter may be dropped from the contract. Amoco Loan agreements also list the repayment schedule for the loan.

Contracts also list the Unique Entity Identifier (UEI) number obtained when registering with the System for Award Management (SAM) website.

All contracts also incorporate, by reference, Part II, that is issued separately. Part II contains the boilerplate for all Iowa DOT transit contracts. Part II includes the terms and conditions that apply to each federal funding program. Included are references to the FTA Master Agreement and various FTA program circulars, as well as state or federal regulations. In most cases these are included as appendices located on PTT's contract agreement attachments.

Contracts for STA formula projects, 5310 cost of contracted service, and 5311 operating projects are issued each June. Contacts for federal capital projects will be issued within two weeks of the

approval/execution of the federal grant. Agreements for Amoco Loans will be issued within two weeks of the loan approval.

When the PTT issues an Iowa DOT transit contract, the contract is delivered via Seamless for electronic signatures. The first signature is done by the Transit Programs Administrator, then sent to the transit agency's signatory. Once the transit agency's signatory signs the contract, it is then routed to the Modal Transportation Bureau Director for the final signature. After all signatures are complete, a copy of the copy of the final signed contract is sent to the transit agency's signatory, anyone cc'd on the contract in Seamless, and the Public Transit Administrative Assistance for processing and filing.

Changes to Iowa DOT's transit contracts are called amendments. This would include anything from a change in the project expiration date, to a change in the nature of a project element (line item/ALI), or a change in the amount of funding for a project element. Amendments should be requested in writing, with a detailed discussion of the proposed change and justification for the change. Proposed amendments are reviewed by PTT staff. The change may or may not be accepted. If accepted, a revised contract or new contract will be sent to the transit agency.

Some changes to a project do not require amendments. Transit systems are allowed to buy a larger vehicle than identified in the agreement as long as the transit system is willing to only be reimbursed to the ceiling amount that they would apply to the vehicle listed in the agreement, and ADA features, or other special features reflected in the ceiling price are not sacrificed. Transit systems may also add ADA features to a vehicle originally programmed as non-ADA, with no change to the ceiling listed in the agreement. However, systems wishing to purchase a smaller vehicle than what is listed in the agreement or drop ADA features will be subject to a reduction in the funding ceiling for that item.

It should be noted that the PTT considers any funds remaining in a project element (line item/ALI) after the specified project is completed, is available for reprogramming to any statewide need. A transit system is guaranteed the item and not a specified dollar amount. If there is money left over after purchasing a vehicle, the transit system does not keep the remaining dollars, the funds go back in the pot and the money will go toward the next vehicle on the list.

Funds not obligated within twelve months of the original expiration date may be withdrawn as a provision of the executed agreement.

References & Important Links

- TPMS
  https://www.tpms.org/
- Labor Protection Agreement
  https://iowadot.seamlessdocs.com/f/020121LaborProtectionAgreement
- Special FTA Labor Protections Warranty
  https://www.dol.gov/agencies/olms/compliance-assistance/mass-transit-employee-protections
- Certification of Equal Access for Persons with Disabilities
  https://iowadot.seamlessdocs.com/f/CertofEqualAccessforPersonswDisabilities
- FTA Master Agreement
  https://www.transit.dot.gov/sites/fta.dot.gov/files/2025-04/FTA-Master-Agreement-v33-04-25-2025.pdf
- Part II
- TrAMS
  https://www.transit.dot.gov/funding/grantee-resources/teamtrams/transit-award-management-system-trams
- System for Award Management
  https://sam.gov/

Chapter 6 Reporting Requirements

Transit systems are required to submit various reports to the Iowa DOT. These reports help the Iowa DOT administer state and federal transit funds. Statistical information is necessary to properly distribute formula funds and for analysis of transit services. Some reports are required by state or federal law or are necessary for compiling reports to FTA. It is important that these reports are submitted on time, accurate and approved by the Iowa DOT. Delayed reporting impacts subcontractor payments as well. All reports and documents are public information.

Monthly State Transit Assistance (STA) formula payments and FTA funding reimbursements will be withheld and/or contracts not executed for any system delinquent in submitting required reports. Iowa DOT will hold STA payments if reports are not received the first day after the month, they are due. Once the reports are turned in, current and approved by Iowa DOT, STA and FTA payments will be released.

Emphasizing the importance to submitting reports accurately and on time, Iowa DOT Public Transit Team enacted the following Delinquent Reporting and Contract Non-performance Penalties Policy:

Delinquent Reporting and Contract Non-performance Penalties Policy

Part II of the Iowa DOT's contracts with Iowa's public transit agencies allows for withholding of state and federal transit funding payments until the agency complies with requirements or until reports, loan payments, or federal interest payments are current. To ensure compliance with rules, regulations, and deadlines, the Iowa DOT Public Transit Team will impose the following penalties:

- First business day of the month following the deadline – Monthly State Transit Assistance (STA) formula funding withheld. STA funds released without further action if delinquency is rectified within this calendar month.
- First business day of second month following the deadline – Monthly STA formula funding withheld. Letter sent to via email to transit agency's board of directors or governing body. STA funds released without further action if delinquency is rectified within this calendar month.
- First business day of third month following the deadline – Monthly STA formula funding withheld. All requests for Federal Transit Administration (FTA) funding reimbursement withheld, including but not limited to Sections 5307, 5310, 5311, and 5339. All requests for STA Special Project and Public Transit Infrastructure (PTIG) funding withheld. A certified letter will be sent to all board members indicating the transit system is subject to permanent loss of STA funds being withheld to date if prompt action is not taken. Funds released without further action if delinquency is rectified within this calendar month.
- First business day of the fourth and subsequent months following the deadline- All STA formula funds withheld to date will be distributed to Iowa transit systems the following fiscal year using the STA formula allocation. This is a permanent loss of STA formula funds for the transit system. Iowa DOT will continue holding FTA Sections 5307, 5310, 5311, 5339, STA Special Projects, and PTIG funds until delinquency is rectified.

The transit system should work with their designated Transit Programs Administrator or the Compliance Specialist to rectify or remediate the delinquency and return to good standing.

Any late fees or other penalties resulting from the withholding of STA, FTA, STA Special Project or PTIG funding will be the sole responsibility of the transit agency. This policy applies to, but is not limited to, submittal of the following reports: quarterly statistical, annual consolidated funding applications, yearend reporting, yearend odometer, semiannual Disadvantaged Business Enterprise (DBE), quarterly charter, annual drug and alcohol Management Information System (MIS), compliance review responses, Title VI Programs, transit service contracts, repayment to FTA through pay.gov, and Transit Asset Management (TAM) data requests.

Effective July 1, 2018; Revised and effective date January 1, 2026

Quarterly Reports

		July Sept	Oct Dec	Jan March	April June	Submit to:
Transit Statistical Reports Due	All Transit Systems	Nov 15	Feb 15	May 15	Aug 15	Public Transit Team
Charter Reports Due	Regional and Small Urban	Oct 25	Jan 25	April 25	July 25	Public Transit Team
Charter Reports Due	Large Urban	Oct 30	Jan 30	April 30	July 30	FTA
Fuel Tax Due	All Transit Systems	Oct 30	Jan 30	April 30	July 30	Finance Bureau (electronic submission)

Transit Statistical Report

Transit statistical reports are due 45 days after the end of each quarter. This report provides information on a transit system's performance and final statistics. These quarterly reports provide the statistics used for allocation of state transit assistance formula funds, 5311 operating assistance, and 5310 contracted services assistance. The quarterly reports also provide information use to analyze transit services statewide. The report is submitted through BlackCat. To obtain a username and password, contact Jeremy Johnson-Miller at Jeremy.JohnsonMiller@iowadot.us

Use separate entries for each contract and for each type of service. Fixed-route, paratransit, demand responsive, etc. should each be listed separately. List any additional services provided by others separately for each type of service by each provider. List each sale-of-service contract separately. The number of rides and revenue from individual contracts should be broken out. When one transit system purchases service from another, the designated transit system that purchase the service is eligible for counting the statistics.

Any client transportation that is not open to the public such as charter, and non-passenger services such as meal delivery, parcel delivery, maintenance other than transit vehicles, etc. must be identified on separate lines. These services are not eligible for all funding formulas. Statistics for contracted service will only be used in funding formulas if there is a contract on file with the PTT.

The financial portion of the report can be done on a cash or accrual basis. However, the yearend report must be done on an accrual basis. The financial information is only for operating expenses. Capital and planning expenses and revenues are not to be included on the report. Preventive maintenance, associated capital maintenance, and bus overhaul are considered operating expenses for this report. Capital depreciation cannot be shown on these reports.

Refunds should be treated as reductions to expenses and not as operating revenues. For example, the quarterly fuel expense should be reduced by the amount of any fuel tax refund received during a given quarter. Similar adjustments are appropriate for other refunds such as: insurance settlement, sales tax refunds, warranty reimbursements, and utility refunds.

BlackCat rolls up each quarterly transit statistics report into a yearend report. This report along with several other analysis reports are used as part of the yearend review. Data collected as part of the yearend review is used in calculation of FTA and STA allocations and is also submitted to the National Transit Database (NTD). Iowa DOT submits to NTD on behalf of regional and small urban systems receiving 53110 or 5310 funds. Transit agencies that are full reporters will submit to NTD directly.

In addition to the transit statistics submitted on the quarterly reports, Iowa DOT will collect information on accident fatalities, major incidents, major injuries, physical assaults, non-physical assaults, number of volunteer drivers, the number of personal vehicles in a service, and the annual Vehicles Operated in Maximum Service (VOMS) as part of the yearend review. Each of these statistics should be collected on a fiscal year basis and reported accordingly.

Unlinked Passenger Trips

The Iowa DOT uses the National Transit Database description of an Unlinked Passenger Trip (UPT), which defines UPT as: "The number of passengers who board public transit vehicles. Passengers are counted each time they board vehicles no matter how many vehicles they use to travel from their origin to their destination." This means that passengers are counted each time they board a vehicle as they travel from their origin to destination. There are two important points in this definition:

- Passengers are only counted as they board the vehicle, not at any midpoint or transfer point
- The passenger must have an origin and destination. This would exclude "transient" riders, those riders that board the bus to ride around all day. It is strongly suggested all staff be trained accordingly as ridership must be counted using his definition.

Charter Reports

Reports of charter work performed in the previous quarter are required by the FTA. Regional and small urban transit systems submit their reports of allowable charter services, or reporting no charters were performed, to the Iowa DOT PTT on the 25th day following the end of the quarter. PTT staff compiles the report and submits it to the FTA. Large urban systems serving populations over 50,000 will submit their quarterly reports directly to the FTA.

Fuel Tax Reports

Quarterly fuel tax reports are required by the Iowa Code. The law granting transit systems exemption from state tax on fuel used for public transportation requires quarterly reporting of fuel used, even though no tax or refund is due. Quarterly fuel tax reports are due 30 calendar days after the end of the reporting quarter. The tax code allows a 7.5 percent penalty to be added to fuel taxes if not paid by the due date. The transit system must also pay interest on the additional tax at the rate at in effect under Section 421.7 of the Code of Iowa. Chapter 452A of Iowa Code details the fuel tax requirement.

The public transit fuel tax exemption applies only to fuel used for public transit revenue services or support functions. Fuel used for charter and other incidental services is taxable and must be reported on the fuel tax form. The Code of Iowa allows the addition of penalties and interest if fuel tax is not paid when due.

The Iowa Department of Revenue requires transit systems to file fuel tax reports separately from the city. This requirement is necessary because transit systems have a different reporting status than cities. Any fuel tax refunds will be made to transit systems by the Finance Bureau after the required reports have been submitted.

The Iowa Public Transit System Quarterly Fuel Tax Report From should be used to request reimbursement/report fuel used for state fuel tax purposes. There is a link to this form at the end of this chapter.

Semiannual Reports

		Oct March	April Sept	Submit to:
DBE	Regional and Small Urban	April 30	Nov 1	Public Transit Team
DBE	Large Urban	June 1	Dec 1	FTA

Disadvantaged Business Enterprise (DBE)

The requirements for Disadvantaged Business Enterprise (DBE) reporting are identified in 49 CFR Part 26. Each FTA recipient is required to report efforts to obtain DBE participation and actual DBE contracting accomplishments. The Iowa DOT is required to submit a report to FTA on a semi-annual basis. All regional and small urban systems funded through Iowa DOT under section 5310/5311 must submit semi-annual reports to the Iowa DOT. Intercity bus carriers receiving funding through Iowa DOT under section 5311(f) must also submit semi-annual reports to the Iowa DOT. The Iowa DOT will compile all reports and submit one report to the FTA. These reports are required based on federal fiscal year schedule. Section 5307 urban systems report directly to FTA on a semi-annual basis.

The Uniform Report of DBE Awards or Commitments and Payments form is used by all of the US DOT agencies. The form requires information concerning the total number of dollars and prime and subcontracts awarded to all businesses, and specifically DBE firms. The form also requests the amount of actual payments on contracts completed during the reporting period paid to DBEs.

Annual Requirements

	Period Covered	Due Date	Submit to:
MIS Drug & Alcohol Report (Small Urban and Regional)	Jan - Dec	Feb 15	Public Transit Team
MIS Drug & Alcohol Report (Large Urban)	Jan - Dec	March 15	FTA
2 CFR 200 Audit Government Agencies	July-June	March 31	Iowa Auditor of State
2 CFR 200 Audit Non Profit Agencies	July-June	March 31	Iowa Auditor of State
Yearend Odometer Reading	June 30	July 15th	Public Transit Team
Fourth Quarter Report (yearend)	July-June	August 15	Public Transit Team
Real Property Inventory Report for Facilities funded with federal and state funds administered by PTT		August 15	Public Transit Team
Copy of Transit Service Contracts		Within 90 days of contract start	Public Transit Team
Annual Consolidated Transit Funding Application		May 1	Public Transit Team
Disadvantaged Business Enterprise (DBE) Projection Worksheet (Small Urban and Regional, RPAs, and MPOs)		Triennially	Public Transit Team
Disadvantaged Business Enterprise (DBE) Goal (Large Urban)		Triennially	FTA

Drug and Alcohol Management Information System (MIS)

Reports on drug and alcohol testing for Section 5310 and 5311 subrecipients and their contractors/subproviders are due to PTT by February 15th of each year for the previous calendar year. Reports are to be submitted electronically through the Drug and Alcohol MIS reporting website. Transit systems are responsible for reviewing contractor/subproviders MIS reports for completeness prior to notifying PTT that the report is ready for state level review. Section 5307 recipients report directly to FTA through the same website by March 15th of each year.

Annual Certification of Compliance with 49 CFR Part 655

FTA requires an annual certification of compliance with the testing requirements with regard to transit system employees and affected contractors/subrecipients' employees. This certification is included as part of the annual consolidated grant application process through certifications and assurances. It is recommended that transit systems annually obtain written documentation certifying compliance from contractors/subrecipients to support its certification of assurance and submit this to Iowa DOT or FTA.

Annual Financial Audit

Each recipient or subrecipient of FTA funds must arrange for an audit conforming to the single audit requirements in 2 CFR Part 200 Subpart F. Records must be available for review or audit by appropriate officials of the federal agency, pass-through entity, or General Accounting Office.

This audit must list, by grant contract, all federal and state funds received for support of transit operations or capital. The audit must be done for the legal entity that is party to Iowa DOT Public Transit Team's contracts. The PTT requires transit systems provide email confirmation as soon as the audit has been submitted to the State of Iowa Auditor of State.

Yearend Odometer Readings

Actual odometer readings for each vehicle should be taken at the close of the last business day of the fiscal year, or prior to beginning operations on July 1. Odometer readings are submitted via BlackCat. Odometer readings must be the actual number on the odometer and not an estimate from a milage report. The numbers must be entered by July 15th.

Annual Transit Statistical Report

The BlackCat system rolls up each quarterly transit statistical report into a yearend report. This report along with several other analysis reports are used as part of the yearend review. Fourth quarter reports should be completed by August 15th.

Inventory Report

A current equipment inventory list is maintained in BlackCat. The inventory list should be reviewed and updated as needed. Revisions should be submitted to Brent Paulsen at brent.paulsen@iowadot.us

Transit Service Contracts

A copy of service contracts should be submitted to your TPA within 90 days of the beginning of service. Service contracts should be renewed annually and on file with PTT in order for the statistics from that service to be used in formula calculations.

References & Important Links

- Iowa Code Chapter 452A Fuel Tax
  https://www.legis.iowa.gov/docs/ico/chapter/452A.pdf
- Iowa Public Transit System Quarterly Fuel Tax Report Form 2026
  https://iowadot.seamlessdocs.com/f/IowaPublicTransitSystemQuarterlyFuelTaxRpt
- Section 421.7 of the Code of Iowa - Interest Rate
  https://www.legis.iowa.gov/DOCS/ACO/IC/LINC/Section.421.7.pdf
- 49 CFR Part 26
  https://www.ecfr.gov/current/title-49/subtitle-A/part-26?toc=1
- The Uniform Report of DBE Awards or Commitments and Payments form
  https://www.transit.dot.gov/regulations-and-guidance/civil-rights-ada/dbe-reporting-form-excel
- Drug and Alcohol Testing Management Information System website
  https://damis.dot.gov/login/default.aspx
- 2 CFR Part 200 Subpart F
  https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-F#200.501

Chapter 7 Request for Funds

With the exception of State Transit Assistance (STA) formula funds, all funds administered by the Public Transit Team (PTT) are reimbursed for expenses already incurred. Transit agencies must submit a Transit Request for Reimbursement Form indicating the actual expenses and amount for reimbursement. The request must have an original signature of either the transit agency's authorized signatory (as identified in the annual application resolution) transit director or transit manager, then is scanned and emailed to the transit system's Transit Programs Administrator (TPA) for payment. Payments are only paid to transit systems that are current on all required reporting and loan repayments. When a transit system submits past due required reports, payments will be distributed.

STA Formula Funds

STA formula funds are paid monthly to transit agencies current on all required reporting. No request for payment is necessary for STA formula funds. When the Consolidated Application is filled out, there is space to request STA funds in advance. The funds are automatically transferred to the transit agency's bank account.

Federal Section 5310 and 5311 Operating

Transit systems may request reimbursement for operating funds in an amount equal to no more than half of the operating deficit. The operating deficit is defined as the total operating cost minus passenger revenue. Include documentation of operating costs, passenger revenue, and deficit. A quarterly statistical report must be submitted for documentation. Additionally, for verification purposes, a copy of the transit agency's profit and loss statement or general ledger showing the items which add up to the operating deficit requested for reimbursement need to accompany the Transit Request for Reimbursement Form.

Capital Funds

Requests for capital funds, either under section 5310, 5311, 5339 programs, ICAAP, PTIG, or STA special projects must also include vendor invoices or copies of invoices. A summary of multiple invoices with total dollars should be included in Section II of the Transit Request for Reimbursement Form or attached as a separate document. Completed inventory information for vehicles needs to be entered into BlackCat.

Capital funds are paid as reimbursement of expenses. Transit agencies are expected to pay for services and products, then seek reimbursement of the federal or state percentage share shown on the projects contract. However, when multiple new vehicles are involved or a large construction project is undertaken, transit agencies may not have the financial capability to pay a vendor then wait several weeks for Iowa DOT reimbursement. In these instances, the transit agency may request payment from the Iowa DOT prior to paying the vendor using the Advance Capital Payment Policy.

Advance Capital Payment Policy effective October 1, 2021

To request an advanced capital payment, a written request needs to be submitted to their transit system's TPA one month prior to needing funds for a construction project or one month prior to vehicle delivery. The request will need to include the following information:

- Reason advance payment is requested
- Contract number and contract activity line item
- Pre-invoice from vendor
- Amount requested for advance payment
- Confirmation that funds will be paid to the vendor within three business days of disbursement from the Iowa DOT

The amount requested for advance payment on the Transit Request for Advance Payment Form must be the amount the transit system is paying to the vendor immediately, less 5% Iowa DOT withholding. Funds to be withheld from the vendor pending remedy of delivery defects must be requested separately when the system is ready to pay the vendor. The Iowa DOT is obligated to transfer the funds to the transit agency within three working days after receiving the money from the State or Federal drawdown request. The transit agencies are also obligated to make payments to contractors or vendors for vehicles and other capital projects within three days after receiving the funds from the Iowa DOT. These dates are to be documented and tracked by the transit agency and the assigned TPA. To receive the 5% Iowa DOT withholding on advance payments, the transit agency shall provide the following documentation to the Iowa DOT:

- Completed Transit Request for Advance Payment Form with amount Iowa DOT withholding released
- Verification funds have been paid to the contractor or vendor within three business days
- Proof of payment
- Signed post-delivery audit certifications
- Vehicle purchase invoice(s)
- Final assembly location
- Percentage of American made parts identified
- FMVSS compliance
- Any additional invoices for make ready costs

Failure to follow-up with documentation may hinder future advance payment requests.

Whether paying the vehicle vendor prior to reimbursement from the Iowa DOT Public Transit Team or after receiving advance payment, the vehicle vendor relies on timely payment from the transit agency in order to stay in good standing with their vehicle manufacturer. For this reason, the Iowa DOT PTT instituted the following Vehicle Vendor Prompt Payment Policy:

Vehicle Vendor Prompt Payment Policy effective July 1, 2018

Vendors of public transit vehicles are charged interest by vehicle manufacturers if vehicles are not paid for in a timely manner, typically 30 days. These vendors are unable to pay the bus manufacturers until payment is received from the purchasing public transit agency. For these reasons, the Iowa DOT Public Transit Team instated the following policy:

- Public transit vehicle vendors must be paid by the public transit agency within 30 days of final acceptance of the vehicle, or receipt of invoice and all required documentation from the vendor, whichever is later. For vehicles not paid within 30 days, the vehicle vendor may charge up to 5% APR interest for each day the payment is late. This 5% APR interest penalty is not reimbursable cost on vehicle contracts through the Iowa DOT and will be considered a local expense

This policy is applicable to vehicles funded through Iowa DOT and/or vehicles purchased off Iowa DOT conducted procurements.

Final acceptance of a vehicle indicates the vehicle has passed inspection by the transit agency following delivery, meeting specifications outlined in the procurement documents, and the vehicle is ready for installation of decals and other make-ready equipment. In the event the vehicle does not pass inspection but is put into revenue service by the transit agency regardless, the vehicle will be considered accepted, and the 30 days will begin on the date the vehicle was put into revenue service. Delays due to installing aftermarket make-ready options not purchased through the bus vendor will not justify a delay to the 30 day prompt payment requirement.

Example of interest penalty calculation:

((5%/365) x vehicle price) x days overdue = interest penalty

5%/365 = 0.00013699

0.00013699 x $85,000 vehicle price = $11.64 per day

$11.64 per day x 20 days late = $232.80

Reimbursement Requests (Transit Request for Payment)

The Transit Request for Reimbursement Form is used to request reimbursement for programs administered by the PTT, including 5310, 5311, 5339, for operating, rolling stock, other capital, STA Special Projects, ICAAP, Amoco Loan, PTIG, and FTA special grants. A separate form is necessary for each contract number and type of funding requested. Complete the current form with basic information for each type of funding. Some types of funding require additional documentation.

The quarterly stats must match what is on the financial documents and the reimbursement forms. Provide the financial documentation that shows passenger revenue and operating costs.

Rolling Stock Reimbursement

- Enter new vehicles into BlackCat filling out information in the inventory form completely, including procurement and contract information.
- Submit the completed Reimbursement Form to your TPA and attach the following:
    - Copy of the final bus vendor invoice to verify costs on the reimbursement form.
    - Copies of make ready cost invoices to verify costs on the reimbursement form. If make ready have not been completed at the time of the bus reimbursement and there are still funds remaining on the bus contract, please note on the reimbursement form that additional reimbursement for make ready costs will be submitted at a future date.
    - Proof of Payment for invoices and make ready costs (canceled checks or ACH transactions)
    - Note the number of the bus being replaced and the number of the new bus
- Sumit Rolling Stock Post-Delivery Audit Certifications
  This two page form can be found on the Iowa DOT website forms portal or by using the link below. This form will also include the certifications for Post-Delivery and FMVSS.
    - Post-Delivery Buy America Certification with documentation from vendor that shows the vehicle procured is over the required 70% American made and the final assembly location (must be in America).
    - FMVSS/CMVSS certification and compliance summary documentation provided by the vendor of the vehicle.
- Submit application for Title/Registration following the process for your type of transit agency (non-profit or government) as they are different.

Large urban transit agencies submit title and registration applications directly to the Iowa DOT Office of Vehicle Services. Please make sure the lien information, if applicable, is included on the title and sent to your TPA.

If a vehicle was purchased using funds via a DOT contract, the title/registration application must include Iowa Department of Transportation in the first security interest box as the lienholder. The address is 800 Lincoln Way, Ames IA, 50010. The FEIN is 42-6004226

The lien remains in effect until the vehicle has met its federal useful life. Once the useful life of the vehicle has been met, the lien will be released, and the title returned to your agency.

Forms Used with Reimbursements or Title/Registration Applications

- Rolling Stock Post-Delivery Audit Certifications
  https://iowadot.seamlessdocs.com/f/PostDeliveryAuditCertifications
- Application for Title/Registration
  https://iowadot.seamlessdocs.com/f/411007ApplicationforCertificateofTitlendorRegistration
- Odometer Disclosure Statement
  https://iowadot.seamlessdocs.com/f/OdometerDisclosureStatementCert
- Damage Disclosure Statement

https://iowadot.seamlessdocs.com/f/DamageDisclosureStatement

- Application for Transit Bus Plates
  https://iowadot.seamlessdocs.com/f/ApplicationforStateofIowaTransitBusPlates
- Non-Rolling Stock Buy America Certification
  https://iowadot.seamlessdocs.com/f/020083BuyAmericaCertificationNonRollingStock

Non-Rolling Stock Reimbursement (PTIG, STA Special Project, or another federal grant)

- Submit a completed Request for Reimbursement Form and attach the following:
  - Copy of vendor invoice(s) to verify the costs on the reimbursement form.
  - Proof of Payment for invoices (canceled checks or ACH transactions)
- If you are submitting for reimbursement on an FTA facility grant you must also submit Non-Rolling Stock Post-Delivery Audit Certifications for manufactured products.

Training and Fellowships

The PTT administers the Rural Transit Assistance Program (RTAP), along with state funding programmed by the Iowa DOT to sponsor fellowships and to conduct/coordinate transit training sessions for the transit community. Training opportunities are available to all public transit personnel, their service contractors, and planners. Transit managers are encouraged to provide PTT's Compliance and Training Specialist with suggestions for training seminar topics and specific courses that would enhance the professional skills of transit staff and to meet the needs of the transit community. PTT's objective is to coordinate with the transit community to provide the best possible training program and opportunities. Various marketing and training materials are available on the PTT website. State funded marketing materials are available such as brochures, activity books, calendar strips, etc. Please contact the PTT Administrative Assistant to order these materials.

Peer-to-Peer Program

This is an opportunity for new transit managers to consult with experienced transit managers. PTT provides new transit staff the contact information of other transit system staff to whom they can direct questions and PTT recommends that they use these contacts as problems arise. This peer-to-peer network expands to include existing staff interested in learning how other transit systems operate or more about specific project related information. Transit staff may choose to visit another system to lean new or different techniques regarding transit related issues. It may also be used as a resource for transit staff to improve and enhance job skills. Alternately, a transit manager may invite a peer to visit their system to troubleshoot or offer advice. Expenses incurred by a peer-to-peer visit could qualify for an Iowa Transit Training Fellowship (staff salary is not eligible for reimbursement). To discuss a peer-to-peer contact, please contact the PTT Compliance and Training Specialist.

Transit staff interested in using the peer-to-peer networking system will be responsible to plan and set up the logistics of the visit. Allowable expenses for peer-to-peer reimbursement must be pre-approved by PTT. Along with an application for Iowa Transit Training Fellowship, you must send a brief description of the peer you will be working with, when you plan to visit, and what you intend to learn.

Iowa Public Transit Association (IPTA)

IPTA advocates, unifies, and advances the interests of Iowa public transit systems. This professional organization also supports the professional development and improvement of the member transit systems by providing industry information, training, technical assistance, and other opportunities for networking, collaboration, and sharing of ideas and best practices.

Iowa DOT contracts with IPTA to hold a minimum of three transit training conferences each year, which are open to all Iowa public transit systems. These conferences are funded by RTAP and State Transit Assistance with no or minimal registration fees. The Iowa DOT does not issue Fellowships to attend IPTA, rather the Iowa DOT contract with IPTA covers registration, lodging, and most meals for staff from Iowa's public transit agencies to attend the conferences. No mileage will be reimbursed to attend these events. Sessions are offered on a variety of topics to meet the interest of all systems, large and small. At least once each year, an Expo is included. The Expo offers and exhibition of vendors and equipment. It also allows conference participants the opportunity to talk with vendors and manufacturer representative and preview actual vehicles available for purchase.

The Iowa DOT and IPTA sponsor an annual Transit Roadeo to promote and provide recognition for safe driving skills by Iowa's public transit vehicle operators. Transit operators from around the state meet at the current year's host site to compete and demonstrate their safe driving skills. Each operator performs a series of maneuvers that represent many of the actual situation s they encounter during their daily route. Funding for the roadeo is provided through RTAP and STA.

IPTA members, PTT staff, local organizations and volunteer groups provide judging for the competition. Competition is broken out into two categories: large bus and small bus. Winners are offered an opportunity to represent the state of Iowa and their transit system on a 100% Iowa Transit Training Fellowship at the national or international competition. Winners of the large bus category may compete at the next American Public Transit Association National Roadeo conducted in conjunction with its annual meeting. Winners of the small bus category may compete in the Community Transportation Association of America sponsored Community Transportation Roadeo competition. Competitors in either national roadeo may participate at member rates when representing a transit system member of either APTA or CTAA.

Rural Transit Assistance Program (RTAP)

Congress authorized the formation of the Rural Transit Assistance Program (RTAP) funded through the Federal Transit Administration (FTA). RTAP was established to offer a coordinated program in rural areas (under 50,000 population) for training, technical assistance, and research opportunities as well as other support services to improve the delivery of transit services by small urban and rural transit operators. FTA uses RTAP funding to support both a national level RTAP program, which is administered by the Neponset Valley TMA, and separate state level programs in each state.

The objectives of RTAP are:

- To promote the safe and effective delivery of public transportation in rural areas and to make more efficient use of public and private resources
- To foster the development of state and local capacity for addressing the training and technical assistance needs of the rural transportation community

- To improve the quality of information and technical assistance available through the development of training, technology, and technical assistance resource materials
- To facilitate per-to-peer self-help through the development of local networks of transit professionals
- To support the coordination of public, private, specialized, and human service transportation services
- To build a national database on the rural segment of the public transportation industry

At the national level, a steering committee guides the development of National RTAP products and services including training materials, technical assistance briefs, peer-to-peer technical assistance network, web application, a National RTAP chat, email and hotline.

The PTT receives a portion of the state level RTAP funding based on Iowa's share of the nation's non-urbanized population. PTT commits Iowa's share of RTAP funding to technical assistance projects and training. PTT sponsors transit specific training seminars, assists with on-site training, coordinates a peer-to-peer program, sponsors an annual Transit Roadeo, and administers the Iowa Transit Training Fellowship Program. These courses range from mini workshops to multi-day courses on such issues as customer service, management, ADA, Drug & Alcohol Program compliance, procurement, or planning. All sessions are offered to Iowa public transit systems and transit planning agencies free of charge or for a nominal registration fee.

Iowa Transit Training Fellowship Program

The PTT sponsors transit training fellowships for public transit training for identified Iowa public transit agencies or planning agencies. Iowa public transit systems and planning agencies, identified by the DOT, may sponsor their own or subcontractor staff members to attend transit training under an approved fellowship.

Transit related training may be in person at conferences, courses, workshop or seminars. The training may be online through e-learning and webinar opportunities. Federal and state funds are programmed each fiscal year for training fellowships and are funded from these programs:

- Rural Transit Assistance Program (RTAP) – for all regional and small urban transit systems and Regional Planning Affiliations (RPAs). Reimbursement is 100% of costs for transportation, lodging and registration.
- State Transit Assistance (STA)- for all large urban transit systems, and Metropolitan Planning Organizations (MPOs). Reimbursement is 70% of costs for transportation, lodging and registration. The PTT may, at the office director's discretion, allow reimbursements at a higher percentage for PTT sponsored or other specific training for which participation is strongly encouraged by PTT.

