Transit Manager's Handbook and Policy Manual

2020

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 the Iowa DOT

This handbook provides an overview of public transit in Iowa and how to do business with the Iowa Department of Transportation (DOT) Public Transit Bureau (PTB). 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; to help clarify the relationships and required procedures for existing personnel; and to provide easier accessibility to regulations and procedures. Input on the content of the handbook to increase its usefulness is encouraged at any time.

Role of Iowa Department of Transportation

The Iowa DOT is responsible for the administration of state and federal transit programs through the PTB. The PTB provides funding and technical assistance, as well as many other services and program oversight functions, in carrying out the office's purpose of promoting and supporting public transportation throughout Iowa. 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.

Chapter 307 of the Code of Iowa gives the department the responsibility to identify needs of public transportation, collect data, and apply for, accept and disperse funds for the improvement of mass transit. Chapter 920 of the Iowa Administrative Code defines regional and urban transit systems, provides for the coordination of services, and discusses the role in the distribution of state funds.

Public Transit Bureau

The PTB is an office within the Planning, Programming and Modal Division of the Iowa DOT. The mission of the PTB 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.

For more information on the PTB and for a listing of staff responsible for the various transit duties and the many services provided by the office, please visit the Contacts web page.

Major functions of the Public Transit Bureau include:

- Administering State Transit Assistance funding
- Administering the Public Transit Infrastructure Grant Program
- Administering the intercity bus program
- 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.

Chapter 2 - Iowa Transit Systems

Iowa has 35 designated transit systems. Sixteen of these systems are rural and nineteen are urban. Chapter 324A of the Iowa Code defines transit systems.

Designation of a Single Administrative Agency

The 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). Chapter 324A of the Iowa Code mandates that transportation services be coordinated and defines transit systems.

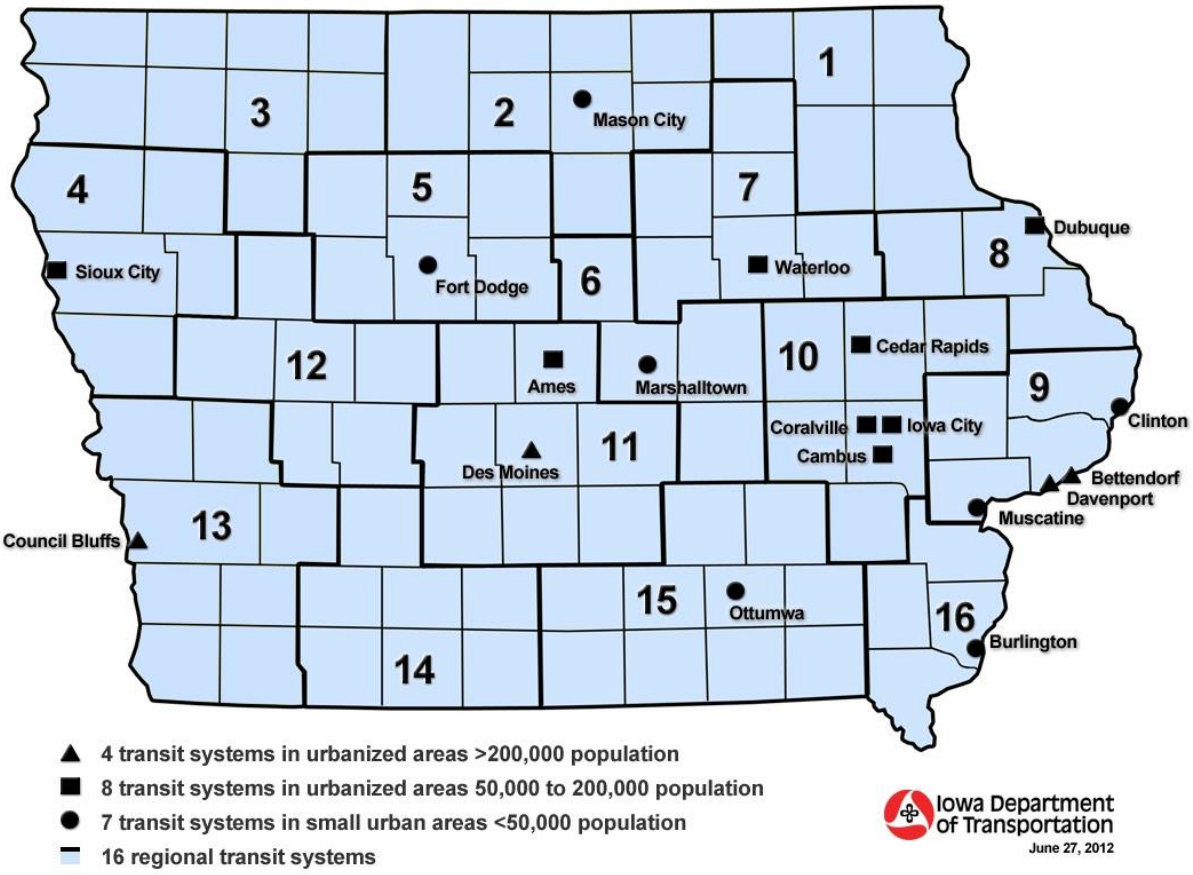
Within each urban area or region, local officials must designate a single agency to be responsible for the administration and provision of transit services to the general public. The only entities that may receive public transit assistance administered by the Public Transit Bureau (PTB) are the designated urban and regional transit systems. In no instance shall an individual county be funded directly. 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.

At least one public transit system is designated to serve every area of the state. Agencies other than a designated transit system may receive state or federal transit assistance funding only through pass-through agreements with a designated system. These agreements must entail coordination with the transit agency's direct services and services that are provided under other subcontracts the transit system may have with other providers. Please see Chapter 8 for more information on subcontracts.

Any county may elect to designate the local urban transit system as its single administrative agency and may then become eligible to share the state or federal assistance received by that urban transit program.

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. Exhibit 1 displays a list of sub-providers operating under the authority of a particular transit system.

Iowa's Public Transit System



The service area of each of Iowa's sixteen regional transit systems includes multiple counties as shown above. Service is provided within each of Iowa's ninety-nine counties as well as between counties and between regions. These 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 others are free-standing. Brokered Systems are those transit systems that provide no direct service, but contract with subproviders to operate transit services. Brokered Systems are responsible for all services and compliance of all operators.

Organization of Iowa's Designated Rural Transit Systems						
Transit System and Service Area	Public Agencies	Private Nonprofit Organizations	Free-Standing	Part of Planning Agency	Social Agency (community action, aging)	Brokered Systems
Northeast Iowa Community Action Corporation (Region 1) Allamakee, Clayton, Fayette, Howard, and Winneshiek counties		Y			Y	
North Iowa Area Council of Governments (Region 2) Cerro Gordo, Floyd, Franklin, Hancock, Kossuth, Mitchell, Winnebago, and Worth counties	Y			Y		Y
Regional Transit Authority/RIDES (Region 3) Buena Vista, Clay, Dickinson, Emmet, Lyon, O'Brien, Osceola, Palo Alto, and Sioux counties		Y	Y			
Siouxland Regional Transit System (Region 4) Cherokee, Ida, Monona, Plymouth, and Woodbury counties and Southern Union County, South Dakota		Y		Y		
Mid-Iowa Development Association (Region 5) Calhoun, Hamilton, Humboldt, Pocahontas, Webster, and Wright counties	Y			Y		
Region Six Planning Commission/PeopleRides (Region 6) Hardin, Marshall, Poweshiek, and Tama counties	Y			Y		
Iowa Northland Regional Council of Governments/Regional Transit Commission (Region 7) Black Hawk, Bremer, Buchanan, Butler, Chickasaw, and Grundy counties	Y			Y		
Delaware, Dubuque & Jackson County Regional Transit Authority (Region 8) Delaware, Dubuque, and Jackson counties		Y		Y		
River Bend Transit (Region 9) Cedar, Clinton, Muscatine, and Scott counties and the Illinois Quad City area		Y	Y			
East Central Iowa Transit (Region 10) Benton, Iowa, Johnson, Jones, Linn, and Washington counties	Y			Y		Y
Heart of Iowa Regional Transit Agency (Region 11) Boone, Dallas, Jasper, Madison, Marion, Story, and Warren counties	Y		Y			
Region XII Council of Governments/Western Iowa Transit System (Region 12) Audubon, Carroll, Crawford, Greene, Guthrie, and Sac counties	Y			Y		
Southwest Iowa Planning Council/Southwest Iowa Transit Agency (Region 13) Cass, Fremont, Harrison, Mills, Montgomery, Page, Pottawattamie, and Shelby counties	Y			Y		
Southern Iowa Trolley (Region 14) Adair, Adams, Clarke, Decatur, Ringgold, Taylor, and Union counties	Y		Y			
10-15 Regional Transit Agency (Region 15) Appanoose, Davis, Jefferson, Keokuk, Lucas, Mahaska, Monroe, Van Buren, Wapello, and Wayne counties	Y		Y			
Southern Iowa Regional Planning Commission/SEIBUS (Region 16) Des Moines, Henry, Lee, and Louisa counties	Y			Y		

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 populations between 50,000 and 200,000, and four large urban systems in metropolitan areas with populations greater than 200,000. The size of the city effects how transit funds are distributed and is explained in Chapter 3.

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 (Cambus)	
	Waterloo	

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, which is an intergovernmental agency formed by the cities of 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

Transit System Responsibilities

Provision of Public Transit Services – Transit systems receiving federal or state funds are required to provide transportation for the general public. The three main types of public transit services are fixed route, ADA complementary paratransit, and demand response service.

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 a 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 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.

Americans with Disabilities Act (ADA) complementary paratransit is provided by the 19 urban transit agencies in, at a minimum, ¾-mile around a 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 bus 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. More information on ADA complementary paratransit is included in Chapter 13.

Demand response public transit services are provided by the 16 regional transit agencies. Ride reservations are made in advance, normally 24 hours. With demand response service, the bus picks the passenger up at their location and taking them to their desired destination. Service is available to the general public, including persons with disabilities.

A few of Iowa's public transit agencies also provide ridesharing services. Also known as vanpooling, public transit provision of rideshare services 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 paying a monthly fare to participate. One or more of the passengers serve as drivers in the rideshare, thus reducing their fare to utilize the service. For more information about ridesharing, visit https://www.iowarideshare.org/Public/Home.aspx.

Client transportation may also be provided with federal and/or state funds if the service is open to the general public. All services must meet ADA accessibility requirements.

Each transit system must provide complete information about the availability of its service to the general public. 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 information 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 accessible formats.

Incidental transportation activities such as charters (meeting the FTA standards, see Chapter 15), parcel delivery, or meal delivery, are allowed as long as the use of any equipment for these purposes does not exceed 20-percent 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.

Coordination - 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. The cost of this service should reflect subsidized state and federal funds when possible. Chapter 15 discusses the coordination mandated in Chapter 324A of the Iowa Code

Equitable Distribution of Transit Assistance - State and federal transit funds are to be fairly distributed among all the services a transit system provides. 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, PTB 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.

Insurance - Transit systems are required to carry $1,000,000 liability insurance on each vehicle. Transit systems are responsible for verifying that coverage is adequate for the use being made of each vehicle. If a transit system operates in more than one state, they must meet the state requirement with the highest minimum. Each transit system is strongly encouraged to carry $1,000,000 liability for underinsured/uninsured motorist. A transit system/provider that is a governmental agency that can levy taxes or can show sufficient financial reserves can be self-insured. Insurance requirements are explained in Chapter 11.

Maintenance - Federal and state-funded vehicles, facilities and equipment must be adequately maintained and any damage must be repaired. Vehicle, facility and equipment maintenance is covered in Chapter 10. Each asset funded with federal or state assistance by a transit agency must be listed on that

agency's asset inventory. Plans for maintenance of each owned asset over the course of its useful life is required.

Compliance with state and federal requirements - Transit systems must comply with all applicable federal and state regulations.

Contracted Service Providers – If a designated transit system chooses to subcontract services from other entities, those other entities must also comply with the state and federal requirements. The designated transit system is responsible for overseeing the operations and assuring compliance of its sub-providers. To ensure that sub-providers are in compliance, requirements must be clearly stated in the contracts with providers. Chapter 8 lists elements that need to be included when subcontracting service.

Withdrawing Designation/Re-designation Procedures
If a county elects to withdraw from participating in a region's public transit program, 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

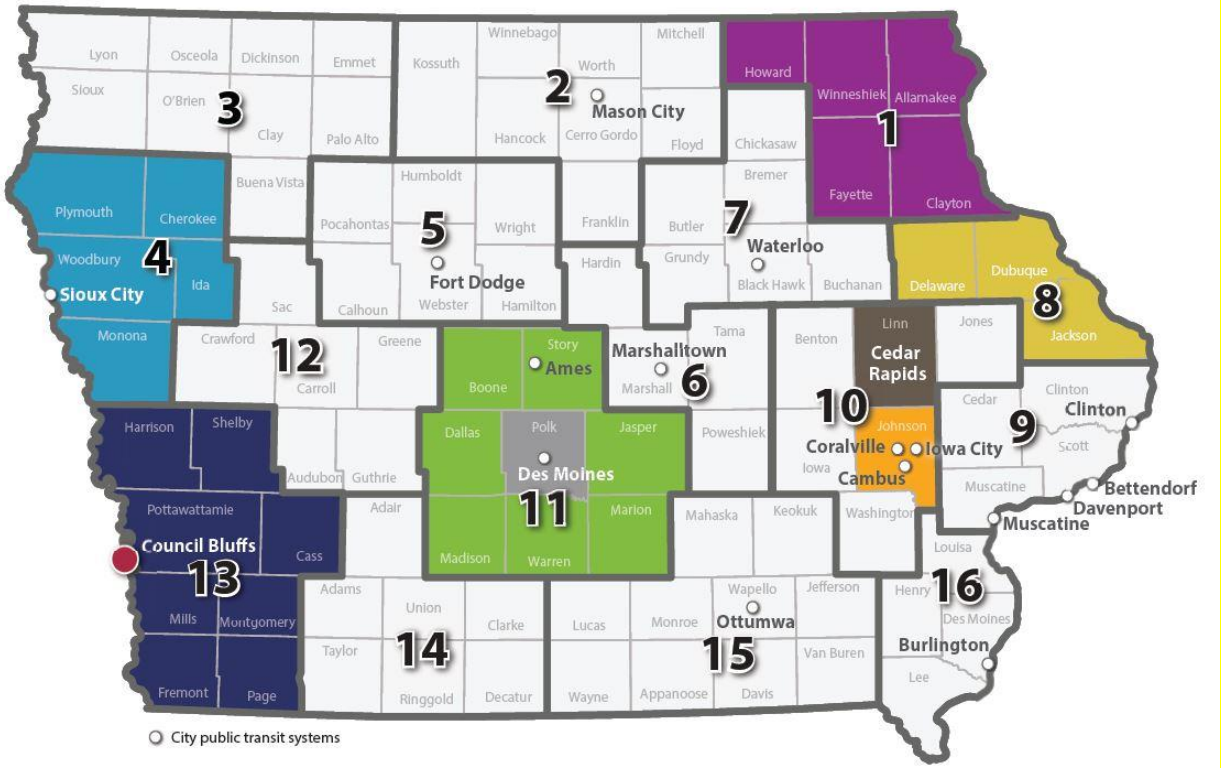
If an agency designated as the regional transit system no longer wishes to serve this function, or if the counties involved feel the agency is not performing its role adequately, the counties may choose to designate a new transit agency.