Transit Training Fellowships are awarded using the following criteria:

- The training has a transit component
- The applicant identifies which training sessions they plan to attend and describes how the training will benefit them in their transit related work.
- It is cost effective
- Funds are available

- Training is presented by a qualified person with recognized expertise area(s) covered.

To apply for a training fellowship:

- Complete and submit the Application for Iowa Transit Training Fellowship according to the instructions and requirements stated on page 2 of the application form.
- The deadline to submit the application is 2 weeks prior to the training.
- The form must be signed by the transit manager, planning director or other official signatory.
- Search results for an in-state hotel stay on the Iowa Office to Combat Human Trafficking website to confirm certified locations. The link is found at the end of the chapter.
- Email the completed application form along with brochure/ information about the training to the PTT Administrative Assistant

You will receive an email notification as to whether your request was approved. This notification will include a fellowship approval number that you will need when requesting payment.

Fellowship assistance may be granted for an Iowa transit system to host an on-site training that provides a substantial benefit to the public transit systems and planning agencies in Iowa. Eligible costs for the on-site training include fees and per diem for the instructor, training room, equipment rental, and other related training needs and materials. In general refreshments are not eligible costs. To obtain PTT approval to hold an on-sit training in your area submit the following materials:

- Completed Application for Iowa Transit Training Fellowship
- List of participants to be trained
- Workshop information including brief description of the reason for the workshop, how it will benefit the transit systems and employee's skills, criteria, outline, agenda, dates and times, and instructor information
- Cost Proposal: estimated breakdown of total training cost

Allowable costs for training fellowships (receipts are required):

- Registration- A registration receipt or other payment verification
- Lodging- Eligible room charges are hotel parking (self-parking), hotel internet, and documented business calls. Room charges that did not receive pre-approval in the application are not allowed. These are charges such as personal calls, valet parking, safe fee, vacation night stays, companion expenses, double room rates (unless a room is shared by two or more people attending the conference), food, tips, alcohol, incidentals, room service, cancelled room, etc. Allowable single room rates are limited to $150.00 plus tax within Iowa. Higher rates may be approved upon request due to location or when the room is booked at a conference rate. Airbnb or VRBO may be used in some instances when it is proven to be less expensive than staying in a hotel/motel. Effective January 1, 2022, all in-state lodging providers must complete the Iowa Department of Public Safety's Human Trafficking Certification in order to receive public funds for employee lodging, conferences, meetings, banquets, or events. All of the lodging providers employees must complete the training to be certified. Certified hotels can be found at https://stophtiowa.org/certified-locations. If a lodging provider is not certified, public funds cannot be used for in-state travel reimbursement per Iowa Administrative Code 80.45A. Public transit agency staff

traveling on a fellowship will not be reimbursed for stays at non-certified facilities. Reimbursement requires a detailed invoice/receipt that shows a zero balance.
    - Show cost of single room per night. If a rate other than the single room rate is charged, the single room rate must be shown on the bill.
    - Number of nights stayed
    - Taxes and any other covered room charges.
- Parking- requires a detailed receipt showing days, cost, and the contact information for the parking lot company. Valet parking is not eligible unless it is approved for health or accessibility reasons during the application process. Extra days in airport parking for vacation is not eligible reimbursement.
- Transportation to and from the conference
    - Air- A detailed copy of the airline receipt must show date traveled, cost for flight, the number of passengers, taxes and fees. The basic Coach/Economy flight rates will be covered. Luggage in excess of one checked bag, trip insurance and upgrades to seating will not be covered.
    - Car- The current state rate for milage reimbursement is $.50 per eligible mile. Only direct routes are eligible for reimbursement. The number of eligible miles should be documented along with web verification showing the transit system address to the hotel or training location address. Ridesharing is encouraged, but only one person per vehicle can claim the milage reimbursement. Milage reimbursement is limited to a maximum of the cost of basic airfare.
    - Rental Car- Preapproval on economy rental cars is required in the application process. The cost of a rental car including parking at the destination will only be paid up to the lowest comparison cost of milage, bus, shuttle or other modes of transportation, and will require a detailed receipt. Cost of fuel and milage for the rental vehicle, any additional insurance, coverages, or upgrades are not eligible for reimbursement.
    - Bus/Cab/Shuttle/Rideshare -Cost comparisons including web milage verification might be requested at the time of application. Travel costs only include from airport to hotel venue, or hotel to training venue. Excursions are not allowable expenses. Receipts should have the number of occupants, company name and contact information, date, origin, and destination. Tips and Metro pass balances are not allowable expenses.

For a list of allowable and ineligible expenses, please see page 2 of the Application for Iowa Transit Training Fellowship. Any cost comparisons requested in the approval process are the responsibility of the applying/sponsoring transit or planning agency to provide.

Additional Considerations Please Note:

- To conserve fellowship funding, all transit agencies are asked to be conscientious when traveling and decide if staying overnight in a hotel vs. going home is fiscally responsible.
- If drive time to the conference exceeds four hours from home base of the transit or planning agency, Iowa DOT will consider paying for a flight rather than milage or a rental car.

- In order to make the most of the staff time spent processing applications and reimbursements, the Iowa DOT has set a minimum dollar amount for fellowships. No fellowship applications will be accepted for transit training expenses under $100 total ($100 federal or $70 state match). For training opportunities under $100, the planning or transit agency will be responsible for the entire expense.
- Applications will not be approved if submitted after attending the event or webinar, except in extenuating circumstances approved by the PTT Director.
- If the recipient of a transit training fellowship cannot attend a training for which registrations fees or a room deposit has been paid, the office must promptly notify the PTT Administrative Assistant. PTT approvals must be obtained prior to substituting anyone for the original training fellowship recipient. Expenses may not be billed under a fellowship unless someone approved by PTT actually receives the training. Costs of forfeited airline reservations, registration fees, or room deposits are not eligible fellowship expenses.
- Fellowship assistance will not be approved for coursework being taken to satisfy requirements for a college degree or general coursework needed to improve a person's job qualifications.
- No fellowship shall be awarded for training outside of the United States unless the cost of training is less expensive than comparable training available domestically, or if the training is so essential to the transit system that justification for waiving this restriction is accepted by the PTT Director.
- Transit Training Fellowships will not be awarded for community or regional advocacy and lobbying trips unless a public transit training component can be demonstrated. The annual IPTA trip to Washington, D.C. is eligible for training fellowships as it directly relates to public transit in Iowa and includes a training component by CTAA and or/APTA.

Reimbursement

A Transit Request for Reimbursement with the required receipts and documentation must be submitted within 60 days after the event. Payments are made only to the applicant sponsoring transit system or planning agency. No payments to individuals are made, nor are any direct payments made to subcontractors. The request must be signed by the transit system's designated signatory, the transit manager, or the planning director if the request is for a planning agency. Fellowship payments must also be reflected on year-end financial reports. The fellowship approval number must be included on the request form. Send the signed reimbursement request and necessary receipts by email to Amy Colwell at amy.colwell@iowadot.us.

References & Important Links

- Application for Iowa Transit Training Fellowship
  https://iowadot.seamlessdocs.com/f/AppforPublicTrainingFellowship
- Transit Request for Reimbursement
  https://iowadot.seamlessdocs.com/f/TransitRequestforReimbursement
- Transit Request for Advance Payment
  https://iowadot.seamlessdocs.com/f/020118TransitRequestforAdvancedPayment
- National RTAP
  https://www.nationalrtap.org/
- IPTA
  https://www.iapublictransit.com/
- PTT Publication and Studies Website
  https://iowadot.gov/transi/publications-and-studies
- Iowa Administrative Code 80.45A Human Trafficking Prevention Training- Lodging Providers
  https://www.legis.iowa.gov/docs/code/80.45A.pdf
- Iowa Office to Combat Human Trafficking Certified Locations
  https://stophtiowa.org/certified-locations

Chapter 8 Transit Service Contracting

Contracting for transit services is an important aspect of the operation of a public transit system. In Iowa, state law requires any agency or organization using public funds for passenger transportation services to coordinate with the local public transit system. Each contract must be fair to both parties and must comply with the requirements of the funding programs.

As the recipient of federal transit funds, the Public Transit Team (PTT) has accepted responsibility for ensuring compliance with all federal rules in conjunction with subcontracting. PTT focuses its oversight of transit service contracting on the transit providers that participate in the federal Section 5310 and 5311 programs. Iowa DOT PTT has deferred its direct oversight of subcontracts by large urban systems to FTA, since these systems work directly with FTA for funding and compliance issues. However, any system receiving section 5339 statewide capital funds administered by the Iowa DOT must submit copies of any transit service contracts to PTT to ensure compliance with subcontracting.

The Public Transit Team does not need to review the contracts and vehicle user agreements. After reviewing the checklists and including all required elements, have your legal personnel review the contracts prior to initiating services. A Vehicle User Agreement can never be a stand-alone document and must always be used with a service contract. The service contract needs to be submitted to the PTT within 90 days after the start of the service. If the signed contract is not received by the PTT, the Delinquent Reporting and Non-performance Penalties Policy will apply, and the statistics from these services will not be used in the funding formula calculations.

The transit system is responsible for compliance with the state and federal laws and funding requirements. When subcontracting, the transit system has assigned a part of its responsibilities to the subcontractor in any service contract. The subcontractor is obligated to comply with all state and federal regulations and funding requirements, but the transit system is responsible for overseeing and verifying compliance. The transit system will do a compliance review with their subcontractors by determining frequency of visits, creating a checklist of items to review, and documenting the visit.

Some services to clients do not require a contract. When an agency or organization merely schedules rides on public demand responsive or fixed route services, no contract is required even if the agency pays the client's fares. This is just considered passenger revenue. Written agreements are not necessarily contracts. Invoicing agreements are different than contracts.

Services that require contracts:

- When the transit system agrees to provide specific transportation services on a regular schedule or a specific rate for another party in return for compensation
- When the transit system agrees to compensate another party to provide public transit services needed by the transit system.

Types of Transit Service Contracts

There are two basic types of transit service contracts: Sale of Service and Purchase of Service. These are defined from the perspective of the public transit system as the direct recipient of funding.

Sale of Service Contract

In a Sale of Service Contract, the transit system agrees to provide specific transportation services desired by another party in return for some type of compensation.

Purchase of Service Contract

In a Purchase of Service Contract, the transit system agrees to compensate another party to provide public transit services needed by the transit system.

Transit systems may provide vehicles to their subproviders for a fee as part of a purchase of service contract. Vehicles purchased with federal funds may only be used by another party as part of an Iowa DOT approved transit purchase of service contract. Transit systems may also lease equipment from other parties through normal procurement procedures with a related transit service contract. Such leases will need advanced PTT approval.

Required Elements of Transit Service Contracts

Demographic/ Header information

- Legal name of both parties and any other name used during business for each party should be stated.
- The purpose of the transit service should be stated.
    - Open to the general public
    - Describe who service is targeted to
- Contract time period contract will be in effect- beginning and end dates

Transit Service Description

- Description of the transit service to be provided
    - Hours, days and dates when service will be available
        - A list of holidays and non-working days should be included
        - To meet locally determined needs is not acceptable
        - "As mutually agreed, upon" is also not acceptable
    - The geographic coverage common to the service, (i.e. fixed-route, subscription, demand response with number of hours' notice required, as common or primary origin or destination)
    - A description of each distinct service type. If there is more than one service type, each type should be described.
- Arrangements for service continuity
    - Agreement needs to describe what happens if the contracted service cannot be provided. What if the vehicle is out of service or there is not a driver?
- Description of who the services are targeted to
    - Must be open to all members of the general public at all times on an equal basis. Contract must clearly state this.
- Fares
    - Each contract shall describe the fares or suggested contributions to be collected from riders.
    - Reduced or free fares may be offered to clients of the agency contracting with the transit system and to others, if desired.
    - Must be fair and reflect benefits of state and federal subsidies

Drivers

- Licensing – All drivers providing transit services under contract must possess valid chauffeurs or commercial driver license, as applicable
- Volunteers driving their own vehicles are exempt from the chauffeur's license requirement, but the vehicle size may require a CDL
- Backup plan- What happens if the driver calls out?

Drug and Alcohol Testing

- Program- Each contract requires the employer have a drug and alcohol testing program that meets FTA standards. The employer's drug and alcohol testing policy must be made available for PTT review.
- Pre-employment testing requirements- No person may perform a safety sensitive function unless he or she has been pre-employment drug tested and is in the drug and alcohol random testing pool.
- Volunteers may not operate FTA funded equipment without written PTT approval.

Insurance

- Coverage- Each contract shall require that the transit services provided be protected with $1milion in liability coverage appropriate to services open to the general public. This shall include coverage for accidents resulting from actions of the service provider. It is recommended that accidents resulting from an uninsured or underinsured motorist be included. If the provider or subcontractor has less, the transit system should confirm that they understand they are responsible for covering the shortfall.
- Party responsible for coverage- Each contract will state which party is responsible for providing the insurance liability coverage for the described transit services. If liability protection is to be in the form of self-insurance, the self-insurance plan must comply with standards of Iowa DOT's Motor Carrier Services Bureau and must be approved by PTT.

Vehicle Operations

Each contract will state which party is responsible for

- Providing the vehicle(s)
- Driving the vehicle
- Scheduling and reservations
- Identifying Fares
- Variances in schedules or routes
- Providing Service information to the public including route changes, setting fares, and reservations.
- Vehicle maintenance- If subcontractors will be responsible for maintaining the public transit vehicles in use under the contract, the public transit system should provide a copy of the system's vehicle maintenance plan to the subcontractor to ensure the vehicle is kept in a state of good repair.
- Responsibility to repair damage- State the party responsible for repair of damage to the vehicles used to provide contracted services. PTT does not require collision or comprehensive coverage to be carried on federal or state funded vehicles. Transit systems may choose to require collision or comprehensive coverage by their subcontractors if it is considered necessary to ensure financial responsibility requirements. PTT does require that damage to a federal or state funded vehicle be repaired promptly and accurately.
- Vehicle Signage Policy applies to all vehicles used in a contract.
- Vehicle Rotation- If vehicles funded through PTT are provided to the other party for the provision of the contracted services, the contract shall state if the vehicles may be used for

any FTA approved incidental purposes when not required for services under the contract. The contract must also state that vehicles provided for use under the contract may, at the transit system's initiative, be exchanged for other transit system vehicles. This allows transit systems to use vehicles to meet needs and accumulate a minimum milage of 10,000 miles per year if the vehicle has not met its federal useful life. The contract shall also prohibit use of the vehicles in ways prohibited by state or federal law.

Reports

Each contract shall require the transit system or subcontractor providing the service to submit reports, statistics, and costs. Deadlines for report submissions should be included in the contract to ensure the transit system is able to submit complete and accurate reporting to the PTT on time. Party providing service must report:

- Actual, fully allocated costs incurred
- Quarterly Reporting
    - Units of service provided upon which compensation is based
    - Revenue miles
    - Rides by fare category
    - Any trips outside of published service hours- any non-public service is to be reported separately
- Annual Drug and Alcohol Testing
- Additional Costs related to the contracted service such as scheduling, screening, marketing, insurance, maintenance, grants administration, etc.
- Report Due Dates- the reporting of costs attributable to the contracted service must be reported on at least a quarterly basis

Funding

- Indicate the source(s) of funding for the contracted services, Section 5310, 5311, STA, local etc. Indicate projected/budgeted fully allocated costs for the contract period. If figured on a unit basis, the number of units and the cost per unit should be noted.
- Funds to be collected from riders by the transit system or the party providing the service shall be separately estimated as a source of support.
- Other funds provided by the non-transit system party may be identified as a single amount or itemized. The contract should note if there is a possibility of any additional public transit services that may be provided under the contract with a different mix of support.
- Shortfall or Surplus – Describe what will be done in the case of a shortfall of anticipated funding from any source, or if the actual fully allocated costs of the service increases above the contracted figure. It should also address what will be done if contract revenues, as indicated, exceed actual fully allocated costs of the service.
- Billing and Payments- Each contract shall set the procedure and timeframe for billings and payments.

Hold Harmless Clause

- Each contract shall contain a provision in which both parties hold Iowa DOT harmless from any losses related to the provision of contract services or to the use of vehicles purchased with funds provided by the Iowa DOT.
- Similar provisions are suggested to hold the transit system harmless from losses resulting from the actions of subcontractors or conditions beyond the system's control that might prevent providing contracted services. It is likely that the other party will also desire provisions holding it harmless from losses resulting from transit system actions.

Amendment Procedures

- Specify procedure for amendments, suspensions or termination of contract. The contract shall acknowledge that any amendments are subject to PTT approval.
- Non-competitive contract for services. If you are contracting for services and did not do a competitive procurement for services, the subcontractor will be required to follow all the procedures the transit system follows. They will need to comply with all state and federal requirements involving competitive procurement.

Special Policies when Contracting with Private Providers

If the private provider does not carry $1 million in liability coverage, the transit system will determine how much the private provider will carry and the transit system is required to make up the difference to $1million. These numbers will need to be placed in the contract. The transit system may be liable for any loss exceeding the coverage required of the private provider under the contract.

When contracting with a private provider, the contract should reflect the total cost of the trips provided under the contract. The standard fare may be considered to be the fully allocated cost. The fully allocated cost includes state and federal subsidies. Actual numbers must be reported on quarterly reports.

If the transit agency did not go out for bid and award the contract on a competitive basis, the contract shall require the service provider to comply with all state and federal requirements and will follow all the procedures the transit agency follows.

Vehicle User Agreement

Both types of contracts may involve a Vehicle User Agreement. The Vehicle User Agreement allows the party actually providing the transit service to use a vehicle belonging to the other party in order to provide the contracted service. The party providing the transit service may be a transit system or another provider. Vehicles may be provided to another public transit system to assist that transit system in meeting short-term fleet requirements as long as the arrangement is pre-approved by PTT. An example of this is when an emergency situation arises and a vehicle will be out of service for several months, a transit service can use a vehicle from another transit system to maintain needed service within a service area.

PTT encourages transit systems to retain direct control of their vehicles. Therefore, PTT discourages placing vehicles or equipment under the control of other agencies and reserves the right to approve or disapprove all vehicle/equipment use agreements that involve vehicles or equipment purchased

with state or federal dollars. When a transit system has justified that the best use of the vehicles or equipment would be under a vehicle use agreement, several issues should be addressed before the Vehicle User Agreement is signed.

It is proper to use the term “vehicle user agreement” when vehicles are provided to a subcontractor to perform contracted services, rather than the term "lease". Under state law, a vehicle "leased" for six months or more must be registered and licensed by the lessee.

The transit system remains responsible to PTT and FTA for compliance with all state and federal rules and regulations. The PTT must be notified of the location of the vehicle or equipment in your annual inventory form.

If any vehicles purchased with FTA Section 5310 funding will be part of a Vehicle User Agreement, the Iowa DOT must approve that agreement prior to its signing and there are several required elements that must be included in that contract.

- The leased vehicle(s) shall be used to provide transportation service to seniors and people with disabilities
- The vehicle may be used for incidental purposes only after the needs of these individuals have been met
- The transit system (or Iowa DOT, when the useful life has not been met) will retain the title to the vehicle

Required Elements of Vehicle User Agreement

This User Agreement is entered into this _____ day of_____, by and between, the _____, hereinafter referred to as, _____, and _____, hereinafter referred to as the Transit Provider.

In consideration of the mutual covenants, promises and representations herein, the parties agree as follows:

Motor Vehicle User Agreement

- _____ hereby provides to the Transit Provider the following described motor vehicle with all accessories incorporated there or affixed thereto:
    - Vehicle description
    - Vehicle identification number (VIN)
    - User amount

Term

- The term of this User Agreement shall be for a period of one year commencing July 1, _____ and ending June 30, _____, subject however, to any prior termination as hereinafter provided.

Rent

- The Transit Provider agrees to pay _____ dollar amount ($___.00) per year for each vehicle, the said rental amount being due upon effective date of this User Agreement. Rent is payable at the office of _____ located at _____.

Maintenance and Repairs

- The Transit Provider shall pay for and furnish all maintenance and repairs to keep vehicles in good working order and condition. At the expiration or termination of this agreement, the vehicles and all safety equipment in the vehicles will be returned to _____ in good condition, reasonable wear and tear excepted.
- Any new transit vehicle included in this agreement may be equipped with; first aid kit, fire extinguisher, visual warning devices, bio-hazard kit, spare tire and wheel and may also be equipped with; wheelchair securements, occupant restraints, two-way radio equipment. It is the responsibility of the Transit Provider to replace these items as necessary throughout the period of the User Agreement. Upon termination of the user agreement all of the said items will be in proper working condition.

Registration, License, Taxes, Inspection, Fees, Expenses

- The Transit Provider shall pay all expenses incurred in the use and operation of the vehicles, including but not limited to, license, registration, and title fees, gasoline, oil, anti-freeze, repairs, maintenance, tires, storage, fines, inspections, assessments, sales or use taxes, if any, and all other taxes as may be imposed by law from time to time arising from Transit Provider's use and operation of the vehicles. The Transit Provider will reimburse and hold _____ harmless for any and all amounts _____ may pay in satisfaction, release or discharge thereof. The Transit Provider shall permit _____ and/or its designees to inspect the vehicles at reasonable times, places and intervals. Each motor vehicle listed in Section 1, shall bear Iowa Transit vehicle license plates and regional transit system signage, prominently displayed on the right and left side of the vehicle.

Use and Operation

- The Transit Provider acknowledges receipt of Motor Vehicles, and that the same is in condition satisfactory to Transit Provider's purposes. Vehicles shall not be altered, marked or additional equipment installed without the prior written consent of _____ in which case the Transit Provider will bear the expense thereof as well as the restoration expenses. The Transit Provider shall keep vehicles free of all taxes, liens, and encumbrances and any sum of money that may be paid by _____ in release or discharge thereof, including legal costs, shall be paid on demand by _____. The Transit Provider shall not use or permit the use of vehicles in violation of any Federal, State, County or City laws, ordinances, rules or regulations, or contrary to the provisions of the insurance policy coverage. The Transit Provider, by acceptance of this User Agreement, agrees to abide by the terms hereof and to indemnify _____ for any losses occurring as a result of such use in violation of said terms, laws, rules and ordinances.

Indemnification and Insurance

- The Transit Provider agrees and will protect, indemnify and hold harmless _____ and its assignees and agents from and against any and all losses, damages, injuries, claims, demands and expenses occasioned by, or arising out of, the condition, maintenance, use or operation of the vehicles including any accident or other occurrence causing or inflicting injury and/or damage to any person or property, happening or done, in, upon, or about the User Agreement vehicles, or due directly or indirectly to this User Agreement, or the

condition, maintenance, use or operation of the vehicles by the Transit Provider or any person claiming through or under the Transit Provider.

- The _____ agrees that it will at all times provide at a minimum and re-bill the Transit Provider the expense to cover the vehicle(s) in the User Agreement:
    - Liability $1,000,000.00
    - Uninsured/Underinsured Motorist $1,000,000.00
    - Comprehensive – Full Coverage $1,000.00 Deductible
    - Collision $1,000.00 Deductible
    - Medical Payments $1,000.00
    - Umbrella $4,000,000.00
- The Transit Provider agrees that it shall at all times and at its own expense reimburse _____ for the premium and any deductibles.
- The Transit Provider shall provide and pay for any other insurance or bond that may be required by any governmental authority as a condition to, or in connection with, the Transit Provider's use of the vehicles.
- In the event Vehicles are involved in an accident, damaged, stolen or destroyed by fire, the Transit Provider shall promptly notify _____, in writing, within 24 hours and will also comply with all terms and condition entered in the insurance policies. The Transit Provider agrees to cooperate with _____, and the insurance companies in defending against any claims or actions resulting from the Transit Provider's operation or use of the vehicles.
- Vehicles shall not be used by any person or entity, in any manner or for any purpose that would cause any insurance herein specified to be suspended, canceled, or rendered inapplicable.

Damage to Vehicles

- Should vehicles or any part thereof be so damaged as to preclude usage for the purpose intended and should the Transit Provider be indemnified therefor pursuant to any insurance coverage required pursuant to the Indemnification and Insurance section hereof in an amount not less than the full amount of the insurance coverage provided by _____, this User Agreement shall terminate. However, should the Transit Provider be indemnified in an amount less than the full amount of the insurance coverage provided by _____, the Transit Provider will repair or replace vehicles or the damaged part thereof and the proceeds of the insurance recovery shall be applied to such repair or replacement. Should vehicles or any part thereof be damaged by any cause for which _____ makes no insurance recovery and should vehicles or the damaged part thereof be capable of repairs, this User Agreement shall terminate, and the Transit Provider shall immediately pay _____ the reasonable value of vehicles, regardless of rentals paid or accrued.

Title

- The Transit Provider acknowledges that this is an agreement to use only and that the Transit Provider does not in any way acquire title to vehicles, under this agreement. Without the prior written consent of _____, the Transit Provider agrees not to do any act to encumber, convert, pledge, sell, assign, re hire, lease, lend, conceal, abandon, give up possession of, or destroy vehicles.

Warranties and Waiver

- The Transit Provider uses vehicles herein described in "as is" condition and agrees that _____ had not made, and does not hereby make any representation, warranty or covenant expressed or implied with respect to the condition, quality, durability, capability, or suitability of vehicles or against any patent or latent defects therein. The Transit Provider agrees that _____ shall not be liable to the Transit Provider for any liability, claim, loss, damage or expense of any kind or nature caused directly or indirectly by Vehicles or the inadequacy thereof for any purpose, or for any deficiency or defect therein, or for the use or maintenance thereof, or for any repairs, servicing, adjustments, or expenses thereto or for any loss of business or for any damage whatsoever and howsoever caused.

Assignment

- Without the prior written consent of _____ or any assignee of _____, the Transit Provider agrees not to sublet, mortgage, pledge, sell, assign or otherwise transfer or dispose of this User Agreement. The Transit Provider acknowledges and understands that _____ may assign this User Agreement and that such assignee shall be entitled to all of the benefits of this User Agreement in the place of _____. In connection therewith, the Transit Provider agrees this User Agreement and vehicles used there under will be subjected to any rights and interest in and to said vehicles under any contract _____ has with another regarding title or interests in title; to accept the directions, demands or consents of such assignee in place of those of _____; to surrender vehicles only to such assignee; to pay all rent hereunder as directed by such assignee.

Default

In any of the following default events:

- failure to pay any rent or sum herein provided when the same are due and payable and such default continues for a period of ten (10) days after receipt of notice thereof of Transit Provider
- Failure to comply with any terms or conditions hereof
- A proceeding in insolvency or receivership by or against the Transit Provider or its property, or in the event lessee suspends business, makes an assignment for the benefit of creditors, or if an attachment be levied or tax lien filed against the vehicle
- The Transit Provider fails for any reason to comply with the insurance requirements of the User Agreement, then and in those events, or any of them, _____ may, at its option and without prejudice to any other rights it may have:
    - take possession of vehicles and for the purpose thereof may enter the premises on which vehicles are located and remove them without court order or other process of law (damages occasioned by such taking being expressly waived by the Transit Provider), and thereupon the Transit Provider's right to possession and use of vehicles shall terminate
    - may (but need not) use vehicles or any portion thereof for such period, rental, and to such persons or entities as _____ shall elect and shall apply the net proceeds of any such renting in payment of the rent and other obligations due from Transit Provider to _____ hereunder by acceleration or otherwise

    - may (but need not) sell vehicles or any part thereof at public or private sale without demand or notice of intention to sell or of sale and shall apply the net proceeds of any such disposition against the total obligations owed _____
    - may deduct all costs and expenses in connection with such retaking, including insurance, repairs, storage, renting or sale of vehicles from the proceeds derived from such renting or sale
    - terminate Transit Provider's rights hereunder as to vehicles
    - accelerate rents for the lease term as provided in sections Term and Rent hereof and recover the same and all other damages as herein or by law provided by legal proceedings
- No right or remedy conferred upon or reserved to _____ by this User Agreement shall be exclusive of any other right or remedy herein or by law provided; all rights and remedies conferred upon _____ by this User Agreement or by law shall be cumulative and in addition to every other right and remedy to.
- If it is necessary to employ the services of an attorney or incur expenses in enforcing this User Agreement, the Transit Provider shall pay to _____ all such expenses and court costs, in addition to all sums due _____, including reasonable attorney's fees.

Construction

- This User Agreement shall be construed and determined in accordance with the laws of the State of Iowa. Any provision herein prohibited by law shall be ineffective to the extent of such prohibition without invalidating the remaining provisions of the User Agreement. Words and phrases herein, including any acknowledgment hereof, shall be construed as in the singular or plural number, and as masculine, feminine or neuter gender according to the context.

Time

- Time is of the essence of this User Agreement. However, _____'s failure at any time to require strict performance by the Transit Provider of any provisions herein shall not waive or diminish _____'s right to thereafter demand strict compliance therewith or with other provisions of this User Agreement and written waiver by _____ of any default hereunder shall not constitute a waiver of any other default.

Entire Agreement

- This User Agreement contains the whole agreement of the parties. None of the covenants, provisions, terms or conditions of this User Agreement shall be in any manner modified, waived, abandoned or amended except by a written instrument duly signed by the parties or their assignee and delivered to _____ and the Transit Provider or their assignee.

Binding

- Each and every covenant and agreement herein contained shall extend to and be binding upon the respective successors, heirs, administrators, executors and assigns of the parties hereto except as may be modified in Assignment and Information to be Furnished by the Transit Providers sections in this User Agreement.

Notice

- Notices as provided for in this User Agreement shall be given to the respective parties or their assignees at their respective addresses designated herein unless there is notification of the parties to the other, in writing, of a different address. Such notice shall be deemed to be given and received when deposited in the United States mail, postage prepaid, addressed as herein designated.

Information to be Furnished by the Transit Provider

- The Transit Provider shall furnish the following information to _____ during the term of this User Agreement. Such monthly information shall be submitted by the Transit Provider to _____ by the 15th day of the month following the end of the previous month. Such quarterly information shall be submitted by the Transit Provider to _____ by the 30TH day of the first month following the end of the quarter (October 30, January 30, April 30, July 30)
    - Passenger Count (monthly & quarterly report)
    - Passenger Type i.e. elderly, handicapped, general public (monthly & quarterly report)
    - Miles Driven (monthly & quarterly report)
    - Revenue Miles (monthly & quarterly report)
    - Gallons of Gasoline (monthly & quarterly report. Quarterly fuel report is due _____ on the 15th of the month following the end of the quarter)
    - Total Cost of Operation (for quarterly report)
    - Breakdown of revenues received for operation (for quarterly report)

Witness

- In witness whereof, the parties have duly executed this User Agreement on the day and year first written above.

Transit System	Transit Provider
By: _____	By: _____
Date: _____	Date: _____

References & Important Links

Chapter 9 Procurement

Procurement is the process of purchasing goods or services. Transit systems and subcontractors must follow procedures in this chapter when purchasing supplies, equipment and services using FTA funds. Subcontractors that were selected through a competitive solicitation process are not required to follow these procurement guidelines.

The Public Transit Team (PTT) is responsible for seeing that all federal requirements pertaining to procurement are followed by transit systems when using funds administered by PTT. Transit systems may conduct their own procurement, with oversight from PTT, to allow greater flexibility to meet local needs, but PTT will verify that all federal certifications being used in the solicitation are current and accurate. All RFQs, RFPs or IFBs need to be reviewed and approved by PTT before advertising the solicitation. These procurement guidelines and requirements apply to all purchases made with FTA dollars, from vehicles to fuel to office supplies. Iowa DOT concurrence is required for all purchases over $15,000.

FTA Section 5307 and direct Section 5339 (i.e., non-Iowa DOT administered) funded purchases are covered by the same policies, but the Federal Transit Administration (FTA) has oversight responsibility. Transit systems using funds under direct FTA grants (Section 5307 or 5339) should follow the guidelines in this chapter; however, concurrence by PTT is not required.

Each year the State of Iowa establishes contracts for purchases of vehicle, tires, radios, fuel, and other items. To the extent that these state bids meet FTA procurement requirements, transit systems may purchase equipment from the existing state bids. Anything purchased off of the State Contract needs to include federal clauses before placing the purchase. If the business purchasing from is okay with the federal clauses and agrees, then the transit system may proceed. If the business does not agree with all the federal clauses, then the transit agency will not be able to purchase the item off the state contract.

A procurement funded by a federal award must comply with the Build America, Buy America Act (BABA) requirements. Federal awards obligated on or after October 23, 2023, will apply 2 CFR Part 184. Your TPA can provide you with information on whether equipment is available to purchase by this method.

PTT, in conjunction with other Iowa DOT offices, may consider conducting a procurement if one or more transit systems request assistance in this area.

This chapter provides some highlights and reminders for conducting fair and equitable procurements, when mainly using federal funds, and is not all inclusive of the federal procurement laws and regulations. Please use the published federal resources for guidance when conducting a procurement using FTA funds. PTT has a Bid Solicitation Review and Checklist available on the Public Transit website for projects using federal funds.

Some excellent resources containing requirements and guidance are linked at the end of this chapter.

- FTA's Best Practices Procurement and Lessons Learned Manual
- Office of Management and Budget's Super Circular 2 CFR Part 200

- Third-Party Contracting Guidance Circular 4220.1G
- APTA's Standard Bus Procurement Guidelines
- National RTAP's ProcurementPRO

Standard of Conduct

Each transit agency must have a written standard of conduct to govern personal conflicts of interest. As provided in 2 CFR 200.318(c) and FTA Master Agreement, no employee, officer, agent, or board member, or his or her immediate family member, partner, or organization that employs or is about to employ any of the foregoing individuals may participate in the selection, award, or administration of a contract supported with FTA assistance if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when any of those individuals previously listed has a financial or other interest in the firm selected for award.

The transit agency's officers, employees, agents, or board members of the recipient must not solicit or accept gifts, gratuities, favors, or anything of monetary value from contractors, potential contractors, or parties involved in subcontracts, except for gifts of nominal value as defined by the recipient's established thresholds. Recipients may establish thresholds for when the financial interest is considered insubstantial, or the gift is of nominal value.

- Chapter 68B of the Iowa Code explains that a public official or public employee, or that person's immediate family member shall not, directly or indirectly, accept or receive any gift or series of gifts from a restricted donor. A public official, public employee or the person's immediate family member shall not solicit any gift or series of gifts from a restricted donor at any time.

  While mindful of the above paragraph, certain gifts may be received by public officials, public employees, or members of the immediate family of public officials or public employees, as outlined in Chapter 68B.22. The law, for instance, limits the value of nonmonetary gifts to $3.00 per calendar day from any one donor.

  This law applies to all Iowa public transit agencies, their employees and board members, formed as departments of their respective cities or formed by Chapter 28E Agreement.

The standard should detail penalties, sanctions, or disciplinary actions that shall be taken for violations and be explicit with regard to how potential personal conflicts are to be reported (by whom/to whom) and how the situation will be resolved.

If the recipient has a parent, affiliate, or subsidiary that is not a State or local government or Indian tribe, the recipient also must have standards of conduct covering organizational conflicts of interest. Organizational conflicts of interest mean that because of relationships with a parent company, affiliate, or subsidiary organization, the recipient is unable or appears to be unable to be impartial in conducting a procurement action involving a related organization.

Written Procurement Procedure

Each FTA subrecipient is required to have its own written procurement procedures and to follow them. Written procurement procedures are expected to comply with FTA and State of Iowa, and local laws and regulations. The primary purpose of any procurement is to obtain optimal quality and service at minimum cost through free and open competition. A secondary purpose is to guard against favoritism and profiteering at public expense, and to provide equal opportunities to participate by every potential vendor. Procurements should be designed to ensure that all qualified vendors have a fair opportunity to benefit from spending public funds.

The required elements for the written procurement procedures are outlined in the FTA Third-Party Contracting Guidance Circular 4220.1G

- Solicitations
    - Clear Descriptions
    - Nonrestrictive specifications
    - Quality Requirements
    - Preference for Performance Specifications
    - Brand Name or Equal
- Necessity
- Lease vs. Purchase
- Environmental and Energy Efficiency Preferences
- Procurement Methods
- Legal Restrictions
- Third-Party Contract Provisions
- Sources
- Resolution of Third-Party Contracting issues

Independent Cost Estimate (ICE)

The Independent Cost Estimate is the recipient's estimate of what the item or service should cost. Conducting an Independent Cost Estimate to establish a price range for goods or services being procured should be done regardless of the size of the procurement. FTA requires an ICE for every federally funded procurement over the simplified acquisition threshold. This is done prior to issuing a solicitation and before developing a cost or price analysis. This step is necessary to decide which procurement method to use. To develop an ICE, use information such as published price lists, current market prices for commercial items, estimates based on previous, similar purchases or projects, informal cost estimates from manufacturers for the type and number of items being procured, or prices received by other transit agencies for goods or services comparable to the project.

An ICE received from any vendor will eliminate that vendor from bidding or contracting with the transit agency for that procurement.

Once bids or offers are received, and prior to award, the recipient must then develop a cost or price analysis.

Cost or Price Analysis

Found in The FTA Best Practices Procurement and Lessons Learned Manual, FTA requires a Cost or Price Analysis with every procurement that exceeds the simplified Acquisition Threshold ($350,000 as of October 1, 2025) to ensure subrecipients are getting a fair and reasonable price. The method and degree of analysis depends on the facts and circumstances of the procurement, but as a starting point, the recipient must make independent cost estimates before receiving bids or proposals. The FTA Pricing Guide for FTA Grantees can be used to determine the reasonableness of prices offered by vendors, contractors, etc. by using six price analysis techniques.

Price Analysis is used if it is determined that competition was adequate, and price was within the expected range established by the ICE. One method to record the price analysis is through the use of a preprinted form by checking off the most common reasons why it would be fair and reasonable pricing by using catalog or market prices offered in substantial quantities to the general public, regulated prices (for example, for many utilities purchases), or a comparison with recent prices for similar goods and services.

Cost Analysis is used if it is determined that competition was inadequate, or price is inconsistent with the expected range established by the ICE. It should also be done when only a single source is available or when performing a contract modification. The recipient may not need to perform a cost analysis if it can analyze the price reasonableness of the proposed contract based on a catalog or market price of a commercial product sold in substantial quantities to the general public or based on prices set by law or regulation.

Noncompetitive (Sole Source)

When the transit system's requirement can only be fulfilled from one source, the transit agency may make a noncompetitive award. This is only allowed in very limited circumstances, and written justification must be retained in the procurement file. Lack of advanced planning is not an acceptable justification for use of noncompetitive procurement procedures. The reasons a recipient can conduct a procurement by noncompetitive methods are outlined in the FTA Best Practices Procurement and Lessons Learned Manual. One or more of the following circumstances must apply:

- The item is only available from one source
- Public emergency will not permit the delay resulting from competitive solicitation
- FTA authorizes noncompliance negotiations
- After solicitation of a number of sources, the competition is determined inadequate
- The item is an associated capital maintenance item

It is sometimes necessary to make an emergency purchase of an item or service. Instances where emergency procurements are required are rare, such as needing a sump pump in a flood or tree removal service following a violent storm, but a transit system's procurement policy should address such situations so there is no doubt about having authority to make an emergency purchase. In these circumstances, the transit system will not have time to conduct a formal bid or solicit quotes. Therefore, transit system staff should be empowered to make quick decisions. In creating the emergency procurement policy, emphasize the rare, short-lived nature of such a situation. Emergency procurements should not be used often and should not be utilized just to get around the

traditional, required procurement process. Noncompetitive emergency procurement procedures need to be included in the transit agency's written procurement procedure.

Davis-Bacon (Federally Funded Projects Only)

Under 49 U.S.C. 5333(a), Davis-Bacon Act prevailing wage protections apply to laborers and mechanics employed on all FTA assisted construction work. (Note that this is more expansive than the requirements at 2 CFR App. II to Part 200, which applies Davis-Bacon only to construction contracts in excess of $2,000.) All prime construction contracts must include a provision for compliance with the Davis-Bacon Act, 40 U.S.C. 3141 et seq., and implementing DOL regulations "Labor Standards Provisions Applicable to Contracts Governing Federally Financed and Assisted Construction,"

The Davis-Bacon Act requires that contractors pay wages to laborers and mechanics at a rate not less than the minimum wages specified in the wage determination made by the Secretary of Labor. The Davis-Bacon Act also requires contractors to pay wages not less than once a week. The recipient must include a copy of the current prevailing wage determination issued by DOL in each contract solicitation and must condition contract award upon the acceptance of that wage determination.

General wage determinations are published online at www.sam.gov and are available for contracting agencies to incorporate into covered contracts and for contractors to post at the job site of covered projects.

System for Award Management (SAM)

The recipient must ensure that no federal contract, irrespective of the contract amount, is awarded to any person that is excluded or disqualified under the Governmentwide suspension and debarment system. FTA strongly recommends recipients verify the status of entities directly through the System for Award Management (SAM) www.sam.gov. This platform identifies parties excluded from receiving Federal contracts, certain subcontracts, and various types of Federal financial and non-financial assistance and benefits. SAM provides an up-to-date resource for checking administrative and statutory exclusions across the entire Federal Government. Once the check is complete, print it, date it, and keep a copy in the procurement file.

Lobbying Certification and Disclosure

Federal regulations, 49 CFR Part 20, prohibit use of federal funds to influence federal officials concerning specific projects. The regulations do not affect lobbying for or against issues or policies - only lobbying for specific projects such as a grant, loan or contract. The regulations also require the reporting of any lobbying by paid outside parties or new staff, even if funded with nonfederal dollars. Activities of long-term existing staff need not be reported. The requirement affects all subrecipients, contractors and subcontractors at all levels, if they receive at least $100,000 in federal funding from a project. If the third-party contract will exceed $100,000, the recipient must obtain a lobbying certification before awarding the contract, and if applicable, a lobbying disclosure.

PTT, as the recipient of the Sections 5310, 5311, and statewide 5307 and 5339 funds is required to obtain an annual signed Certification of Restrictions on Lobbying from each system receiving funds. Any system that receives funding in excess of $100,000 must also provide a report of any existing

activity pursuant to 31 U.S.C. 1352. Certificates and reports (if necessary) are submitted as part of the consolidated grant application.

Types of Procurements

	Micro Purchase	Small Purchase Informal Bid	Sealed Bid (Invitation for Bid IFB)	Competitive Proposals (Request for Proposal RFP)	Request for Qualifications RFQ
Amount of Purchase	Total under $15,000	Total under $350,000	Total $350,000 or more	Purchases of $350,000 or more	See "Brooks Act"
Nature of Product or service	Standardized Product or Service	Standardized Product or Service	Standardized Product or Service	Services cannot be precisely defined and/or price is only one factor for evaluation	Architectural and Engineering
Competitive	No	Yes	Yes	Yes	Yes
PTT Concurrence	No	Yes	Yes	Yes	Yes

Once it is determined a procurement is necessary, it should be decided which method is appropriate. Procedures used for purchasing materials or services include micro purchase, small purchase, request for qualifications, sealed bid (IFB), and competitive proposals (RFP). The procedure to use is determined by the cost estimate of the procurement and/or by the nature of the service or product needed. Local policy boards may set lower limits for small purchase procedures. The transit manager should verify what the local restrictions are before deciding on which procurement procedure to use.

Micro-purchase

$15,000 or less is considered a “micro-purchase,” which involves the fewest federal requirements.

Micro-purchases are procurements under $15,000 and can be made without obtaining competitive quotations if the grantee determines that the price is fair and reasonable. These purchases should be equitably distributed among qualified suppliers in the local area. No purchases can be split to be under the dollar threshold to avoid competition. Documentation must include how the determination was made that the price is fair and reasonable.

Simplified Acquisition - Small Purchase

Over $15,000 up to $350,000 is considered a simplified acquisition or “small purchase,” which triggers additional requirements, including comparing costs from multiple vendors at least two, but three or more is preferred.

The simplified acquisition or small purchase procedure may be used for purchases costing less than $350,000. It is the value of the total contract that determines the procedure to use. If the individual item is under $350,000, but the approved total project cost is $350,000 or more, PTT requires the formal bid procedure even if the items are purchased individually. Maintain records to support the decision to use the simplified acquisition procedure, selection of contract type, the sources solicited and the reason for contractor selection or rejection.

Larger Purchase

Over $350,000 is considered a larger purchase, which triggers the need for a formal competitive solicitation and other additional requirements.

Request for Qualifications (RFQ)

A competitive procedure based on the Brooks Act is used when contracting for A&E services. Other types of services considered A&E include program management, construction management, preliminary engineering, design, surveying, mapping, and services that require performance of a registered or licensed architect. The nature of the services to be performed and its relationship to construction, not the nature of the prospective contractor, determines whether qualifications based procurement procedures may be used.

The Brooks Act Public (Law 92-582) also known as Qualifications Based Selection (QBS), which was enacted on October 18, 1972, establishes the procurement process by which architects and engineers (A&Es) are selected for design contracts with federal design and construction agencies. The Brooks Act establishes a qualifications-based selection process, in which contracts for A&Es are negotiated on the basis of demonstrated competence and qualification for the type of professional services required at a fair and reasonable price. Under QBS procurement procedures, price quotations are not a consideration in the selection process. Geographic preference may be used in A&E procurements as long as a reasonable number of contractors are available.

The Books Act requires that:

- A vendor's qualifications be evaluated
- Price be excluded as an evaluation factor
- Negotiations be conducted with only the most qualified vendor.
- If unable to make an agreement on price, negotiations with the next most qualified vendor should be conducted until a contract award can be made
- Negotiations cannot be reopened with a party once the next vendor has been contacted

Sealed Bid - Invitation for Bid (IFB)

The Sealed Bid or IFB procurement process is used when complete specifications or purchase descriptions are available, and the cost of the total project exceeds $350,000. An IFB is most commonly used to obtain prices for specific goods and services. The IFB process must involve two or more bidders, and the award is given to the lowest responsive and responsible bidder. Sealed

bidding does not allow the recipients to evaluate the merits of technical proposals and to pay more for a higher quality product. Rather, it requires the award be made to the bidder who meets the technical requirements in the solicitation, even if the product is only minimally acceptable. Therefore, the contract specifications should precisely describe the recipient's minimum requirements that the contractor will be contractually bound to meet. The bidder must meet terms and conditions and be able to execute and perform the work. Design specifications of goods and services to be procured under an IFB are not subject to negotiation. Bids that deviate from the specifications are rejected as nonresponsive.

The following procedures apply to sealed bid procurements:

- Solicitation – Must be solicited from an adequate number of qualified sources, providing them sufficient response time prior to opening the bids. For local governments, the invitation for bids must be publicly advertised.
- Adequate Specifications- The invitation for bids must include specifications and attachments that describe the property or services needed in sufficient detail so that the prospective bidder will be able to submit a proper bid.
- Opening – All bids will be opened at the time and place stated in the invitation for bids. Local governments must open bids publicly.
- Fixed Price Contract Award– A firm fixed price contract is awarded in writing to the lowest responsive bidder.
- Rejection of bids- Justification for all rejected bids must be documented.

Competitive Proposals - Request for Proposal (RFP)

The RFP procurement process should be used when "the nature of the procurement does not lend itself to sealed bidding and the recipient expects that more than one source will be willing to submit a proposal. The RFP method is used typically for planning, purchases of transit services, ITS equipment, software, and other projects that entail complex purchase factors. This method allows for the procurement of goods and services without detailed design specifications. The primary consideration in awarding bids need not be price. Vendors typically submit a "statement of work" and a "cost proposal." Contractors have flexibility in how the goods or services are produced and the award is based on an evaluation of price and a number of criteria. Communication with vendors is used to negotiate an optimal contractual agreement, in which both price and evaluation criteria are used in selecting a bidder. Awards are based on an evaluation of price and quality. Final price may be negotiated with the vendors deemed to be in the "competitive range" of proposals submitted. RFPs can be done for purchases under $350,000, but it is not required.

The following procedures apply to procurements by competitive proposals (RFPs):

- Notice- Requests for proposals require public notice. All evaluation factors and their relative importance must be specified in the solicitation, but numerical or percentage ratings or weights need not be specified. Proposals must be solicited from multiple qualified entities. To the maximum extent practicable, any proposals submitted in response to the public notice must be considered.
- Written Procedures- Required for conducting technical evaluations and making selections.

- Price and Other Factors- Contracts must be awarded to the responsible offeror whose proposal provides the greatest value to the recipient considering price and other factors.

Consortium

A consortium is a competitive procurement involving more than one transit system. Each transit system must agree on the specifications and work together with one lead person to develop common specifications.

Piggybacking

The post award practice of allowing someone who was not included in the original procurement to purchase the same supplies or equipment through the original contract is allowed under specific situations:

- that the original contract price remains fair and reasonable
- the original contract provisions comply with all applicable Federal requirements
- the assigning recipient originally procured quantities necessary for their needs and did not procure unreasonably large quantities.

Competitive Bid Process

Developing the Solicitation Package

Before beginning the procurement process, the scope and goals of the procurement should be established. Clearly stated goals will lead to more effective decisions regarding the methods and procedures needed to make the purchase. Once the goals of a procurement are clear, detailed specifications can be developed. Provided that the process is competitive, the transit manager may design the IFB or RFP in any manner that serves the system's particular procurement needs. The following outline, consisting of three principal parts, suggests a general design for a solicitation package:

- General Instructions to bidders
- Specifications or scope of work
- Documents and Attachments

All elements addressed under the three parts must be addressed in the procurement process. Additional guidelines that will provide easier reference to solicitation packages include:

- Number each page of the document, identifying the total number of pages in the solicitation package (i.e., 1 of 20 pages)
- Assign the solicitation an identifying reference number or name that can be used as an abbreviated reference. (For example, a light duty bus solicitation for Western Iowa Transit System may be referenced: WITS-IFB-LDB-10/01.)

Approved Equals, Exceptions and Clarifications

The instructions to bidders should explain the approved equals, exceptions, and clarifications procedure. The deadline for receipt of these requests must be specified. Vendors must be given the opportunity to request changes or clarifications in the bid package. By allowing vendors this

opportunity, you will enhance competition and improve the likelihood that your needs will be met. The transit system must also state when they will respond to the requests.

Certification of Compliance with Bid Specifications

PTT suggests that the responsibility for verifying compliance with the specifications at the time of bid be left with the vendor rather than assumed by the transit system. The use of a compliance certification avoids the chance of implied acceptance of an item varying from the final specifications (as modified by approved equals or exceptions). The vendor can be challenged if an apparent conflict is evident; however, the certification ensures the vendors liability to perform as described in the specifications. The instructions to bidders must make clear that the vendor will be held to the specifications no matter what other information is presented with the bid.

Federal Clauses and Certifications

Federal clauses are mandated by the Mater Agreement as well as federal law and regulation. All of the clauses are not required for all contracts. Procedures should be put in place to ensure the applicable clauses are included in the appropriate contract types. These requirements are passed down to the contractor. Recommended resources to ensure all applicable clauses are included are:

- Master Agreement
- FTA Best Practices Procurement and Lessons Learned Manual
- National RTAP ProcurementPRO

Protections Against Performance Difficulties

FTA recommends recipients to consider additional provisions that would reduce potential problems that might occur during contract performance:

- Remedies- All contracts for more than $350,000 should include provisions or conditions that stipulate remedies the transit system can use if the vendor violates or breaches the terms of the contract. The bid instructions need to state explicitly what remedies shall be invoked (e.g., whether all or part of the bid bond will be forfeited, should a vendor not accept the terms of a contract if offered). Consideration should be given to the amount of any bonds or penalties since the vendor will likely factor this into his costs and it may also reduce competition.
- Termination- All contracts in excess of $10,000 must address termination for cause and for convenience by the non-Federal entity including the manner by which it will be affected and the basis for settlement.
- Changes- A recipient should include provisions describing how the parties will handle changes and changed conditions in most contracts, except for routine supply contracts.
- Liquidated Damages- A recipient may use liquidated damages if the recipient reasonably expects to suffer damages through delayed contract completion, or if weight requirements are exceeded, and the extent or amount of such damages are uncertain and would be difficult or impossible to determine. Liquidated damages may specify a certain amount to be paid if the equipment is not delivered by the specified time. This must be based on the estimated cost to the system if they do not receive the equipment on or before the delivery date required. Liquidated damages must be enforced if they are stipulated.

Solicitation Activities

To promote full and open competition, requests for bids or proposals must be advertised with adequate time provided to develop a bid or proposal before the submission deadline. Ion Wave Technologies and national trade publications such as APTA's Passenger Transport, CTAA's online classifieds, and Transit Talent's procurement webpage, etc. should be identified as potential places to advertise the procurement package to prospective contractors. Advertising for a bid gives information to prospective bidders about the purchase you want to make. Bids must be publicly advertised and solicited from an adequate number of known suppliers. A bid notice should include:

- general description of item/service to be procured
- date, time, and location of bid opening
- name of agency administering procurement
- contact person, phone number and address
- how to obtain the bid packet
- statement of federal and/or state financial participation, including the percentage of total cost of the project financed with FTA funds and the dollar value of FTA projects
- a solicitation identifier

Newspaper advertising is required for formal bids. A regional transit system should advertise in a newspaper(s) that covers that system's area. For a small procurement, it may be sufficient to limit announcements to a local newspaper or publication. Larger procurements may require a broader announcement. Mass Transit Magazine and Metro Magazine each provide a database of potential vendors transit systems may use to solicit bids from. These lists should not be considered all inclusive. Other vendors should be contacted as deemed necessary by each transit agency. The PTT does not endorse any particular manufacturer, vendor, or product. For further guidance contact your TPA.

Bid Openings

Proposals should be dated, and time stamped as they are received, and logged to provide documentation of their receipt. Bids received in response to an IFB are opened publicly and recorded at the time and place specified in your bid package. There are no negotiations, and no changes in bids allowed. Vendors have the right to attend the bid opening and view the certifications and other elements of any proposal, including prices. If requested, a PTT staff member may be present at bid openings.

It is the transit system's responsibility to ensure the policies and procedures relating to receipt of bids conforms to and supports the principle of integrity. If documentation from a shipper shows that delivery was attempted, but the transit system was not available to receive the package, the proposal should be considered timely. In your bid package you should inform prospective bidders of your policies concerning the receipt and withdrawal of bids, and the handling of late bids.

Once bids have been opened, it is the responsibility of the individual administering the procurement to analyze the bids in terms of:

- Responsiveness- A potential contractor’s conformance to the requirements of the solicitation. The vendor cannot tie his bid to another bid or make reservations such as, "price may increase due to chassis price increase".
- Responsibility- The potential bidder's potential ability to perform successfully under the terms of the proposed contract. Such responsibility encompasses both technical (plant or facility) and financial capacities. Responsibility can be determined up to the time of bid award.
- Price- To evaluate price, the transit manager compares bid prices. The lowest bid is the bid with the lowest dollar value when using the criteria stated in the bid package, i.e., low base bid or low lifecycle cost. FTA prohibits the use of any state or local preference in the evaluation of bids. Quantity discounts for the purchase of more units than listed in the bid package or discounts for early payments do not count. The bid analysis must be based on the bid price as listed in the bid submittal. The model Schedule of Prices is included at the end of the chapter for evaluating costs.

Should you receive two or more equally low, responsive bids from responsible bidders, the award should be in accordance with pre-established procedures consistent with requirements of state and local law which reflect the order of award priorities. It should be stated in your bid package how this will occur, e.g., coin toss. It must be based on chance and not allow any type of preference.

If only one responsive and responsible bid is received, the transit manager must decide whether to accept the bid or rebid to try to obtain more competition. A single bid may suggest that the specifications may be too restrictive to allow adequate competition. Every effort should be made to have more than one bid. If a transit manager is aware that only one bid is likely to be received, your TPA should be notified.

When analyzing a single bid, documentation showing that the process used was open and competitive must be included. The responsiveness and responsibility of the single bid must be analyzed. The price analysis on a single bid must look outside the procurement for proof that the price bid is reasonable. One way to do a price analysis is by comparing the bid received to the low bids received in recent procurements around the state for similar units (adjustments must be made for any variations in the specifications and for the time differential). If no comparable units have been procured recently, a more detailed analysis examining the actual costs of producing the unit(s) in order to determine the degree of profit included in the bid must be done.

The transit manager or person administrating the procurement is responsible for analyzing single bids. Technical Assistance in this process may be requested from PTT, but responsibility remains with the transit manager.

Awarding to a Qualified and Responsible Contractor

FTA requires that FTA-assisted contract awards be made only to responsible contractors possessing the ability, willingness, and integrity to perform successfully under the terms and conditions of the contract. Responsibility is a procurement issue that is determined by the recipient after receiving bids or proposals and before making contract award. Ability and willingness will generally be demonstrated by information submitted as part of the bid or proposal. Integrity is

harder to verify, but two important activities are checking references and checking to make sure the organization and its principals have not been excluded from work under federally funded contracts.

Non-responsive and Non-responsible Bidders

An award to a bidder other than apparent low bidder can occur when the apparent low bidder is deemed either non-responsive or non-responsible. In either case, the transit system shall document its determination by outlining the rationale that serves as the basis for such determination.

Rejecting All Bids

Bid packages should only be cancelled or rejected for valid reasons that are documented. Consult your TPA before canceling or rejecting a bid package. If it is shown that you issued a bid package with no intention of making an award, the bidders may recover the preparation costs for their bids. Single bid situations may justify rejecting all bids if it is felt that greater competition can be obtained through re-bidding. It is important to recognize that the single bidder has expended effort in responding to the initial procurement and will be placed at a disadvantage in a re-bidding since their pricing has been made public.

Award Procedures

After a bid analysis is completed and the transit agency is ready to award a contract, a letter should be sent to your TPA containing the following information:

- Names of all bidders
- Compliance of each bidder with specifications
- Prices bid
- Identification of low responsive bid
- Request to award to vendor with low bid
- Solicitation identifier
- Funding agreements in which the items have been programmed
- Copy of notice
- Vehicles also require:
    - FMVSS Certification
    - Copy of other Certifications

PTT will review the analysis and concur if all requirements have been met. No purchase order or award may be given prior to PTT approval. In some instances, the transit manager may need to obtain approval more quickly by phoning PTT, submitting the analysis by email, and receiving a verbal concurrence. A letter must follow to receive written concurrence from PTT, provided that the written analysis is consistent with prior communications.

In order for the TPA to concur with a single bid award, the transit manager must also provide the following information:

- Copy of the published notice of bid
- Certification that all vendors on PTT list were individually notified (if applicable)
- Justification that any restrictive requirements serve a functional need

- Price analysis

If the single bid is not approved, it may be necessary to rewrite the specifications and/or advertise to a larger audience. PTT will provide guidance and assistance if rewriting a specification is necessary.

Once PTT has concurred in the award decision, the transit manager should communicate the decision in writing to all parties submitting bids (including any late submitters). Notices of intent to award should be sent "return receipt requested", faxed or emailed.

The transit manager shall then allow a 10-day-waiting period to determine whether there will be any protest of the award decision. At the end of that period, if no protest has been received the transit manager may issue a purchase order or contract. The system's purchase order should refer to units being in full compliance with specifications, terms, and conditions of the procurement.

Change Orders and Purchase of Options Not Included in Bid

Except in the case of construction projects, the cost of changes or non-bid options shall not be eligible for reimbursement. Any change order/non-bid option requires concurrence by PTT. If significant in nature, changes and non-bid options may invalidate the total procurement and result in the total procurement being ineligible for reimbursement.

Protest Process

The procuring agency's policy should include internal protest procedures and time frames, and also address confidentiality and award withholding. The contractor has the right to protest the award and must follow the administrative procedures you establish as the procuring agency. Iowa DOT has a Transit Procurement Protest Procedure that can be used. The protest procedure should be a part of every bid package.

A protest is directed to the party conducting the procurement and normally asks that a particular procedural or material decision be reversed. The protest should also include the vendor's justification for making the protest.

Vendors may protest at various stages during a procurement. The following are reasoning a vendor might protest in advance of a bid opening:

- An improper solicitation method is being used.
- A specification is unduly restrictive without a functional basis.
- Selection criteria include an illegal local preference.
- The denial of an approved equal response was not justified based on a functional need.

If a protest has been filed before the opening of bids, the transit system should not open bids prior to the resolution of the protest, unless PTT has given approval to open the bids on the basis of an emergency situation.

PTT should be contacted immediately if a transit system has been made aware of a possible protest. Each protest situation is unique and will need to be discussed with your TPA as to how the situation may be resolved. Protests after an award decision might allege the following:

- evaluation criteria set forth in the solicitation document was not adhered to

- criteria changed during evaluation of proposals
- an improper procedure was followed in issuing the award
- award was made to a vendor that was not the low responsive and responsible bidder
- award was made when there was a single bid

When a protest has been filed before an award the transit system should not make an award prior to the resolution of the protest.

Vendors have a right to protest if they feel an error was made in the solicitation process. It is important to carefully follow proper procedures to avoid providing reasons that a protest/appeal could be upheld. Some tips to help avoid getting protests include:

- If the transit system knows there is only one qualified bidder, make every attempt to find other bidders. Call potential vendors, advertise nationally, and be sure specifications are not written specifically toward one vendor.
- Give vendors the opportunity to share concerns regarding possible minor changes in specifications.

If a transit system can provide legitimate justifications for restrictive specifications, the use of a sole-source procurement method, or the award of a contract to a firm that did not submit the lowest price, the protest may be denied. In notifying the protestor of the denial, the transit system must inform the protestor of their right to appeal.

The procuring agency must make every effort to award a contract in a fair manner following bid review, evaluation, and award procedures. In the event that a bidder feels that a contract award has been made unfairly or improperly, the procuring agency must have in place a policy to handle protests by contractors. It is the responsibility of the agency administering the procurement to respond to the protest after getting concurrence from PTT. If the vendor is not satisfied by the local response to the protest, the vendor may appeal to PTT, as the FTA grantee.

Procurement Documentation

Under 2 CFR 200.334 – 200.338 and the FTA Master Agreement, recipients must prepare and maintain detailed and accessible project performance and financial records, including procurement transactions and other project implementation aspects. Records must be retained for three years after final payment and closure of all pending matters. FTA, DOT officials, the U.S. Comptroller General, and their representatives the right to access and inspect all project-related records, documents, and papers, including contracts, funded with Federal assistance under 49 U.S.C. Chapter 53.

Written records will vary for different procurements. Documents included in the file should correspond with the size and complexity of the procurement. At a minimum, the records should include:

- Procurement Method- Rationale for the procurement method used for each contract. If the recipient awarded a contract without competition, its records must document the circumstances that justified the noncompetitive award.

- Contract Type- State the reasons for selecting the contract type the transit agency used (fixed price, cost reimbursement, and so forth).
- Contractor Selection- Justifications for contractor selection or rejection, especially for noncompetitive awards, are required. For procurements above the simplified acquisition threshold, a written responsibility determination for the chosen contractor should be included.
- Cost or Price- Evaluate and state the justification for the price.

Bid specifications and all related correspondence, including correspondence with potential bidders, should be kept for a minimum of three years after the contract has closed. The transit manager is encouraged to notify PTT when capital purchases are completed to allow an expedient closeout of the agreement.

Pre-Award Authority/Advanced Authority to Incur Costs

Before beginning the procurement process for a federally funded capital purchase, you must have:

- A current TIP that includes justification for the project(s)
- The item is included in an FTA grant application requesting funds for the project(s)

Pre-award authority allows recipients to incur certain project costs before FTA issues an award. It also allows recipients to retain reimbursement eligibility after award approval. The recipient assumes all risk and is responsible for ensuring that all conditions are met to retain eligibility, including procurement requirements and cost allowability. FTA may authorize pre-award authority for direct recipients through a NOFO or when competitive awards are publicly announced. When pre-award authority is not generally provided, it must be approved through a Letter of No Prejudice (LONP) provided by FTA to the recipient. If the application indicates that the recipient is exercising pre-award authority, when a grant or cooperative agreement for the project is subsequently awarded, TrAMS generates the initial FFR to capture the pre-award costs, which must be completed.

For transit agencies using federal capital funds through Iowa DOT, Pre-Award authority must be requested using Iowa DOT's Advanced Authority to Incur Costs form. The form will need to be completed, signed and submitted to the TPA. The request will be reviewed, and an approval letter will be sent to the transit agency making the request. The approval letter must be received prior to awarding contracts for purchase of goods or initiation of service prior to the approval of a grant.