Iowa DOT policy requires the federal share of all vehicles and any other federally funded equipment 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 of local share. Transit service contracts should state how surplus funds are handled.

Mobility Management
As mentioned above, 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. As of February 2019, eight of Iowa's public transit agencies had mobility coordinators on staff. Up-to-date mobility coordinator contact information can be found at https://iowadot.gov/iowamobilitymanagement/. 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 participating with planning efforts and/or committees.

Locations of Iowa's Mobility Managers



Mobility managers can take on many roles for a public transit agency. Mobility management is a person-centered, case management approach to passenger transportation by connecting riders with a range of options, not just public transit. Mobility managers are encouraged to network with community providers, bringing awareness of transportation services, as well as being a familiar face in the community. While it is difficult to apply a broad set of job duties, it is certain that mobility management centers around assisting individual riders and making connections within the community; through community outreach and education, presentations to partners, networking meetings, attending or planning community events, and travel instruction and/or training.

Mobility management is an eligible capital expense and can be supported by (up to) 80-percent 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 individuals that need transportation, and to expand the availability of services to meet the unmet transportation needs of the community.

In order to support Iowa's mobility coordinators, the Iowa's Mobility Management Network (IMMN) formed with regular meetings to bounce ideas off other mobility managers and learn of the successful – and not so successful – projects mobility managers have tried around the state.

For more information about mobility management, the following links provide a wealth of resources:

National Center for Mobility Management (NCMM)
https://nationalcenterformobilitymanagement.org/

Federal Transit Administration (FTA)
https://www.transit.dot.gov/regulations-and-guidance/environmental-programs/livable-sustainable-

communities/mobility-management

FTA Coordinating Council on Access and Mobility (CCAM)
https://www.transit.dot.gov/ccam/about

American Public Transportation Association (APTA)
https://www.apta.com/resources/mobility/Pages/default.aspx

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 Bureau (PTB) 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 planning are as follows:

Federal Transit Assistance Programs

Metropolitan Transportation Planning program (Section 5303)
Statewide and Nonmetropolitan Transportation Planning program (Section 5304)
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 (CMAQ) Program
Iowa's Clean Air Attainment Program (ICAAP)
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: 1) operations, 2) capital improvements, 3) transit planning, and 4) 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, at minimum, passenger revenues). Under certain circumstances, public transit systems 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. Operating costs commonly include, but are not limited to, the following:

- Accounting, billing, recordkeeping
- Administration of daily activities
- Advertising
- Dispatching

- Drug and alcohol testing
- Fuel
- Maintenance
- Marketing
- Office supplies
- Purchasing
- Rental
- Supervision
- Training
- Telephone
- Vehicle Insurance
- Wages and 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 an 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 a 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. Purchases of equipment that cost more than $5,000 are always considered 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. Exhibit 1 shows examples of eligible capital expenditures. For a list of examples of capital projects that can be funded at 90% federal participation see Exhibit 2.

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 state transit assistance funds in the fellowship program. See Chapter 12 for additional information.

Federal Programs

Federal transit funding programs are authorized through the Fixing America's Surface Transportation (FAST) Act, which went into effect December 4, 2015, authorizing programs through September 30, 2020. Most federal transit programs are funded from the Mass Transit Account of the Highway Trust Fund, based on transit's share of the federal motor vehicle fuel taxes. The funds are administered at the federal level by the Federal Transit Administration (FTA).

Since the early 1990s, the transit programs have been codified, or incorporated into the US Code. The transit programs are found in Title 49, Part 53. Section references refer to the portion of the US Code that establishes each program.

As described in Chapter 1 of this Handbook, the Iowa DOT is a recipient of federal funds under several of the programs and administers the project funds to multiple subrecipients. In other cases, transit systems, or others, may be a direct recipient for the federal transit funding.

Section 5305d Metropolitan Transportation Planning - This is a 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's Systems Planning Bureau and are distributed annually to each of the state's nine Metropolitan Planning Organizations (MPOs) through the following formula. One-third is 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 total statewide urbanized area population from the prior decennial census. The 5305d funds are administered jointly with Metropolitan Planning "PL" funds available through the Federal Highway Administration as part of a Consolidated Planning Grant. The 5305d and PL funds can support any MPO costs related to intermodal transportation planning activities for the urbanized area. Chapter 4 contains more information on planning activities.

Section 5305e 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). The RPAs are responsible for local intermodal transportation planning in areas of the state not included in a Metropolitan Planning Organization. Iowa DOT's Systems Planning Bureau serves as the direct recipient of these funds. The combined 5305e and 5311 planning funds are distributed annually to each of the state's 18 RPAs through the following formula. One-half is distributed equally among all RPAs; one-quarter is distributed based on each RPA's share of the total statewide non-urbanized population from the most recent decennial census; and one-quarter is distributed based on the ratio of the number of counties in each RPA out of 99 total counties. The Systems Planning Bureau also distributes Statewide Planning and Research (SPR) funds from the Federal Highway Administration to the RPAs, for the same purpose and via the same formula. The 5305e and/or 5311 planning funds and SPR funds are administered jointly with any Surface Transportation Program (STBG) funds programmed for planning support by the 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 Americans with Disabilities Act complementary paratransit service costs are considered capital costs. In general, funding is provided on an 80% federal, 20% non-federal basis for capital projects funding 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. In areas over 200,000 in population, operating assistance is an eligible expense in certain situations.

Transit systems may use up to 20% of their total 5307 funds to pay for ADA paratransit costs, if certain conditions are met, on an 80% federal, 20% non-federal basis. See FTA Circular 9030.1E for specifics.

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 revenue vehicle miles, and 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 population 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 this 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 total Governor's Apportionment attributable to statistics from each urbanized area as a guide in determining the suballocations. All transit systems in this category, except those in the 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: Large Urbanized Area (60%), Small Urbanized Area (20%), and Rural (20%). By law, the state is the direct recipient of the funding for areas under 200,000 population. Urbanized areas over 200,000 in population receive a direct allocation. Public agencies responsible for coordinating human service transportation are eligible, as are private not-for-profit agencies. 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' 5310 projects (buses, vans, wheelchair lifts, ramps, etc.) and 45% is for non-traditional projects once eligible under the New Freedom program (projects that go 'beyond the 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, and 20% non-federal basis. Purchase of vehicles equipped for access by persons with disabilities 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 PTB are distributed based 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 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 (see Chapter 4). 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 is found in FTA Circular 9070.1G.

Section 5311 Formula Grants for Rural Areas – This federal program supports transit activities in rural areas and communities with populations less than 50,000. These 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 Bureau (PTB) and the Systems Planning Bureau. The PTB administers the bulk of the 5311 funding that is provided to small urban and regional transit systems, as well as the 15% of the annual apportionment, that in conformance with federal law, is utilized to support intercity bus services, described later in this chapter. The Systems Planning Bureau administers that portion of the 5311 funds that are combined with the 5305 funding to support rural transit and intermodal planning activities described in Chapter 4. The amount used for planning is determined on an annual basis between the Public Transit and Systems Planning Bureaus. In recent years, that amount has been $350,000 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 vehicles meeting ADA and Clean Air standards), job access/reverse commute projects, mobility management, or 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 past year's performance statistics. The amount of formula funds to be distributed to small urban systems versus regional 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 total regional transit ridership and 60% on the system's percentage contribution to total regional revenue miles. See Exhibit 3 to view the formula with an example.

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 expenses as defined by the federal government. The decision of how the formula funds are programmed is a part of the local transportation planning and programming process conducted through the regional planning affiliation. PTB provides a projection of the formula funding that will be available to each system for the coming state fiscal year in early December, in order to facilitate integration of the 5311 programming process with the annual preparation of the regional Transportation Improvement Program (TIP).

PTB 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 sub-providers, and 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

Transportation Improvement Program (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 9040.1G.

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 PTB serves as the recipient of these funds. Federal guidance for the RTAP program is contained in FTA Circular 9040.1G.

Iowa's RTAP funds are mainly used to provide local transit agencies training fellowships. The fellowships pay 100% of the cost for Iowa's small urban and regional transit systems and their planners to attend Iowa DOT sponsored seminars, as well as transit-related courses or conferences sponsored by other groups. Transit systems may also be reimbursed for training held in-house. A similar program funded with state transit assistance (STA) funds pays for costs incurred by large urban systems and their planners. Chapter 12 explains the procedures for receiving training fellowships.

Additional RTAP projects funded by PTB include:

- Statewide training seminars
- Statewide annual driver roadeo
- Transit training library
- Transit marketing video

Previously funded Iowa RTAP projects that continue to benefit transit systems in Iowa and around the nation are:

- Training video on bloodborne pathogen precautions
- Training video on coordination of transit services

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.

What types of projects are eligible?
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 nonurbanized areas. The following funding categories have been established for the Iowa Intercity Bus Program. These categories are listed in **priority order.**

Priority 1: Provide a base level of funding support to preserve the existing intrastate system

- Funding will be approximately 20 cents per revenue mile based primarily on preventive maintenance and insurance costs
- Funding will be allocated based on existing miles of Iowa intercity service
- To qualify for these funds, carriers must provide quarterly reports noting the number of Iowa passenger trips by route, miles of revenue service, and total cost per revenue mile
- Eligible carriers must serve Iowa intercity bus terminals connected to the nationwide intercity bus network

Priority 2: Provide support for the development of new connector/feeder service

- Funding assistance shall be up to 50 cents per mile based primarily on preventative maintenance and insurance costs. Funding for new routes that duplicate existing route shall be limited to 50 cents per mile
- New service projects are eligible for funding for three years
- To qualify for these funds, carriers must provide quarterly reports noting:
  - The number of Iowa passenger trips by route
  - Miles of revenue service
  - Total cost per revenue mile
- Eligible carriers must serve Iowa intercity bus terminals connected to the nationwide intercity bus network
- New intercity bus service must be ADA accessible and each route must include service to nonurban population centers

Priority 3: Provide funding assistance for route specific marketing projects

- Marketing of new services will have the highest priority for this category of funding
- Marketing of new routes will be funded at 80% federal and 20% nonfederal, with a federal cap of $12,000 per route
- New marketing of existing service will be funded at 80% federal and 20% nonfederal, with a federal cap of $7,500 per carrier
- Joint project development between cities, intercity carrier terminal managers, and operators is encouraged
- The funding will be limited to external non-labor costs only
- Applicants should include a system wide overview of their current marketing efforts
- Applicants with unused marketing funds may have their marketing funding requests reduced or eliminated unless proper justification is provided. Justification should include reasons why funding is unspent plus a plan that assures the balance and any additional funding will be spent in a timely manner

Priority 4: Provide support for vehicle and bus terminal improvements

- Vehicles required to support new services for Iowa will have the highest priority for funding, terminal improvements will have the next highest priority
- Terminal improvements shall require commitments to continue service for a period of years
- All improvements must meet ADA accessibility standards

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 PTB by the first business day of October for projects to begin in January. Project selections are finalized by December.

<u>Section 5339</u> 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. In Iowa, approximately $3,500,000 is received annually to be spent in small urban (under 50,000 population) and regional transit systems and approximately $1,200,000 is received for large urban transit systems serving populations between 50,000 and 200,000. All funds are spent on vehicle replacements rather than on expansion vehicles or bus-related facilities and are distributed utilizing the vehicle rankings of the Public Transit Management System (PTMS). Transit systems serving populations over 200,000 receive direct allocations from the Federal Transit Administration and are not included in the statewide distribution through PTMS.

Funding amounts are 80% federal/ 20% local basis or 85% federal/15% local for vehicles with ADA features and Clean Air adaptations.

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. In Iowa, a portion of these funds is programmed by local governments acting 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. When programmed for transit or planning projects, these funds are transferred from FHWA to FTA for administration, either through a direct 5307 grant for large urban transit systems, through a statewide 5311 grant for small urban or regional systems, or through the statewide consolidated planning grant for planning projects. PTB 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 does 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% non-federal basis. City, county, and state projects are all eligible under this program.

The Iowa DOT Commission has set aside $3,000,000 from this program to be used to replace revenue vehicles for Iowa's 35 transit systems. 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 are transferred from FHWA to FTA and administered through statewide grants by the Public Transit Bureau, using the rules of either the 5307 or 5311 program, depending on whether an urbanized or non-urbanized transit system is the project sponsor.

In Iowa, a portion of the CMAQ funds are also 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 the first business day of October for projects to begin the following federal fiscal year. Project selections are determined in February. Again, 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. Additional information is available in the Iowa DOT Funding Guide available on the Iowa DOT's website.

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 2019 DERA grant funding is available for profit, nonprofit, 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 2019, the amount of funding available was $797,625. Visit https://iowadot.gov/dera/pdfs/DERA_Grant_Program_Info_Guide.pdf for current application deadlines and further information.

Volkswagen Settlement Grant - As a result of two related Volkswagen settlements, the state of Iowa is expected to receive approximately $21 million in environmental mitigation trust funds over the next ten years for projects that reduce emissions of nitrogen oxides (NOx). As background to these settlements, in 2016, the Environmental Protection Agency (EPA) filed a complaint alleging VW violated the Clean Air Act

by the sale of approximately 580,000 motor vehicles containing 2.0 or 3.0 turbocharged direct injection (TDI) liter diesel engines equipped with "defeat devices" between model years 2009 and 2016. The subject vehicles are equipped with devices in the form of computer software designed to perform differently during normal vehicle operation than during emissions tests. It is alleged that during normal use, the subject vehicles emit levels of NOx in excess of the EPA compliant levels and are a serious health concern.

Eligible applicants for this program are private organizations, public transit system operators, cities, counties, and schools that own and operate diesel fleets and equipment in Iowa. Public transit agencies with diesel buses may apply for settlement money under Mitigation Category 1. More information can be found at: https://iowadot.gov/VWSettlement/default.aspx.

Community Development Block Grant (CDBG) Career Link Program – Employment Transportation – 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 [i.e. communities under 50,000 in population].