Rolling Stock

Rolling Stock applies to vehicles used to transport passengers and includes buses, vans, sedans, etc. Light duty vehicles used for administrative and maintenance purposes are considered equipment. The Best Practices Procurements and Lessons Learned Manual along with the FTA circular 4220.1G discuss rolling stock procurements in greater detail. The following federal laws and regulations impose requirements that may affect rolling stock procurements:

- Accessibility
- Transit Vehicle Manufacturer Compliance with DBE Requirements
- Minimum Useful Life

- Spare Ratios
- Pre-Award and Post Delivery Review
- Bus Testing
- In-State Dealers
- Basis for Contract Award
- Time Limits for Options on Rolling Stock Contracts

Pre-Award Audit

A transit system purchasing revenue service rolling stock with FTA funds must ensure that a Pre-Award Audit Certification is completed before entering into a formal contract for the purchase. One copy of the certification is retained by the transit system and one copy is sent to PTT with the request for concurrence in the contract award.

The Pre-Award Audit Certification contains certifications for three requirements:

- Buy America – No purchase order can be issued until the successful bidder supplies a list of the component and subcomponent parts of the rolling stock. The listing needs to include the manufacturer of the parts, their country of origin and the cost or percentage of the vehicle cost. The location of the final assembly point must also be stated. The item must contain at least 70% American-made components.
- Recipient Certification that the vendor has certified that it will meet all of the specifications in the solicitation.
- Recipient Certification that the vendor has certified that it will meet applicable FMVSS standards.

Post Delivery Audit

A transit system purchasing revenue service rolling stock with FTA funds must ensure that a post-delivery audit is completed before application is made for a title to the vehicle or the vehicle is used by transit system. The transit manager certifies that the vehicle meets requirements, and the post-delivery audit is completed by signing a Post-Delivery Audit Certification. The certifications are retained by the transit system for three years after the project close out and sent to PTT with the application for transit bus plates and/or vehicle title. FTA has developed a handbook on Conducting Pre-Award and Post-Delivery Audits for Bus Procurements.

The post-delivery audit requires the purchaser to make three certifications similar to the pre-audit certifications, but now based on the buses that have been delivered:

- Buy America Certification
- The purchaser's requirements certification that now includes a complete visual inspection and road tests to demonstrate that the buses meet the contract specifications
- The FMVSS Certification

The bus grant can be used to cover travel expenses related to on-site inspections to the factory. The on-site visit is a requirement when purchasing 10 or more buses. It is optional if purchasing 10 or fewer.

The recipient can conduct the on-site inspection, or a resident inspector can assist in this process. A resident inspector is someone other than an agent or employee of the manufacturer that goes to the manufacturing site during the period of manufacture of the rolling stock to be purchased. The resident inspector will monitor and complete a report that provides records of vehicle construction activities and addresses how the construction and operation of the vehicles fulfills the contract specifications. The Resident Inspector's Report can assist the transit agency in verifying that the vehicle meets the contract specifications. An on-site resident inspector is not required for:

- Procurements of 10 or fewer buses
- Procurements of 20 or fewer vehicles serving rural areas, or urbanized areas of 200,000 or fewer people
- Procurements of any number of primary manufacturer standard production and unmodified vans

For these types of procurements, only a visual inspection and road testing upon delivery to the recipient are required to certify compliance with the contract specifications.

Change Orders and Purchase of Options Not Included in Bid

Except in the case of construction projects, the cost of changes or non-bid options shall not be eligible for reimbursement. Any change order/non-bid option requires concurrence by PTT. If significant in nature, changes and non-bid options may invalidate the total procurement and result in the total procurement being ineligible for reimbursement.

Make Ready Costs

Vehicle make-ready costs are an eligible capital expense under a capital project for a vehicle purchase. The following items may be specified in the procurement as part of the capital cost of the vehicle, or be done after delivery of the vehicle and be eligible as make-ready expenses:

- Painting to the system's color scheme
- Adding system's identification
- Installing safety equipment
- Installing running boards, extra mirrors, and/or lights
- Transferring, purchasing or installing radios, fare boxes, surveillance cameras, mobile data terminals, etc. to the new vehicle
- Purchasing extended warranties

The TPA can answer questions about whether other items are eligible make-ready costs. Competitive procurement principles and procedures must be used.

One category of make-ready expenses is the cost of installing accessories transferred from an existing vehicle into a replacement vehicle. Items such as two-way radios, mobile phones, fare boxes and destination signs are considered to have longer useful life than light-duty transit vehicles and must often be transferred to the replacement vehicle. The cost of removing and installing these transferred items is eligible as part of the vehicle purchase. Wheelchair lifts that meet ADA requirements may also be transferred to the new vehicle as a make-ready cost.

The purchase of used vehicles follows the same procedure for transferring accessories. The cost of adding features normally part of a transit vehicle (and not considered distinct capital items), are legitimate makeready expenses. Transferring existing larger accessories are also legitimate make-ready expenses.

Prohibited Features

- School Buses- FTA funds may not be used for the purchase of yellow school buses or non-yellow buses with other features such as stop arms, school flashers or permanent signs indicating school usage. FTA does not allow exclusive school transportation on any FTA-funded vehicles. Therefore, FTA does not allow any features on the vehicle that make it appear to be providing exclusive school service.

  In Iowa, a flashing white strobe light is reserved for school buses. Iowa law prohibits non-school vehicles from having this equipment.

- Steel Frame- PTT has no evidence that adding a steel frame to a body-on-van-chassis vehicles improve performance or safety. Steel frames cannot be required in the bid specification. Specifications can require the vehicles to meet FMVSS for rollover, fuel system integrity and joint strength tests. Steel framing can be requested as an option in a body on van chassis, but this factor may not be used in determination of low bid. (The anchorage requirements for ADA securement systems may indirectly require a certain amount of metal framing in fiberglass-bodied vehicles.)

Inspection Acceptance and Payment

Inspection is the final action taken by the transit system to determine if the product or service delivered meets the specifications or the statement of work. All specifications in the solicitation package should be met before accepting the product or service. Failure to enforce the terms of the procurement can result in legal liability and can interfere with other transit system's ability to enforce similar provisions.

Acceptance refers to the actions of the transit system that signify that the product or service is acceptable, and the supplier has performed the required tasks. Such acceptance may be accomplished through issuance of a written statement or by use of the product without advance written notification to the vendor of any deficiencies.

At least partial payment must be made to vendor before any revenue use of the vehicle occurs. Full payment should not be made until deficiencies are corrected and the transit system is satisfied with the vehicle/purchase. If deficiencies are noted, a portion of the bid price up to 10 percent of the total cost or the estimated cost of correction whichever is larger, may be withheld. The transit system should work with the vendor in good faith to resolve any delivery defects but should not let the vendor "off the hook."

State Procurement Requirements

The requirements for capital projects funded solely with State Transit Assistance (STA) or Public Transit Infrastructure Grant (PTIG) funds are similar to the procedures in this chapter. The review and concurrence by the PTT are the same as presented in this chapter; however, some federal requirements such as Buy America are not requirements of procurements without federal funds.

Guidance for conducting procurements funded solely with state monies can be found at: https://iowadot.gov/modes-travel/transit/open-procurements. Transit Programs Administrators (TPAs) can answer questions about differences in the procurement procedures when no federal funds are used.

Bid specifications for projects over $50,000 must be submitted to the Iowa DOT for approval.

Any property purchased and/or any land on which facilities are to be constructed upon with State funds shall be free of all legal encumbrance and a legal description of the designated tract of land shall be on file with the transit agency.

The transit system agrees that any property purchased, or any facility constructed with State funds shall be used for the provision of public passenger transportation service within the area described in the application for the useful life of the property/facility as determined by the Iowa DOT.

If the property is not continuously used for public passenger transportation in a manner similar to that intended by the application, the transit system shall immediately notify the Iowa DOT. PTT will determine how much useful life is left in the facility and decide the best course of action.

State of Iowa Executive Order Number Five B20

In Executive Order number five, effective December 3, 2019, the State of Iowa Executive Branch agencies need to ensure that any procurement solicitations, request for proposals or requests for bids for vehicles containing diesel engines shall require the responses to certify that the engine manufacturer has provided explicit written support for the use of B20 biodiesel.

References & Important Links

- FTA Circular 4220.1G Third-Party Contracting Guidance
  https://www.transit.dot.gov/sites/fta.dot.gov/files/2025-01/Third-Party-Contracting-Guidance-%28Circular-4220.1G%29.pdf
- FTA Best Practices Procurement and Lessons Learned Manual
  https://www.transit.dot.gov/sites/fta.dot.gov/files/2026-07/fta-best-practices-procurement-and-lessons-learned-manual-2026.pdf
- 2 CFR Part 200 Uniform Guidance "Super Circular"
  https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200?toc=1
- FTA Master Agreement 2025
  https://www.transit.dot.gov/sites/fta.dot.gov/files/2025-04/FTA-Master-Agreement-v33-04-25-2025.pdf
- FTA Circular 5010.1F Award Management Requirements
  https://www.transit.dot.gov/sites/fta.dot.gov/files/2024-10/C5010.1F-Circular-11-01-2024_0.pdf
- FTA Certifications and Assurances
  https://www.transit.dot.gov/funding/grantee-resources/certifications-and-assurances/certifications-assurances
- APTA's Standard Bus Procurement Guidelines
  https://www.apta.com/research-technical-resources/standards/procurement/
- National RTAP ProcurementPRO
  https://www.nationalrtap.org/Technology-Tools/ProcurementPRO/Support
- Pricing Guide for FTA Grantees
  https://www.transit.dot.gov/funding/procurement/third-party-procurement/pricing-guide-fta-grantees
- System for Award Management (SAM)
  https://sam.gov/
- Iowa Code Chapter 68B Government Ethics and Lobbying
  https://www.legis.iowa.gov/DOCS/ACO/IC/LINC/Chapter.68B.pdf
- Approved Equals, Exceptions, and Clarifications Request
  https://iowadot.seamlessdocs.com/f/ApprovedEqualExceptionClarificationRequest
- Certification of Compliance with Bid Specifications and Provisions
  https://iowadot.seamlessdocs.com/f/CertificationofCompliancewithBidSpecification
- Schedule of Prices
  https://iowadot.seamlessdocs.com/f/ScheduleofPrices
- Iowa DOT Advanced Authority to Incur Costs Form
  https://iowadot.seamlessdocs.com/f/CO191010000124990816
- Transit Equipment Purchase Contract
- Pre-Award Audit Certifications
  https://iowadot.seamlessdocs.com/f/PreAwardAuditCertifications
- Post-Delivery Audit Certifications
  https://iowadot.seamlessdocs.com/f/PostDeliveryAuditCertifications
- Buy America Certification – Rolling Stock

https://iowadot.seamlessdocs.com/f/BuyAmericaCertificationRollingStock

- Buy America Certification Non-Rolling Stock
  https://iowadot.seamlessdocs.com/f/020083BuyAmericaCertificationNonRollingStock
- Federal Motor Vehicles Safety Standards
- Certification of Restrictions on Lobbying
  https://iowadot.seamlessdocs.com/f/CertificationofRestrictionsonLobbying
- Standard Form LLL
  https://www.gsa.gov/reference/forms/disclosure-of-lobbying-activities
- Non-Collusion Bidding Certification
  https://iowadot.seamlessdocs.com/f/NoncollusionBiddingCertification
- Iowa Transit Vendor/Service Provider Certification Regarding Debarment, Suspension, and other Ineligibility and Voluntary Exclusions
  https://iowadot.seamlessdocs.com/f/CO19091000124092054
- Transit Procurement Protest Procedure
  https://iowadot.seamlessdocs.com/f/ProtestProcedure
- Iowa DOT Open Procurements
  https://iowadot.gov/modes-travel/transit/open-procurements

Chapter 10 Capital Management

Capital management is an important aspect of public transit since it affects the safety, marketability and financial integrity of the transit system. Transit is dependent on its capital equipment to accomplish its mission. All property purchased with federal and state dollars is the responsibility of the transit system. The transit system retains title to all property, providing the property is used for public transportation. Sub-recipients of federal dollars administered by the Iowa DOT are required to certify that any property purchased with those funds is used for public transportation services within the sub-recipient's service area or other area described in the grant application for the life of the equipment or facility.

FTA retains a federal interest in any federally assisted property financed with FTA assistance until and to the extent that, FTA relinquishes its federal interest in the federally assisted property. This applies to real property, equipment and supplies.

All property acquired under a federal award must be used and disposed of in accordance with the requirements in FTA Circular 5010.1F and 2 CFR 200

Property Inventory

Vehicles

As required by the Transit Asset Management (TAM) regulations, all rollingstock capital equipment regardless of funding source (local, state, and/or federal) plus all non-rollingstock equipment valued at $50,000 or more must be inventoried with the Public Transit Team and information updated annually. This requirement includes non-revenue vehicles, such as administrative vehicles, snowplows, and other equipment utilized to support public transit functions. Capital items are added to the inventory using BlackCat. The information should be entered as soon as new or transferred equipment is received. When the Add New button is selected the box below populates and asks whether the new vehicle is funded by DOT. If the replacement vehicle is funded through a DOT administered contract, select Yes. If the replacement vehicle is funded locally or through a direct FTA grant, select No. This designation is important for the vehicle disposition process. Questions regarding inputting these items into BlackCat should be directed to Brent Paulsen on the Public transit team at brent.paulsen@iowadot.us

All vehicles and other equipment must be assigned a unique property identification number to allow the items to be traced easily. Equipment purchased as an integral part of the vehicle does not need to be separately inventoried. For example, a lift or destination sign that is purchased as part of a vehicle does not need to be inventoried. Include the identification number when entering the inventory information in BlackCat. There is a spot in BlackCat for non-revenue vehicles/inventory. Once an item is assigned a number, it retains that unique number throughout its life. An inventory number cannot be reused.

An annual inventory update is required from all transit systems and odometer readings are updated at this time. Actual odometer readings for each vehicle should be taken at the close of the last business day of the fiscal year, or prior to beginning operations on July 1. Odometer readings are submitted in BlackCat. Odometer readings must be the actual number on the odometer and not an

estimate from a milage report. The numbers must be entered by July 15th. Necessary revisions of the data should be brought to PTT's attention.

Facilities

- Inventory- PTT is required to maintain an inventory of all facilities funded with federal and state funds administered by PTT. The real property inventory information is due to PTT by August 15th of each year. The real property inventory must include:
  - property location/physical address
  - use and condition of the property
  - summary of conditions on the title
  - brief description of improvements expansions, and retrofits
  - corresponding useful life for the assets
  - date placed in service
  - original acquisition cost
  - sources of funding
  - federal and non-federal participation ratios
  - award identification number
  - appraised value and date
  - anticipated disposition or action proposed
  - date of disposal
  - sale price of the property
  - reason for excess property

  Iowa DOT is required to submit a Real Property Status Report to the FTA. As the federal interest in real property is indefinite until disposition, FTA requires that any recipient with FTA assisted real property to submit a Real Property Status Report. The required elements of the Real Property Status Report can be found in FTA Circular 5010.1F. If substantial changes occur at your facility, due to construction, remodeling, repair, or expansion, please notify your TPA.

- Incidental Use – Facilities built, purchased, and/or remodeled with federal or state funding through the Iowa DOT are granted funding based on the building's expected use as a public transit facility. If a public transit system finds it has extra space not needed for public transit functions, it may consider leasing or making that space available to other non-FTA funded organizations. Examples of this may include, but are not limited to, allowing extra space in a bus storage facility for the use of parking a school bus or city vehicle or leasing out space to a coffee shop in a bus transfer facility. Those types of uses, however, are considered incidental and permission must be granted by the PTT prior to allowing the facilities to be utilized in that manner. To request permission, please email or send a letter to the transit system's Transit Programs Administrator (TPA) detailing the space available and the proposed use. The TPA will respond, either granting or denying the request.

  Similarly, large urban public transit systems receiving funding for facilities directly from FTA must contact FTA Region 7 for incidental use permission.

For all systems with incidental use permission, it is recommended to have a lease agreement or other type contract with the non-FTA funded entity to outline expectations for use of the space.

Maintenance

In applying for and accepting state or federal assistance for capital equipment, a transit system makes a commitment to use that equipment in its public transit program. The equipment must be used through the end of its useful life and be maintained in proper operating condition, including proper repair. This applies whether the capital funding is administered through PTT or directly from FTA. PTT has adopted usage standards consistent with federal utilization policies for equipment purchased with funds PTT administers.

Transit systems are required to maintain the property at a high level of cleanliness, safety and mechanical soundness. The cost of such maintenance shall be the full responsibility of the transit system. Each transit system must establish a plan and budget funds to implement measures to maintain each type of federally and state funded asset it has received. The Public Transit Team (PTT) has the right, and obligation, to review the transit system's maintenance and safety programs and to conduct periodic inspections of equipment and facilities funded with state and federal funds administered by PTT.

Maintenance Plan

Each transit system is required to have a documented plan on file covering vehicle, equipment, and facility maintenance. The plan shall address the goals and objectives of the maintenance program. It must also include a description of the strategies and actions that will be done to accomplish the objectives. Each transit manager should have a workable maintenance schedule appropriate for his/her own system. A description of the periodic inspections and defined preventive maintenance intervals should be included. The plan should be updated as the equipment mix changes. Americans with Disabilities Act (ADA) accessibility features on all vehicles, equipment and facilities must be kept in good operating order. The maintenance plans should show that the accessibility features are checked regularly for proper operation and receive periodic maintenance.

The PTT is responsible for ensuring FTA and state funded vehicles, facilities, and equipment are in good operating order. It is also responsible for ensuring maintenance of ADA accessibility features for vehicles, facilities and facility related equipment used in public transportation service, even if the assets were not purchased or constructed with state or federal funds. Documentation of maintenance performed, following the maintenance plan, is required by the PTT, and will be checked by PTT staff periodically, during compliance reviews at a minimum. Inspections that are no later than 10% of schedule are considered on time. For example, a scheduled 6,000-mile inspection would be considered 'on time' if it was performed any time before 6,600 miles. A transit system is deficient if fewer than 80% of the inspections occurred on time. Transit systems are not penalized for early inspections, only late ones

Warranty Claims

All vehicles and most other equipment are typically purchased with standard warranties. Some transit agencies may also choose to purchase extended warranties to further protect their assets. For federally funded vehicles, extended warranties may be purchased as a 'make ready' item as

long as funding is available on the contract. Vehicles and equipment under warranty may require a series of preventive maintenance actions to keep the warranty valid. Preventive maintenance schedules that meet or exceed manufacturer's requirement for warranty must be included. The Maintenance Plans are required to describe a procedure to identify warranty repairs, record the warranty claim, submit the claim to the manufacturer, and follow up on warranty claims.

Signage and Safety Equipment for Public Transit Vehicles

Service open to the general public is a condition for receiving federal and state funding. FTA requires that vehicles be clearly marked to show that the vehicle is open to the public. Regardless of funding source-local, state, or federal- in accordance with Iowa Code Chapter 721.8, "All publicly owned motor vehicles shall bear at least two labels in a conspicuous place, one on each side of the vehicle. This label shall be designed to cover not less than one square foot of surface. This section does not apply to a motor vehicle which is specifically assigned by the head of the department or office owning or controlling it, to enforcement of police regulations or to motor vehicles issued ordinary registration plates pursuant to section 321.19, subsection 1." This section would apply to such public transit agency vehicles as staff cars and maintenance trucks, etc. Violation of 721.8 is a serious misdemeanor.

Under all funding programs, the Iowa DOT, with input from transit providers, requires transit systems to establish a vehicle marking policy including the following standards:

Vehicle Signage

	Signage	Regional	Small Urban <50,000 pop.	Large Urban >50,000 pop.	Wrapped Buses
Open to the Public Sign or "Public Transit"	Each vehicle must have signage stating the vehicle is open to the general public or must state public transit. The sign must be displayed on three sides of the vehicle (each side and rear).	Required	Required	Exempt	Exempt
Transit Agency Name	Each vehicle must display the name of the designated public transit agency on each side of the vehicle. The name displayed must be a minimum of one square foot in area and can be a legal name or a "DBA"/nickname of the designated transit agency. On light-duty buses or larger vehicles, the name must be in lettering that is at least six inches (6") high in color contrasting with the background. On vans or	Required	Required	Exempt	Exempt

	Signage	Regional	Small Urban <50,000 pop.	Large Urban >50,000 pop.	Wrapped Buses
	smaller vehicles, the name must be in lettering that is at least three inches (3”) high in a color contrasting with the background. Placement of the agency name on the front and/or back of the vehicle is optional. For vehicles not owned by the transit agency, the display of the transit system is not required by the Code but is a condition for receipt of official plates and for service statistics to be counted towards transit funding formulas. Minor deviations from the specified lettering dimensions may be approved on a case-by-case basis by the Director of the Public Transit Team.				
Vehicle ID Exterior	Each vehicle must display a vehicle ID number on the passenger side front (in the most visible location) and on the back of the vehicle in a lettering color that contrasts with the background. On light-duty buses and larger vehicles, this number must be in lettering at least four inches (4”) in height and in a color that contrasts with the background. Vans and smaller vehicles must have lettering that is at least two inches (2”) in height and in a color that contrasts with the background. The ID number must be the same number that is submitted for the Iowa DOT’s transit inventory. Minor deviations from the specified lettering dimensions may be approved on a case-by-case basis by the Director of the Public Transit Team.	Required	Required	Exempt	Exempt

	Signage	Regional	Small Urban <50,000 pop.	Large Urban >50,000 pop.	Wrapped Buses
Phone Number	Each vehicle must display the transit agency phone number for ride requests / route information. The information must be displayed on each side of the vehicle in lettering at least four inches (4”) in height and in a color that contrasts with the background (light-duty buses and larger vehicles). Vans and smaller vehicles must have lettering that is at least two inches (2”) in height and in a color that contrasts with the background.	Required	Required	Exempt	Exempt
Website Address	It is recommended the transit agency website be displayed on each side of the vehicle in lettering at least four inches (4”) in height and in a color that contrasts with the background (light duty buses and larger vehicles). Vans and smaller vehicles must have lettering that is at least two inches (2”) in height and in a color that contrasts with the background.	Recommend	Recommend	Recommend	Recommend
Ethanol Sticker	All public agencies in Iowa are required to use ethanol blended gasoline in any gas engine vehicles and to display a gasohol or ethanol bumper sticker. This includes transit vehicles.	State Law	State Law	State Law	State Law
Rail Crossing Stop	All transit vehicles are required to stop at railroad crossings. The rear of each vehicle must bear a sign saying: “This vehicle stops at all RR Crossings.” Agencies may choose to supplement this with an additional sign saying: “This vehicle makes frequent stops”.	Required	Required	Required	Required
Access Sign	The vehicle entrance which is accessed by wheelchairs is	Required	Required	Required	Required

	Signage	Regional	Small Urban <50,000 pop.	Large Urban >50,000 pop.	Wrapped Buses
	required to be denoted with a universal accessibility symbol.				
No Smoking Sign	All public transit vehicles in Iowa are required to be signed with No Smoking stickers. The sign must be visible to passengers on the outside when boarding the vehicle.	State Law	State Law	State Law	State Law
Contracted Provider Name	Those agencies choosing to contract with other agencies to operate vehicles as part of the transit program, may at their option, allow the display of the name or nickname of the contracted provider at the lower rear corner on each side of the vehicle, following the words "Operated by:" or "Vehicle Owned and Operated by", as appropriate. Lettering for this signage cannot exceed 50% of the height of the lettering used for the transit agency name. No other signage will be allowed for contracted providers unless included as part of paid advertising.	Optional	Optional	Optional	Optional
Vehicle ID Interior	Each vehicle must display the vehicle ID number on the inside of all vehicles. The ID number must be in a location that is visible to as many passengers as possible without obscuring the vision or safety of the driver. The number must be in lettering at least 2 inches (2") in height in a color that contrasts with the interior color of the vehicle. The ID number must be the same number that is submitted for the Iowa DOT's transit inventory. Minor deviations from the specified lettering dimensions may be approved on a case-by-	Required	Required	Exempt	Exempt

	Signage	Regional	Small Urban <50,000 pop.	Large Urban >50,000 pop.	Wrapped Buses
	case basis by the Director of the Public Transit Team.				
Title VI Notice to the Public	The transit system's Title VI Notice to the Public must be displayed in each vehicle.	Required	Required	Required	Required
Securement Location Sign	Wheelchair securement location(s) are required to be signed. The signage must state Securement Location. Use of the universal accessibility sign is not adequate for the securement location.	Required	Required	Required	Required
Priority Seating Sign	Front seats are required to be signed as priority seating for elderly persons and persons with disabilities.	Required	Required	Required	Required
Emergency Exit Sign	All emergency exits must be signed, including any specific directions to operate the exit, as needed.	Required	Required	Required	Required
Paid Advertising	Advertising cannot obscure required vehicle signage.	Required	Required	Optional	Optional

Safety Equipment

Iowa DOT requires the following safety equipment to be on-board all public transit vehicles when in operation:

- Fire extinguisher
- Bio-hazard kit
- First aid kit
- Reflective Triangles
- Seatbelt web cutter
- Flashlight
- Reflective vest

The Iowa DOT does not require a specific reflectivity level of the vests, only that they be reflective. Also, individual transit systems are responsible for determining when drivers would be required to wear the reflective vest (i.e., all times a bus is moving, whenever driver exits the vehicle, only when the vehicle is having maintenance issues, etc.).

Allowed and Prohibited Uses of Federally Funded Vehicles

Vehicles and equipment purchased with state and federal transit assistance funding is justified solely on the basis of proposed use for public passenger transportation. Allowed uses mentioned in previous chapters include:

- Incidental Use
- Emergency Lending Between Systems
- Intercity Shuttles
- Contract Uses
- Vehicle User Agreements with Subcontractors

See Chapter 8 regarding contracting and Vehicle User Agreements.

PTT does not allow statewide capital funds to be used to purchase staff vehicles. Staff transportation is permissible as incidental use. However, incidental use should not exceed 20-percent of total vehicle use. Staff transportation will not be considered part of justification for additional vehicles. High-mileage backup vehicles may be used for staff transport as long as it does not preclude vehicle availability for backup service.

Systems may use formula or local funding to purchase vehicles for staff use. Staff vehicles used for transit purposes are eligible for transit bus plates. (NOTE: Incidental use does not count toward attainment of useful life thresholds.)

Useful Life Standard and Utilization

State Funded Vertical Infrastructure Useful Life

The Iowa DOT Public Transit Team has established useful life standards for facilities and vertical infrastructure funded through the Public Transit Infrastructure Grant (PTIG) Program. In order to protect the state's investment, the following useful life thresholds will apply to projects funded under the PTIG program:

- Passenger shelters – 15 years
- Renovations to existing facilities – 15 years
- HVAC, water heaters, other associated equipment – 15 years
- Parking garage – 30 years
- Wood frame building, built entirely onsite – 30 years
- Pole building, prefabricated and erected onsite – 30 years
- Brick and mortar building – 40 years

Public transit system recipients of PTIG funding are expected to maintain in a state of good repair the facilities funded under this program for at least the number of years listed above. If the public transit system finds a need to replace or sell the PTIG funded facility prior to the useful life threshold being met, the system must work with the Iowa DOT Public Transit Team on a repayment schedule to buyout the remaining useful life. If a project is funded with both Federal Transit Administration (FTA) dollars and with PTIG funds, the FTA useful life thresholds will take precedence, if longer.

FTA establishes minimum useful life standards to ensure that vehicles, other equipment, and facilities are maintained for transit use for their normal service lives and to ensure that the vehicles and equipment purchased are necessary for public transit service. If PTT determines that a transit system is failing to use or maintain any equipment item or facility properly, the office will notify the transit system and may withhold further state and federal assistance. This may be done until adequate measures are taken to correct the inadequate use or maintenance of the federally funded asset. In some instances, PTT may ask that the equipment be offered for transfer to another transit system or that the state and/or federal share of the item purchased be returned to PTT.

Computers and Other Office Equipment

Equipment such as computers, radios and fareboxes purchased with state or federal dollars must also be used to its maximum capacity. Computers, copiers, and other office equipment are eligible items for capital funding to the extent that they are used for support of the recipient's public transit program. The availability of statewide funding for this type of project will depend on the annual PTMS prioritization process. Formula funds or STBG funds may also be available for this purpose based on local programming.

Recipients that may be multi-purpose agencies (cities, Council of Governments, etc.) must either affirm that the equipment will be dedicated to public transit use or prepare and submit for PTT review a cost allocation proposal. Such a proposal must either show what percentage use of the proposed equipment will be dedicated to transit or show the transit percentage of use of an overall multiple equipment package. (Example: Transit might buy a network printer used by others, but in return is proposed to have free use of a color copier or phone system funded by another program.)

Fleet Utilization Standards

Service life of rolling stock begins on the date the vehicle is placed in revenue service and continues as long as it is in service. If a vehicle is out of service for an extended period, the time out of service does not count toward the minimum useful life. Incidental service mileage also does not count toward the minimum useful life. If a vehicle is rehabilitated with federal funds, the useful life is extended by fifty percent and a new replacement threshold is in effect. FTA regulations allow vehicles to be replaced with FTA funding once a vehicle has met either the age or mileage standards. FTA does allow for replacement of vehicles prior to reaching the useful life threshold, but the federal share on the replacement project will be prorated based on the percent of useful life attained.

Iowa uses slightly different standards in prioritizing vehicle replacement/rehabilitation projects for statewide funding through the Public Transit Management System (PTMS) process which can be accessed on PTT's Policies webpage. The Iowa scoring method considers both age and mileage of the vehicle.

PTT encourages full utilization of every vehicle within your fleet throughout its useful life, especially vehicles purchased with funds administered by PTT.

The US DOT's Office of Inspector General (OIG) established a minimum fleet utilization standard of 10,000 miles that must be accumulated per vehicle each year. Implementation of policies to rotate equipment in a manner that assures compliance with the OIG's fleet utilization standard for each vehicle that has not met one of FTA's minimum useful life criteria is expected of each agency unless

other measures are approved. Each transit manager is expected to ensure that agency policies and procedures result in intensive vehicle use. The 10,000 mile per year requirement drops down to 3,000 miles per year once a vehicle has reached its useful life threshold.

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

- The OIG's minimum utilization standard is met; or
- The director of PTT approves a case by case waiver. (This will only be done after PTT has reviewed justification and is satisfied that all measures have been taken to meet this standard.)

Note that 10,000 miles per year is a minimum. Vehicles with only 10,000 miles per year will take a long time to accumulate PTMS priority points. Low use vehicles will have to be maintained for a long time and could become problematic before PTMS points are high enough for replacement. Systems should rotate all vehicles to achieve a higher degree of utilization than the minimum. When purchasing vehicles, usefulness and flexibility should be considered when specifications are developed. For reference, the Iowa DOT's PTMS Policy on low-vehicle usage is as follows:

PTMS Policy on Low-Vehicle Usage

For those vehicles that have not met their useful life and have accumulated less than an average of 10,000 miles per one-year period or for vehicles that have met their useful life and have accumulated less than an average of 3,000 miles per year over a two-year period, if no justification is provided or the provided justification is not considered acceptable by PTT after consulting with the Public Transit Advisory Council (PTAC):

- 12 age points will be removed from the vehicle for every year in which the minimum mileage was not accumulated.
- In addition, for every four low-mileage vehicles without acceptable justification, one, otherwise justified, eligible vehicle will be dropped out of the current year's PTMS selections, beginning from the top of the priorities list.

Acceptable justification includes:

- Evidence the low usage is temporary
- The mileage reported for the second year shows significant increases, particularly if it goes over the threshold.

Contingency fleet vehicles are exempt from this policy as long as an approved Contingency Fleet Plan is on file with the Iowa DOT, including the vehicle ID numbers and justification of need. A vehicle disposition request must also be approved by PTT each year. It is strongly suggested that Contingency Fleet Plans be submitted to PTT by July 1 each year. In order to assist Iowa's public transit agencies in creating a Contingency Fleet Plan, a checklist has been developed:

- State Fiscal Year Covered

    - A new/updated Contingency Fleet Plan will be required each year that a contingency vehicle is listed in the inventory.
- Description of Current Fleet
    - Number of each vehicle type and total number of vehicles
- Spare Ratio of Fleet
    - Spare vehicles are not the same as contingency vehicles. Spare vehicles are used often in place of vehicles being maintained. Contingency vehicles are kept for special circumstances where the current fleet is not large enough to accommodate a transportation service need. Contingency vehicles are also not considered part of the active fleet and do not count in the calculation of the spare ratio.
- Listing of Vehicle(s) Proposed or Contingency Use
    - Vehicle ID number(s) and type. Include date(s) vehicle delayed disposition requests sent to PTT. No vehicle may be placed in the contingency fleet unless the vehicle has reached the end of its minimum useful life.
- Emergency/Extraordinary Situation that Require Use of Contingency Fleets
- Maintenance Plan for Contingency Vehicles
- Storage Plan for Contingency Vehicles

Vehicle Rehabilitation

A vehicle owned by a transit system may be replaced or rehabilitated when it reaches the FTA minimum useful life standard. Rehabilitation may be a cost effective alternative to replacement. The decision whether to replace or rehabilitate is up to the transit system. PTT policy allows a system to spend up to thirty percent of the program ceiling for vehicle replacement on project to rehabilitate that vehicle. FTA rules require vehicles rehabilitated with federal funds to be operated for an additional one-half of the original useful life.

Projects for vehicle rehabilitation or vehicle replacement are prioritized exactly the same under the PTMS process. Systems may at any time choose to convert a programmed project for vehicle replacement to a rehabilitation project, with the amount of funding for the programmed project being adjusted appropriately.

Systems are encouraged to consider the rehabilitation alternative but are reminded of the commitment to operate the vehicle for an additional 50 percent of the original useful life.

To complete a vehicle rehabilitation project, a written request must be prepared by the transit manager and submitted to the TPA. This must include the results of an inspection identifying the needed work.

Federal and PTT policies require that a rehabilitated vehicle be restored to a condition that significantly extends the vehicle's useful life. A vehicle rehabilitation project must include:

- a complete overhaul or replacement of two or more major drivetrain subsystems (engine, transmission, rear end); or
- a complete overhaul or replacement of one major drivetrain subsystem (engine, transmission, or rear end) and a thorough overhaul or rehabilitation of two or more of the following:

- front suspension (must include more than shocks)
- brakes (not just routine surface turning and shoe or pad replacement)
- air conditioning system (must involve blower fan switches, motor, resistor, and wiring replacement and include more than freon recharge or leak repairs)
- electrical system (must involve every subcomponent)
- exterior body work and repainting (not just minor touch -up work or accident repair)
- wheel bearings and axles
- interior (thorough upholstery recovering, refinishing the walls and replacement of, or resurfacing the floor)
- exhaust system (engine back replaced).

Replacement of expendables, i.e., tires, batteries, filters, lights, mufflers, or brake shoes can be part of the rehabilitation project, but these items cannot be the predominant scope of the project.

If the rehabilitation work proposed is done inhouse or by another transit system, justification and two quotes from for profit vendors for the same work are required. If in house rehabilitation work is approved by PTT, detailed records of the labor and materials must be maintained and only the cost of direct staff time will be reimbursable. PTT must have all documentation on file prior to project close out.

The transit manager or an inspector designated by the manager should oversee work while in progress. The transit manager is responsible for verifying that parts supplied, and repairs performed are as agreed upon. Thorough documentation of actual parts installed, outside repair costs incurred, and work order changes must be maintained by the transit system

After completion of the vehicle rehabilitation, the TPA may arrange a vehicle inspection to ensure that all work was performed properly and according to contract requirements. A new property inventory form will need to be completed and submitted to the TPA. The form needs to have the following items completed for rehabilitated vehicles:

- Property ID Number
- Fund Source
- Project Number
- Acquisition (Completion) Date
- Acquisition (Rehabilitation) Cost
- Federal Dollars
- Percent Federal Dollars
- Odometer Reading at Completion
- Date of Odometer Reading

Requests for payment must be supported with invoices of all work performed by the vendor(s) involved, or by internal billings or timesheets for the direct cost of work performed in-house on a vehicle. Administrative costs are not eligible for reimbursement under vehicle rehabilitation projects funded under grants PTT administers

Disposition of Federally Funded Equipment

Transit systems are required to dispose of any federally funded equipment or facilities that are no longer needed for support of the public transit program. This would normally include equipment that has been replaced, as well as any equipment that is no longer used to capacity. It is essential to cost containment that any underused equipment be identified, especially excess rolling stock. Changing equipment needs are customary at any transit agency due to loss of contracts, service cuts, modifications to a route or mix of passengers on a route or because of dissatisfaction with an equipment make or floor plan. PTT's staff will usually be able to provide suggestions for improving fleet utilization or making vehicle transfer arrangements.

No vehicles or equipment funded through Section 5310, 5311, statewide 5309, 5316 (Job Access/Reverse Commute), 5317 (New Freedom), or statewide ICAAP or 5339 grants may be disposed of or transferred without advance written permission from PTT. The PTT procedures require that any vehicle or equipment no longer needed for a transit system's public transit program, and has met its useful life, must be advertised to all other Iowa transit systems by posting notice of vehicle availability on PTT Classified Ad System through BlackCat. When a vehicle that is purchased through a DOT administered contract is selected for disposition, it will automatically be routed to the Classified Ads System, allowing transit systems the first option to purchase vehicles from peers. Vehicles that are not purchased through a DOT administered contract have the option of bypassing the Classified Ads System and proceeding with the vehicle disposition process.

Systems with excess equipment funded through direct FTA grants or other funding sources are also encouraged to use this method to notify peers of available equipment that could benefit public transit programs in Iowa.

If no other transit system has expressed interest after 30 days from the date an item was advertised on PTT's platform, the transit system with the unneeded equipment may request PTT concurrence to dispose of the item locally. The transit system will not receive notice that the 30 days has passed. The transit system will need to set their own 30 day reminder.

PTT's policy is to arrange transfers for any vehicles purchased under FTA programs administered by PTT so that they will continue to be used in public transit throughout their useful life. If any transit system has equipment purchased with FTA funds administered by PTT that is no longer needed for use by the public transit program, the equipment needs to be made available for transfer to any other Iowa transit system willing to use the equipment to the end of its useful life.

If more than one transit system seeks to obtain an item of equipment, preference will be given to transit systems eligible for the FTA program under which it was originally funded. If necessary, PTT may make the determination of which transit system has documented or demonstrates the greatest need for the equipment, based on the following criteria:

- Emergency needs due to problems with the fleet
- Emergency needs due to problems with the existing fleet
- Emergency needs due to service expansion
- Anticipated needs due to proposed expansion; proposed level of utilization
- Capability to maintain transferred equipment

- Consistency with system's planning and programming
- Other factors that may be appropriate

The federal interest in equipment transferred prior to meeting useful life standards will be transferred outright to the recipient system. Compensation for local share in the equipment shall not be required but may be negotiated between the transit systems if the recipient agrees.

If vehicles are disposed of prior to meeting the FTA established useful life standards the federal interest in the vehicle must include:

- Be transferred to another transit system who commits to operate the equipment up to the minimum useful life
- Be credited against the cost of the replacement vehicle thereby reducing the federal participation by a like amount
- Be refunded to FTA

Transferring Federally Funded Vehicles/Equipment

The transfer of property is documented through a completed Memorandum of Transit Vehicle Transfer. Each party and PTT receive an original copy in any transfer involving PTT administered federal funds. Direct recipients of FTA Section 5307 or 5309 funds must have FTA concurrence prior to transferring federal equipment. The transferred equipment is added to an existing grant, as a zero-dollar project, or is listed as a project with zero federal funds in a new grant.

The transit system transferring the vehicle, signs the title and gives it to the system receiving the vehicle. The transit system transferring the vehicle must also provide the system receiving the vehicle with a signed odometer statement when the vehicle is less than 16,000 pounds and less than 10 years old. The system receiving the vehicle is responsible for titling, insuring and licensing the vehicle. The system transferring the vehicle must delete the equipment from its system's inventory and submit an equipment disposition report to PTT. The system receiving the vehicle must add the transferred equipment to its inventory and notify PTT.

If the system transferring the vehicle has a federal contract to fund the transfer, certain costs are eligible make-ready expenses. The federal share of the vehicle is transferred with the vehicle and federal funds cannot match other federal funds. The cost of repainting the vehicle to the system's color scheme and adding the system's logo are eligible make-ready expenses. If the transit system requires additional equipment, the cost of purchasing and installing such items will also generally be eligible as make-ready costs. General repair and maintenance costs are not eligible as make-ready costs with one exception: a new set of tires may be considered part of make-ready costs for the transferred vehicle. If extensive repair is needed and the vehicle qualifies, it may be appropriate to request a rehabilitation project for the transferred vehicle.

Systems desiring to obtain items offered for transfer for the value of the parts may express interest but must identify that their interest is in the parts rather than in keeping a vehicle in continued revenue service. Requests to secure a vehicle through transfer to make use of its parts shall not be approved by PTT unless prior use of that vehicle exceeds FTA's minimum useful life threshold in years or miles of use. If an item of equipment does not meet an FTA useful life criteria every

alternative for transferring the item to another Iowa public transit agency must be exhausted prior to PTT's approval of some competitive means of disposition to private parties.

Local Disposal of Federally Funded Equipment

There are four methods by which FTA funded equipment may be disposed. If the equipment was purchased with funding administered by PTT, no local disposition is allowed until the equipment has been offered to all other Iowa transit systems, no other transit system wanted the equipment, and PTT has authorized local disposal. The four disposal methods are:

- Sealed Bid - The transit system may sell equipment by sealed bid. The equipment to be disposed of should be advertised in a paper that, at a minimum, covers the transit service area. A time and date must be set for the bids to be received and opened. An analysis of the bids received should be prepared to justify the award to the highest bidder. If the equipment was purchased with funds administered by PTT, a copy of the bid analysis should be provided to your TPA. PTT concurrence must be received prior to award. The advertisement must address the fact that if any transit system expresses interest, that transit system would be given a chance to exceed the high bid.
- Sale by Public Auction - Selling equipment at a public auction is also a way to dispose of federally funded equipment. Check with county or city officials to find out if they have a public auction scheduled. The Iowa DOT holds vehicle auctions several times during the year. If you want your vehicle sold at an Iowa DOT auction, contact your TPA for upcoming auction dates, or check the Iowa DOT Auction web site. If the equipment was purchased with funds administered by PTT, PTT concurrence is needed to dispose of a vehicle at a public auction.
- Sale to Public or Private Nonprofit Agency - If an agency wishes to purchase equipment no longer needed for transit, a fair market value for the equipment needs to be established. This is done by getting at least two appraisals of the equipment. If the equipment was purchased with funds administered by PTT, PTT must concur in the sale of the equipment.
- Buyout of Federal Interest for Non-revenue Use by Recipient - Buyout by the original recipient for parts to be used to support their transit program shall have priority over interest for parts from other systems. However, keeping the equipment in use for transit programs is always the first priority. Offers from other systems, auto salvage firms, or private parties shall also be considered in:
    - deciding whether to part out a vehicle
    - establishing the fair market value of the vehicle.

If the equipment was purchased with funds administered by PTT, PTT concurrence in this method of disposition is required.

Repayment of Federal Share

Effective 11/1/24, FTA Circular 5010.1F outlines the repayment of federal share. Any disposition of federally assisted property before the end of its useful life requires prior FTA written approval. In accordance with 2 CFR 200.313(e) and 2 CFR 200.314, disposition requirements apply to equipment and unused supplies regardless of age or specific use, including premature withdrawal from service. FTA retains a financial interest in all equipment or unused supplies acquired with

Federal funds regardless of the specific value; however, recipients may not need to reimburse FTA for equipment with a disposition value of less than $10,000.

Per 2 CFR 200.313 and 200.314, if an item of equipment or an inventory of unused supplies purchased with Federal assistance is no longer needed for a public transportation purpose and is sold for $10,000 or less, the recipient may retain the full proceeds from the disposition. If the proceeds are greater than $10,000, then per 49 U.S.C. 5334(h)(4)(B), the recipient may retain $5,000 and the percentage of the local share in the original award of the remaining proceeds, with the remaining Federal share returned to FTA. In either case, recipients may not deduct selling and handling expenses from the reimbursement for the Federal share of sales proceeds.

From 11/15/21-10/31/24, If an item of equipment or unused supply purchased with federal funds was no longer needed for a public transit purpose and was sold for $5,000 or less, the recipient may retain the full proceeds from the disposition. If the proceeds were greater than $5,000, the recipient may retain $5,000 and the percentage of the local share in the original award of the remaining proceeds, with the remaining federal share returned to FTA.

Transit Agencies are responsible for setting up a pay.gov account and promptly returning the federal share to FTA. Work with your TPA to determine the percentage to be returned, ensure all required documentation is completed and proof of payment on pay.gov is submitted to Iowa DOT.

Reporting the Disposition of Equipment

Contact PTT when you want to initiate federally funded equipment to be sold, transferred or disposed of in any way. This will need to be entered into BlackCat, and it must be filled out to finalize the federal inventory and document the value of the equipment at disposition. Transit systems are required to post a notice that they have equipment available for sale/transfer in the classified ads for 30 days, and this will be done automatically through BlackCat when the disposition information is entered. The transit system will need to set a reminder for 30 days as BlackCat will not send a notification after the 30 days requirement is complete. The transit system, along with PTT staff will review any transfer requests. The transit system will have 45 days to proceed with the transfer of the equipment to another transit system or dispose of the equipment locally.

A Bill of Sale will need attached in BlackCat when corresponding with the PTT to calculate the percentage of federal interest for repayment. Recipients may not deduct selling and handling expenses from the reimbursement for the federal share of sales proceeds. Disposal of a vehicle prior to PTT selecting the project for funding may result in elimination of the project.

If the transit system intends to keep the equipment longer than 45 days, contact the PTT and discuss the reason for the delayed disposition.

If the transit system has other equipment that is no longer actively being used, the transit system is required to notify PTT and discuss the likelihood of the equipment being used in the future. The transit system may be asked to offer the equipment to other transit systems via the website.

Delayed Disposition

Sometimes the most appropriate opportunity for vehicle disposition may be a few months away or a transit system may have need to use the replaced vehicle for a short while until another vehicle

gets delivered. With PTT approval the transit system may delay disposition for up to one year. If, at the end of this period, the need for the delay still exists, a new request for delayed disposition must be submitted. (PTMS points do not accumulate on delayed disposition vehicles) The Delayed Disposition Request form (Disposal/LKS form) can be found in BlackCat.

Retention of Vehicles

With PTT approval, vehicles may be retained indefinitely and will be treated the same under the PTMS process as replaced/used vehicles purchased or transferred from other transit systems, when prioritizing projects for vehicles replacements or expansion.

Like-Kind Substitution (LKS) of Vehicles

If a vehicle cannot be kept in service until it is successfully programmed for replacement through the statewide PTMS process, a vehicle deemed by PTT staff to be substantially similar, may be used as a replacement vehicle.

- Vehicles within Existing Fleet: With PTT approval, a transit agency may replace a vehicle over federal threshold in place of a similar vehicle (same capacity/weight class). For such like-kind replacements, the PTMS points will be swapped between the two vehicles.
- For vehicles to be acquired with local funds: A transit system may substitute a similar vehicle (miles, age, passenger capacity, ADA features, and mechanical condition) purchased with local funds to continue service in place of a vehicle which cannot be maintained. When done with PTBT concurrence and properly reported, the substitute vehicle will inherit the original vehicle's PTMS points and then accumulate points from that time forward.

Such a request will be submitted in conjunction with a request for advanced disposition. The Disposal/LKS Form can be found in BlackCat. LKS requests must justify why the vehicle should be considered comparable in terms of miles, age, passenger capacity, ADA features and mechanical condition. Please note: a disposal form for the vehicle being replaced must be completed.

Advanced Disposition

Transit systems are encouraged to review the utilization of the vehicles in their fleet and to contact PTT regarding disposition of any equipment which is not needed or not being actively used. Disposal of such unneeded vehicles may require repayment of the federal share, if they cannot be transferred to another transit system that will commit to utilize them for the remainder of their minimum useful life. The Advanced Disposition form (Disposal/LKS form) can be found in BlackCat.

Generally, disposing of a vehicle prior to receipt of a replacement vehicle is considered an indication that the vehicle was not needed for the delivery of public transit services and can result in the cancellation of any programmed project for purchase of a replacement. Under limited circumstances, PTT may authorize disposition of a vehicle in advance of the delivery of a replacement. Such an advanced disposition may be allowed to facilitate transfer to another system with urgent equipment needs, or it may be allowed when a vehicle is in such bad condition that the transit system has acquired a used vehicle to meet its equipment needs until the original vehicle's replacement arrives. In this instance, a Like-kind Substitution (LKS) request should be made in conjunction with the Advance Disposition request. These forms can be found in BlackCat. As noted

above, LKS requests must justify why the vehicle should be considered comparable in terms of miles, age, passenger capacity, ADA features and mechanical condition.

Insurance Settlements

When a vehicle funded through PTT has been in an accident and totaled or can no longer be used as a safe public transit vehicle, the PTT must be notified at once. Insurance information and a letter stating damages and the amount of the proposed settlement to the transit system should be sent to the PTT. The office must concur with the decision to 'total out' any vehicle funded through programs administered by PTT. If insurance is sending the transit system a check for a totaled vehicle, contact the TPA before accepting the check from insurance. The settlement funds must be applied to replace the vehicle of similar age, mileage, capacity and condition for continued transit use. The recipient must first apply the insurance proceeds to cover the remaining federal interest in the destroyed property's replacement. The federal interest is not dependent on the extent of insurance coverage or on the insurance adjustment received. PTT must concur with this purchase. FTA Circular 5010.1F Appendix G has examples of Equipment Disposition Scenarios.

Transit Asset Management (TAM)

Transit Asset Management (TAM) is the strategic and systematic practice of procuring, operating, inspecting, maintaining, rehabilitating, and replacing transit capital assets to manage their performance, risks, and costs over their life cycles, for the purpose of providing safe, cost-effective, and reliable public transportation.

State of Good Repair (SGR) is the condition in which a capital asset operates at full level of performance.

The regulations apply to all Transit Providers that are recipients or subrecipients of federal financial assistance under 49 U.S.C. Chapter 53 and must follow the regulations found in 49 CFR Part 625, "Transit Asset Management," including the requirement to develop or participate in the development of a TAM Plan and amendments to 49 CFR Part 630, "National Transit Database," which includes reporting requirements. These TAM provisions are codified at 49 U.S.C. 5326 and are applicable to all FTA recipients. Each transit provider must designate an Accountable Executive to ensure appropriate resources for implementing the agencies TAM plan and the Transit Agency Safety Plan, regardless of whether it develops its own TAM Plan or participates in a group plan. In Iowa, the state DOT will be a group sponsor for all regional and small urban transit agencies. All 5307 subrecipients will develop their own TAM plans. On July 26, 2016, FTA published the TAM Final Rule. The first TAM Plans were due October 2018 and agencies must complete an updated plan every four years.

Tier I providers are defined as those agencies who operate rail OR have more than 101 vehicles across all fixed route modes OR have 101 vehicles in one non-fixed route mode. Tier I providers must develop and carry out their own TAM plans.

Tier II providers are either a subrecipient of 5311 funds OR an American Indian Tribe OR have less than 100 vehicles across all fixed route modes OR operate less than 100 vehicles in one non-fixed route mode. Tier II providers may develop their own plans or participate in a group plan, which is

compiled by a group plan sponsor such as the state DOT. Tier II 5307 subrecipients are not required to be offered a group plan but may participate in one if a sponsor invites them.

In addition, each entity developing a TAM plan must report annually to FTA's National Transit Database (NTD). This submission must include:

- Asset inventory data
- Condition assessments and performance results
- Projected targets for the next fiscal year
- A narrative report on changes in transit system conditions and the progress toward achieving previous performance targets.

Guidance on TAM plans and a Template can be found on the FTA's website linked below.

References & Important Links

- Iowa Smoke Free Air Act
  https://hhs.iowa.gov/programs/programs-and-services/tobacco-use-prevention-control/iowa-smokefree-air-act
- Ethanol Sticker - Iowa Prison Industries
  https://www.iaprisonind.com/
- 2 CFR 200
  https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200
- FTA Circular 5010.1F Award Management Requirements
  https://www.transit.dot.gov/sites/fta.dot.gov/files/2024-10/C5010.1F-Circular-11-01-2024_0.pdf
- Iowa Code Chapter 721.8
  https://www.legis.iowa.gov/docs/code/721.pdf
- Public Transit Equipment and Facilities Management System (PTMS) Process for Revenue Transit Vehicles
  https://iowadot.gov/media/2130/download?inline
- Iowa DOT Auction Website
  https://iowadot.gov/general-procurement-auctions/iowa-dot-auctions
- FTA Circular 9050.1A Urbanized Areas Formula Grant Programs Guidance
  https://www.transit.dot.gov/sites/fta.dot.gov/files/2024-11/C9050.1A-Circular-11-01-2024.pdf
- FTA TAM Plans
  https://www.transit.dot.gov/TAM/TAMPlans
- FTA TAM Plan Template
  https://www.transit.dot.gov/regulations-and-programs/asset-management/tamplate

Chapter 11 Operations

This chapter includes state and federal regulations that pertain to operating vehicles, including what types of operations are allowed with vehicles purchased with FTA funds, and what regulations cover the drivers.

Titles and License for Transit Vehicles

All vehicles purchased with funds administered by PTT must be titled and licensed to the designated public transit system. The process for titling a public transit vehicle varies depending on whether the transit agency is a non-profit agency or government agency. The process will also vary depending on whether the vehicle has been purchased with a contract administered by the PPT. Obtaining titles and license plates is initiated by the individual transit system, but please work with your assigned TPA to make sure the paperwork for titles and registration is accurately completed.

Titles

Iowa law provides free titles through the state for all government owned vehicles. Vehicles owned by private non-profit transit systems must be titled through the local county and a titling fee paid to the county. Permanent registration is processed through Iowa DOT.

All vehicles funded through the Public Transit Team, must follow the title/registration/plates process outlined in this chapter. If the vehicle is directly funded though the FTA, follow your agency process. If the vehicle is funded 100% with local funds, the transit system only needs to add the vehicle to its inventory through BlackCat. No other information is needed by the PTT.

If the vehicle is paid for via a contract with Iowa DOT

- vehicle application title and/or official registration need to be submitted through your TPA
- a lien must be on title until the vehicle has meet federal useful life

Government Agencies should submit originals of the following items to your TPA:

- Application for Title and Registration
    - Use exemption UT02g
    - The 1st Security Interest section must be filled out using Iowa Department of Transportation. The address is 800 Lincoln Way, Ames, IA 50010.
    - FEIN is 42-6004226
- Application for State of Iowa Transit Bus Plates
- Manufacturer's Certificate of Origin (new vehicle) or Certificate of Title from previous owner authorizing transfer (used vehicle)
- Odometer Disclosure Statement (if the vehicle has a gross vehicle weight rating of less than 16,000 pounds and is less than 10 years old). Odometer Statement form is not needed if the Odometer Disclosure for Retail Sale section has been completed and signed on the back of the Manufacturer’s Certificate of Origin.
- Damage Disclosure Statement
- Post Delivery Audit Certification must be completed before the title is transferred to the transit system.
- Add Inventory in BlackCat

- You can use the license plates your agency already has or request new plates through your TPA

Non-Profit Agencies

- Submit Title Application and pay title fee at County Treasurer office. Contact TPA for additional bus form and directions for County Treasurer
    - Use code UT08i “other” --- Public Transit Agency
    - Remember the 1st Security Interest section must be filled out using Iowa Department of Transportation. The address is 800 Lincoln Way, Ames, IA 50010.
    - The FEIN is 42-6004226
- Send title and county paperwork to TPA to submit to OVS for official registration
- Request license plates through TPA if needed

Prior to Prior to placing a vehicle in operation, the transit manager should also notify the insurance carrier to add the vehicle to the system's insurance policy.

License Plates

Iowa law provides free, official license plates for designated public transit agency vehicles. Plates can be obtained by filling out the application for “State of Iowa Transit Bus Plates” and submitting to the PTT.

Whenever a transit system transfers or sells a vehicle, the transit system must remove the transit license plates. These license plates should be retained by the transit system and used when the transit system receives another transit vehicle.

Transit plate transfers involve the same paperwork as applying for transit bus plates, with one additional item of information: the plate number from the bus being replaced should be indicated as the plate number on the application for transit bus plates.

If a license plate or a set of license plates is stolen, it should be reported to the police as soon as possible. PTT should also be notified. PTT will contact vehicle registration, and a new set of plates will be issued. The transit system must also write a letter to the Motor Vehicle Division identifying the vehicle and detailing the situation.

Liens

The PTT places liens on all state and federally funded vehicles and facilities for projects where grant funding is administered by the State. The purpose of the lien is to protect state and federal interest. The lien on a particular vehicle can be removed when the useful life has been met. The titles are sent back to transit systems once a year if the vehicle has met useful life. As a point of clarification, the PTT defines federal interest with FTA Useful Life Standards. If a transit system needs the title before the vehicle has met useful life, contact your TPA for approval and to initiate the process of obtaining them earlier. The agency must send an email request to their respective TPA to remove the lien. If the request is approved, the PTT will remove the lien and release the title and send it to the transit agency.

Minimum useful life for buses and vans is determined by years of service or accumulation of miles whichever comes first as follows:

- Buses
    - Large, heavy-duty transit buses including over-the-road buses (approximately 35' to 40' or larger including articulated buses) -At least 12 years of service or an accumulation of at least 500,000 miles
    - Small size, heavy-duty transit buses- At least 10 years or an accumulation of at least 350,000 miles
    - Medium-size, medium-duty transit buses - At least 7 years or an accumulation of at least 200,000 miles
    - Medium-size, light-duty transit buses - At least 5 years or an accumulation of at least 150,000 miles
- Light Duty Vehicles
    - Light-duty vehicles used as equipment, employed in administrative and maintenance purposes (service vehicles) and to transport passengers (revenue service), such as regular and specialized vans, sedans, and light-duty buses, including all bus models exempt from testing in the current 49 CFR Part 665 - At least 4 years or an accumulation of at least 100,000 miles

Sales and Use Tax

A sales tax or use tax are the same type of tax. They are a tax imposed on the sale or exchange of goods or services. The use tax is imposed on the sale of motor vehicles. In Iowa, the proceeds from the general sales tax and deposited in the state's General Fund, and the proceeds from the use tax are ultimately deposited in the Road Use Tax Fund.

Chapter 423.3 of the Iowa Code exempts public agencies and regional transit systems from paying use or sales tax. The transit manager should have a tax exempt number for the transit system to use.

Fuel and Fuel Taxes

There are federal and state regulations that apply to the purchase of fuel and environmental issues related to the use and storage of fuel. This section covers fuel tax, fuel usage, underground storage tanks, and diesel emission standards.

The Internal Revenue Service (IRS) discusses fuel tax credits for buses and other exempt uses in Publication 510.

Fuel Taxes

- State- Chapter 452A of the Iowa Code details the Iowa fuel tax requirements. Public transit systems are exempt from paying Iowa tax on fuel used for general public transportation. When the fuel is pumped into the vehicle at a service station, the taxes (state and federal) must be paid and a refund requested later. When fuel is pumped into bulk tanks owned by the system, a tax is not imposed if the fuel is used for public transportation. Any fuel used from this tank for non-public transportation use must be reported on the quarterly fuel tax report and the tax due must be submitted to the Iowa DOT Office of Vehicle and Motor Carrier Services, P.O. Box 10382, Des Moines, IA 50306-0382.

The law granting transit systems an exemption from tax on fuel used for public transportation requires quarterly reporting of fuel used, even if no tax or refund is due. Fuel used for incidental, or charter service is taxable and must be reported on the quarterly fuel tax report. Penalties for false reporting range up to a $2,000 fine and two years in prison on top of the penalties for nonpayment of taxes due.

- Federal- Iowa transit systems operated by units of state or local government are exempt from federal fuel taxes. This applies to both gasoline and diesel fuel, but the process for the exemption varies.

  Gasoline is purchased, including a governmental unit purchasing the fuel in bulk, with the fuel taxes added at time of purchase. An agency must file for a refund on the number of gallons used.
  Governmental entities purchasing diesel fuel in bulk may purchase the fuel tax-free. Governmental entities purchasing diesel fuel in bulk, but not for their exclusive use, or purchasing diesel fuel at the pump must pay the federal fuel taxes at the time of purchase and then file for a refund.

  Public transit systems operated by private non-profit corporations may also be eligible for exemptions from federal fuel taxes on any vehicles that are:
  - Operated for compensation
  - Operated open to the general public and either:
    - Operated in fixed route service (any size vehicle), or
    - Operated in demand responsive mode; vehicles must have capacity for 20 or more passengers

Ethanol Usage Required

Since 1991, vehicles purchased or used by any city or county in Iowa must use gasoline blended with ethanol. Each of the vehicles required to use ethanol-blended gasoline must display a brightly visible sticker notifying the traveling public that the motor vehicle is being operated on gasoline blended with ethanol. All gasoline transit vehicles, whether revenue vehicles, maintenance vehicles, or supervisory/staff vehicles, owned by a city or a 28E organization created by cities and/or counties are affected by this law, even if the vehicles are operated by a subcontractor who is not a public entity. Vehicles owned by private non-profit transit systems are covered as well, if they are operated by a subcontractor who is a public entity.

Arrangements for the purchase of ethanol-blended gasoline is a local responsibility. The required bumper stickers may be obtained from a variety of vendors. One source of the stickers is Iowa Prison Industries, which offers stickers specifically designed to meet the law's requirement for public agencies (including all public transit systems). The stickers can be ordered by calling Prison Industries' toll-free number at 1- 800-332-7922.

Biodiesel

In 2022, the Governor of Iowa introduced a bill to increase access to biofuels like 20% biodiesel (B20) if the formulation meets the standards provided in Iowa Code 214A. Executive order number 5 was signed in 2019 to encourage diesel engine manufacturers to increase the number of engines

approved for B20. All State of Iowa executive branch agencies shall ensure that any procurement solicitations, including but not limited to requests for proposals or requests for bids, for vehicles containing diesel engines shall require the responses to certify that the engine manufacturer has provided explicit written support for the use of B20 biodiesel.

Regulation of Fuel Tanks

The Iowa Department of Natural Resources issued regulations on fuel storage tanks that conform with federal regulations. These rules can be found in the Iowa Administrative Code, 567, Chapters 134 and 135.

Bus Emission Standards

The Clean Air Act includes diesel bus emission standards that apply to heavy duty urban transit buses. Transit systems purchasing heavy-duty urban buses should know the current regulations and state in bus specifications that vehicles meet the current emission standards. The EPA Regulations for Greenhouse Gas Emissions from Commercial Trucks & Buses is linked at the end of this chapter.

Driver Licensing

Iowa law requires any paid employee operating a vehicle carrying passengers (whether general public or client) to have the appropriate chauffeur's license or commercial driver license (CDL). PTT policy applies the same requirement to any volunteer driving a public transit vehicle. This provision applies to all subcontractors and must be stated in all third party contracts. Employees of other agencies who may be authorized to drive the vehicle or volunteers who are driving a vehicle funded through PTT are included. Volunteers driving their own cars are not covered by this policy.

Each of Iowa's public transit agencies may establish an account for accessing Iowa driver records on-line at https://driverrecords.iowa.gov/Home/Index. Use of this service for official business is free to all of Iowa's designated transit systems, and to other government users. (Others pay a fee per record check.)

Iowa law requires drivers of vehicles designed to transport 15 or fewer persons (including the driver) to hold a chauffeur's license when the operation is for hire, or the driver is compensated in any way. If the vehicle is redesigned or modified to transport 15 or fewer disabled passengers and the GVWR is 10,001 or more pounds, a CDL is required instead of a chauffeur's license. The holder of a CDL may operate vehicles which requiring a chauffeur's license; however, a chauffeur's license is NOT valid as a commercial driver's license.

Chauffeur's licenses are not required for operation which is "occasional and incidental". This provision is applicable for someone who, in an emergency driving situation, must transport passengers. Anyone hired who might be required to transport clients as part of his/her job must have a chauffeur's license or CDL.