- Eligible applicants are non-entitlement cities (under 50,000) or counties. Funds will flow through the local government to a non-profit transportation entity [i.e. public transit agency] providing the transportation services.
- The majority of beneficiaries (individuals utilizing transportation) 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 a business 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 businesses, local, state, and federal funds.
- Funds will be used for operational expenses only (not buses/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 (HUD).
- Grant recipients must document compliance by collecting income surveys from project beneficiaries.

For more information, please call 515.725.3081 or email cdbg@iowa.gov.

State Programs

The State of Iowa currently offers three programs providing financial assistance to public transit systems.

State Transit Assistance (STA) - All public transit systems in Iowa are eligible for funding under the STA program. STA funding is derived from an amount equal to four-percent 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. Also, each year up to $300,000 of the total STA funds are set aside to fund the STA Fellowship Program and the STA Special Projects Program.

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, and 25% on the basis of revenue miles per dollar of expenditure. PTB calculates LDI by subtracting FTA and STA formula funds from the system's operating expenses. Exhibit 4 provides an illustration of the STA formula and an example of how it works.

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. (See Chapter 12 of this Handbook for fellowship information.)

March 30, 2020: The STA Special Projects program is currently on hold while the PTB updates the pertinent Iowa Administrative Rules Chapter.

STA Special Projects – This program has been updated in 2020. STA Special Projects can include grants to individual systems to support transit services which are developed in conjunction with human service agencies or local community partners, or statewide projects to improve public transit in Iowa through such means as technical training for transit system or planning agency personnel, statewide marketing campaigns, etc.

Applications for STA Special Project funding are accepted on the first business day of October each year, with projects beginning the following July 1. Projects are intended to assist with start-up of new services that have been identified as needs by health, employment or human service agencies or other community partners. 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 system at a time is allowed. Priority is given to projects which include a contribution from human service agencies or community partners, as well. State Transit Assistance application materials can be found on PTB's website.

The statewide project funds can also be used on statewide transit marketing and projects exploring new transit technologies. The administrative rules provide flexibility for use of the funding.

If 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.

Public Transit Infrastructure Grants (PTIG) – In 2006, the Iowa Legislature established a new program to fund 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. The PTIG useful life standards can be found in Chapter 10 of this handbook.

When applying for PTIG funding, those transit agencies organized under Iowa Code Chapter 28E should keep the requirement of 28E.18 "Shared use of 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 its 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. 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 PTB 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 AMOCO Loan request at the same time as the capital funding application. The request shall include, but not be limited to, the following topics and documents:

a. A description and cost estimate of the proposed project
b. An explanation of the benefits to be gained from the project, including how the project will save energy
c. An explanation and justification of need for the loan
d. A proposed schedule of when funds will be needed for the project
e. A proposed loan repayment plan

The PTB Director 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.

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 Revenues – Fees paid by the passengers is one of the most common sources of local support. This can include monies collected on-board the transit vehicle (usually called "farebox receipts"), as well as prepaid fares from 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 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 law authorizes municipalities to levy up to 95 cents per $1,000 of assessed taxable property in order to support the cost of a public transit system. Most of Iowa's larger communities levy for support of their urban transit systems. A number of smaller communities use this authority to generate funding used to support services contracted from their designated regional transit system. Exhibit 5 shows which communities are currently using the levy authority and how much is being generated.

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 non-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. Exhibit 6 shows which communities are participating, their respective tax rates, and the total amount of funds generated.

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.

Trust and Agency Levy – The Trust and Agency Levy can be used by cities and counties to support employee benefit plans. As such, it can be used to help support the cost of a city operated transit system.

Other Local –

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 Revenues – Sale of on-board advertising or advertising space in brochures, etc. can provide some additional revenues to the transit program.

Other

As part of an employer's fringe benefits package, Qualified Transportation Benefits may be provided. These benefits may assist with the costs of vanpooling in a "commuter highway vehicle" or for purchasing a transit pass and can generally be excluded from the employee wages up to the allowed limits. For 2020, the value of these benefits is $270 per month for combined commuter highway vehicle transportation and transit passes. Transit agencies may want to discuss these benefit offerings with local businesses to encourage more transit ridership. For more information, refer to the Internal Revenue Service publication, http://www.irs.gov/pub/irs-pdf/p15b.pdf, or speak to a tax professional.

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 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 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 transit planning in Iowa.

Iowa's Transportation Planning Organizations

The federal government requires intermodal transportation planning. For the last three decades, 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 regulations can be found in 49 CFR Part 613 and 23 CFR Part 450.

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 governor of each state if the MPO extends into other states in areas with a minimum population of 50,000. The boundaries of the MPO are required to, at a minimum, 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. An interactive map of Iowa's MPO boundaries and respective contact staff can be found at the Systems Planning Bureau website.

According to 23 CFR Part 450.306, a MPO's planning process shall be continuous, cooperative, and comprehensive, meaning it should be ongoing, taking many viewpoints into account.

Regional Planning Affiliations (RPAs) – Outside the metropolitan areas, 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 systems, a compromise between the DOT and the counties resulted in formation of 18 RPAs, with some transit regions split across two, or even three, planning regions. An interactive map of Iowa's RPA boundaries and respective contact staff can be found at the Systems Planning Bureau website.

Planning Committees and Representation – 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 a 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.

The Role of the MPO/RPA in Transportation Planning – 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 and 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 Program (STBG) that the MPO/RPA Policy Committee can program to any eligible projects, whether they are streets or highways, transit capital, or bicycle/pedestrian facilities.

Funding for the MPO/RPA Transportation Planning Process – 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 total statewide urbanized area population from the prior decennial census. FTA funding from the 5307 program can also be used to support transportation planning within metropolitan areas, as can STBG funds under FHWA.

Because the RPA process is unique to Iowa, there are no 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 an 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 funds are used to support the RPA process. Each RPA Policy Board decides what amount of the RPA's STBG funding allocation will be used for this purpose.

No state funds currently support the MPO and RPA planning processes. 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.

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. 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 planning activities might not, at first thought, be considered a transit planning activity, they can be very valuable to transit. It may be necessary, however, for the transit system to monitor how some of these activities are being designed and carried out to assure that their potential value is realized.

Development and Maintenance of a GIS Database – Most MPOs and RPAs maintain a Geographic Information Systems (GIS) database of information about their planning area, land-use activities, socio-economic information, and transportation infrastructure inventories, which provides the foundation for all their transportation plans and analyses. Most planning agencies' Geographic Information Systems (GIS) mapping capabilities can be of considerable value to transit. Details that can maximize the benefits to transit include employment and shopping locations, locations of activity centers serving elderly persons and persons with disabilities, location of bus fixed routes, bus stops, bus stop signs, shelters, other transit facilities, etc. Within the street inventories, information on weight restrictions, parking restrictions, and average speeds can be valuable for transit planning. Integration of the network information and a street address database can also be beneficial to transit dispatch.

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 (e.g. service within __ blocks of all contiguous residential development with a density of 1000 persons per square mile; __ minute headways along major corridors; coordination of services for all client agencies, etc.) 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 an "Annual Element" listing projects to be obligated during the current fiscal year, and also three additional 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 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 differs from FHWA's process, under which project obligation is closely tied to the letting of project bids. Highway projects need to be carried over into the next year of the TIP if they won't be let before the end of the fiscal year. Transit projects should not be carried over to further years of the TIP once they have been included in an approved FTA 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 STBG dollars. Almost three-fourths of Iowa's planning agencies have programmed STBG (formerly STP) 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, PTB 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 Congestion Mitigation and Air Quality (CMAQ) funds approved by the Iowa Transportation Commission. PTB will adjust the STIP to reflect these decisions and will move all projects not selected for 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 the federal funds. FTA has granted "pre-award authority to incur costs" for all transit projects funded with FTA formula funds or flexible funds authorized under the Fixing America's Surface Transportation (FAST) Act as long as the project is programmed as such in a STIP, and as long as all federal requirements and procedures have been followed. This means that a project sponsor can proceed with a procurement or implement a service using only non-federal dollars, and then get reimbursed once the federal grant is approved. This policy covers both FTA formula funds and flexible funding for transit that will be administered by FTA. Because of Iowa's practice of front-loading the STIP with transit projects that are candidates for statewide 5339 funding that may not be realized, such projects shall not be considered to have advanced authority to incur costs until they are confirmed to be in the Annual Element of the STIP as reconfirmed by the Iowa DOT subsequent to the publication of the FTA apportionments. [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 project's eligibility for reimbursement, or timing of the approval are borne by the transit system.] (See Chapter 9 – Procurement, for further explanation of pre-award authority.)

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 mileage as documented in the PTMS. Any other types of transit capital and operating projects, other than 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 in excess of $75,000 are proposed, a separate feasibility study, based on FTA's guidance, is required prior to the project being programmed in the Annual Element of a TIP under any federal funding source.

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 benefit to coordinating passenger transportation no matter the funding source. PTP updates are due every five years. The PTP requirements may be found at: https://iowadot.gov/systems_planning/pr_guide/Passenger%20Transportation%20Plan/PTPguidance.pdf.

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: https://iowadot.gov/systems_planning/pr_guide/Passenger%20Transportation%20Plan/Find%20your%20local%20TAG.pdf.

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 services 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 reason to make adjustments, 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 a 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 PTB'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 the problems caused by a series of unplanned facility projects, which can end up with conflicting schedules and requirements.

For new facilities or major expansions, FTA requires a facility feasibility study that documents the need for the improvement and evaluates alternate solutions. Part of the evaluation of alternatives, or at least the chosen alternative, must be environmental findings, including flood plain analysis, environmental justice, and other analyses with which planning agencies may be able to assist.

The National Environmental Policy Act, or NEPA, enacted January 1, 1970, requires a process to consider environmental, social, and economic impacts before carrying out a federal action. The law requires agencies to document the effects of actions likely to have significant environmental effects. NEPA applies to projects that need a federal permit, license, or approval, even if locally funded. NEPA laws and guidance can be found at 40 CFR Parts 1500-1508, 23 CFR Part 771 applicable to FTA-, FHWA-, and FRA-related projects, and through the FTA Environmental Standard Operating Procedures (SOPs).

There are three NEPA classes of action: Categorical Exclusion (CE), Environmental Assessment (EA), and Environmental Impact Statement (EIS). A project's significance must be evaluated by context and intensity to determine which class of action the project will fall under. CEs are issued when the category of actions do not individually or cumulatively involve significant impacts. According to a National Transit Institute NEPA 101 Course, 95% of FTA projects are granted CEs. EAs are prepared when a project doesn't qualify for a CE and decision has not been made to prepare an EIS, it requires consideration of alternatives, is publicly controversial, or has unusual circumstances that may involve significant impacts. An EIS is required when a project is likely to have a significant impact on the environment.

For any facility or infrastructure project which involves expansion or an entirely new facility/footprint, consult with FTA Region 7 to determine the appropriate steps to staying in compliance with NEPA.

Even when planning the placement of new bus shelters, bus stop benches, concrete ADA accessible pads, traffic calming installations (island bus stop/bump-outs), and "B-cycle" stations, there are environmental requirements to consider if funding the project with FTA money. If using FTA money, these passenger and cyclist amenities must undergo a NEPA review. In FTA's Region VII (Missouri, Iowa, Nebraska, Kansas), the general procedure for these types of projects is as follows:

1. Identify project scope of work
    - Extent of ground disturbance, including excavation depth
    - Location of construction (ex. transportation right-of-way, utility easement, 100-year floodplain)
    - Size and dimensions of shelter, pad, island, "B-cycle" Station
    - Identification of properties fifty years or older on or adjacent to the site, if possible
2. Contact the city traffic engineer for approval of proposed shelter locations
3. Contact/email FTA Region VII Environmental Specialist to initiate NEPA review
4. Receive NEPA review approval email from FTA Region VII

If FTA funding is used for the construction of these bus stop amenities, the project will need to be put into TrAMS. Documentation required includes:

1. Project description
2. PDF of shelter diagram illustrating size and dimensions
3. PDF of location map of proposed shelter, site photo with street-level view (if possible) and brief description
4. FTA NEPA approval email

Capital planning is also critical with regards to support equipment. The benefits of acquiring the equipment should be considered in light of both the purchase cost and the life cycle cost to use it. Justification of the purchase should include identification of the item's estimated useful life.

Identification of the relative costs or leasing vs. ownership is an important part of capital planning for support equipment as well as for vehicles and facilities.

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 alightings along one or more bus route(s). This may be done for various reasons: to identify non-productive segments; to analyze whether to shift service to serve 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 (how exposed it is, whether there is shelter nearby, whether it is muddy, etc.). 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 a 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 appropriate 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 to Transit – There are a number of ways that planning agencies can provide assistance to the transit system other than in preparing plans. In many cases, this may involve sharing the benefits of technology or sharing the skills of 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, an 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.

Funding Process for Transportation Planning

Iowa participates in the Consolidated Planning Grant program offered by FTA and FHWA. Under this program all FTA and FHWA planning funds, except those derived from the FTA 5311 program, are administered by FTA through a consolidated planning grant. Although FTA does not incorporate the 5311-based planning funds into these grants, Iowa does incorporate them into the annual Planning Joint Participation Agreements issued to recipients of these planning funds.

The process begins with the development of the TPWP, as described earlier. The draft TPWP is due to Iowa DOT's Systems Planning Bureau by the first business day of April. After review and comment by Iowa DOT, FHWA and FTA, the final version of the TPWP, as approved by the Policy Committee, becomes

the basis for the MPO or RPA's annual application for planning assistance. Planning assistance agreements are issued and administered by the Systems Planning Bureau and are based on the state's July 1 – June 30 fiscal year. The agreements simply provide the funding to carry out the activities listed in the TPWP, which is incorporated by reference.

Planning Technical Assistance from Iowa DOT

PTB provides [Exhibit 3] "Programming Guidance for Transit Vehicles" document, which gives standardized cost estimates for various sizes and types of transit revenue vehicles, along with information on their useful life thresholds. The standardized estimates must be used for any project that is a candidate for statewide funding but should also be useful when programming projects using formula or local funds as well as for projecting future capital needs.

Safety and Security

The PTB 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, as well as refining programs accordingly. The following resources are available to assist managers in developing these programs:

- 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 (SSEPP) Template – Detailed template that can be customized for transit systems to utilize.
- Transit System Safety and Performance Measurement – Volume 1: Guidebook – Provides information regarding the development of Safety Management Systems and measuring safety performance.
- Transit Bus Safety Resource Guide – A collection of sample transit safety policies and plans.
- 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.
- System Security and Emergency Preparedness Program Plan Template – A template that can be used to develop a system security program plan.