The Federal Motor Carrier Safety Administration (FMCSA) requires a CDL with passenger endorsement for the operation of any vehicle designed to transport 16 or more passengers, including the driver. This requirement applies regardless of how the vehicle was funded and applies to volunteer drivers. It also applies whether or not the vehicle is occupied and whether or not it is in revenue service.

The license class required for operations is determined by the initial design and the Gross Vehicle Weight Rating (GVWR) of the vehicle. Transit buses initially designed to transport 16 or more passengers, including the driver, are typically over 10,000 pound GVWR. This applies to vehicles that have been retrofitted for wheelchair passengers and, therefore, no longer transport 16 passengers. If the vehicle has an initial design capacity to transport 15 or fewer passengers (including driver), the driver will need a Class D Chauffeur license. Go to the Iowa DOT Motor Vehicle Division's License type and fees webpage for a list of license types and costs.

Federal Motor Carrier Safety Regulations

The Commercial Motor Vehicle Safety Act of 1986 was passed to help reduce or prevent truck and bus accidents, fatalities and injuries by requiring drivers to have a single commercial motor vehicle driver's license. The act also disqualifies drivers who operate commercial motor vehicles in an unsafe manner. Please review the FMCSA and Iowa DOT Motor Vehicle Division websites to review the requirements for obtaining a Commercial Driver's License.

49 CFR Parts 383.71 and 383.73 links medical qualifications to the issuance of a CDL. These rules apply to every person who is issued a new CDL, renews a CDL, upgrades a CDL or transfers a CDL from one state to another. The driver must self-certify to what type of driving they do or expect to do. Beginning October 23, 2025, CDL Medical Certificates are digital in Iowa. Information and a link are provided through the Iowa DOT Drivers Licenses & ID's webpage.

All transit systems, and agencies or organizations providing transit services under contract, which are not units of state or local government, are subject to the Federal Motor Carrier Safety Regulations, and also place limitations on drivers' hours of service described in 49 CFR Part 395. Although units of state and local government are exempted from the regulation, it is strongly recommended that governmental entities operating public transit services implement similar safety standards.

In-state Travel Authority

Chapter 325A of the Code of Iowa exempts urban transit systems from the requirement to apply for travel authority from Iowa DOT's Motor Carrier Services Bureau for public transit services provided in their own urban area and adjacent communities, and to-and-from communities no more than ten miles away. The Code requires that transit systems apply for a "regular route certificate" if serving communities beyond the ten-mile limit.

The exemption from travel authority which once existed for regional transit systems in Chapter 325A has now been broadened to cover all carriers 'providing primarily passenger service for persons who are elderly, persons with disabilities, and other transportation-disadvantaged persons' if they satisfy all of the following requirements:

- the motor carrier is not a corporation organized for profit under the laws of Iowa or any other state or the motor carrier is a governmental organization
- the motor carrier received or receives operating funds from federal, state, or local government sources
- the motor carrier does not duplicate a transportation service provided by a motor carrier issued a regular-route passenger certificate

This exemption may also apply to urban transit systems, if all criteria are met.

Carpool and vanpool programs are also separately exempted from the travel authority requirements.

Intrastate

FMCSA requires transit vehicles with a capacity of eight passengers or more (including the driver) to be registered with USDOT and display their USDOT number if they are either owned or operated by other than a governmental agency. As an example, a transit system with non-governmental subcontractors: the subcontractors will need to register with USDOT and display their name and USDOT number on the vehicles they are operating. Another example would be Iowa's regional transit systems which are not 28E organizations need to register with USDOT and display their name and USDOT number on the vehicles. The use of magnetic signs containing the subcontractor's name and USDOT number may be desirable and is permissible so they may be easily switched from vehicle to vehicle as rotation occurs. Any transit system or subcontractors required to comply with the above rules also need to follow the 49 CFR regulations mentioned in the Federal Motor Carrier Safety Regulations section of this chapter. To obtain a USDOT number, visit FMCSA's website or call (800) 832-5660

Unified Carrier Registration (UCR)

If you are an interstate carrier driving a self-propelled vehicle across state lines for business, you are required to obtain a Unified Carrier Registration (UCR) every year if your vehicle meets the following definition.

A definition of a commercial motor vehicle for UCR purposes is defined as a self-propelled vehicle used on highways in commerce principally to transport passengers or cargo, if the vehicle

- Has a gross vehicle weight rating or gross vehicle weight of at least 10,001 pounds, whichever is greater, or when connected to trailing equipment has a gross combination weight rating or gross combination weight of at least 10,001 pounds, whichever is greater, or
- Carries placarded amounts of hazardous materials, regardless of the vehicle's weight, or
- Is designed to carry more than 10 passengers, including the driver.

Information regarding registration is available on Iowa DOT Motor Carriers webpage. Registered carriers are assigned a carrier number, which must be displayed on all vehicles. Transit systems using FTA funding need not comply with the insurance requirements applied to other interstate carriers but are required to meet the highest public transit insurance requirements of the states in which they operate.

Insurance

Iowa public transit systems, as motor carriers serving primarily elderly, disabled, and other transportation disadvantaged persons, are exempted from in-state liability insurance requirements found in Chapter 325A of the Iowa Code. Public transit systems must meet the requirements found in the Iowa Administrative Code chapter on Coordination of Public Transit Services. Subsection 910.5(1) states: "All vehicles used for the public transit services it provides or contracts for (must

be) insured for $1 million per accident for all hazards or the provider (must maintain) a self-insurance fund adequate to provide equivalent protection."

Any public transit system whose service crosses state boundaries is covered under federal insurance requirements. Special provisions included in the Interstate Commerce Commission Termination Act of 1995 require public transit systems to meet the highest state public transit insurance requirement of the states they operate in. Iowa transit systems operating across state boundaries are encouraged to contact each state in which they operate.

There is no requirement to carry any specified level of coverage for collision or comprehensive losses; however, transit systems should recognize that they are required to maintain equipment in functional and presentable condition. Vehicle damage must be repaired. Each transit system must decide whether to insure or self-insure against such losses or whether to cover the repair costs from the operation's budget.

Transit systems that purchase services from subproviders are responsible for assuring that the required level of protection is provided for all services operated as part of the public transit program. Some systems choose to do this by passing along the insurance requirements via the purchase of service contract (also specifying that the transit system be named as an additional insured on the subprovider's policy.) Others choose to provide the vehicle coverage in a single policy covering all subproviders' fleets. This is done through a policy with hired and non-owned vehicle coverage.

Service and Vehicle Coordination

Service Coordination

Service coordination is the integration of resources that promote economic efficiency and service productivity. Vehicles may be shared by more than one agency or by more than one specific user group. Personnel and operational activities, such as routing and scheduling, may be shared by more than one organization. Services may be either directly provided by transit systems or contracted from other agencies. It may be appropriate to contract with another agency to provide transportation when the agency is willing to operate the service open to the general public. However, direct service by the transit system is preferred since it provides greater assurances that the services will be open to the general public and that other federal requirements will be followed.

Operational Opportunities

It is possible for the transit system to specify route structure, frequency, fares, on-time performance standards, etc. and bid out the actual operation to private providers. The transit system remains financially responsible for the cost of the service and receives credit for all the passenger revenues. Provisions can also be made to give the operator incentives for increased revenues.

Demand-responsive services can also be contracted out, with the transit system specifying the number of vehicles to be available at different times of day, the fares, and on-time performance standards. Because the productivity of demand-responsive service can vary tremendously, in large part based on the dispatch function, the transit system contracting such service out often either

includes productivity incentives in the contract or keeps control of the dispatch function themselves.

Two types of operation that are fairly common contracting opportunities at transit properties around the country are after-hours taxi services and express commuter routes.

Fares Charged Elderly and Persons with Disabilities During Non-peak Hours

The U.S. Code, 49 U.S.C. Section 5307(d)(1)(D), requires large urban transit systems to offer "half-fares" for elderly persons and persons with disabilities during, at least, non-peak hours for fixed-route transportation using facilities and equipment financed with Federal assistance from FTA. The requirement is that these fares "not exceed one-half of the rates generally applicable to other persons at peak hours, whether the operation is by the transit system itself or by another entity under lease or otherwise." This half-fare rate must also be available to any person presenting a Medicare card issued to that person pursuant to Title II or Title XVIII of the Social Security Act (42 U.S.C. 401 et seq., 1395 et seq.). PTT has chosen not to do this as a similar requirement on Iowa's small urban and regional transit systems but encourages such a policy. Several small urban transit systems do offer reduced fares for senior citizens. Most regions offer services for elderly persons on a contribution basis under contracts with their local Area Agency on Aging funded with Older Americans Act funds. FTA defines ‘Elderly’ as someone aged 65 years or more.

Maintenance Opportunities

Many small properties lack the resources to have their own maintenance facility or staff, and therefore use private sector contracting for maintenance services. Larger transit systems often contract out major maintenance or specialized jobs. Grounds maintenance and janitorial functions are also potential areas that might be considered for private sector contracting.

Administrative Opportunities

Some public transit systems privatize virtually the entire administrative function by contracting with a private transit management firm. Other systems have contracts with private companies for functions such as legal services, accounting, payroll, labor negotiations, or marketing.

Vehicle Coordination

An important aspect of coordination is vehicle coordination. Any agency that owns publicly funded vehicles is encouraged to coordinate with the public transit system to fully utilize all vehicles. The transit system may subcontract the operation of vehicles by an agency that is willing to provide public transit service if that is the most efficient way of providing the services. However, PTT discourages such subcontracts since vehicles operated by subcontract, may be under-utilized and not as available to nonclients of the subprovider.

The transit system needs to retain control of any vehicles that are operated by other agencies. Vehicles owned by the transit system must follow state and federal guidelines. It is important that agencies realize that all publicly funded vehicles owned by a transit system must accumulate 10,000 miles per year and must ultimately reach a designated mileage threshold before rehabilitation, transfer, or disposition. It may be necessary for the transit system to rotate vehicles to meet these threshold requirements. The transit system also needs to make certain that proper

maintenance is provided, and appropriate insurance is carried. The vehicle use agreement must allow for vehicles to be rotated and state who is responsible for maintenance and insurance.

Sometimes a client agency may provide the local funds necessary to match the federal funds used to purchase transit vehicles. However, this presents a problem in that the agency perceives they should own and control the vehicle. To eliminate this, transit systems are encouraged to collect a vehicle replacement fee as part of the cost of providing transit service. This allows the transit system to build up a capital match fund that can be used to provide the local match for vehicles. This eliminates the need for a client agency to provide matching funds for a specific vehicle. Coordination of transit service is enhanced when the transit system can utilize the vehicles wherever it is most appropriate.

Staff Car Prohibition

Capital funds administered by PTT may not be used for the purchase of vehicles for staff transportation. Vehicles which have exceeded FTA's minimum useful life standards or vehicles purchased with other funds may be used for this purpose. Vehicles purchased as staff cars may use official transit plates.

Records Retention

The transit system must have a filing and record retention system to maintain and retrieve information that is required to be retained by local, state or federal governments. The length of time that records should be retained depends on funding requirements, government regulations, insurance, liability, tax considerations, and historical considerations. Records relevant to foreseeable or pending judicial or administrative investigations or proceedings must be preserved until the actions are concluded.

Record retention requirements for transit systems: During the course of the project and for three years thereafter from the date of the transmission of the contract closeout form, the recipient agrees to maintain intact and readily accessible all data, documents, reports, records, sub-agreements, leases, third party contracts, and supporting materials related to the project. Transit systems may, on a case-by-case basis be required to keep the aforementioned materials for a period(s) longer than 3 years if deficiencies are found during a compliance or other review.

Record retention for any infrastructure and/or facilities project should be retained for the useful life of the particular project (whether state or federally funded). Useful life will vary depending on the structure or facility and should be defined and documented at the start of the project.

Capital project files should include copies of bid notices, bid packages, proposals, communications with vendors, bid analysis and invoices. Concurrence letters from PTT approving the various stages of procurement should also be a part of the file. Section 5311 operating contract files should contain financial information showing that the operating assistance was not more than 50 percent of the operating deficit. Intercity Bus Assistance agreement files need to contain documentation showing the costs of the project. Documentation will depend on the scope of the project but may include time sheets, invoices, bus trip sheets, schedules or other information.

Section 5310 and 5311 systems that operate any allowable charters must keep the required documentation three years after the service is performed, as detailed above. Specific record

retention requirements apply under FTA drug and alcohol testing requirements as noted in Chapter 13.

Public Records

Chapter 22 of the Code of Iowa explains the rights of the public to examine public records. The term "public records" refers to all records, documents, tape, or other information, stored or preserved in any medium. "Every person shall have the right to examine and copy a public record and to publish or otherwise disseminate a public record or the information contained in a public record. Unless otherwise provided for by law, the right to examine a public record shall include the right to examine a public record without charge while the public record is in the physical possession of the custodian of the public record. The right to copy a public record shall include the right to make photographs or photographic copies while the public record is in the possession of the custodian of the public record." The fee charged for copying should not exceed the cost of providing the service.

The public shall have access to public records during customary office hours. Items which are confidential and not considered public record include personal information in personnel files (i.e. SSN, home telephone number, home address, motor vehicle report) or attorney work product related to litigation by or against the public agency. Other items are included in Chapter 22.7.

This law applies to all Iowa public transit agencies, including those formed under Chapter 28E and those formed as non-profit agencies that are supported by taxes.

Publishing of Meeting Minutes

Those transit systems organized under Iowa Code Chapter 28E, are required to publish a summary of the proceedings of each regular, adjourned, or special meeting of the joint board of the entity, including the schedule of bills allowed, after adjournment of the meeting in one newspaper of general circulation within the geographic area served by the organization. (Refer to Iowa Code Chapter 28E.6.) The meeting summary shall include the date, time, and place the meeting was held, the members present, and the actions taken. The summary of the meeting proceedings are to be submitted for publication to the newspaper within 20 days following adjournment of the meeting.

The publication of schedule of bills allowed shall include a list of all salaries paid for services performed, showing the name of the person or firm performing the service and the amount paid. The schedule of bills allowed may consolidate amounts paid to the same claimant if the purpose of the individual bills is the same. However, the names and gross salaries of persons regularly employed by the entity shall only be published annually.

Radio Licenses

The Federal Communications Commission (FCC) has specific rules and guidelines for the operation of radio systems. Radio frequencies and towers must be licensed. The license expires every ten years. Beginning December 3, 2001, a mandatory FCC Registration Number (FRN) is required for all agencies who file applications with the Universal Licensing System (ULS) or to register towers via Antenna Structure Registration (ASR). FCC Public Notice DA 01-2452 describes the process. Additional information and contact information can be obtained from the FCC website.

Licensing and renewal is now done through the Universal Licensing System (ULS) webpage. The FCC Technical Support Hotline, 877-780-3201, can answer questions about computer access to ULS, identification (TIN) registration, uploading files, or submitting attachments in ULS.

The ULS Licensing Support and Forms information, 1-888-225-5322, can help with questions about which application purpose is appropriate for a particular filing, what information is being requested on a ULS form, or any other ULS-related licensing matter.

In 2004, the FCC mandated that all two-way private radios operating on VHF and UHF frequencies must "narrowband," or use reduced bandwidth, by January 1, 2013. Iowa's transit systems may have to replace or modify their current radio systems in order to comply with this law.

Right to Know

Under the United States Hazardous Chemicals Risks Right-to-Know Act, employers must implement a hazard communication program covering the three parts of the law:

- employees right-to-know- The law specifies that employees must be made aware of the provisions of the law and must receive training about material safety data sheets (MSDS), container labels and product hazards. Training must be provided at the time of an employee's initial assignment to a new workplace and whenever a new hazardous product is introduced into the workplace.
- community right-to-know- The transit system is required to provide information about products used to anyone from the public who requests it.
- emergency response right-to-know- The transit system must also notify local fire departments or emergency response teams of products used and stored at worksites.

Persons with Disabilities Parking Permits

The State of Iowa has a program requiring reserved parking spaces for persons with disabilities. Transit systems carrying passengers with disabilities are eligible to use these spaces. Transit systems may receive one parking permit for each vehicle used to transport persons with disabilities. The permit will allow the vehicle to use restricted parking spaces when loading and unloading passengers with disabilities. An application for Persons with Disabilities Parking permit should be filled out submitted to the local Iowa DMV location or by mail to Vehicle Services, P.O. Box 9278, Des Moines, IA 50306-9278. A link is provided at the end of this chapter.

Seatbelt Usage

Seat belt use is required by Iowa law for drivers and front seat passengers in transit vehicles other than buses. Drivers of buses are also required to wear seatbelts. No passengers on a bus are required by law to wear seatbelts, except that regional transit systems transporting students aboard vehicles without school bus type compartmentalized seating must require students to wear seatbelts. Transit systems may require all passengers to wear seat belts. Persons with disabilities may only be required to use personal restraints if all other passengers are required to wear seat belts. More information is found in Chapter 321 of the Iowa Code.

Child Restraint Usage

Under Iowa law, passengers aboard buses are exempt from the general law requiring use of child safety seats. Students transported under contract aboard regional transit vehicles not equipped

with school bus style compartmentalized seating must be in child restraints if they meet the criteria in the law. Head Start students meeting the age and weight criteria of the law are always required to be transported in child safety seats, whether or not school bus style seating is used. Transit systems may provide child safety seats for use by other passengers meeting the criteria of the law. More information can be found in Chapter 321 of the Iowa Code.

Student Transportation

FTA funded vehicles may not be used for exclusive school services as described in 49 CFR 605. FTA allows transportation of students in open-to-the-public service. Fixed-route systems can provide tripper service. Tripper service is regularly scheduled mass transportation service which is open to the public, and which is designed or modified to accommodate the needs of school students and personnel, using various fare collections or subsidy systems.

In contrast to tripper service, FTA interprets the definition of school bus operations to include service that a reasonable person would conclude was primarily designed to accommodate students and school personnel and only incidentally to serve the nonstudent general public. (See 73 Fed. Reg. at 53385.)

Students may also be served as part of a demand-responsive general public service. Qualified students with disabilities can be served as part of ADA paratransit service. As long as the students pay their own fares, they are treated the same as any other rider.

Iowa law allows regional transit systems to contract with schools, day care centers, and other institutions for non-exclusive subscription transportation of students. Specific standards are established for vehicles to be used for such services, as well as for drivers, and for operating practices.

Regional transit vehicles used for non-exclusive student transportation contracts must meet specific federal motor vehicle safety standards, over and above those established for commercial buses, and must be inspected each semester by the Iowa Department of Education. The drivers driving vehicles used in student transportation must meet specific standards, including passing criminal records reviews, and must receive school bus driver training or equivalent. Students must be picked up or dropped off on the same side of the street as their ultimate origin or destination. Students may not be released except to parents, guardians, school personnel, or social service or law enforcement personnel.

Iowa Administrative Code Chapter 761-911

- Allows regional transit agencies to contract with schools to provide transportation
- Rule applies to both public and private schools
- Transit service under contract to a school must be open to the public
- Requirement for School Bus inspections by Iowa Department of Education
- Drivers must complete initial complete S.T.O.P. school bus driver training and annual update course
- If driving a vehicle requiring a CDL, the driver must have a Passenger Endorsement and School Bus Endorsement

State Aid for Transportation – Iowa Code Chapter 285

- If the nonpublic school is within the boundaries of the school district a student resides in, the public school district must transport that student to the nonpublic school
- Therefore, private school students should have school bus service provided if their private school is located in their public school district
- If the private school is outside the student's public school district boundaries, no transportation would be required

School Bus Operations 49 CFR Part 605

- Exclusive school service is not allowed to be provided with equipment or operating dollars funded by the FTA
- Even the service provided under the guidance allowed by Iowa Code Chapter 761 – 911 must follow this federal law and cannot be exclusive school transportation
- Tripper service on fixed routes includes adding more frequency of service or more vehicles on routes that run near schools. This would include adding a vehicle to the route at peak school start and end times to add capacity to accommodate students and general public riders. These are services along regular published, advertised routes. The services are open to the public. The transit agency can make de minimis changes to the route to get a stop closer to the school as long as that route deviation is shown on route maps and schedules, and the bud immediately returns to the regular route.

References & Important Links

- Application for State of Iowa Transit Bus Plates
  https://iowadot.seamlessdocs.com/f/ApplicationforStateofIowaTransitBusPlates
- Application for Certificate of Title and/or Registration
  https://iowadot.seamlessdocs.com/f/411007ApplicationforCertificateofTitlendorRegistration
- Odometer Disclosure Statement
  https://iowadot.seamlessdocs.com/f/OdometerDisclosureStatementCert
- Damage Disclosure Statement
  https://iowadot.seamlessdocs.com/f/DamageDisclosureStatement
- Post Delivery Audit Certifications
  https://iowadot.forms.govos.com/sc/?
- Iowa Code Chapter 452A Motor Fuel, Special Fuel, and Electric Fuel Taxes
  https://www.legis.iowa.gov/DOCS/ACO/IC/LINC/Chapter.452A.pdf
- IRS Publication 510 Excise Taxes
  https://www.irs.gov/pub/irs-pdf/p510.pdf
- Iowa Administrative Code Chapter 567 Environmental
  https://www.legis.iowa.gov/law/administrativerules/chapters?agency=567
- Clean Air Act
  https://www.epa.gov/laws-regulations/summary-clean-air-act
- EPA Emission Standards for Buses
  https://www.epa.gov/regulations-emissions-vehicles-and-engines/regulations-greenhouse-gas-emissions-commercial-trucks
- Application for Persons with Disabilities Parking Permit
  https://iowadot.forms.govos.com/w/PWD_App
- Iowa Code Chapter 321 Motor Vehicles and Law of the Road
  https://www.legis.iowa.gov/docs/ico/chapter/321.pdf
- Iowa Code Chapter 325A Motor Carrier Authority
  https://www.legis.iowa.gov/docs/ico/chapter/325A.pdf
- Iowa Administrative Code Chapter 761-911 School Transportation
  https://www.legis.iowa.gov/law/administrativeRules/rules?agency=761&chapter=911&pubDate=04-29-2015
- Iowa Code Chapter 285 State Aid for Transportation
  https://www.legis.iowa.gov/docs/ico/chapter/285.pdf
- 49 CFR Part 604 Charter Service
  https://www.ecfr.gov/current/title-49/subtitle-B/chapter-VI/part-604
- 49 CFR Part 605 School Bus Operations
  https://www.ecfr.gov/current/title-49/subtitle-B/chapter-VI/part-605
- 73 Federal Register @ 53385 Final Policy Statement on FTA's School Bus Operations Regulations
  https://www.federalregister.gov/documents/2008/09/16/E8-21601/final-policy-statement-on-ftas-school-bus-operations-regulations
- 49 CFR Part 395 Hours of Service of Drivers

https://www.ecfr.gov/current/title-49/subtitle-B/chapter-III/subchapter-B/part-395

- Federal Motor Carrier Safety Administration
  https://www.fmcsa.dot.gov/registration/commercial-drivers-license/motor-carriers
- Iowa Driver's License Records
  https://driverrecords.iowa.gov/Home/Index
- Iowa DOT Motor Vehicle Division Licenses
  https://iowadot.gov/drivers-licenses-ids/commercial-drivers

Chapter 12 Civil Rights

The Iowa DOT, transit systems and subproviders may not discriminate in services provided, or in operations to provide those services. The state has the responsibility to ensure that transit systems receiving federal funding administered by PTT comply with civil rights requirements. Federal nondiscrimination statutes include:

- Title VI of the Civil Rights Act of 1964, as amended, prohibits discrimination on the basis of race, color, and national origin in services provided with federal funding (age, sex and disabilities added through various amendments).
- Americans with Disabilities Act of 1990 (ADA) (42 U.S.C. Sections 12101 et seq.) and Section 504 of the Rehabilitation Act of 1973, as amended, prohibit discrimination against individuals with disabilities in the provision of transportation service and employment opportunities.
- US DOT's Disadvantaged Business Enterprise (DBE) regulations, 49 CFR Part 26, prohibit discrimination in contracting and assists socially and economically disadvantaged business concerns ensure an opportunity to bid on federal contracts.
- 49 U.S.C. 5332, US DOT's Equal Employment Opportunity (EEO) regulations, prohibit discrimination on the basis of race, color, creed, national origin, sex, or age in employment or business opportunity.

As the grantee for Section 5310, 5311, and statewide 5339 programs, the Iowa DOT is required to document that its subrecipients comply with all of the civil rights requirements in conducting their transit programs. The Consolidated Transit Funding Application contains assurance clauses that transit agencies sign verifying compliance each year. This agreement provides the following assurances:

- No person, on the grounds of race, color, creed, national origin, sex, age or disability be excluded from participation in, or denied the benefits of, or be subject to discrimination under any project, program or activity funded in whole or in part by the FTA.
- The transit system shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, age, or national origin.
- The transit system shall make special efforts to provide transportation for persons with disabilities, and will comply with 49 CFR 27, Nondiscrimination on the Basis of Disability.
- The transit system has submitted the one time standard DOT Title VI Assurance and update it as necessary when changes occur.

Transit agencies receiving 5310/5311 funding are also required to report any civil rights complaints or pending lawsuits related to FTA funded activities and the outcome, as part of the annual funding application. All contracts with subproviders and other contractors must also include nondiscrimination clauses.

Title VI of the 1964 Civil Rights Act

Title VI of the 1964 Civil Rights Act, Section 2000(d), states: No person in the United States shall, on the grounds of race, color, or national origin be excluded from participation in, be denied the

benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.

The Age Discrimination Acts of 1975 prohibited exclusion based on age, and Title 23 U.S.C. 324 added that no person should be excluded from participation on the basis of sex. The Civil Rights Restoration Act of 1987 reemphasized all of the anti-discrimination laws and the applicability to federal programs.

The Iowa DOT and direct FTA grant applicants must submit to FTA a Title VI Program that address requirements enumerated in FTA Circular 4702.1B, *Title VI Requirements and Guidelines for Federal Transit Administration Recipients*. Subrecipients submit their Title VI Programs to the Iowa DOT in order to assist the Iowa DOT in its compliance efforts. For all recipients and subrecipients, the Title VI Program must be approved by the transit system's board of directors or appropriate governing entity or office responsible for policy decisions prior to submission to FTA or to the Iowa DOT.

The required elements for Title VI Programs are outlined in the FTA Circular 4702.1B. Please note: The FTA Title VI Program has different requirements than the FHWA Title VI Plan. Review the circular to ensure all FTA requirements are being met in the FTA Title VI Program.

Iowa DOT PTT has a created a template to assist transit and planning agencies in developing the Title VI Program. Contact the PTT Compliance and Training Specialist to request the FTA Title VI Program Template. After the initial Title VI Program has been approved, an update is required every three years.

Title VI Notice to the Public

All transit agencies must notify beneficiaries of protections afforded to them under Title VI. At a minimum, transit agencies shall disseminate this information to the public by posting a Title VI notice on the agency's website and in public areas of the agency's office(s), including the reception desk, meeting rooms, etc. Transit agencies should also post Title VI notices at stations, stops, and on transit vehicles. The public can also be informed of their rights through such measures as placing the notice on posters, comment cards, and on fliers.

The Title VI notice shall include:

- A statement that the agency operates programs without regard to race, color, or national origin.
- A description of the procedures that members of the public should follow in order to request additional information on the transit system's Title VI obligations.
- A description of the procedures that members of the public shall follow in order to file a Title VI discrimination complaint against the recipient.

Notices detailing a transit agency's Title VI obligations and complaint procedures shall be translated into languages other than English, as needed and consistent with the DOT LEP Guidance and the transit agency's language assistance plan.

Transit agencies who are subrecipients (Iowa's 16 regional systems and urban systems in areas under 50,000 in population) may adopt the Title VI Notice developed by the Iowa DOT; however,

subrecipient transit agencies shall notify passengers and other interested persons that they may file discrimination complaints directly with the transit system.

All transit systems shall develop procedures for investigating and tracking Title VI complaints filed against them and make their procedures for filing a complaint available to members of the public. Transit agencies must also develop a Title VI complaint form, and the form and procedure for filing a complaint shall be available on the transit system's website. Subrecipient transit agencies may adopt the Title VI complaint investigation and tracking procedures, and complaint form developed by the Iowa DOT, although complaints and investigations must be made to and done by the transit system.

All transit agencies must prepare and maintain a list of any of the following that allege discrimination on the basis of race, color, or national origin: active investigations conducted by entities other than FTA; lawsuits; and complaints naming the transit system. This list shall include the date that the investigation, lawsuit, or complaint was filed; a summary of the allegation(s); the status of the investigation, lawsuit, or complaint; and actions taken by the transit agency in response, or final findings related to, the investigation, lawsuit, or complaint. The list shall be included in the Title VI Program submitted to FTA or Iowa DOT, depending on the size of the system, every three years.

Nondiscrimination requirements cover such areas as land acquisition and relocation of residences and businesses, impacts of construction, fixed guideways, placement of routes, vehicle assignments, transit amenities available such as bus shelters, headways, passenger loads, environmental considerations, public involvement, and multilingual communication. If a grant applicant is planning the construction of a federally funded project, the applicant should take steps to ensure compliance with Title VI prior to submitting the grant application for assistance.

Americans with Disabilities Act (ADA)

The Americans with Disabilities Act of 1990 (ADA), (42 U.S.C. 12101 et seq. and 49 CFR parts 27, 37, and 38) prohibits discrimination against qualified individuals with disabilities in all programs, activities, and services provided by public or private entities. It applies to all governmental and commercial entities. It extends coverage to all entities that provide passenger transportation, whether or not they receive federal financial assistance and whether or not they are open to the public. It establishes detailed standards for the operation of public transit systems. Section 504 of the Rehabilitation Act of 1973, as amended, (29 U.S.C. Section 794) prohibits discrimination on the basis of disability in employment and services by recipients of federal financial assistance. ADA Assistance: Toll Free Telephone Line: 1-888- 446-4511.

Employment provisions of the ADA must be met. Persons with disabilities may not be discriminated against in employment. Each transit employer should have job descriptions in place for each position that describes the functional requirements of the position. These functional requirements should be reviewed periodically to verify that they remain valid. Transit systems are encouraged to consider recombining job responsibilities to facilitate employment of qualified persons with disabilities. Employers, including transit systems, are required to make reasonable accommodations for otherwise qualified employees with disabilities. The reasonable

accommodations may include purchase of assistance equipment, changing placement of files, etc. All workstations should be accessible.

Each transit system shall ensure that personnel are trained to proficiency, as appropriate to their duties, so that they operate vehicles and equipment safely and properly to assist and treat individuals with disabilities to use their service in a respectful and courteous way. The training must address both the technical task and human relations.

Failure to comply with ADA not only results in the transit system being ineligible for federal funds but could also subject the system to private lawsuits. The PTT needs to be notified of any lawsuit filed against a transit system. Section 5307 systems must also notify FTA.

General ADA

The purpose of ADA is to provide a clear and comprehensive national mandate for the elimination of discrimination against individuals with disabilities and to bring persons with disabilities into the economic and social mainstream of American life. The ADA covers a wide range of activities.

The ADA affects transportation providers in four significant ways.

1. The ADA accessible vehicle requirements pertain to vehicle acquisitions by both public and private entities for fixed route, paratransit or demand responsive service.
2. The ADA contains accessibility requirements for the design and construction of new transportation facilities, alterations to existing facilities, and key stations on rail transit systems.
3. The ADA requires public entities providing fixed route service to provide complementary paratransit service to people with disabilities who cannot use fixed route service.
4. The ADA includes service requirements intended to ensure that people with disabilities are afforded equal opportunity to use transportation vehicles and facilities.

All transportation providers are prohibited from discriminating against individuals with disabilities.

- A person with disabilities cannot be charged more for a trip than a person without a disability would be charged for a similar trip.
- Cannot require an adult to accompany children under a certain age to use complementary paratransit service without having the same age requirement to ride the fixed route system.
- An individual with a disability should not be prohibited from serving as a personal care attendant (PCA) for another rider with a disability.
- All transit systems providing fixed route service must acquire accessible vehicles. This requirement applies to all vehicles being leased, rehabilitated or remanufactured.
- Stops must be announced aboard fixed routes at major intersections and transfer points, or on request.
- Transit systems that only provide demand responsive service may only purchase non-ADA accessible vehicles with local funds if they can confirm they provide equivalent service to individuals with disabilities.
- A transit system may refuse service to someone who is violent and endangers other, or someone who is engaging in illegal conduct. A transit system may not refuse service to

someone because the individual's disability results in appearance, odor, or involuntary behavior that may offend or annoy others.

- Service animals must be allowed in vehicles and facilities. Transit agencies may refuse to transport service animals that are deemed to pose a direct threat to the health or safety of drivers or other riders, create a seriously disruptive atmosphere, or are otherwise not under the rider's control. Comfort animals or emotional support animals do not fall under the definition of a service animal. Transit systems may accommodate pets and comfort animals as a local decision. Service animals are animals that are individually trained to work or perform a task. Two questions can be asked before boarding a vehicle or entering a facility.
    - Is the animal a service animal required because of a disability?
    - What work or task has the animal been trained to perform?
- An individual with a disability should not be required to use a seat belt or shoulder harness unless other riders on the same vehicle are required to do the same.
- The use of designated priority seats is optional and an individual with a disability shall not be required to use them.
- Transit agencies may recommend to a user of a wheelchair that the individual transfer to a vehicle seat but cannot require the individual to transfer.
- Any passenger must be allowed to use lifts, even while standing, and must be allowed to face any direction.
- Transit systems may not refuse to let a passenger get off a vehicle using a lift at a stop, unless the lift will not deploy or could be damaged if used at that location.
- Transit systems must transport a wheelchair and occupant if the lift and vehicle can physically accommodate them, unless doing so is inconsistent with legitimate safety requirements.
- The transit system may require that the individual use the vehicle's securement devices but cannot deny service because the securement system does not secure the wheelchair satisfactorily. Transfers to vehicle seats may be suggested, but not required.
- Individuals who use a personal oxygen supply can travel with these devices.

All public transportation customers need access to adequate information to use a particular service. Transit agencies need to ensure that individuals with disabilities have access to schedules, routes, fares, service rules, complaint procedures and temporary changes. Sometimes this may mean providing written material in alternative formats such as large print, audio or braille or ensuring alternatives to audio communication are available. Transit systems must establish a means of notifying participants, beneficiaries, applicants, employees (including vision and hearing impaired), unions, etc., that it does not discriminate on the basis of disability and is taking progressive steps to comply with 49 CFR Part 27.

Public transit agencies need a written procedure to describe the process for accepting a General ADA complaint, including the name, address, telephone number and email address of the employee designated to coordinate the ADA complaint process. The procedure must be accessible and usable to individuals with disabilities and should include how the transit system will accept, document and respond to the complaint. The procedure and complaint form need to be available on the transit agency's website. Complaints of noncompliance need to be kept on file for one year. A record of all complaints, which can be in summary form, must be kept for five years. An

explanation of complaints and their resolution will be provided to the PTT each year with the annual application for funding.

ADA Reasonable Modification

In 2015, the U.S. DOT amended its ADA regulations by issuing the final rule on Reasonable Modification of Policies and Practices. As stated in the final rule's preamble, reasonable modification means that "the nature of an individual's disability cannot preclude a public transportation entity from providing full access to the entity's service unless some exception applies."

Transit agencies with fixed route, complementary paratransit, and demand responsive service will respond to requests for reasonable modification of policies and practices and make information about the process readily available to the public. The procedure must be accessible and usable to individuals with disabilities.

- Individuals requesting modifications shall describe what they need in order to use the service.
- Individuals requesting modifications are not required to use the term 'reasonable modification' when making a request.
- Whenever feasible, requests for modifications shall be made and determined in advance, before the transportation provider is expected to provide the modified service, for example, during the paratransit eligibility process, through customer service inquiries, or through the entity's complaint process.
- Where a request for modification cannot practicably be made and determined in advance, operating personnel of the entity shall decide whether the modification should be provided at the time of the request.

Requests for modification of a public entity's policies and practices may be denied only on one or more of the following grounds:

- Granting the request would fundamentally alter the nature of the entity's services, programs, or activities.
- Granting the request would create a direct threat to the health or safety of others.
- Without the requested modification, the individual with a disability is able to fully use the entity's services, programs, or activities for their intended purpose.

In any case in which a public entity denies a request for a reasonable modification, the entity shall take, to the maximum extent possible, any other actions to ensure that the individual with a disability receives the services or benefit provided by the entity.

Public transit agencies need a written procedure to describe the process for filing a complaint related to a Reasonable Modification request, including the name, address, telephone number and email address of the employee designated to coordinate the complaint process. The procedure must be accessible and usable to individuals with disabilities and should include how the transit system will accept, document and promptly respond to the complaint. The procedure and complaint form need to be available on the transit agency's website. Complaints of noncompliance need to be kept on file for one year. A record of all complaints, which can be in summary form, must

be kept for five years. An explanation of complaints and their resolution will be provided to the PTT each year with the annual application for funding.

Service Criteria

All transportation providers must maintain accessibility features and equipment and repair out-of-order equipment promptly.

Public transit systems must establish a system of regular and frequent checks of lifts. When a lift fails, the vehicle must be taken out of service and the lift repaired. However, if there is no spare vehicle available, the transit system can keep the vehicle in service for three days (larger transit systems) or five days (smaller transit systems) to prevent a reduction in service. Alternative accessible transportation must be provided if a vehicle is in service with an inoperative lift and the headway to the next accessible vehicle exceeds 30 minutes.

Paratransit

Transit agencies and sub-contractors must meet the ADA service provision requirements found in 49 CFR Part 37. Systems with fixed-route services must comply with the ADA complementary paratransit requirement, assuring that their paratransit service meets all comparability standards in the rule. Recipients of funding administered by PTT that change either their fixed-route services or their paratransit services shall notify the PTT and provide assurance that the paratransit service remains comparable.

Origin-to-destination service means providing service from a passenger's origin to the passenger's destination. A provider may provide ADA complementary paratransit in a curb-to-curb or door-to-door mode. When an ADA paratransit operator chooses curb-to-curb as its primary means of providing service, it must provide assistance to those passengers who need assistance beyond the curb in order to use the service unless such assistance would result in a fundamental alteration or direct threat.

Paratransit Service Criteria

- Hours and days of service- the complementary paratransit service shall be available throughout the same hours and days as the entity's fixed route service. Paratransit may operate during more hours or days than the fixed route, but not less. If a transit agency runs fixed route service on weekends and holidays, it must provide complementary paratransit on those days as well.
- Service area- Paratransit must serve origins and destinations within corridors 3/4 of a mile wide on each side of each scheduled bus route, including areas that may be outside the transit system's jurisdiction. Small areas surrounded by these corridors must also be served. The paratransit service area can be enlarged, such as covering all other areas within the city limits. For systems receiving 5311 funding, paratransit services in expanded areas must be open to the general public.
- Trip reservation and response time- When advance reservation scheduling is used, reservations must be accepted the prior day (including Sundays). Real time scheduling may be used. The transit system may negotiate pickup times with the individual but cannot insist that a trip begin more than an hour from the individual's requested time. Advance

reservations up to 14 days in advance of an ADA paratransit eligible individual's desired trips.

- Fares- Fares may not exceed twice the fare for a similar fixed route trip (not taking discounts into account). Companions are eligible for the same fare. Personal attendants or aides ride free.
- Operating without regard to trip purpose- There can be no restrictions on the purpose of the trip.
- Absence of capacity constraints- Capacity constraints are prohibited, including restrictions on the number of trips an individual can use, waiting lists, and patterns or practices that significantly limit the availability of service (e.g., substantial numbers of trip denials, untimely trips, or excessively long trips).

  Subscription service is permitted and may involve trip purpose priorities and capacity constraints. However, subscription service may not absorb more than half the paratransit capacity available at any given time of day unless there is excess capacity on the system.

Public transit systems are not limited to only providing service required by these criteria.

Trip denials result when agencies do not accept trip requests. Avoiding denials means properly planning service, allocating resources, and managing operations in order to meet 100 percent of the expected demand. Counting the number of denials means accounting for all trips the rider is unable to take because of a denial. FTA expects transit agencies to document and analyze trip denials.

Denials include:

- A requested next-day trip cannot be provided by the transit agency.
- A rider requests a next-day trip, and the transit agency can only offer a trip outside of the 1 hour negotiating window. This represents a denial regardless of whether the rider accepts an offer outside of the 1 hour window.
- A rider requests a round trip, and the agency can only provide one leg of the trip. If the rider does not take the offered one-way trip, both portions of the trip are denials.

Missed trips are caused by agencies and not riders that are requested, confirmed and scheduled, but do not take place because:

- The vehicle arrives and leaves before the beginning of the pickup window without picking up the rider and without any indication from the rider that he or she no longer wants to make the trip.
- The vehicle does not wait the required time within the pickup window, there is no contact with the rider, and the vehicle departs without the rider.
- The vehicle arrives after the end of the pickup window and departs without picking up the rider (either because the rider is not there or declines to take the trip because it is now late).
- The vehicle does not arrive at the pickup location.

Eligibility

An individual is eligible for paratransit service if:

- Environmental barriers and the individual's disability prevent the individual from getting to or from a bus stop, boarding a fixed-route transit vehicle, or navigating the system.
- An individual applied for eligibility and 21 days from the submission of a complete application, the transit system has not acted on his or her application. Such eligibility is good until and unless the transit system denies the application. There is an administrative appeal process for denials.
- Paratransit service must be provided for 21 days to out-of-town visitors with disabilities.
- Residency must not be considered, and transit systems must honor eligibility cards issued by other transit agencies.
- The transit system may suspend paratransit service to someone for a reasonable period of time for a pattern or practice of missing scheduled trips. Administrative due process must be provided prior to a suspension. A pattern or practice involves intentional, repeated or regular actions, not isolated, accidental, or singular incidents. Transit agencies cannot base a suspension of service on any trips missed by a rider for reasons beyond his or her control, including trips missed due to illness, family emergency, or transit agency error or lateness.

Public transit systems are not limited to serving ADA eligible persons aboard their paratransit services. They can provide paratransit service to anyone they choose. However, only the cost of service to ADA eligible persons counts in the context of a request for an undue financial burden waiver.

Each transit system required to provide complementary paratransit service, needs to establish a process for determining ADA paratransit eligibility. Once a transit agency has received a completed application from an individual, a timely decision should be made regarding the eligibility. The determination concerning eligibility shall be in writing. Documentation to each eligible individual shall state that he or she is ‘ADA Paratransit Eligible”, and include the name of the eligible individual, the name of the transit provider, the telephone number of the entity’s paratransit coordinator, an expiration date for eligibility, and any conditions or limitations on the individual's eligibility including the use of a personal care attendant”.

If the individual is not eligible, the determination needs to state the reasons for the finding. An appeal process needs to be established for an individual to appeal the denial.

- The transit system may require that an appeal be filed within 60 days of the denial of an individual’s application.
- The process shall include an opportunity to be heard and to present information and arguments, separation of functions (i.e., a decision by a person not involved with the initial decision to deny eligibility), and written notification of the decision, and the reasons for it.
- The transit system is not required to provide paratransit service to the individual pending the determination on appeal. However, if the transit system has not decided within 30 days of the completion of the appeal process, the transit system shall provide paratransit service from that time until and unless a decision to deny the appeal is issued”

Vehicles

FTA standards for accessible vehicles are found in 49 CFR Part 38. Accessible vehicles must be equipped with a lift or ramp and must offer mobility aid security systems. There must be a minimum of one securement location on vehicles under 22 feet in length, and a minimum of two securement locations on longer vehicles. Vehicles must also have a clear path from the accessible entrance to the securement location. (30" wide by 54" tall on vehicles under 22 feet and 30" wide by 68" tall on larger vehicles.) Additional standards involve lift/ramp door and engine or brake interlocks, slip resistance properties of the flooring, color contrast of the interior lighting and signage. Vehicles over 22' in length used for fixed-route service must have public address systems and separate stop request signaling systems for persons in the securement locations. The regulation also sets specific minimum standards for each lift or ramp and for the mobility aid securement system.

All transit systems providing fixed route service must acquire accessible vehicles. This applies to all vehicles being leased, rehabilitated, or remanufactured. Transit systems that only provide demand responsive service may purchase some non-ADA accessible vehicles. The only funding sources that can be used for non-ADA accessible vehicles are STBG and local funds. The service for disabled persons must also be integrated with that for non-disabled persons to the maximum extent possible. Non-accessible vehicles may only be programmed for use in demand responsive service when the system is able to certify that all of its services provide equivalent levels of service accessibility for disabled persons.

A private taxi company owning its own vehicles and receiving no public funding is still covered by the provisions of the ADA. Taxi companies may not discriminate against person with disabilities. They may not refuse service to person with disabilities, including persons using folding wheelchairs if the person can transfer to a vehicle seat. If the taxi driver loads packages or luggage in the vehicle for other passengers, the driver is required to stow the folded wheelchair in the vehicle. A person with a disability may not be charged a higher fare than other passengers; however, if other passengers would be charged extra for stowing packages or luggage, the same fee may be applied to stowage of wheelchairs.

Private taxi companies are not required to purchase accessible vehicles if only automobiles are used. If larger vehicles such as vans or buses are purchased, taxi companies are required to purchase accessible vehicles unless they can demonstrate that equivalent service is provided to persons with disabilities when the total demand responsive service is considered. Private taxis under contract to public transit systems must meet the standards applicable to the transit system and will be viewed in conjunction with the transit system to determine whether equivalent service is available to persons with disabilities.

Transportation Facilities

As defined in 49 CFR Part 37.3, a facility is "all or any portion of buildings, structures, sites, complexes, equipment, roads, walks, passageways, parking lots, or other real or personal property, including the site where the building, property, structure, or equipment is located." A transportation facility shall be considered to be readily assessable to and useable by individuals with disabilities if it meets the requirements in Part 37. The U.S. Access Board website is a resource to find accessible design standards and guidelines that are in alignment with the ADA.

ADA Transition Plans are required of public entities with 50 or more employees, detailing any structural changes that would be undertaken to achieve program access and specifying a timeframe for completion. Public entities also are required to provide an opportunity for interested individuals to participate in the self-evaluation and transition planning processes by submitting comments. ADA Transition Plans are relevant to public transit agencies considered governmental under Iowa Code Chapters 28E or 28M with 50 or more employees, who own property which may require upgrades in order comply with the ADA. ADA Transition Plans also apply to urban fixed route public transit agencies who are part of a city or are a stand-alone governmental entity. The city or stand-alone public transit system should have an ADA Transition Plan which includes the transit facilities and all fixed route bus stops and bus shelters ensuring those meet ADA standards along with a schedule for bringing the facilities and/or bus stops and shelters into compliance.

Disadvantaged Business Enterprise (DBE) Program

The overall purpose of the DBE program is to ensure nondiscrimination in the award and administration of FTA assisted contracts. The program helps remove barriers for socially and economically disadvantaged firms to have the opportunity to participate in federal contracts. All recipients of FTA funds must demonstrate a good faith effort to obtain participation by DBE firms in FTA assisted contracts and report contracts awarded to DBE firms.

On April 9, 2024, the Department published a DBE Final Rule in the Federal Register 49 CFR Part 26 to modernize and streamline the DBE program regulations. As part of the DOT Final Rule, a new tiered system was developed for FTA grant recipients.

- Tier 1 Recipients: FTA grant recipients who award more than $670,000 in federal transit funds annually in third-party contracts are subject to all provisions. Tier I recipients must upload their updated DBE program into TrAMS by March 1, 2025, for FTA review.
- Tier II Recipients: FTA grant recipients who award $670,000 or less in federal transit funds annually are subject to a subset of provisions, including reporting requirements and the small business element. Tier II recipients do not submit documentation of these provisions for FTA for approval. However, FTA will verify compliance with these requirements during Triennial and State Management Reviews.

The Final Rule also clarifies the requirements for FTA-assisted transit vehicle procurements and simplifies the definition of transit vehicle manufacturers (TVMs). Some recipients will need to revise their policies to ensure they comply with the rules for transit vehicle procurements.

As an FTA recipient, the Iowa DOT is required to have a DBE program and FTA goal. The Iowa DOT is required to have one DBE program for all DOT programs, but separate goals for each of the administrating agencies. Each subrecipient is required to report anticipated contracting opportunities to PTT.

The Iowa DOT's Civil Rights Bureau coordinates the Unified Certification Process (UCP) program that only requires one certification to do business as a DBE under any FTA, FAA, or FHWA assisted contract. The online searchable directory is also maintained by the Iowa DOT Civil Rights Bureau.

On September 30, 2025, the U.S. Department of Transportation announced changes to the DBE program that will directly affect DBEs. For additional information or assistance in helping a firm

receive certification as a DBE, contact: Iowa DOT Civil Rights Bureau at 515-239-1422 or civil.rights@iowadot.us

Equal Employment Opportunity (EEO)

EEO requires all recipients of FTA funds to provide equal employment to all persons. A person may not be excluded from participating in, denied a benefit of, or discriminated against under a project, program or activity receiving financial assistance under 49 U.S.C. 5332(b) because of race, color, religion, national origin, sex, disability or age.

Effective May 20, 2026, FTA Circular 4704.1A, *Equal Employment Opportunity (EEO) Requirements and Guidelines for Federal Transit Administration Recipients* has been withdrawn.

In early 2025 President Trump issued Executive Orders expressing the policy of the Administration to "alleviate unnecessary regulatory burden"

In accordance with these Executive Orders, FTA evaluated its External EEO Program and the corresponding Circular 4704.1A and determined that revoking this Circular will relieve an administrative burden for recipients by terminating the requirement that recipients submit EEO documentation to FTA. The requirements included in Circular 4704.1A are redundant of existing regulations promulgated by EEOC, DOL, and DOJ, and revoking Circular 4704.1A will reduce reporting requirements for recipients. FTA hereby revokes Circular 4704.1A, including its requirements for agencies to submit EEO documentation to FTA.

Continue to work with your HR department and follow EEO in your hiring practices.

References & Important Links

- FTA Title VI Circular 4702.1B
  https://www.transit.dot.gov/sites/fta.dot.gov/files/docs/FTA_Title_VI_FINAL.pdf
- Title VI of the Civil Rights Act
  https://www.justice.gov/crt/fcs/TitleVI-Overview
- Age Discrimination Acts of 1975
  https://www.dol.gov/agencies/oasam/regulatory/statutes/age-discrimination-act
- FTA ADA Guidance Circular 4710.1
  https://www.transit.dot.gov/regulations-and-programs/fta-circulars/americans-disabilities-act-guidance
- ADA .gov
  https://www.ada.gov/law-and-regs/
- 49 C.F.R Part 37 Transportation Services for Individuals with Disabilities (ADA)
  https://www.ecfr.gov/current/title-49/subtitle-A/part-37?toc=1
- 49 CFR Part 27 Nondiscrimination on the Basis of Disability
  https://www.ecfr.gov/current/title-49/subtitle-A/part-27?toc=1
- U.S. Access Board
  https://www.access-board.gov/
- Disadvantaged Business Enterprise
  https://www.transit.dot.gov/dbe
- 49 CFR Part 26 DBE
  https://www.ecfr.gov/current/title-49/subtitle-A/part-26
- Iowa DOT Civil Rights Bureau
  https://iowadot.gov/about/civil-rights
- Iowa DOT DBE Directory
  https://opmapps.iowadot.gov/civilrights/DBEDirectory?_gl=1*fae18h*_gcl_au*MTI0MDMwMTg3My4xNzg3MTczNjQ2
- The Civil Rights Restoration Act of 1987
  https://www.govinfo.gov/content/pkg/STATUTE-102/pdf/STATUTE-102-Pg28.pdf
- 23 U.S.C 324 Prohibition of discrimination on the basis of sex
  https://www.govinfo.gov/app/details/USCODE-2023-title23/USCODE-2023-title23-chap3-sec324

Chapter 13 Drug and Alcohol

Transit systems are subject to various regulations relating to substance abuse. Operating safe public transportation systems is important. Transit systems are required to establish a drug abuse and alcohol misuse program and ensure that operators and employees follow established policies. This chapter describes requirements for drug and alcohol testing programs. FTA has a Drug and Alcohol Testing Program Best Practices Manual, and a very detailed Tools and Resources webpage that includes a policy builder, forms, checklists, examples and training opportunities. Links are included for both at the end of this chapter.

Since 1991, the FTA has had regulations prohibiting drug use and alcohol misuse by transit employees and required transit agencies to test for prohibited drug use and alcohol misuse. The rule covering both is titled, “Prevention of Alcohol Misuse and Prohibited Drug Use in Transit Operations”, is found in 49 CFR Part 655.

FTA's rule, 49 CFR Part 655, applies to all employers receiving FTA funds either directly or indirectly, as well as contractors providing transit services using FTA funded vehicles. A drug- and alcohol-testing program must also be implemented under the applicable US DOT rules. (Although the FTA rules do not apply to the Section 5310 program, all Section 5310 recipients in Iowa are subject to the FTA drug and alcohol program testing rules because they also receive FTA Section 5311 or 5339 funding.) Recipients will be ineligible for further FTA financial assistance if the recipient fails to establish and implement an anti-drug and alcohol misuse program in accordance with 49 CFR Part 655.

Maintenance contractors to transit systems in urbanized areas with a population of 200,000 or greater are also required to have an FTA-compliant testing program in place, unless they only perform maintenance on an ad hoc or one-time basis. Maintenance contractors to transit systems in areas with a population less than 200,000 are exempt. All employees of transit systems using FTA funds, or their transit service contractors, who perform vehicle maintenance duties remain subject to the rule.

Taxicab owner-operators, and/or their employees are required to comply with the US DOT drug and alcohol testing requirements if a transit system, or its contractor, has entered into a contract with one or more entities to provide taxi service. However, the drug and alcohol testing rules do not apply to taxicab owner-operators, and/or their employees, that accept a transit systems' subsidized voucher, if the rider can choose from a variety of taxicab operators.

Volunteers are exempt from the drug and alcohol program rules if they do not receive compensation in excess of the actual personal expenses incurred while performing the volunteer service and/or are not required to hold a commercial driver’s license to operate the vehicle.

49 CFR Part 655 preempts any state or local law, rule, regulation, or order to the extent that:

- Compliance with both the state or local requirement and any requirement in Part 655 is not possible; or
- Compliance with the state or local requirement is an obstacle to the accomplishment and execution of any requirement in Part 655.

The US Department of Transportation (US DOT) issued 49 CFR Part 40, "Procedures for Transportation Workplace Drug and Alcohol Testing Programs," prescribing specimen collection and testing methods to be followed under the testing programs for all modal administrations.

Employers are responsible for meeting all applicable requirements and following procedures of 49 CFR Part 40. Employers are also responsible for all actions of their officials, representatives and agents (including service agents) in carrying out the requirements of the DOT agency regulations.

FTA's Office of Safety and Security provides drug and alcohol regulation updates on their website free of charge. Answers to interpretation questions by the US DOT, Office of Drug and Alcohol Policy and Compliance (ODAPC), can be found on their website at http://www.dot.gov/ost/dapc. ODAPC and the Office of General Counsel (OGC) are the only official and authoritative interpreters concerning the provisions of 49 CFR Part 40.

Anti-drug and Alcohol Misuse Testing Program and Policies

Employers are required to formally adopt a drug and alcohol testing program and policy that meets the requirements of 49 CFR Parts 40 and 655. An employer must have an anti-drug and alcohol misuse testing program in place by the date the employer begins operations. The program policy needs to include the original effective date, board approval and dates the program policy has been updated and readopted. The employer must document that each employee has received the policy and will need to distribute new copies to all employees each time it is updated. The employee must also have access to the corresponding federal regulations. Employers must also distribute policies to representatives of applicable employee organizations.

The employer's policy must be written to apply to all employees who perform safety-sensitive functions defined in Part 655.4, applicants being hired to perform safety sensitive functions, and existing employees being transferred to positions that will perform safety sensitive functions. This requirement also applies to any contract employee or independent contractor that performs safety sensitive service on the transit system’s behalf, or uses any FTA funded public transit vehicles. Employers may adopt other testing requirements under their own local authority. However, these requirements must be specifically identified as such in the drug-and alcohol-testing program and policy by showing that DOT testing is completely separate from non-DOT testing. The employee will need to be informed before the test whether it is under FTA authority or company authority.

A safety-sensitive function is any duty related to operating, maintaining, or controlling the movement of any transit revenue vehicle (even if not in revenue service), carrying firearms (by security personnel only), or operating any equipment for which a commercial driver license (CDL) is required.

Although FTA's definition of safety-sensitive includes the term "dispatch," supporting language explains that different employers make differing use of the terms "dispatch" or "dispatcher," and that each employer must decide whether its employees, who may hold a title of dispatcher, actually control the movement of vehicles.

The policy must include each of the required elements identified in Part 655.15. The FTA Drug and Alcohol Tools and Resources webpage includes a link to the FTA policy builder and there is also a checklist with the required elements. Any employer that chooses not to use the policy builder or

checklist, will need to make sure they are covering all aspects of the FTA rule. The procedure will need to indicate that DOT tests can be conducted at all times when safety-sensitive functions may be performed.

Actions that will be taken on the part of the employer in any instance where, under FTA rules, an employee has a verified positive drug test result, a confirmed alcohol test result of 0.04 or greater, or refused to submit to a test, must be formalized and included in the employer's substance abuse policy. An SAP referral shall be provided to any covered employee, including an applicant, who fails or refuses a DOT test. Consequences for testing violations under local authority should also be addressed in this same policy. The policy should clearly define what is FTA and what is considered company policy prohibitions.

Education and Training

All covered employees must undergo a minimum of 60 minutes of training on the signs and symptoms of prohibited drug use including the effects and consequences of drug use on personal health, safety, and the work environment. The FTA has created a video to fulfill this training obligation. In addition, employers are required to display and distribute to every covered employee, informational material and a community service hotline telephone number for employee assistance, if available.

Supervisors, and any other person authorized by the employer to make reasonable suspicion determinations such as dispatchers or other employees who see drivers regularly, are required to receive at least 60 minutes of training on the physical, behavioral, and performance indicators of probable drug use, and at least 60 minutes of training on the physical, behavioral, speech, and performance indicators of probable alcohol use. The FTA also has a video to fulfill this training obligation.

Per State of Iowa regulations for private employers, including non-profit corporations, supervisory personnel are required to attend on an annual basis, a minimum of one hour of subsequent refresher training (Iowa Law 730.5.9.h). This rule does not apply to governmental employers, including 28E organizations.

Service Agents

Employers may use a service agent to carry out drug and alcohol testing program tasks; however, employers remain accountable for compliance. Although employers are not required to have active monitoring responsibilities with respect to service agents, they should confirm qualifications by requesting current certificates annually. All agreements and arrangements, whether written or unwritten, between employers and service agents are deemed, as a matter of law, to require compliance with all applicable provisions of 49 CFR Part 40 and 49 CFR Part 655. Violations are subject to sanctions by the US DOT. Good faith use of a service agent is not a defense in any enforcement action initiated by FTA in which an employer's alleged noncompliance with the federal rules may have resulted from a service agent's conduct.

Part 40 rules expanded training requirements for collection sites, Medical Review Officers (MROs), Breath Alcohol Technicians (BATs), Screening Test Technicians (STT), and Substance Abuse Professionals (SAPs). Current specimen collection personnel must receive qualification training

and demonstrate proficiency. New collectors must complete the training prior to performing collection functions. Refresher and error correction training is also required.

Service agents are required to maintain their own training records and are responsible for meeting the employer's need to comply with FTA requirements. They must provide any information or records the employer is asked to produce by FTA, PTT, or a transit system in the case of service providers within two days. It is the responsibility of the transit agency to verify that these individuals have met the training requirements even if the transit agency participates in a consortium or uses a Third Party Administrator.

The rules allow an employer's drug and alcohol testing program to be outsourced to any organization that provides or coordinates a variety of drug and alcohol testing services to employers. PTT suggests that the obligation to comply with Parts 40 and 655 be included in the contractual language between the employer and the Consortium/Third Party Administrator (C/TPA). Employers can contract out drug and alcohol testing program functions; however, the employer remains responsible for ensuring compliance. An employee's consent is not required for a C/TPA or other service agent to receive and maintain records concerning US DOT drug and alcohol testing programs, including positive, negative, and refusal to test individual test results.

The employer or C/TPA must provide all the required information from Part 40 Section 40.14 to the collector.

- Full name of employee being tested
- SSN or employee ID
- Laboratory name and address
- Employer name, address, phone number and fax number
- DER information
- MRO name, address, phone number and fax number
- The DOT agency which regulates the employee’s safety-sensitive duties
- Test reason: Pre-employment, Random, Reasonable Suspicion/Reasonable Cause, Post-Accident, Return-to-Duty and Follow-up
- Whether the test is to be observed or not
- Optional - C/TPA name, address, phone number and fax number
- Specimen type to be collected; oral fluid or urine

Custody and Control Form (CCF) and Alcohol Testing Form (ATF)

It is the employer's responsibility to ensure that the collection sites, conducting FTA required testing on their behalf, are using the most current Federal Drug Testing Custody and Control Form (CCF) and the Alcohol Testing Form (ATF). These multi-part forms can only be used for FTA required tests and cannot be used for tests conducted only under local authority. Use of these forms for a non-federal test is prohibited and may result in a US DOT enforcement action.

Transit agencies must closely monitor the collection sites’ use of the CCFs and ATFs. For example, the custody and control seals must not be dated and initialed prior to removal from the CCF, as this is only to be done after they have been affixed to the bottles. To check for this, examine the employer’s copy for a faint shadow, imprint, or traces of carbon ink of a date or the employee’s

initials. Also, because these forms are to be used for federal drug and alcohol testing only, and the federal testing authority for transit agencies is the Federal Transit Administration (FTA), the forms should be reviewed to ensure the "FTA" box is checked rather than "FMCSA" or some other federal agency. If errors are identified, the transit agency must work with the collection site to provide guidance and make appropriate corrections.

Drug and Alcohol Background Checks of New Hires

Employers are required to obtain written consent from applicants, or employees transferring into a safety-sensitive position, to obtain specific information from any US DOT regulated employer of the applicant, or employee, during any period within the two years prior to the date of the employee's application or transfer. The employer must send the Previous Employer Release of Information Form to previous US DOT regulated employers, and document good faith effort to obtain this information. Any applicant or employee that refuses to provide this written consent shall not be permitted to perform safety-sensitive functions.

Information concerning an applicant who has tested positive on a pre-employment test must be requested of the applicant directly if unavailable from the previous employer. The employer is required to ask the applicant or employee whether he/she has tested positive, or refused to test, on any pre-employment drug or alcohol test administered by an employer to which the employee applied for, but did not obtain safety-sensitive transportation work covered by US DOT agency drug and alcohol testing rules during the past two years. The employer shall not allow any applicant or employee acknowledging that he/she had a positive test, or refused to test, to perform a safety-sensitive function unless the applicant or employee documents successful completion of the full regimen of the return-to-duty/follow-up testing process.

An employer shall release information regarding a covered employee's record as directed by the specific written consent of the employee authorizing release of the information to the identified person. Records shall be made available to a subsequent employer upon receipt of a written request from a covered employee. Subsequent disclosure by the employer is permitted only as expressly authorized by the terms of the covered employee's request.

In order to protect the employees' privacy, specific written consent must be obtained for any release of test results or medical information to a third party. However, in any legal action related to an employee, resulting from a positive drug or alcohol test, or a refusal to test, the employer may release employee test information without the employee's consent. These proceedings also include a criminal or civil action resulting from an employee's performance of safety-sensitive duties. Release of this information to the court system, once criminal or civil charges have been made, is allowed. Employers must immediately notify the employee in writing of any release of information authorized by 49 CFR Part 40 or Part 655. Blanket releases of information are not allowed under any circumstances. Third party administrators and service agents must follow the same confidentiality regulations with respect to the use, release of information, and records retention requirements applicable to employers.

The FTA Drug and Alcohol Tools and Resources webpage has sample forms to meet the written consent from applicants. Please reference the Pre-Employment Notification and Acknowledgement Form and the Previous Employer Release of Information Form.

All applicants for safety-sensitive positions must take a pre-employment drug test with a verified negative result before performing a safety-sensitive function. Any pre-employment alcohol testing must meet FTA requirements. Any employee who has not performed a safety-sensitive function and has been out of the random pool for at least 90 days will need to take a pre-employment drug test with a verified negative result before resuming safety-sensitive functions.