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 processes 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). However, FTA is deferring applicability of this requirement for operators that only receive funds through FTA's Enhanced Mobility of Seniors and Individuals with Disabilities Formula Program (Section 5310) and/or Rural Area Formula Program (Section 5311). The PTASP is due by July 20, 2020, and must be updated and certified by the transit agency annually. Under the rule, the Iowa DOT must prepare the plan for all Section 5307 urban fixed route systems operating 100 or fewer vehicles in peak revenue service, unless the individual transit system opts to develop their own plan. Those Section 5307 systems with more than 100 peak revenue service vehicles must prepare their own plan. For more information on the PTASP, visit https://www.transit.dot.gov/PTASP.

Other Planning Topics

Minimum Expectation for RPAs – The Iowa DOT and the Iowa Association of Regional Councils have a negotiated, agreed upon set of standards intended for Iowa's RPAs (see Exhibit 4).

Transit Training Fellowships for Planners – The Iowa DOT encourages the staff of Iowa's MPOs and RPAs to get involved and to learn more about public transit. MPO and RPA staff are eligible for transit training fellowships, as long as they can show that their participation in a particular training session or conference will benefit transit. See Chapter 12 for further discussion of the Transit Training Fellowship programs.

Private Sector Involvement in Transportation Planning – 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 transportation 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 PTB'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. (See Chapter 15.)

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 Bureau (PTB) 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 processes 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. And, small urban and regional transit systems, along with the 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 serving areas 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 the information by the FTA, the PTB announces the department's forecast of allocations of state transit assistance and federal formula assistance under the 5310 and 5311 programs to all transit systems and planning agencies. The goal for releasing these forecasts is December each year, but the timing depends on FTA transmitting that information to the PTB. 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 is posted on PTB's Applications webpage. The application guidance information includes the directions for submitting a Consolidated Transit Funding Application by the first business day in May. 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 must be submitted to PTB by the first business day in May. PTB 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. 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 population) 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 systems and to FTA. The decisions on capital requests are normally discussed with the Iowa Public Transit Association (IPTA) at the Fall meeting, and finalized by the Iowa DOT in December.

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; and
- Designation of the transit system's authorized signatory who will be able to execute any agreements on the behalf of the transit system.

The authorizing resolution must be signed by the chief executive officer of the governing body.

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 PTB to be posted to the private sector clearinghouse webpage.

The following documentation of the public hearing must be included in the application:

- Copy of the hearing notice;
- Affidavit from the newspaper that the hearing notice was published; and
- 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 annual transit element 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 document and also posted on the Applications webpage, 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) at http://www.tpms.org/transit/. 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 Sree Mitra, sreeparna.mitra@iowadot.us, in the Public Transit Bureau. 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 move projects between fiscal years and adjust funding amounts required. Instructions on the use of TPMS can be found at: http://www.iowadot.gov/transit/planning_requirements.html.

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 PTB's Certifications and Assurances in the statewide application to FTA.

Labor Protection Documentation – All transit systems must submit a signed Labor Protection Agreement (Exhibit 2) certifying that the transit system will comply with the terms and conditions of the Special FTA Labor Protection Warranty for the 5339 and 5311 programs.

In addition, each small urban and regional transit system must supply two tables listing surface transportation providers in the project area. The first table should list providers under contract to the transit system (Exhibit 3). The second table should list providers not under contract, but operating in the area (Exhibit 4). The address and the union affiliation (if any) of the provider's employees must be listed in both tables. PTB is required to submit this information to the U.S. Department of Labor as part of the statewide 5339 and 5311 applications each year. These tables are part of the Consolidated Transit Funding application, which can be found on PTB's applications webpage.

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 no indirect costs are charged to the transit program 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 a statewide grant must provide a cost allocation plan or indirect cost rate proposal. The Certificate of Cost Allocation Plan and Certificate of Indirect Costs are part of the Consolidated Funding application, which can be found on PTB's applications webpage.

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 previously reported any such incidents must also report on the outcome.

ADA Compliance Documentation – Any transit system requesting funds for the purchase of vehicles not meeting the standards of the Americans with Disabilities Act (ADA) (possible only for demand-responsive service) must submit a Certification of Equal Access for Persons With Disabilities reporting that when viewed in its entirety, the system provides equivalent levels of service for persons with disabilities, and the accompanying Americans with Disabilities Act (ADA) Needs Analysis for Demand Responsive Public Transit (Exhibit 7). This form is also available on PTB's Applications webpage.

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 showing that the proposed solution is the most beneficial;
- the detailed project concept;
- the detailed budget estimate for the project; and
- the environmental assessment.

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 individual earmark and a feasibility study is not included, the transit agency may be denied the option of having the project administered under the statewide grant for that year.

Applications for Other Funds Not Included in the Consolidated Funding Application

Iowa's Clean Air Attainment Program (ICAAP) – Iowa DOT's Systems Planning Bureau conducts an annual competitive application process for this program. ICAAP supports projects designed to reduce congestion and improve air quality. Highway, transit, and trails projects, as well as educational campaigns, are eligible and evaluated on the basis of projected impact on congestion and air quality. Local applications are due to Systems Planning by October 1, for funding that is available approximately one year later. Projects do not need to be in the TIP/STIP at the time of initial application. Projects selected to receive ICAAP funding are usually recommended for approval to the Iowa Transportation Commission in February, to allow for inclusion in the next year's TIP/STIP.

Funding for transit projects selected to receive ICAAP funding is transferred from FHWA to FTA. The Program Management Bureau will request transfer of the funds at the national level. If the applicant is a large urban transit system (over 200,000 population) or is a large urban system (50,000 – 200,000 population) the ICAAP funds will be administered under the 5307 program. If the transit system is a small urban transit system (<50,000 population) or a rural transit system, the ICAAP funds will be administered as part of a statewide 5311 grant. In each case, PTB will include the projects in its statewide applications based on project information obtained in the ICAAP applications. More information is available on the Systems Planning Bureau ICAAP webpage.

Surface Transportation Block Grant (STBG) Program – The application process for these flexible funds varies from area to area. The competition for STBG funds is at the local Metropolitan Planning Organization or the Regional Planning Affiliation level. When STBG funds are programmed for transit projects, the planning agency is required to send a letter to the Iowa DOT's Program Management Bureau requesting that the funds be transferred to FTA. If the applicant is a large urban transit system, the STBG funds will be administered under the 5307 program, and the transit system is responsible for including the project in its annual 5307 application to FTA. If the successful transit applicant is a regional or small urban transit system, the STBG funds will be administered as part of the statewide 5311 grant. In this case, PTB will include the project in its statewide application, based on project information obtained from the transit system.

Intercity Bus Assistance Program (ICB) – Although funded under FTA's 5311(f) program, Iowa's Intercity Bus Assistance Program has a different application process and timetable. Commercial intercity carriers and transit systems may apply for this program. Applications are solicited and due to the PTB by the first business day of October each year. Recommended projects are approved by the Iowa DOT in December and are funded during the following calendar year. The Intercity Bus Grant Applications materials can be found on PTB's Applications webpage.

Transportation Planning Applications – The process for MPOs or RPAs to apply for transportation planning funds, including FTA funds allocated for that purpose, is addressed in Chapter 4. It is also possible for large urban systems to program part of their 5307 formula allocation funds for support of planning-type activities, either in-house or by consultants. Projects should be documented in both the planning agency's Transportation Planning Work Program (TPWP) and in the TIP. These planning funds would be applied for as part of the large urban transit system's annual 5307 application directly to FTA.

Transit Capital Match Loan Program (Amoco Loan) – Amoco Loan applications are due May 1 each year; however, should a hardship situation arise, PTB will consider applications throughout the year.

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 to 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 system who serve large urban areas over 50,000 in population. 5307 urban applications are submitted by individual urban systems. ICAAP and STBG grants administered by PTB are also submitted through TrAMS.

Statewide Applications to FTA

5310/5311 Formula Grants – The statewide 5310 and 5311 applications are normally submitted to FTA shortly after FTA publishes the annual apportionments. The 5310 application contains "cost 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 contains operating assistance and occasionally 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.

Each application includes a "Program of Projects" 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 grant submittal, although complications related to capital projects, sometimes delay the approval process.

5339 – 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 serving urbanized areas with populations of 50,000-200,000 and another for non-urbanized areas. Areas with a population of 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

5307 – A transit system in areas with more than 50,000 population may submit its individual annual 5307 application directly to FTA anytime after FTA publishes its funding apportionment tables following the adoption of the federal transportation appropriations bill. This application may contain operating assistance projects and/or preventive maintenance (operating is allowed only in areas under 200,000 population), 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."

FTA 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 applies, verify the date the FTA grant was approved.

Iowa DOT Joint Participation Agreements – The Iowa DOT issues Joint Participation Agreements for State Transit Assistance and each subrecipient project that is part of an approved statewide grant from FTA. The Joint Participation Agreement defines the project and presents the terms and conditions under which the project may proceed. All Joint Participation Agreements, except those for STA formula funds, list all the individual project elements funded, the maximum amount 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, rather than a firm dollar amount of funding, a percentage resulting from that year's distribution formula calculation. The percentage of the total STA funds available each month will be paid.

All of the Joint Participation Agreements 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 (July 1-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 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.

All Joint Participation Agreements also incorporate, by reference, "Part II," that is issued separately.

Part II (of Joint Participation Agreement) – Part II contains the "boilerplate" for all of Iowa DOT's transit Joint Participation Agreements. Along with generic agreement language applying to all agreements, 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 PTB's Joint participation agreement attachments webpage.

Procedures for Issuance/Executing Joint Participation Agreements – Joint Participation Agreements for STA formula projects, 5310 cost of contracted service, and 5311 operating projects are issued each June. Joint Participation Agreements 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 PTB issues a Joint Participation Agreement, two originals of the agreement will be sent to the manager of the applicant transit system. Both originals will already be signed by the PTB director. The transit system manager is responsible for having the authorized signatory sign both originals of the agreement and returning one of the signed originals to PTB. The transit agency manager keeps the other signed copy for the transit system's files. The Joint Participation Agreement is "fully executed" when the authorized signatory signs the two originals.

Iowa DOT Joint Participation Agreement Amendments – All changes to Joint Participation Agreements 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, 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 PTB staff. Potential action by the staff include:

- approving the proposed change;
- rejecting the approved change; or
- proposing an alternative change.

If either the originally proposed change or alternative change is found to be acceptable to both parties, a revised agreement is issued for execution by both signatories.

Some changes to a project do not require amendments to a Joint Participation Agreement. 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 would apply to the vehicle listed in the agreement, and ADA features, or other special features reflected in the ceiling price are not sacrificed. (Special features may include diesel engine, urban route configuration, etc.) 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 listed in the agreement or to drop ADA features, must request an amendment and will be subject to a reduction in the funding ceiling for that item.

It should be noted that the PTB considers any funds remaining in a project element after the specified project has been completed available for reprogramming to any statewide need. No preference is given to other projects within the particular agreement, or other existing or proposed projects desired by the transit system holding the agreement.

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

FTA Grant Agreements – 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 revisions and will block the revision until FTA sign-off is received, if required.

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. 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. After reports are current, STA and FTA payments are released.

Emphasizing the importance to submitting reports on time, the Iowa DOT Public Transit Bureau 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 Joint Participation Agreement 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 or loan payments are current. To ensure compliance with rules, regulations, requirements, and deadlines, the Iowa DOT Public Transit Bureau will impose the following penalties:

- First business day of month following 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 deadline – Monthly State Transit Assistance (STA) formula funding withheld. Letter sent to transit agency 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 and subsequent months following deadline - Monthly State Transit Assistance (STA) formula funding withheld. All requests for FTA funding reimbursement withheld, including but not limited to Sections 5307, 5310, 5311, and 5339. All requests for STA Special Project funding withheld. Funds released without further action if delinquency is rectified within this calendar month.

Any late fees or other penalties resulting from the withholding of STA, FTA, or STA Special Project 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 statistical, yearend odometer, semiannual DBE, Title VI Programs, EEO Programs, compliance review responses, quarterly charter, annual drug and alcohol MIS, and TAM data requests.

This policy effective July 1, 2018.

Quarterly Reports						
		Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Submit to:
Transit Statistical Reports due	All transit systems	Nov 15	Feb 15	May 15	Year-end Aug 15	Public Transit Bureau
Charter Reports due	Regional and Small Urban	Oct 25	Jan 25	April 25	July 25	Public Transit Bureau
Charter Reports due	Large Urban	October 30	Jan 30	April 30	July 30	Federal Transit Administration
Fuel Tax due	All transit systems	Oct 30	Jan 30	April 30	July 30	Motor Carrier Services Bureau

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 financial 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 used to analyze transit services statewide. The report is submitted through an on-line application process that is secure and requires a username and password for access. To obtain a System ID (username) and Password, contact Sree Mitra at: Sreeparna.mitra@iowadot.us. To log into the system go to the Public Transit Bureau's (PTB) Transit System Portal webpage.

Use separate entries for each contract and each type of service. Fixed-route, paratransit, demand-responsive, etc. should 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 the revenue from individual contracts should be broken out. When one transit system purchases service from another, the designated transit system that purchases 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 of 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 PTB.

The financial portion of the report can be done on a cash or accrual basis. However, the year-end 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 in 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 expenses 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 settlements, sales tax refunds, warranty reimbursements, and utility refunds.

The Year-end Statistical Report also requires submittal of information for the National Transit Database. Those items include Federal, state and local capital assistance, accident fatalities, major incidents, major injuries, number of volunteer drivers, the number of personal vehicles in service, and the annual Vehicles Operated in Maximum Service (VOMS). 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 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." 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: (1) Passengers are only counted as they board the vehicle, not at any mid-point or transfer point. (2) 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 this definition.

Charter Reports –Reports of charter work performed in the previous quarter are required by the Federal Transit Administration. Regional and small urban transit systems submit their reports of allowable charter services, or reporting no charters were performed, to the Iowa DOT Public Transit Bureau (PTB) on the 25th day of the month following the end of the quarter. PTB staff compiles the report and submits it to the FTA. Large urban systems (serving areas with population over 50,000) will submit their quarterly charter reports directly to the FTA.

Fuel Tax Reports – Quarterly fuel tax reports are required by the Code of Iowa. The law granting transit systems exemption from 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. Chapter 452A of the Iowa Code details the fuel tax requirements.

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. Additional information on fuel tax penalties is found in Chapter 15.

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 Motor Carrier Services Bureau after the required reports have been submitted.

A copy of the Iowa Public Transit System Quarterly Fuel Tax Report form and instructions can be found here.

Semiannual Reports				
		Oct-Mar	April-Sept	Submit to:
DBE	Regions/Small Urban Systems	April 30	Nov 1	Public Transit Bureau
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 the Iowa DOT under Section 5310/5311 must submit semi-annual reports to the Iowa DOT. Intercity bus carriers receiving funding through the 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 a 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 to DBE firms. Instructions on how to complete the form can be found at this FTA site.