FTA Random Drug and Alcohol Testing Requirements

FTA requires random drug and alcohol testing throughout the year for safety-sensitive employees. Random selections and testing should be performed at least quarterly. Tests must be spread throughout the service times of day, days of week, weeks of month, and months of the year with the goal of not being predictable to the employees. The percentages of employees that must be randomly tested during the year are 50% for drug and 10% for alcohol. The transit employer may do the random selections themselves using a scientifically valid selection method or have a third-party administrator provide the selections every month, quarter, or some other specified time period. The random selection list shall be transmitted and maintained in a secure manner. The public transit agency should work to find drug and alcohol testing sites who can conduct tests during all hours when public transit is in operation. Employees notified for random testing need to proceed immediately to the testing site. Employees should only be selected for random alcohol testing just before, during, or just after the performance of a safety-sensitive function. An employee may only be excused from random testing for legitimate reasons, and a record must be maintained for any excusals.

Post Accident Testing

A DOT post-accident test must be performed when there is an occurrence associated with the operation of a mass transit vehicle, if as a result:

- An individual dies; or unless the employee's performance can be completely discounted as a contributing factor to the accident
- An individual suffers bodily injury and immediately receives medical attention away from the scene of the accident.
- A vehicle (including non-transit vehicle) incurs disabling damage as the result of the occurrence and a vehicle is transported away from the scene by a tow truck or other vehicle
- The mass transit vehicle is removed from operation.

Who to test:

- Covered employee operating the mass transit vehicle, unless the transit employee's performance can be completely discounted as a contributing factor to the accident; and/or
- Other covered employees who could have contributed to the accident.

Time limits

- Employee must remain readily available for testing
- Alcohol and drug testing must begin as soon as practicable following the accident
- Do alcohol test first, if possible
    - If not done within 2 hours of the accident, document why
    - If not done within 8 hours of accident, cease attempts and document why

- Complete alcohol test before starting the drug test
- Do drug test as soon as possible after the alcohol test
    - If not done within 32 hours, cease attempts and document why

Reasonable Suspicion Testing

An employee in a safety-sensitive position is required to test for drugs and/or alcohol if a trained supervisor or company official, trained to recognize the signs and symptoms of drug and alcohol use, believes or suspects an employee is under the influence of drugs and/or alcohol. The suspicion must be based on specific observations by the supervisor or company official concerning the employee's current appearance, behavior, speech, and smell that are usually associated with drug or alcohol use, and these observations must be documented. Employees are subject to reasonable suspicion alcohol testing just before, during, or just after the performance of a safety-sensitive function. If the reasonable suspicion alcohol test is not completed within two hours, there needs to be a record for the reason for the delay.

Return to Duty and Follow-Up Testing

When an employee tests positive, refuses to test, or violates other provisions of testing regulations, the employee cannot work again in DOT safety-sensitive positions until successfully completing the SAP return-to-duty requirements in Part 40. The SAP must provide a written evaluation and follow-up testing plan outlining for the employer the number and frequency of follow-up testing. The employer is responsible for ensuring the employee is tested according to the plan. The follow-up tests should be unannounced, and the employee must report directly to the collection site. The return-to-duty and follow-up tests must be under direct observation. If a CCF does not indicate that a directly observed test was conducted when one was required, the employer should contact the collector to determine whether direct observation occurred but was not recorded, or if it did not occur at all. If the directly observed test did occur but was not marked, the collector should provide a memorandum of correction to the employer. If the test was not directly observed, the employer must send the employee for an immediate retest under direct observation.

Access and Retention of Records

All employers doing FTA required drug and alcohol testing must permit access by the US DOT to all facilities utilized and records compiled in complying with the requirements of 49 CFR Parts 40 and 655. They must also disclose information regarding drug and alcohol testing to the National Transportation Safety Board (NTSB) when requested in relation to any accident under investigation by NTSB.

Contracted transit service providers must permit access to these facilities and records by the transit system(s) which provide them with FTA funding or FTA funded vehicles, in order for the transit system to carry out their responsibility for overseeing compliance. The same applies to maintenance contractors, if covered by the FTA rule.

All transit systems that are subrecipients of statewide FTA grants or that possess or use vehicles purchased under such grants, and all their contractors that are subject to the FTA rule, must also permit access to these facilities and records by PTT, in order for PTT to carry out its oversight responsibilities as the direct recipient of such grants.

A covered employee is entitled, upon written request, to obtain copies of any records pertaining to the covered employee's use of prohibited drugs or misuse of alcohol, including any records pertaining to his or her drug or alcohol tests, with the exception of an SAP's recommended follow-up testing schedule. Records shall be provided promptly to employees and shall not be contingent upon the employer's receipt of payment for the production of these records.

Records must be maintained in a secure location with controlled access. A service agent may maintain these records for the employer. However, the employer must ensure that records are available at the principle place of business within two days of the request. Each record must be kept for a specified minimum period of time as measured from the date of the creation of the record. Each employer shall maintain the records in accordance with the following schedule:

Five Years

- Verified positive drug test results
- Alcohol test results greater or equal to 0.04
- Documentation of refusals to test
- SAP Referrals
- Copies of annual MIS reports submitted to FTA or PTT
- Return-to-duty and follow-up test results

Three Years

- Previous DOT employer records request documentation

Two Years

- Random selection lists
- Reasonable suspicion testing documentation
- Post-accident testing documentation
- Employee training documentation. PTT recommends employee training records be maintained for the duration of employment of the employee.

One Year

- Negative test results

Management Information Systems (MIS) Reporting

Each recipient shall annually prepare and maintain a summary of the results of its anti-drug and alcohol misuse testing programs performed under 49 CFR Part 655 during the previous calendar year. Drug Testing Management Information System (MIS) Data Collection Forms and Alcohol Testing Management Information System (MIS) Data Collection Forms are required to be completed for drug and alcohol testing data concerning all employees covered under FTA rules. The report should only contain FTA drug and alcohol testing information. Reports are to be submitted electronically through the Drug and Alcohol MIS reporting website and instructions are available for filling out the forms.

Transit systems are responsible for reviewing contractor/subproviders MIS reports for completeness prior to notifying PTT that the report is ready for state level review. These reports are required to be submitted by small urban and regional transit systems, and their contractors, to PTT by February 15 each calendar year, covering the preceding calendar year's activities.

Section 5307 recipients report directly to FTA through the same website by March 15th.

Motor Carrier Regulations

The Federal Motor Carrier Safety Administration (FMCSA) rules (49 CFR Part 382) and US DOT's 49 CFR Part 40 apply to private over-the-road or charter bus operators, school bus operators, and human service agencies that provide their own transportation, if no FTA financial support or FTA-funded vehicles are involved.

The only time FMCSA rules concerning drug and alcohol testing would apply to an employer receiving FTA funds, either directly or indirectly, would be if a significant portion of the workforce spends more time driving for services that are not FTA funded or counted toward FTA funding. In this case, the employer can have two separate testing programs. An analysis of an employee's time spent on safety sensitive functions versus non-FTA funded driving duties requiring a CDL, would determine in the which testing program the employee is placed. Those employees with a majority of FTA funded duties must be in an FTA compliant program, while those employees spending the majority of time on non-FTA-funded CDL related duties would be in a FMCSA compliant program.

An example of this might be an intercity bus carrier that received Section 5311(f) funding. Although most of their employees may be covered by FMCSA drug and alcohol testing rules, one or more of their employees may be subject to FTA drug and alcohol testing rules. In these cases, either a separate random testing pool can be maintained for the employees subject to FTA testing rules, or all employees may be combined in the same random testing pool provided the testing rate is the same, or the higher of the two rates published in the federal register for the calendar year is used. FTA's pre-employment, post-accident testing rules, training and education, etc. must be followed for any employee subject to FTA's 49 CFR Part 655 rules rather than FMCSA's 49 CFR Part 382 rules. All other testing (e.g., pre-employment, post-accident, reasonable suspicion) is regulated under the Agency that regulates the function the employee was performing at the time of the event. Wreck the transit bus; you are subject to post-accident testing under FTA regulations even if you are in the municipality's FMCSA random pool.

Drug-Free Workplace Act of 1988

As part of omnibus anti-drug legislation, Congress enacted the "Drug-Free Workplace Act of 1988". The act requires federal grantees to certify that they maintain a drug-free workplace. This includes any transit system or subcontractor whose agency receives any direct federal funding for any of their agency's programs. The drug-free workplace regulations cover the block grant programs as well as entitlement programs.

The regulations apply only to primary grantees. All transit systems that are direct recipients of Section 5307 funding or Section 5339, or other direct federal funding must comply with the regulation. Transit systems and/or their subcontractors, that do not receive direct federal transit grants, but whose agencies receive other direct federal funding, (e.g. Head Start funding), must also comply. This includes agencies that are part of a city or county that receives any federal funding

directly. The recipients of pass-through funds only are not required to make drug-free workplace certifications. (Technical assistance, loans, loan guarantees, direct appropriations or veterans' benefits to individuals are not considered grants.)

Grantees must publish a written policy (e.g. as part of a personnel policy or manual) that informs all of their employees that the unlawful possession, distribution or manufacturing of a controlled substance in the workplace is prohibited. The statement must identify the sites of the performance of the grant and the penalties to be imposed on employees who violate the grantee's drug-free workplace policy. Transit systems and/or their subcontractors that must comply with this regulation may incorporate the rules into their drug abuse and alcohol misuse program and policy. Transit systems that choose to address the drug-free workplace regulations separately are encouraged to include a reference in their drug and alcohol policy stating the need to comply with the drug-free workplace regulations and where additional information may be obtained.

Grantees must also establish a drug-free awareness program to inform employees of the dangers of drug abuse in the workplace, the grantee's policy of maintaining a drug-free workplace, and any available drug rehabilitation and employee assistance programs. Grantees are not required to provide or pay for drug rehabilitation programs.

All employees must be given the drug-free workplace policy and informed that they must comply with the policy as a condition of employment. Temporary personnel and consultants who are on the grantee's payroll are also included. The policy must include a requirement that employees notify the grantee of any "criminal drug statute conviction for a violation occurring in the workplace" within five days of the conviction. The federal granting agency must be notified within 10 days after the grantee receives notice of such a conviction. Within 30 days of notice of an employee's conviction for a drug violation in the workplace, a grantee must either take appropriate personnel action against the employee, which can include termination, or require the employee to participate satisfactorily in a drug abuse assistance or rehabilitation program that is approved by a federal, state or local health, or law enforcement.

False statements in the certification or failure to make a good faith effort to comply with the drug-free workplace regulations are subject to federal sanctions. These sanctions include suspension of payments under a grant; suspension or termination of a grant; and suspension or debarment from federally assisted activities. Debarments for noncompliance cannot exceed five years. The law authorizes three year debarments for other violations.

References & Important Links

- FTA Best Practices Manual: FTA Drug and Alcohol Testing Program https://transit-safety.fta.dot.gov/DrugAndAlcohol/publications/DocumentInfo.aspx?docid=62
- FTA Drug & Alcohol Tools and Resources https://transit-safety.fta.dot.gov/DrugAndAlcohol/Tools/Default.aspx
- FTA Policy Builder https://transit-safety.fta.dot.gov/DrugAndAlcohol/Tools/PolicyBuilder/CreatePolicy.aspx
- 49 CFR Part 655 https://www.ecfr.gov/current/title-49/subtitle-B/chapter-VI/part-655?toc=1
- 49 CFR Part 40 https://www.ecfr.gov/current/title-49/subtitle-A/part-40
- Office of Drug & Alcohol Policy & Compliance https://www.transportation.gov/odapc
- Federal Motor Carrier Safety Administration (FMCSA) 49 CFR Part 382 https://www.ecfr.gov/current/title-49/subtitle-B/chapter-III/subchapter-B/part-382?toc=1
- Drug and Alcohol MIS Reporting https://transit-safety.fta.dot.gov/DrugAndAlcohol/DAMIS/default.aspx

Calendar

State Fiscal Year (July 1 – June 30)

Federal Fiscal Year (October 1 – September 30)

July

- **1st** State Fiscal Year Begins
- **1st** Record actual odometer readings for each transit vehicle prior to start of service (unless recorded after end of service on June 30)
- **1st** Contingency Fleet Plans due, if applicable
- **15th** Year End Odometer Report due
- **25th** Regional/ Small Urban System Quarterly Charter Report due
- **30th** 4th Quarter Fuel Tax Report due
- **30th** Large Urban System Quarterly Charter Report due to FTA
- **30th** Large Urban Quarterly TrAMS Reports (if in TMA) due to FTA

August

- **1st** Large Urban System DBE (Next FFY) goals due to FTA
- **15th** 4th Quarter Statistical Report
- **15th** Property Inventory Information due to PTT for facilities (funds administered by PTT)

September

- **1st** Intercity Bus Applications due

October

- **1st** ICAAP Applications due to Systems Planning Bureau
- **1st** STA Special Projects Applications due
- **25th** Regional/Small Urban System Quarterly Charter Report due
- **30th** 1st Quarter Fuel Tax Report due
- **30th** Regional/Small Urban System DBE (April – September) Semi-Annual Reports due
- **30th** Large Urban System Quarterly Charter Report due to FTA
- **30th** Larger Urban Quarterly TrAMS Reports (if in TMA) due to FTA
- **30th** Large Urban Annual TrAMS Reports (if in 50,000 – 200,000 UZA) due to FTA

November

- **15th** 1st Quarter Statistical Report due
- **30th** Large Urban NTD Reports due to NTD

December

- **1st** Large Urban System DBE (April – September) Semi-Annual Report due to FTA

January

- **25th** Regional/Small Urban System Quarterly Charter Report due
- **30th** 2nd Quarter Fuel Tax Report due
- **30th** Large Urban System Quarterly Charter Report due to FTA
- **30th** Large Urban TrAMS Quarterly Reports (if in TMA) due to FTA

February

- **1st** Draft Passenger Transportation Plans due to Systems Planning Bureau
- **15th** 2nd Quarter Statistical Report due
- **15th** Regional/Small Urban System MIS Drug & Alcohol Report (previous calendar year) due

March

- **15th** Large Urban System MIS Drug & Alcohol Report (previous calendar year) due to FTA
- **31st** 2 CFR 200 Audit (previous state fiscal year) due

April

- **1st** Consolidated Transit Funding Public Hearings due
- **25th** Regional/Small Urban System Quarterly Charter Report due
- **30th** 3rd Quarter Fuel Tax Report due
- **30th** Regional/Small Urban System DBE (October-March) Semi-Annual Reports due
- **30th** Triennially, Regional/Small Urban System DBE Projection Worksheet (for next three Federal Fiscal Years, October 1 -September 30) due
- **30th** Large Urban System Quarterly Charter Report due to FTA
- **30th** Large Urban Quarterly TrAMS Reports (if in TMA) due to FTA

May

- **1st** Consolidated Transit Funding Applications (including Statewide 5339, 5310, 5311, Public Transit Infrastructure Grant, and Amoco Loan) due
- **1st** Passenger Transportation Plans due
- **15th** 3rd Quarter Statistical Report due

June

- **1st** Large Urban System DBE (October-March) Semi-Annual Report due to FTA
- **15th** Triennially, State and Large Urban System DBE (next three FFYs) goals published for comment (45 days before August 1st)
- **30th** Record vehicle odometer reading at end of service or prior to start of service on July 1st
- **30th** End of State Fiscal Year

Miscellaneous

- **February – March,** Next fiscal year STA and FTA 5310 & 5311 forecasts announced
- **Within 90 days of contract start,** a copy of Transit Service Contracts due
- **Two weeks prior to training,** application for training fellowships due
- **Within 60 days after training,** fellowship reimbursement requests due
- **Within 45 days after accepting new vehicles under a statewide grant,** posting of replaced vehicles on Iowa DOT classifieds due

Please note: All applications, reports, etc. are due to the Iowa DOT Public Transit Team, unless otherwise indicated.

Glossary

Accident: A crash involving a public transit vehicle that resulted in a fatality, a personal injury, or disability damage to one or more vehicles causing the vehicle to be towed. In these cases, the operator of the public transit vehicle is required to be drug and alcohol tested.

Accrual Accounting: Method of accounting which records expenses and revenues as they are incurred whether funds have actually changed hands or not.

Alcohol: The intoxicating agent in beverage alcohol, ethyl alcohol, or other low molecular weight alcohols contained in any beverage, mixture, mouthwash, candy, food, or medication.

Alcohol Test Form (ATF): A standard form to be used to report results from alcohol tests required by the US DOT.

Annual Element: The first year of programming included in and in the Transportation Improvement Program (TIP).

Annual Goal: A numerically expressed objective for DBE utilization in the performance of all DOT assisted contracts (including purchase orders), exclusive of funds for transit vehicle purchases, during a one-year period.

Aspirational Goal: National goal (10%) that USDOT uses as a tool in evaluating and monitoring Disadvantaged Business Enterprise (DBE) firms' opportunity to participate in DOT assisted contracts.

Assignability: Clause included in a vehicle procurement to allow a portion of the vehicle quantity in the original contract to be delivered to a different location not specified in the original contract.

Automatic Fare Collection System: The controls and equipment that automatically admit passengers on insertion of the correct fare in an acceptable form.

Automatic Passenger Counter (APC): An automated means of counting boarding and alighting passengers (e.g., treadle mats or infrared beams placed by the door).

Automatic Vehicle Location (AVL): Position determination via an automatic technology or combination of technologies, such as Global Positioning System (triangulation of satellite signals), Signposts (beacons at known locations transmit signals picked up by vehicle), Ground-Based Radio (triangulation of radio tower signals), or Dead-Reckoning (vehicle's odometer and compass used to measure new position from previous known position), and typically includes real-time reporting of that location to a dispatcher.

Bidder: An individual, partnership, firm, corporation, or any acceptable combination or joint venture that is submitting a bid.

Blanket Releases: Release of a category of information (e.g. all test results) or release to a category of parties (e.g. other employers an employee may apply for employment), are prohibited under 49 CFR Part 40.

Cash Accounting: Method of accounting that recognizes expenses in the period of the payment and revenue at the time cash is received.

Certification: A recipient's written statement, authorized by the organization's governing board or other authorizing official that the recipient has complied with the provisions of 49 CFR Parts 40 and 655.

Charter: Transportation service operated on an occasional basis to an exclusive group other than agencies that have a contract with the transit system. All such service must be performed in conformance with the FTA charter rule and must not contribute to the vehicle being used for more than 20 percent incidental service.

Collector: A trained person who instructs and assists employees at a collection site, who receives and makes an initial inspection of the urine specimen provided by those employees, and who initiates and completes the Federal Drug Testing Custody and Control Form (CCF).

Common Carrier: A company or agency certified by a regulatory body to carry all passengers who pay the required fee.

Complementary Paratransit: Paratransit service that is required as part of the Americans with Disabilities Act which complements, or is in addition to, already available fixed-route service in terms of service hours and area, fares, and other service characteristics.

Compliance: Correctly implementing state and federal requirements.

Computer Aided Dispatch Software: Software used in demand-response transportation to make reservations for clients, schedule trips on vehicles, provide drivers with lists of riders, and compile and complete billing and performance reports.

Consortium/Third-Party Administrator: A service agent that provides or coordinates the provision of a variety of drug and alcohol testing services to employers. C/TPA's typically perform administrative tasks concerning the operation of the employer's drug and alcohol testing programs. This term includes, but is not limited to, groups of employers who join together to administer, as a single entity, the DOT drug and alcohol testing programs of its members.

Contingency Fleet: FTA and Iowa DOT recognize two types of vehicles – active and contingency. Revenue rolling stock stockpiled in a contingency fleet in preparation for emergencies must have met their minimum normal service life requirements and must be stored, maintained, and documented in a contingency fleet plan. These vehicles are not included in the calculation of spare ratio. Any rolling stock not supported by a contingency fleet plan will be considered part of the active fleet.

Contract: An agreement between the department and a public transit system for either operations or capital assistance needed for implementation of a transit service project or projects. Each agreement shall include, but not be limited to, a project budget, method of payment, and period of performance.

Contract Goals: A numerically expressed objective based upon a DBE availability analysis that recipients or their contractors are required to make good faith efforts to achieve.

Coordination: A cooperative arrangement between transportation providers and organizations needing transportation services.

Cost Allocation: Dividing costs among the various purposes or categories involved.

Covered Employee: An employee who performs a safety sensitive function, including an applicant or transferee who will be hired to perform a safety sensitive function.

Deadhead Hours/Miles: Hours/miles traveled by a transit revenue vehicle when there is no reasonable expectation of carrying passengers. Examples: In the case of fixed routes, deadhead is the travel between the garage/lot and the beginning of the route and the travel from the end of the route back to the garage/lot. For demand response service, deadhead is the travel from the garage/lot to the first passenger pick-up and the travel from the last passenger drop-off to the garage/lot. Trips made for purposes of vehicle maintenance or fueling.

Demand-Response or Dial-A-Ride: The kind of transit service where individual passengers can request door-to-door or point-to-point transportation from a specific location to another specific location at a certain time. Can also be called "dial-a-ride". These services usually require advance reservations.

Disruptive Behavior: Passenger behavior that creates a safety hazard in that it distracts the operator who cannot fully attend to the safe operation of the vehicle.

DOT Assisted Contract: Any contract between a recipient and a contractor funded in whole or in part with DOT financial assistance, including letters of credit or loan guarantees, except a contract solely for the purchase of land.

Employer: A recipient or other entity that provides mass transportation service or which performs a safety-sensitive function for such recipient or other entity. This term includes subrecipients, operators, and contractors.

Escalator Clause: A provision in a contract that stipulates that wages or prices are to be automatically increased or decreased at specific times according to a schedule that is usually related to changes in the cost of living.

Feasibility Study: A study to determine the suitability of a proposed action, such as establishment of transit service in a given area.

Feeder Bus: A bus service that provides passengers with connections to a major transportation service.

Fixed Route: Transit services where vehicles run on regular, pre-designated, prescheduled routes, with no deviation. Typically, fixed-route service is characterized by features such as printed schedules or timetables, designated bus stops where passengers board and alight and the use of larger transit vehicles.

Formula Funds: Funds for which the funding levels for individual recipients are determined by a mathematical formula. Transit formulas are typically based upon population characteristics of the service area as well as performance statistics.

Fully Allocated Costs: Total costs of providing transportation, including services that are purchased through transportation operators or provided through service coordination contracts.

Good Faith Effort: Efforts to achieve a DBE goal. Contractors must show that DBE firms were contacted, and an effort was made to use DBE firms.

Headway: Time interval between vehicles moving in the same direction on a fixed route.

Intercity Bus: Regularly scheduled bus service for the general public that operates with limited stops over fixed routes connecting two or more urban areas not in close proximity or connecting one or more rural communities with an urban area not in close proximity.

Job Access Reverse Commute (JARC): A federal program that provides funding to transit systems for expanded service of low-income transportation to childcare, training, and employment, as well as transporting residents of urban areas to suburban employment opportunities.

Layover / Recovery Time: The hours scheduled at the end of the trip before the departure time of the next trip. This time is scheduled to provide time for the vehicle operator to take a break (layover), and to provide time to get back on schedule before the next trip departs if the trip arrives late at the end of the route (recovery).

Life Cycle Costing: Method of evaluation of alternative choices on the basis of comparative total costs for purchase and operations over the expected useful life of the asset.

Micro Purchase: A procurement for items less than $15,000 and can be done without obtaining competitive proposals if price quotes received are reasonable.

Miss out: A time when a vehicle is unable to operate a route due to mechanical problems.

National Transportation Database (NTD): Reports presenting statistical information about the financing and operations of public transportation systems providing service in areas over 50,000 population.

Obligation Date: The date by which a transit agency must have entered into a contract with a vendor for the goods or services to be procured.

Operating Deficit: The sum of all operating costs minus operating revenues.

Passenger Revenue: Money, including fares, transfers, and donations received from transit passengers; also known as farebox revenues. It should include ticket, token, and pass receipts.

Passenger Trip: One passenger making a one-way trip from origin to destination.

Personal Net Worth: The net value of the assets of an individual remaining after total liabilities are deducted. Personal net worth does not include the individual's ownership interest in a firm or the equity in a primary residence. To qualify as a DBE, the personal net worth of the disadvantaged owner cannot exceed $2.047 million.

Pre-trip Inspection: An inspection conducted by a driver of the vehicle prior to operation, assessing functionality and condition of the vehicle. This is also known as a walk-around.

Prohibited Drug: Marijuana, cocaine, opiates, amphetamines, or phencyclidine at levels above the minimum thresholds specified in 49 CFR Part 40.

Protest: A formal filing the by a third party to challenge some portion of a procurement.

Public Transit System: A transit system, either urban or regional, which provides transit services to both the general public and transportation disadvantaged persons.

Pull-in: A deadhead trip from the point at which the transit vehicle ends an in-service trip to the garage.

Recipient: The agency directly receiving FTA funds.

Rehabilitation: The reconstructing or rebuilding of a high mileage vehicle in order to extend the vehicle's useful life.

Revenue Service: The time when a vehicle is available to the general public and there is an expectation of carrying passengers. In the case of fixed routes, revenue service is the travel from the beginning of the route to the end of the route. For demand response service, revenue service is the travel from the first passenger pick-up to the last passenger drop off. Revenue service includes layover / recovery time. Revenue service excludes deadhead, vehicle maintenance testing, school bus service, and charter service.

Rider Profile: Demographic characteristics, transit system uses characteristics and relative transit dependency of current customers.

Ridership: The number of passenger boardings on a transit system within any given period.

Rides: Each time a passenger boards and rides to another location is a ride. Transfers are counted as a ride.

Route: Fixed path traversed by a transit vehicle in accordance with a predetermined schedule.

Route Deviation: Public transportation service on a fixed route (but not a fixed schedule). The vehicle may deviate from the route in response to demand for service or to take a passenger to a destination, after which it returns to its route.

Rural Transit: Transportation services operated in rural areas.

Rural Transit Assistance Program (RTAP): A federal program that provides a source of funding to assist in the design and implementation of training and technical assistance programs and other support services tailored to meet the specific needs of transit operators in non-urbanized areas.

Safety-Sensitive Functions: Functions considered to a transit revenue service vehicle even when the vehicle is not in revenue service; operation of non-revenue service vehicle by an employee when the operator is required to have a CDL; maintain a revenue service vehicle or equipment used in revenue service; dispatch or control of revenue service vehicles; or carry a firearm for security purposes.

Senior: An individual 65 years of age or older.

Service Agent: Any person or entity, other than an employee of the employer, who provides services specified under 49 CFR Part 40 to employers and/or employees in connection with DOT drug and alcohol testing requirements. This includes, but is not limited to, collectors, BATs, laboratories, MROs, SAPs and C/TPAs.

Service Animal: Any animal individually trained to work or perform tasks for an individual with a disability, including, but not limited to, guiding individuals with impaired vision, alerting individuals with impaired hearing to intruders or sounds, providing minimal protection or rescue work, pulling a wheelchair, or fetching dropped items.

Service Area: The geographic region in which a transit system provides service or that a transit system is required to serve.

Solicitation Identifier: An abbreviated name used to identify a solicitation package that may include the transit system name, a short abbreviation of item to purchase, year, or other identifying abbreviation.

Subcontract: A secondary contract undertaking some or all of the obligations of the primary contract.

Subrecipient: Any entity receiving federal financial assistance from FTA through a primary recipient.

Technical Assistance: Hands-on assistance to transit system for purposes of problem solving, planning, development, expansion, training, or refinement of services.

Third Party: Any person or organization to whom the federal regulations do not explicitly authorize or require the transmission of information in the course of the drug or alcohol testing process.

Transportation of Elderly Persons and Persons with Disabilities: A federal program for support of transit services serving elderly and disabled persons. These funds are allocated to Iowa on the basis of the number of persons who are elderly or have disabilities within the state compared to other states.

Third Party Contract: A contract between the local transportation agency and a private firm for products or services.

Tripper: A mass transit service modified to accommodate the needs of school students and personnel. Buses used for tripper service must be clearly opened to the public, follow regular route service as published, and may only stop at regular service stops.

Unlinked Passenger Trip: Vehicle: Vehicles Operated in Maximum Service (VOMS): The number of passengers who board public transportation vehicles. Passengers are counted each time they board vehicles no matter how many vehicles they use to travel from their origin to their destination.

Vehicle: A bus, electric bus, van, automobile, or trolley bus. A mass transit vehicle is a vehicle used for mass transportation or for ancillary services.

Vehicles Operated in Maximum Service (VOMS): The revenue vehicle counts during the peak season of the year, on the week and day that maximum service is provided. Excludes atypical days or one-time special events.

Vehicle Hours/Miles: The total distance traveled by revenue vehicles, including both revenue miles and deadhead miles. Miles traveled by support vehicles are not included unless the vehicle was used in revenue service.

Vendors of Record: Bidders that received a solicitation package.

Written Consent: Specific written consent is a statement signed by the employee that he or she agrees to the release of a particular piece of information to a particular, explicitly identified, person or organization at a particular time.

Acronyms and Abbreviations

A & E	Architectural and Engineering
AASHTO	American Association of State Highway Transportation Officials
ADA	Americans with Disabilities Act
APC	Automatic Passenger Counters
APTA	American Public Transit Association
ARRA	American Recovery and Reinvestment Act
ATF	Alcohol Testing Form
AVL	Automatic Vehicle Location
BAT	Breath Alcohol Technician
BPPM	Best Practices Procurement Manual
C/TPA	Consortium/Third Party Administrator
CCF	Custody and Control Form
CDL	Commercial Driver's License
CFR	Code of Federal Regulations
CLP	Commercial Learner Permit
CMAQ	Congestion Mitigation/Air Quality (Program)
CTAA	Community Transportation Association of America
DAMIS	Drug and Alcohol Management Information System
DBE	Disadvantaged Business Enterprises
DOT	Department of Transportation
EEO	Equal Employment Opportunity
FAST Act	Fixing America's Surface Transportation Act
FCC	Federal Communications Commission
FFY	Federal Fiscal Year
FHWA	Federal Highway Administration
FMCSA	Federal Motor Carrier Safety Administration
FR	Federal Register
FTA	Federal Transit Administration

FY	Fiscal Year
GIS	Geographic Information Systems
GVWR	Gross Vehicle Weight Rating
HD	Heavy Duty bus
ICAAP	Iowa's Clean Air Attainment Program
IFB	Invitation for Bid
IIJA	Infrastructure Investment and Jobs Act
IPTA	Iowa Public Transit Association
IRS	Internal Revenue Service
ITCC	Iowa Transportation Coordination Council
JARC	Job Access and Reverse Commute (Program)
LD	Light Duty bus
LDI	Locally Determined Income
LKS	Like Kind Substitution
MD	Medium Duty bus
MIS	Management Information System
MPO	Metropolitan Planning Organization
MRO	Medical Review Officer
MSDS	Material Safety Data Sheets
NEPA	National Environmental Policy Act
NTSB	National Transportation Safety Board
ODAPC	Office of Drug and Alcohol Policy Compliance
OIG	Office of Inspector General
OTRB	Over-the-Road Bus Accessibility Program
PTASP	Public Transportation Agency Safety Plan
PTT	Public Transit Team
PTIG	Public Transportation Infrastructure Grants
PTMS	Public Transit Management System
PTP	Passenger Transportation Plan

QBS	Qualifications Based Selection
QHSO	Qualified Human Service Organization
RFP	Request for Proposal
RFQ	Request for Qualifications
RPA	Regional Planning Affiliations
RTAP	Rural Transit Assistance Program
SAP	Substance Abuse Professional
SCOPT	Standing Committee on Public Transit
SGR	State of Good Repair (Program)
SPR	Statewide Planning and Research
STA	State Transit Assistance (Program)
STIP	State Transportation Improvement Program
STBG	Surface Transportation Block Grant Program
TAM	Transit Asset Management
TrAMS	Transit Award Management System
TDM	Transportation Demand Management
TDP	Transportation Development Plan
TIGER	Transportation Investment Generating Economic Recovery
TIGGER	Transit Investments for Greenhouse Gas and Energy Reduction
TIP	Transportation Improvement Program
TMA	Transportation Management Association
TPMS	Transportation Program Management System
TPWP	Transportation Planning Work Program
TRB	Transportation Research Board
TVM	Transit Vehicle Manufacturer
UHF	Ultra-High Frequency
ULS	Universal Licensing System
UZA	Urbanized Areas
VHF	Very High Frequency

VOMS	Vehicles Operated in Maximum Service