The form also requests the amount of actual payments on contracts completed during the reporting period and total paid to DBEs. There are detailed instructions. Additional information on DBE requirements is located in Chapter 13 and on PTB's Regulations webpage.

Annual Requirements			
	Period Covered	Date Due	Submit to:
MIS Drug and Alcohol Report (Small Urban and Regional Systems)	Jan - Dec	Feb 15	Public Transit Bureau
MIS Drug and Alcohol Report (Large Urban Systems)	Jan - Dec	Mar15	FTA
2 CFR 200 Audit – Government Agencies	Jul-Jun	Jun 30	Iowa Auditor of State
2 CFR 200 Audit – Non-Profit Agencies	Jul-Jun	Jun 30	Iowa Auditor of State
Year-end Odometer Reading	June 30	Aug 15	Public Transit Bureau
Annual Transit Statistical Report	July-June	Aug 15	Public Transit Bureau
Copy of Transit Service Contracts	Within 90 days of Contract Start		Public Transit Bureau
Annual Consolidated Transit Funding Application	May 1		Public Transit Bureau
Disadvantaged Business Enterprise (DBE) Projection Worksheet (Small Urban and Regional Transit Systems, RPAs and MPOs)	Triennially		Public Transit Bureau
Disadvantaged Business Enterprise (DBE) Goal (Large Urban Transit Systems)	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 PTB by February 15 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 contractors/subproviders MIS reports for completeness prior to notifying PTB that the report is ready for state-level review. Section 5307 recipients report directly to FTA through the same website. For more information, see Chapter 14 – Drug and Alcohol Program.

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/subrecipient's employees and, if applicable, sub-contractors/sub-subrecipients. This certification is included as part of the annual grant application process certifications and assurances.

It is recommended that transit systems annually obtain written documentation certifying compliance with 49 CFR Part 655 from affected contractors/subrecipients to support its certification of assurance submitted to Iowa DOT or FTA.

Annual Financial Audit – Each recipient or subrecipient of federal transit assistance funds must arrange for an audit conforming to the single audit requirements in 2 CFR Part 200 Subpart F. A nonfederal entity that expends less than $750,000 in federal awards (from all federal sources, not just transit funds) is exempt from Federal audit requirements for that year. However, records must be available for review or audit by appropriate officials of the federal agency, pass-through entity, or General Accounting Office (GAO).

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 a party to PTB's joint participation agreement. The PTB requires transit systems provide email confirmation as soon as the audit has been submitted to the State of Iowa Auditor of State.

Year-end 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 the website by logging into the Iowa Public Transit Portal. Odometer readings **MUST** be entered by August 15.

Annual Transit Statistical Report – The annual statistical report should be completed similar to the quarterly statistical reports, except that the annual report must be done on an accrual basis. This report must be submitted by August 15 using the on-line system.

Inventory Report – A current equipment inventory list is maintained on PTBs website in the Iowa Public Transit Portal. The inventory list should be reviewed and updated as needed. Revisions should be submitted to Sree Mitra at Sreeparna.mitra@iowadot.us.

Chapter 10 explains the property inventory form and capital disposition report that should be used to keep the inventory updated throughout the year.

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 must be on file with PTB in order for the statistics from that service to be used in formula calculations. Chapter 8 outlines transit service contract requirements.

Submit Reports to the applicable addresses:

Motor Carrier Services Bureau
P.O. Box 10382
Des Moines, IA 50306-0382

Public Transit Bureau
800 Lincoln Way
Ames, IA 50010

On-line data submittals: Iowa Public Transit Portal

Chapter 7 - Request for Funds

With the exception of State Transit Assistance (STA) formula funds, all funds administered by the Public Transit Bureau (PTB) are reimbursed for expenses already incurred. Transit agencies must submit a Request for Payment 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) or the project manager, then is scanned and emailed to the transit system's Transit Programs Administrator 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 needed for STA formula funds. The funds can be automatically transferred to the transit agency's bank account with a one-time authorization from the transit agency by completing an Electronic Funds Transfer form. To obtain an Electronic Funds Transfer form contact the Iowa DOT's Office of Accounting at 515-239-1703. The amount of the monthly STA payments is determined by the amount of use tax collected. PTB calculates the amount for each system based on the formula discussed in Chapter 3.

The **Transit Request for Payment** form is used to request any payment for programs administered by the PTB, including Sections 5310, 5311, 5339, ICAAP, STA Special Project, PTIG, and training fellowships. Use a separate form for each contract number and type of funding reimbursement requested. The form must be completed with basic information needed for each type of funding. Some types of funding require additional documentation.

Heading Information: Include the name of your transit system, the agreement or fellowship number, and the accounting contract number (information found in your agreement with the Iowa DOT or your fellowship approval notification.)

Section I: Check the type of funding you are requesting. This information is on the joint participation agreement with Iowa DOT.

Section II: Complete a line for each item in the contract agreement for which you are requesting reimbursement. Identify the line number from the contract, brief description of the item, and explanation of funding requested on this request.

A. Total dollar amount for the line item in the contract.
B. Dollar amount you are requesting. (Round down to nearest dollar.)
C. Payment Requested previously for the line item.
D. Remaining dollars left for the contract line item.

Each request must be signed by the authorized signatory or project manager identified on the agreement.

Federal Section 5310/5311 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.

Federal Capital Funds – Requests for capital funds, either under Sections 5310, 5311, ICAAP, or 5339 programs, 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 Request for Payment form or attached as a separate document. A completed inventory sheet must also be included (see Chapter 10).

Capital funds are paid as a 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 project's joint participation agreement. However, when multiple new vehicles are involved, 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 bus vendor. To do so, the transit agency manager must request pre-approval for this arrangement from the vehicle processing TPA in writing at least one-month prior to vehicle delivery. The request will include a "pre" invoice from the vendor that shows the total purchase price and the reason why this arrangement is necessary. The amount requested on the Request for Payment form must be the amount the transit system is paying to the vendor immediately (excluding any 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 FTA. The transit agencies are also obligated to make payments for vehicles within three days after receiving the funds from the Iowa DOT.

Whether paying the vehicle vendor prior to reimbursement from the Iowa DOT Public Transit Bureau or after receiving an 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 Public Transit Bureau instituted the following *Vehicle Vendor Prompt Payment Policy*:

Vehicle Vendor Prompt Payment Policy

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 Bureau instates the following policy:

> Public transit vehicle vendors must be paid by the public transit agency within 30 days of final acceptance[1] of the vehicle, or receipt of invoice and all required documentation from the vendor, whichever is later. For vehicles not paid for within 30 days, the vehicle vendor may charge up to 5-percent APR interest for each day[2] the payment is late. This 5-percent APR interest penalty is not a reimbursable cost on vehicle joint participation agreements through the Iowa DOT and will be considered a local expense.

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

This policy effective July 1, 2018.

[1]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.

[2]Example interest penalty calculation:

((5%/365) x Vehicle Price) x Days overdue = Interest Penalty

Example

5.0%/365 =0.00013699

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

$11.64 per day x 20 days late = $232.80

AMOCO Capital Match Loan – A transit agency must submit a request for payment to obtain the loan funds. Vendor invoices or copies of invoices must be attached to the requests. Request for the AMOCO loan funds can be requested at the same time as for the federal portion. However, documentation (vendor invoices) must be attached to each request.

Training Fellowships – All reimbursement requests for public transit training fellowships should be submitted within 60 days after the training. Documentation is required for fellowships under the State Transit Assistance (STA) program and the Rural Transit Assistance Program (RTAP). Supporting documentation as outlined in the application must be attached with the application. Reimbursement for mileage is $0.39 per mile or current state rate. Reimbursement for fellowships is either 70% or 100% of actual expenditures, depending on whether the transit system is large urban or small urban or regional, unless a higher percent is authorized by the director of PTB (see Chapter 12).

Planning Payment Requests – Each planning agency must submit a reimbursement request to the Iowa DOT, Systems Planning Bureau, for federal funds (RPA-5311 or 5313, MPO-5303) according to planning activities conducted during the previous quarter. Along with the reimbursement request invoice, a Quarterly Progress Report must be attached. The reimbursement for federal planning funds is 80% with a 20% local match.

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 Bureau (PTB) has accepted responsibility for ensuring compliance with all federal rules in conjunction with subcontracting. PTB focuses its oversight of transit service subcontracting on the small urban and regional transit providers that participate in the federal Section 5310 and 5311 programs. The office 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 PTB.

Contract Approval/Review

Section 24 of the Joint Participation Agreements for State Transit Assistance and Federal 5310/ 5311 funds prohibits subcontracting, assigning or transferring duties without "*prior written approval of the DEPARTMENT*." Although PTB has suspended its requirement for transit service contracts to be pre-approved, service contracts must still be submitted to the office within 90 days of the beginning of services. Services provided under contracts not submitted to PTB will not be eligible for state or federal operating support. The statistics from these services will not be used in the funding formula calculations.

Transit systems are encouraged to use the model Purchase of Service Contract, Sale of Service Contract, and User Agreement. Any service funded with state or federal funds must be **open to the public.**

The transit system is responsible for compliance with state and federal laws and funding requirements. When subcontracting, the transit system has assigned a part of its responsibilities under its joint participation agreement in any service agreement/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.

When to Contract

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 clients' fares.

Services that require contracts:

- When the transit system agrees to provide specific transportation services for another party in return for compensation, or
- When the transit system agrees to compensate another party to provide public transit services needed by the transit system.

Procurement of Services – Refer to Chapter 9 for guidelines relating to third party contracting.

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.

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.

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

Either type of contract may also 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.

Transit systems may not provide vehicles purchased with federal funds for use by another party except as part of an Iowa DOT approved transit Purchase of Service contract. 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 PTB.

Transit systems may lease vehicles from their subproviders as part of a purchase of service contract/agreement. They may also lease equipment from other parties through normal procurement procedures without a related transit service contract. Such leases will require advanced PTB approval.

Required Elements of Transit Service Contracts
The following guidelines shall be the basis for PTB review of transit service contracts by public transit systems or their subcontractors. Each contract must include the following elements:

- **Demographic/Header information**
  - The legal name and any other name used during business for each party should be stated.
  - The purpose of the transit services should be stated.
  - Contract time period (beginning and ending dates) that the contract will be in effect.

- **Transit Service Description**
  - A description of the transit services to be provided including:
    - Hours, days and dates when service will be available (a list of holidays and non-working days should be included)
    - The geographic coverage common to the service, (i.e. fixed-route, subscription, demand-response with number of hours notice required, a 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, such as vehicle and driver back-up. The contract should describe what happens if the contracted service cannot be provided.
  - Each contract may describe who the services are targeted to, but the contract **must clearly state that the services will be open to all members of the general public at all times on an equal basis.**
  - 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. However, the fare or suggested donations required by any member of the general public shall not be prohibitive and should reflect the benefits of the state and federal transit subsidies.
- **Drivers**
  - Each contract shall require that all drivers providing transit services under the contract must possess valid chauffeurs or commercial driver licenses, as applicable. Volunteers driving their own vehicles are exempt from the chauffeurs license requirement but the vehicle size may require a CDL.
- **Drug and Alcohol Testing**
  - Each contract shall require that the employer have a drug and alcohol testing program meeting FTA standards. 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. The employer's drug and alcohol testing policy must be made available for PTB review. Volunteers may not operate FTA funded equipment without written PTB approval.

- **Insurance**
  - Each contract shall require that the transit services provided be protected with **$1 million 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.
  - Each contract shall 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 the standards of Iowa DOT's Motor Carrier Services Bureau and must be approved by PTB.
- **Vehicle Operations**
  - Each contract shall state which party is responsible for operation of the vehicles that are providing the described transit services.
  - Each contract shall state which party is responsible for:
    - Reservations;
    - Scheduling;
    - Identifying fares for each rider;
    - Making minor variances in schedules or routes; and
    - Providing complete information about the availability of the service to the general public.
  - Each contract shall state which party is providing the vehicles used for the described transit service.
  - Each contract shall identify who is responsible for 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.
  - Each contract shall address the responsibility for repair of damage to vehicles used to provide contracted services. PTB does not require collision or comprehensive coverage to be carried on federal or state-funded vehicles. However, PTB does require that damage to a federal or state-funded vehicle be repaired promptly and accurately. Transit systems may choose to require collision or comprehensive coverage by their subcontractors if it is considered necessary to ensure financial responsibility requirements.
  - Each contract must comply with the vehicle signage policy. See Chapter 11 for details.
- **Reports**
  - Each contract shall require the transit system or subcontractor providing the service to report the following statistics:
    - Actual, fully-allocated costs incurred;
    - Quarterly reporting of units of service provided, including revenue miles, rides by fare category, and other units upon which compensation is based;
    - Annual drug and alcohol testing reports; and
    - Additional costs (related to the contracted service) incurred by the party not providing the service, i.e. scheduling, screening, marketing, insurance, maintenance, grants administration etc.
  - The contract shall also require reporting of costs attributable to the contracted service on at least a quarterly basis.
- **Funding**
  - 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.
  - Each contract shall address 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.
    - 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 PTB harmless from any losses related to the provision of contract services or to the use of vehicles purchased with funds provided by the office. 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 Procedure**
    - Each contract shall specify the procedures for amendments, suspension, or termination of the contract. The contract shall acknowledge that any amendments are subject to PTB approval.

Other Provisions Required in Purchase of Service Contracts Only
The contract shall require the service provider to comply with federal EEO, affirmative action and nondiscrimination provisions.

The contract shall, unless it has been awarded on a fully competitive basis, require the service provider to comply with all state and federal requirements involving competitive procurement, DBE, etc.

The contract shall state whether the service provider may further subcontract, transfer or assign its responsibilities under the contract. If this is to be allowed, the contract must state it is only allowed with the concurrence of PTB.

If vehicles funded through PTB 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 mileage of 10,000 miles per year. The contract shall also prohibit use of the vehicles in ways prohibited by state or federal law (i.e., charter service or exclusive school bus services, etc.).

Other Provisions Related to Incidental Service
The transit service contract may allow use of a vehicle funded by PTB 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 vehicle use rules; and
- The total incidental use does not constitute more than 20 percent of the use of the vehicle involved.

The contract shall fully describe the incidental service and when it will be provided. It shall also state that all costs and statistics from such services must be reported separately.

Review the Elements of Transit Service Contracts Checklist to use as a guide to be sure that all of the required provisions are included.

Special Policies when Contracting with Private Providers
If the private provider does not carry $1 million in liability coverage, the transit system will determine the

level of liability coverage required. 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.**

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 funded with FTA Section 5307 (statewide), 5310, 5311, and 5339 (statewide) funds. Subcontractors that were selected through a competitive solicitation process are not required to follow these procurement guidelines. Contact the Public Transit Bureau (PTB) for further information when working on a construction project.

PTB is responsible for seeing that all federal requirements pertaining to procurement are followed by transit systems when using funds administered by PTB. Transit systems may conduct their own procurement, with oversight from PTB, to allow greater flexibility to meet local needs, but PTB will verify that all federal certifications being used in the solicitation are current and accurate. These procurement guidelines and requirements apply to all purchases made with FTA dollars, from vehicles to fuel to office supplies.

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 PTB is not required.

This chapter provides guidelines for conducting fair and equitable procurements, mainly using federal funds. Additional resources that will provide assistance are listed below. FTA's *Best Practices Procurement Manual (BPPM)* is an excellent resource containing requirements and guidance for procurements.

- FTA's *Best Practices Procurement Manual* (BPPM)
- Third Party Contracting Guidance, FTA Circular 4220.1F
- FTA Master Agreement
- 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 the activities of employees, board members, officers, or agents, or his or her immediate family member, involved in procurements financed with FTA funds. The conflict of interest may be real or apparent. 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 may neither solicit or accept gifts, gratuities, favors, or anything of monetary value from contractors, potential contractors, or parties to subcontracts. [The transit agency may set minimum rules when the financial interest is not substantial or the gift is an unsolicited item of nominal intrinsic value.]

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.

State-funded Procurements

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 PTB is 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/transit/Transit-Procurement. 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.

Emergency Procurements
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.

Advanced Authority to Incur Costs
Before you begin the procurement process for federally funded capital purchases you must have:

1. a current TIP that includes justification for project(s) and
2. the item is included in an FTA grant application requesting funds for the project(s).

Agreements for federal capital funds will be executed after FTA approves the Iowa DOT's statewide grant. Although the procurement process may be initiated before the transit system has a signed agreement, an acknowledgement of financial responsibility under FTA's guidelines for "Advance Authority to Incur Costs" must be submitted, and PTB and the transit board must approve any payment before the grant is approved. The agreement will list the project(s) and the federal ceiling amount for the project(s). When requesting technical assistance on a procurement, please refer to the agreement number.

Independent Cost Estimates (ICE):

The FTA requires an independent cost estimate must be obtained for every procurement valued over $250,000. The transit manager or purchasing personnel should obtain the independent cost estimate prior to publishing the procurement or soliciting vendors. Examples of places to obtain an ICE are from a like-kind vendor, another public agency that recently purchased a like-kind item, a city or county engineer (if applicable), or a catalog showing product and sale price. All ICEs must document date of the estimate, name of person who developed it, and a requirement that the estimate be retained in the procurement file. Your TPA will verify documentation prior to granting concurrence to proceed with procurement.

Please note that an ICE received from any vendor will eliminate that vendor from bidding or contracting with transit agency for that procurement. Also, an ICE or cost analysis must be performed on any contract modifications (change orders).

Excluded Parties (Vendors):

Transit agencies are required to search the System for Award Management (SAM), https://sam.gov/SAM/, to verify vendors have not been excluded from entering into contracts funded

with federal monies. This must be documented and placed in the procurement file. Your TPA will verify this documentation prior to granting concurrence to proceed.

Competition
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. Your procurements should be designed to ensure that all qualified vendors have a fair opportunity to benefit from spending public funds.

Competition in procurement is the process in which two or more vendors attempt to secure business by the most favorable price, quality, and service. Procurement practices should only rule out vendors for sound business reasons. Exclusionary practices that PTB regards as limiting competition for reasons other than business or bona fide policy goals will not be allowed. Two sources/vendors are not considered adequate when there are additional sources/vendors in the area that are fully qualified to compete. FTA will not fund procurements that restrict competition by using exclusionary or discriminatory specifications such as:

- placing unreasonable requirements on firms in order for them to qualify to do business;
- requiring unnecessary experience and bonding;
- allowing noncompetitive practices between firms (collusion, price fixing);
- noncompetitive awards to any person or firm on retainer contracts;
- conflicts of interest within the agency;
- specification of a name brand product without listing its salient characteristics and not allowing an alternative product to be offered;
- using any arbitrary action in the procurement process; and,
- geographic preference.

Geographic preference for local or state firms is prohibited, except in cases where federal statutes expressly mandate or encourage geographic preferences. Geographic location may be a selection criterion in the purchase of architectural and engineering services provided that an appropriate number of qualified firms compete for the contract.

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.

Procurement Methods
A transit system may conduct its own procurement, join with other systems in a consortium procurement led by one of the participants, use a state-administered procurement conducted on behalf of one or more transit systems, or use an existing state contract if the procurement process satisfies FTA requirements.

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:

1. the original solicitation must include an assignability clause that provides for the assignment of all or part of the deliverables as originally advertised and competed;
2. the original solicitation and contract must contain both a minimum and maximum quantity;
3. no additional quantities can be added; and,
4. units must be as originally specified with no "cardinal changes."

Refer to FTA's *Best Practices Procurement Manual.*

State Bids – 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. Your TPA can provide you with information on whether equipment is available to purchase by this method.

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

Procurement Procedures
Procedures used for purchasing materials or services include: micro purchase, small purchase, invitation to bid, request for proposal, and request for qualifications. 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.

All purchases made with federal funds must comply with Buy America regulations. The transit system should state the Buy America regulation on the purchase order or require that Buy America certification be submitted when purchasing items using a Small Purchase procedure. FTA has issued a "blanket waiver" for contract awards less than $150,000. (See Buy America Certification for Non-Rolling Stock or Buy America Certification for Rolling Stock)

Although advance concurrences may not be required, documentation of proper procurement procedures and principles of free and open procurement must be followed. Documentation of the procedures may be required at the time payment is requested, or subsequently as part of a compliance review. If proper procedures and principles have not been followed, the procurement will be ineligible for federal or state financial participation. In order to assist the transit systems through the procurement process, the PTB developed a checklist to ensure the proper procurement steps are completed.

Systems may request PTB concurrence at any stage during a procurement.

Davis-Bacon (Federally Funded Projects Only)
For all construction, alteration, or repair (including painting and decorating) of public buildings or public works projects over $2,000, the 1931 Davis-Bacon Act requires payment of prevailing wage rates to all laborers and mechanics on Federal or Federally-assisted contracts. The prevailing wage rate, referred to as the "Davis-Bacon wage rate," is determined by the U.S. Secretary of Labor and should be included in the contract between the transit system and the contractor.

Two types of wage determinations exist: (1) General Wage Determinations and (2) Project Wage Determinations.

> General wage determinations contain prevailing wage rates for the types of construction designated in the determination, and they are used in contracts performed within a specified geographical area. General wage determinations contain no expiration date and remain valid until modified, superseded, or cancelled by a notice in the Federal Register by the Department of Labor. The General wage determinations should be used whenever possible.

Project wage determinations are used at the specific request of the grantee. They are used only when no General wage determination applied and they effective for 180 days from the date of the determination.

The most current Davis Bacon wage determination rates for all of the counties in Iowa can be found here. The transit system is responsible for ensuring a copy of the most current wage determination of the Department of Labor is included in the solicitation and ensuing contract.

Procurement Documentation – For each procurement, please record the following for the file:

- Rationale for method of procurement
- Selection of contract type
- Reason for vendor selection
- Basis for contract price

Types of Procurements

	Micro Purchase	Small Purchase (Informal Bid)	Invitation for Bid (IFB, Formal Bid)	Request for Proposal (RFP)	Request for Qualifications (RFQ)
Amount of Purchase	Total under $10,000	Total under $250,000	Total $250,000 or more	Purchases $250,000 or more	See "Brooks Act"
Nature of Product or service	Standardized Product/service	Standardized Product/service	Standardized Product/service	Services cannot be precisely defined and/or price is only one factor for evaluation	Architectural and Engineering
Competitive	No	Yes	Yes	Yes	Yes
PTB Concurrence	No	Yes	Yes	Yes	Yes

Micro Purchase – Micro Purchases are procurements under $10,000 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. Even though a micro purchase, the Davis-Bacon Act applies to construction contracts greater than $2,000. Documentation must include how the determination was made that the price is fair and reasonable. Davis Bacon Act requirements are explained in FTA's *Best Practices Procurement Manual*.

Small Purchase Procedure – The informal small purchase procedure may be used for purchases costing less than $250,000. It is the value of the total contract that determines the procedure to use. If the individual item is under $250,000, but the approved total project cost is $250,000 or more, PTB requires the formal bid procedure even if the items are purchased individually.

To use the small purchase procedure, obtain a limited competition from an adequate number of qualified sources (at least two, but three is preferred).

Invitation for Bid (IFB) – The IFB procurement process is used when complete specifications or purchase descriptions are available and the cost of the total project exceeds $250,000. 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 responsible bidder. 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.

Request for Proposal (RFP) – The RFP procurement process is used when a general, rather than specific description of goods and services is used. The RFP method is used typically for planning, purchases of transit services, ITS equipment and 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.

Request for Qualifications (RFQ) – Procurement of Architectural and Engineering (A & E) Services – 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 Brooks Act requires that:

1. A vendor's qualifications be evaluated
2. Price be excluded as an evaluation factor
3. Negotiations be conducted with only the most qualified vendor,
4. 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
5. Negotiations cannot be reopened with a party once the next vendor has been contacted

Geographic preference may be used in A & E procurements as long as a reasonable number of contractors are available. For more information on the Brooks Act, see FTA's *Best Practices Procurement Manual*.

Noncompetitive Process – (Sole Source Purchases) Sole source procurements are allowed only when the award of a contract is infeasible under small purchase procedures, sealed bids, or competitive proposals and at least one of the following conditions apply:

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

A cost analysis verifying the proposed cost data, projections of the data, and the evaluation of the specific elements of costs and profit is required. PTB requires advanced notification with a Certification of Like Customer Price for Sole Source. Direct FTA recipients are not required to have prior FTA approval, but must fully document procedures and justification. A more detailed discussion is included in section 4.6 of FTA's Best Practices Procurement Manual.

Competitive Bid Process
The basic steps in a formal bid using an IFB or RFP method are very similar.

1. Pre-Bid Activities
    a. Determine scope of procurement
    b. Decide on IFB or RFP

c. Develop solicitation package
    i. General Instruction to bidders, including uniform terms and conditions, required clauses, evaluation process, and protest procedures.
    ii. Develop specifications
    iii. Documents and attachments

2. Obtain PTB review and written approval of solicitation package
3. Solicitation Activities
    a. Finalize solicitation package
    b. Advertise procurement in at least one general circulation newspaper and by mail, fax, or e-mail to all vendors shown on PTB vendor lists
    c. Send solicitation package to all vendors requesting package
    d. Conduct pre-bid conference if deemed necessary
    e. Respond to vendors' requesting clarifications, approved equals or exceptions to bid package
    f. Vendors submit sealed proposals by the designated deadline
    g. Public opening of proposals at time and location specified in solicitation package
4. Bid review and award
    a. Convene review committee
    b. Analyze bid for responsiveness to requirements, vendor responsibility, and tabulate bid pricing
    c. Obtain PTB concurrence in determination of lowest responsive and responsible bidder and anticipated award
    d. Notify vendors of record of intent to award and bid tabulation
    e. All bids may be rejected if in the public interest
    f. For vehicle purchases, perform pre-award audits and prepare certifications
    g. Handle protests
5. Post-delivery
    a. Inspections if required
    b. Audit - FTA
    c. Notice to vendor of defects
    d. Payment to vendor

Competitive Bid Process

	IFB	RFP	RFQ
Pre-Bid Activities			
Specifications	Determine detailed design specifications or descriptions.	Determine goals and objects, and/or performance specification of equipment.	Determine goals and objectives, and/or performance specifications of project.
Required Clauses	Determine all local, state, and federal requirements.	Determine all local, state, and federal requirements.	Determine all local, state, and federal requirements including Brooks Act requirements.
Evaluation criteria/committee	Criteria based on price and bidder being responsive and responsible.	Criteria can involve price, quality of scope of work, qualifications and others to assure consideration of essential performance/product.	Qualifications of vendor, scope of work to assure essential performance. Price cannot be considered.

Prepare document	Prepare IFB	Prepare RFP	Prepare RFQ
	PTB Review	PTB Review	
Finalize Bid Package	Finalize Bid Package	Finalize Bid Package	Finalize Bid Package
Solicitation Activities			
Advertise for qualified contractors	Advertise for qualified contractors and send notice to all known vendors.	Advertise for qualified contractors and send notice to all known vendors.	Advertise for qualified contractors and send notice to all known vendors.
Send solicitation to vendors who requested package.	Solicitation package sent to all prospective vendors who request package.	Solicitation package sent to all prospective vendors who request package.	Solicitation package sent to all prospective vendors who request package.
Bid Submittal	Sealed Bid submitted by due date. Submitted in original form plus specified number of copies. Bids opened publicly.	Vendors submit both price and technical proposal. Proposals are opened at specified time and acknowledged publicly.	Vendors submit technical proposal. Proposals are opened at specified time and acknowledged publicly.
Evaluation and Award			
Evaluation Criteria	Award based on lowest total bid that meets requirements and instructions provided to vendor is responsive and responsible.	Award based on qualifications, compliance with proposal requirements, financial responsibility, experience with similar projects, capability to honor terms of proposal in terms of resources.	Award based on vendor qualification, scope of work.
		Negotiate with vendors in competitive range.	Negotiate with most qualified vendor.
Pre-award Audit	PTB Concurrence	PTB Concurrence	PTB Concurrence
Notify selected and vendors of record	Notify selected and vendors of record	Notify selected and vendors of record	Notify selected and vendors of record
Protests	Follow internal procedures established in	Follow internal procedures established in	Follow internal procedures established in proposal and in compliance with Circular 4220.1F

	proposal and in compliance with Circular 4220.1F	proposal and in compliance with Circular 4220.1F	

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:

Part I – General Instructions to bidders
Part II – Specifications or scope of work
Part III – 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 (ie. 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.)

Part I - General Instructions to Bidders

Cover Sheet – The cover sheet may contain a brief synopsis of the requirement(s) or any other brief facts that will be restated in greater detail in later parts of the bid package. This sheet should show the procurement schedule.

Procurement Schedule – The schedule should include the following dates (timeframes are suggestions only. Confer with TPA to develop appropriate dates.):

1. Date of Public Notice—6-8 weeks prior to bid opening
2. Date the notice is to be mailed, faxed, or e-mailed to prospective vendors
3. Date of Pre-bid conference if one will be held (RFP)
4. Deadline for receipt of requests for "approved equals"; "exceptions" and "clarifications"; must be received
5. Date of response to "approved equals" and "exceptions and clarifications"
6. Date sealed bids are due – Bid receipt dates and times should be set so they will allow for local delivery by express couriers. Holidays and weekends should also be taken into consideration when setting receipt of bids and bid openings
7. Date and time of bid opening – may be same day as bids are due
8. Date of anticipated contract award – Date needs to allow time for bid analysis, PTB concurrence, board action if required and announcement of intent to award

Instructions, Conditions and Notices to Bidders – This section provides special information to prospective bidders, such as:

1. The availability of a pre-bid conference
2. Directions for obtaining copies of documents (plans, drawings)
3. Procedures for requesting approved equals, exceptions from the specifications, or clarification of the specifications

4. The requirement for a certification of compliance with specifications. The transit system assumes the responsibility for verifying a bid's compliance. The certificate of compliance may suffice, but requirements for submission of descriptive literature and/or bid samples are customary. Supplemental information necessary to confirm responsiveness of product may be required after bids are opened
5. The name, address and phone number of designated contact person should be identified
6. Contract provisions required by law and regulation (See Required and Suggested Clauses)
7. Evaluation factors for award
8. Remedies such as bid or performance bond requirements, liquidated damages, etc.

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. Click here for a model Approved Equals, Exceptions and Clarifications Request form.

Certification of Compliance with Bid Specifications – PTB 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 insures 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. Transit systems are encouraged to use the sample Certificate of Compliance with Bid Specifications and Provisions model.

Evaluation Factors for Award - This section should contain a statement of the exact basis upon which bids will be evaluated and the award made. In an IFB procurement, awards shall normally be made on the basis of lowest bid price for a unit which fully complies with the specifications. An RFP must establish in advance the specific factors that will be involved in the award decision. The exact nature of each factor, and the relative weighting, must be presented. No factors other than those listed may be used once bids are received. Consideration should be given to the advantages or disadvantages to the purchaser that might result from:

- awarding various portions of project to different vendors, e.g., rehabilitation project award engine and body work to different vendors; or
- considering "life-cycle" cost, e.g., factoring in elements of the cost of operating equipment along with the total bid cost.

Terms of Payment - This section should state when payment will take place. This should include how resolution will be made regarding any negotiation of delivery or possible noncompliant equipment issues. Payment should normally be made at the time of acceptance. It should be stated if board approval is necessary before payment is made to vendor.

Inspection and Acceptance – This section should state the place of inspection, place of acceptance, and other related requirements deemed necessary by the purchaser.

Protest Process – 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. The 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. If the contractor disagrees with your decision, it may appeal your decision and file a protest in compliance with Circular

4220.1F, and local and state regulations. Transit systems are encouraged to use the model Protest Procedure.

Remedies – All contracts other than those following small purchase procedures 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.

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 in the IFB/RFP. Liquidated damages must be enforced, if they are stipulated.

A bid bond may be required to be submitted at the time the vendor submits a bid. The bid bond is a guarantee that the vendor awarded the contract will accept the award or else the bid bond is forfeited.

A performance bond is posted by the successful bidder to guarantee fulfillment of the contract. Although this may be a way to determine if the bidder can fulfill your contract, it is expensive for the vendor. Some vendors cannot afford one, so you may be eliminating vendors who are capable of providing the item you want. Be sure that a performance bond will truly be a benefit to you before you decide to include it.

A payment bond is only necessary on construction projects. The payment bond is posted by the successful bidder and guarantees that the contractor will pay suppliers and any sub-contractors so as to avoid liens against the property.

For construction contracts less than $100,000, the grantee is to follow its own requirements relating to bid guarantees, performance bonds and payment bonds. For contracts more than $100,000, however, FTA has established certain minimum bonding requirements. FTA may accept the bonding policy of the grantee as long as these minimum requirements are met:

- a bid guarantee from each bidder equal to 5 percent of the bid price;
- a performance bond for 100 percent of the contract price; and
- a payment bond on the part of the contractor for 100 percent of the contract price.

Part II – Specifications or Scope of Work

Supplies/Services, and Quantities – This section should contain your specifications, a detailed description of the items or services being procured, and the quantities required, if applicable. An IFB will have straightforward specifications of products and request quantities. An RFP will describe a scope of work and a description of intended product and tasks to complete the scope of work.

Delivery or Performance – This section should state the required time of delivery or performance, delivery destination, and method of delivery. The transit system should have goods shipped F.O.B. the transit system as the receiving location. If goods are shipped F.O.B. the supplier's location, the goods become the property of the buyer as soon as they are delivered to the carrier. This means that insurance, freight, and other problems become the responsibility of the buyer.

Special Provisions – This section should contain provisions pertaining to optional features, quantity options, and other special provisions, which support the requirements.

Schedule of Prices – The model Schedule of Prices may be appropriate to include with your IFB solicitation package, but may not be appropriate for use with an RFP.

Descriptive Literature – The term "descriptive literature" means information, such as illustrations, floor plans, drawings and brochures showing the characteristics or construction of a product or explaining its operation. Descriptive literature is furnished by a bidder as a part of the bid to describe the products offered in the bid. It may be appropriate to require descriptive literature in the procurement of highly technical or specialized equipment, or where considerations such as design or style are important in determining acceptability of the product. However, any decisions to do so must receive concurrence from PTB.

If descriptive literature is not required, but such literature is furnished with a bid, it should not be considered to qualify the bid. If the vendor has certified compliance with the bid specifications, but the literature appears inconsistent with the bid specifications, the vendor should be challenged to reconfirm their certification of compliance. It is important to note that submission of descriptive material showing nonconformance with specifications does not establish an exception, even if the transit system fails to challenge the vendor.

Bid Sample – A "bid sample" is a sample unit of the items being procured and may be required to be furnished by a bidder. Such samples should be used only for the purpose of determining the responsiveness of the bid. The bid should not be considered on the issue of a bidder's ability to produce the required item or sample. If bid samples are not required by the solicitation, but samples are furnished with bids, they should not be considered as qualifying the bid.

In a few cases, a bid sample may be required, particularly when the product has characteristics that cannot be described adequately in the specifications. However, use of such a requirement will require concurrence from PTB.

It may be appropriate to require bid samples; for example, where the procurement is for products that must be suitable from the standpoint of balance, ease of use, general "feel", color or pattern, or that have certain other characteristics that cannot be described adequately in the specifications. The bid package should list all of the characteristics of the sample that will be examined. Also, bids should be rejected as non-responsive if the sample fails to conform to any of the listed characteristics. The transit system must approve the sample(s) in writing to all bidders.

Specifications – A specification is defined by federal procurement regulations as a clear and accurate description of the technical requirements for a material, product or service, including any procedures by which it will be determined that the requirements have been met.

It is the transit manager's responsibility to prepare or secure specifications that best reflect the system's procurement needs. Contact your TPA for assistance. The transit manager must state exactly what the requirements are, and not leave specifications open to differing interpretations. Wording must always be clear and specific so the bidder knows what is needed by the transit system. Specifications should not be so narrow that bids are restricted to a sole provider.

Use the following guidelines when writing valid specifications:

- Reflect the actual minimum functional requirements of the transit system, not what may be desired
- Describe requirements in plain, precise language
- Allow the preparation and evaluation of bids on a common basis
- Deal with measurable/verifiable features, not intangibles
- List all salient features of a required item in generic terms -- use of brand names shall generally be limited to illustrative examples. (If a brand name is given, the specifications must also state "or equal" and a listing of salient features which will allow something to be considered equal must be made available upon request.)

There are two basic types of specifications that can be described in your bid package: design specifications and performance specifications.

Design specifications contain the data necessary to produce an item (this normally would include details, size, dimensions, etc.). Any specific design details must have a functional justification.

Performance specifications express requirements in the form of output, function or operation of an item and equipment, and leave the details of design, fabrication, formulation or internal workings to the producer's option.

Most specifications have both design and performance characteristics. When a specification is referred to as a performance specification, it indicates that the requirements in the specification are predominately performance.

When purchasing a vehicle, the vendor must certify that the vehicle meets applicable Federal Motor Vehicle Safety Standards (FMVSS). A sample certification can be found here.

Standards can be found in the Code of Federal Regulations here.

Amending Specifications – Specifications and instructions may be amended prior to the bid opening, as long as a reasonable amount of time is provided for vendors to respond to the change(s) and PTB approves the changes. The responses to requests for approved equals, exceptions and clarifications will typically include some minor amendments to the specifications.

An amendment to either the solicitation specifications or bidder instructions becomes a permanent part of the bid packet. An amendment should be sent to each vendor of record. Each amendment must:

1. Identify the bid with description, date and/or number and specify amendment date
2. Clearly state the changes made to the bid package and whether there is to be an extension of the opening date. If no extension of time set for opening is involved, the amendment should state accordingly; and,
3. Include instructions to prospective bidders for acknowledging receipt of the amendment. The effect of failure to acknowledge and return the signed amendment should be made clear for the prospective bidders.

An amendment which causes a major change in the scope of the procurement, requires a notice, new schedule, etc. be sent to vendors of record.

Options – Options are features that may be added or subtracted from the base unit (which fully comply with the minimum specifications). A transit system may elect to purchase additional equipment, supplies or services above the minimum needs specified in the bid packet. In the case of a consortium, options may be used to reflect differing preferences. However, differing requirements should be bid as different units. For example, if some vehicles are required to be diesel powered and others gasoline, they should be bid as different units with the engine type being part of the base bid.

The bid proposal sheet should clearly identify all options and the additional cost or reduction amount to the base bid for each option. If the bidder is low bid, without added options, and is deemed responsible and responsive, the bidder should be awarded the contract. Vendors are not required to provide any options; therefore, a bid cannot be rejected if a vendor does not bid an option. If a feature is necessary to the transit system, it should be included in the specifications. The bid analysis must be determined using the base price. Options are not considered when determining the low bid.

Part III - Documents and Attachments

The following table identifies all of the required forms and certifications.

Requirement	Required for:	Requirement
Bus Testing Certification and Report	Procurements of buses and modified mass produced vans	Bus Testing Certificate
TVM certifications (DBE)	All vehicle procurements	DBE Certification for Non-Rollingstock or the DBE Certification for Rollingstock
Buy America certification	Procurements for steel, iron or manufactured projects exceeding $150,000	Buy America Certification – Rolling Stock Buy America Certification – Non-Rolling Stock
Pre-Award Audit	Vehicle procurements exceeding $100,000	Pre-Award Audit Certification
Pre-Award Buy America Certification	Vehicle procurements exceeding $150,000	Pre-Award Audit Certification
Pre-Award Purchaser's Requirement	Vehicle procurements exceeding $100,000	Pre-Award Audit Certification
Post-Delivery Audit	Vehicle procurements exceeding $100,000	Post-Delivery Audit Certifications
Post-Delivery Buy America Certification	procurements exceeding $150,000	Post-Delivery Audit Certifications
Post-Delivery Purchaser's Requirement	Vehicle procurements exceeding $100,000	Post-Delivery Audit Certifications
Federal Motor Vehicles Safety Standards (Pre-Award and Post-Delivery)	Motor vehicle Procurement (49 CFR 571)	Federal Motor Vehicles Safety Standards
Lobbying Certification	Procurements exceeding $100,000	Certification of Restrictions on Lobbying

Standard Form LLL and quarterly Updates (when required)	Procurements exceeding $100,000 where contractor engages in lobbying activities	http://nij.ncjrs.org/guidelines/form4.asp
Non-Collusion Bidding Certification (Iowa Requirement)	All Procurements	Non-Collusion Bidding Certification
Debarment and Suspension Certifications	Procurements exceeding $25,000	Iowa Transit Vendor/Service Provider Certification Regarding Debarment, Suspension and Other Ineligibility and Voluntary Exclusions
Documentation of search of the System for Award Management (SAM)	Procurements exceeding $25,000	System for Award Management
Approved Equals, Exceptions and Clarifications Request (Iowa Requirement)	All Procurements exceeding $25,000	Iowa Transit Vendor/Service Provider Certification Regarding Debarment, Suspension and Other Ineligibility and Voluntary Exclusions
DBE Certification for Rollingstock		DBE Certification for Non-Rollingstock or the DBE Certification for Rollingstock

Solicitation Activities

Identify and Notify Potential Bidders – A list of prospective bidders must be developed. Local newspapers as well as national trade publications such as *Passenger Transport*, *Urban Transportation Monitor*, 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:

1. general description of item/service to be procured;
2. date, time and location of bid opening;
3. name of agency administering procurement;
4. contact person, phone number and address;
5. how to obtain the bid packet;
6. 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; and
7. 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 PTB does not endorse any particular manufacturer, vendor, or product. For further guidance contact your TPA.

The Pre-bid Conference – A pre-bid conference may be used to brief prospective bidders and explain complicated specifications and requirements as early as possible after the bid package has been advertised, and before the bids are to be submitted. The pre-bid conference should never be used as a substitute for amending a defective or ambiguous IFB or RFP. Attendance at the pre-bid conference cannot be mandatory. Any clarifications, exceptions, or approved equals provided at a pre-bid conference must be put in writing and sent to all potential bidders. It should be clear that oral statements do not take precedence over written specifications or instructions.

Bid Openings – Proposals should be date and time stamped as they are received, and a log kept 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, an PTB staff member may be present at bid openings.

Proposals received in response to an RFP are acknowledged publicly at the time and place specified, but pricing and other details are not released publicly until a contract award decision is made.

Two-Step Openings – A transit manager may request each bidder to submit two sealed envelopes, one containing the technical information about the item bid and the other containing the price. The technical information is evaluated, and responsiveness is determined, before any prices are opened. This process can help avoid conflict over an award to other than low bid.

Handling Late Bids and Withdrawals – 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. You might, for example, state in the bid package that:

- any bid received at the location designated in the solicitation after the specified time for receipt will be returned unopened to bidder; and
- a bid may be withdrawn in person by a bidder or by the authorized representative, provided their identity is made known and they sign a receipt for the bid. The withdrawal may only be made prior to the exact date or time set for receipt of bids.

Bid Analysis and Recommendations for Award
Once bids have been opened, it is the responsibility of the individual administering the procurement to analyze the bids in terms of responsiveness, responsibility and price.

Evaluating Responsiveness – "Responsiveness" refers to a potential contractor's conformance to the requirements of the solicitation. In a formally advertised procurement, any bid that fails to conform to the essential requirements (specifications, terms and conditions) shall be deemed non-responsive and rejected. The vendor cannot tie his bid to another bid or make reservations such as, "price may increase due to chassis price increase". Examples of some instances that make a bid non-responsive are:

- Bidder states a price but qualifies such price as being subject to price in effect at time of delivery;
- Bidder takes exception to the terms and conditions by limiting the transit system's rights under any clause or extending the delivery period;
- Bidder has not completed, signed or submitted the required certifications with bid package;
- Bidder's proposal does not meet specifications; or

- when using a procurement style in which the bidders certify the product bid is in full compliance with the specifications, responsiveness is assumed unless the bidder withdraws that certification. If the transit manager has reason to believe that the certification may be based on a misunderstanding, the manager is encouraged to challenge the bidder on specific points during the bid analysis. If it is clear that there has been a misunderstanding, a bidder should be allowed to withdraw a bid.

If a bid bond is required in an IFB or RFP, or a bid sample or descriptive literature is required for evaluation purposes, the failure to furnish the requested item requires the bid be rejected. A bid bond is a financially binding obligation or guarantee to insure fulfillment of a bid. The bid package should clearly state that failure to submit required documents will cause the bid to be rejected.

Failure to submit a Buy America Certification with a bid offer, when required, results in a non-responsive bid.

Minor informalities or irregularities may be waived if it does not prejudice or affect the relative standing of bidders. PTB must approve any waiver.

Waiving Minor Formalities or Irregularities – Transit systems may waive minor deviations such as:

- failure of bidder to return number of copies of signed bids required by the bid package; or
- failure of bidder to sign bid, but only if the unsigned bid is accompanied by other material indicating the bidder's intention to be bound by the unsigned bid document, such as the submission of a bid guarantee or a letter signed by the bidder with the bid, referring to and clearly identifying the bid itself.

Evaluating Responsibility – Responsibility refers to 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. The following are minimum standards that a potential bidder should meet as a responsible contractor:

- Has adequate financial resources or the ability to obtain such resources as required during performance of the contract;
- Must be able to comply with the required or proposed delivery or performance schedule, taking into consideration all existing business commitments;
- Has a satisfactory record of performance (for contractors who are or have been deficient in current or recent contract performance, consideration should be given to the number of contracts, and the extent of, the reason for, and the deficiency of each);
- Has a satisfactory record of integrity and business ethics;
- Must be otherwise qualified and eligible to receive an award under applicable laws and regulations;
- Must document the search of the System for Award Management (https://sam.gov/SAM/) to verify excluded parties are not participating in the covered transaction;
- Must not appear on any list of debarred, suspended or ineligible concerns or individuals which is mandatory to the purchaser;
- Must have evidence of fiscal capacity based on apparent successful bidder financial data, such as balance sheet, profit and loss statements, financial histories of the contract and affiliated concerns, current and past production records, personnel records, list of tools, equipment, and facilities, written statements of commitments concerning financial assistance and subcontracting arrangements, and analysis of operational control procedures;
- Must provide evidence of production capacity and quality documents in publications, including credit rating, trade and financial journals, and business directories and registers; and,
- Must have a reputation for meeting debt obligations based on references from other sources, such as bank and financial institutions.

Evaluating 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 life-cycle 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 available for evaluating costs.

Dealing with Ties – 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.

Dealing with Mistakes – Any clerical mistake apparent in the face of a bid may be corrected by the transit system prior to award, if the transit system first obtains from the bidder written verification of the bid actually intended. Examples of apparent mistakes are:

- obvious errors in placing decimal point;
- obvious discount error;
- obvious reversal of the price Free On Board (FOB) destination and the FOB factory; and
- obvious error in designation of unit.

Correct the bid by attaching the verification to the original bid and a copy of the verification to the duplicate bid. Correct the face of the bid and make sure the correction is reflected in the award document.

For other mistakes in bids before award, consideration should be given to permitting the bidder to withdraw the bid where the bidder requests permission to do so, and clear convincing evidence establishes the existence of a mistake. However, if the evidence is clear and convincing both as to the existence of a mistake and as to the bid actually intended, and if the bid both as uncorrected and corrected is the lowest received, a determination may be made to correct the bid and not permit its withdrawal.

When a mistake in a contractor's bid is not discovered until after the award, the mistake may be corrected by contract modification if correcting the mistake would make the contract more favorable to the transit system without changing the essential requirements of the contract.

Contact your TPA before allowing a bidder to withdraw or change information.

Evaluating the Single Bid – 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 PTB, but responsibility remains with the transit manager.

Dealing with 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, however, 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.

Writing the Analysis and Requesting Authorization to Award – 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:

1. names of all bidders;
2. Compliance of each bidder with specifications;
3. prices bid;
4. identification of low responsive bid;
5. request to award to vendor with low bid;
6. Solicitation Identifier;
7. funding agreements in which the items have been programmed; and
8. copy of notice.
9. Vehicles also require:
    a. Pre-award audit
    b. FMVSS Certification
    c. Copy of other Certifications.

PTB will review the analysis and concur if all requirements have been met. No purchase order or award may be given prior to PTB approval. In some instances, the transit manager may need to obtain approval more quickly by phoning PTB, submitting the analysis via fax or e-mail, and receiving a verbal concurrence. A letter must follow to receive written concurrence from PTB, 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 PTB list were individually notified (if applicable);
- justification that any restrictive requirements serve a functional need; and
- price analysis.

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

Notifying Vendors of Intent to Award and Awarding Bid – Once PTB 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 e-mailed.

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. The 10-day-waiting period may be waived for minor procurements (under $25,000 and not involving vehicles) at the discretion of the transit system. In waiving this, however, the system accepts full responsibility for any liability resulting from orders issued if a protest is lodged and later upheld.

A sample Transit Equipment Purchase Contract has been developed by PTB. This format is suggested unless a transit system has developed its own format in consultation with legal counsel and PTB concurrence.

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 PTB with the request for concurrence in the contract award.

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

1. 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. Under the FAST Act, increased domestic content percentages were phased in. In FY2020 and beyond, the item must contain at least 70% American-made components.
2. Recipient Certification that the vendor has certified that it will meet all of the specifications in the solicitation.
3. Recipient Certification that the vendor has certified that it will meet applicable FMVSS standards.

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 PTB. If significant in nature, changes and non-bid options may invalidate the total procurement and result in the total procurement being ineligible for reimbursement.

Protests – Protests (and appeals) represent a process by which vendors can make known their dissatisfaction with the procedures used in a procurement or the decisions made in the course of a procurement. 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.

It is the responsibility of the agency administering the procurement to respond to the protest after getting concurrence from PTB. If the vendor is not satisfied by the local response to the protest, the vendor may appeal to PTB, as the FTA grantee.

Vendors may protest at various stages during a procurement. The following are reasons 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 includes an illegal local preference; or

- 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 PTB has given approval to open the bids on the basis of an emergency situation.

PTB 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 was 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; or
- 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 protest or of the denial, the transit system must inform the protest or of their right to appeal to PTB and ultimately to FTA.

Each transit system is required to follow the Iowa DOT protest procedure. The model Transit Procurement Protest Procedure should be part of the bid package.

Post Delivery Activities

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."

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 PTB 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:

1. Buy America certification;
2. the purchaser's requirements certification that now includes a complete visual inspection and road tests to demonstrate that the buses meet the contract specifications; and
3. the FMVSS Certification.

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

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 (first aid kit, florescent reflectors, fire extinguishers);
- 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; or,
- 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 make-ready expenses. Transferring existing larger accessories are also legitimate make-ready expenses.

Notes on 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; therefore, Iowa law prohibits non-school vehicles from having this equipment.

Steel Frame – PTB has no evidence that adding a steel frame to a body-on-van-chassis vehicles improve performance or safety; therefore, 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.)

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.

Property Inventory

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 PTB and information updated annually. This requirement includes non-revenue vehicles, such as administrative vehicles and snowplows, and other equipment utilized to support public transit functions. Capital items are added to the inventory using the Add Inventory Form found in the Transit System Portal. This is an electronic form that requires a Personal Identification Number to submit. Once the form is completed the information goes directly into the database. The form should be submitted as soon as new or transferred equipment (including vehicles) is received. For newly manufactured revenue vehicles, the Add Inventory Form should be submitted online, before the Transit Request for Payment form. Updates to the federal interest in and total cost of each federally funded vehicle are appropriate to submit to the PTB with any request for payment on make-ready item expenses. Local policy may require inventory of lower cost equipment. Questions regarding electronic submittal of these forms should be directed to Sree Mitra of the Public Transit Bureau at 515-239-1872, sreeparna.mitra@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 on the Add Inventory Form. 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. On July 1 of each year, the on-line inventory system is made available to transit managers to allow them to update yearly odometer readings. This must be completed by August 15th of each year. Other necessary revisions to the data should be brought to PTBs attention.

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 PTB or directly from FTA. PTB has adopted usage standards consistent with federal utilization policies for equipment purchased with funds PTB 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 Bureau (PTB) 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 PTB.

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 (extending useful life, reducing road calls, etc.). It must also include a description of the strategies and actions that will be done to accomplish the objectives. Preventive maintenance schedules that meet or exceed manufacturer's requirement for warranty purposes must be included. Because of the various circumstances and conditions of each transit system, each manager should have a workable maintenance schedule appropriate for his/her own system. The plan should be updated as the equipment mix changes.

With capital funding for replacement vehicles and facilities so scarce, preventive maintenance may help extend the life of facilities and vehicles past the useful life threshold. Regular and proper maintenance is critical to protecting the longevity and efficiency of facilities, equipment, and vehicles. The following inspections and reports are suggested guidelines to help the manager have a complete maintenance program.

- **Annual Building Inspection Checklist** – Identifies multiple facility maintenance areas on the interior and exterior that should be inspected regularly or as noted in manufacturers suggested maintenance schedules.
- **Model Transit Bus Preventive Maintenance Schedule** – Using the suggested preventive maintenance schedule helps staff know when maintenance tasks are due. A maintenance record-keeping system will help you perform scheduled work on a timely basis.
- **Regional Transit Vehicle Daily Inspection Report** – Vehicles should be inspected every day before they are taken out on the road. This pre-trip inspection includes exterior, interior and under-the-hood checkpoints.
- **Transit Monthly Preventive Maintenance Inspection Worksheet** – The mechanic schedules and performs a monthly preventative maintenance inspection. This process includes a review of pre-trip inspection reports and other maintenance records to identify problems reported by the drivers and review the maintenance schedule.
- **Suggested School/Regional Transit Vehicle Chassis Inspection** for each of the vehicles in the fleet, schedule a safety inspection every six months. Some of the items in the safety inspection checklist are included in other inspections, but this procedure will emphasize everything that affects safe operation. Preventive maintenance will help keep your buses on the road. An organized program of inspections, scheduled service and immediate adjustments or repairs will add months and years of useful service life to your equipment and keep mechanical failures to a minimum. Regional transit vehicles used to provide service under contract to a public school district are required to undergo these inspections. PLEASE NOTE: Accident repair, such as replacement of windshields, windows, fenders, etc., is routine maintenance and should be taken care of promptly.

The PTB 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 PTB, and will be checked by PTB 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 joint participation agreement. A transit system is expected to meet any required routine maintenance services to keep a warranty in effect. Systems should also ensure that warranty claims are properly filed so that the system receives the benefit of the warranty.

Facilities Inventory
PTB is required to maintain an inventory of all facilities funded with federal and state funds administered by PTB. If substantial changes occur at your facility, due to construction, remodeling, repair, or expansion, please notify your TPA.

Facility 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 PTB 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.

Signing 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. 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:

	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 that 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).	Requirement	Requirement	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 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 Bureau.	Requirement	Requirement	Exempt	Exempt
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 Bureau.	Requirement	Requirement	Exempt	Exempt
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-case basis by the Director of the Public Transit Bureau.	Requirement	Requirement	Exempt	Exempt
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.	Requirement	Requirement	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.	Recommended	Recommended	Recommended	Recommended
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
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 can not 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
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".	Requirement	Requirement	Requirement	Requirement
Access Sign	The vehicle entrance which is accessed by wheelchairs is required to be denoted with a universal accessibility symbol.	Requirement	Requirement	Requirement	Requirement
Securement Location Sign	Wheelchair securement location(s) are required to be signed.	Requirement	Requirement	Requirement	Requirement
Priority Seating Sign	Front seats are required to be signed as priority seating for elderly persons and persons with disabilities.	Requirement	Requirement	Requirement	Requirement
Emergency Exit Sign	All emergency exits must be signed, including any specific directions to operate the exit, as needed.	Requirement	Requirement	Requirement	Requirement
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 when boarding the vehicle. For more information, refer to http://www.iowasmokefreeair.gov/	State Law	State Law	State Law	State Law
Paid Advertising	Advertising cannot obscure required vehicle signage.	Requirement	Requirement	Optional	Optional
Title VI Notice to the Public	The transit system's Title VI Notice to the Public must be displayed in each vehicle.	Requirement	Requirement	Requirement	Requirement

Labeling Publicly Owned Motor Vehicles
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.

Allowed and Prohibited Uses of Federally Funded Vehicles

Incidental Use – Vehicles and equipment purchased with state and federal transit assistance funding is justified solely on the basis of proposed use for public passenger transportation. FTA does allow incidental use of vehicles and equipment under the following conditions:

- the incidental use does not interfere with the public transit services for which it was originally obtained
- the incidental use does not exceed 20-percent of the total use of a vehicle.

Incidental use may include meal and parcel delivery, and FTA allowable charters. Chapter 15 explains allowable charter services by transit systems. (NOTE: Incidental use does not count toward attainment of useful life thresholds.)

Staff Car Prohibition – PTB policy 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.)

Emergency Leases Between Systems – If emergency situations arise and a vehicle will be out of service for several months, a transit system may want to lease another vehicle to replace the "out-of-service" vehicle. If available, a vehicle may be leased short-term from another transit system to maintain needed service within a service area. PTB should be notified of any pending lease agreement. Any lease must be approved by the TPA and a copy kept on file at PTB.

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.

Contract Uses – Transit systems may allow subcontractors to use vehicles on an "as needed", incidental use basis during off hours, as long as it doesn't violate FTA charter rules and is no more than twenty percent of the total vehicle use. Drivers of the transit system or drivers from the contractor's agency may drive the vehicles as long as insurance coverage is adequate for these uses and the drivers are in compliance with FTA's Drug and Alcohol Testing Program requirements.

Vehicle Use Agreements with Subcontractors – PTB encourages transit systems to retain direct control of their vehicles. Therefore, PTB 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. All vehicle/equipment use agreements must be written under a "purchase of service" contract. When a transit system has justified that the best use of the vehicles or equipment would be under a vehicle use agreement (Purchase of Service), several issues should be addressed before the Vehicle User Agreement is signed. Some issues that should be discussed with the subcontractor are:

- the transit system must retain the right to rotate the transit system's vehicle, as necessary, to obtain the minimum 10,000 miles per vehicle, per year;
- the vehicle use agreement must state who is responsible for such items as insurance, maintenance, drivers, emergencies, backups, etc.;
- the vehicles must be operated open to the general public without discrimination;
- incidental service ridership and revenue miles must be reported as such, separate from the service open to the general public;
- driver licensing requirements; and
- drug and alcohol testing requirements.

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 PTB and FTA for compliance with all state and federal rules and regulations. The office must be notified of the location of the vehicle or equipment in your annual inventory form.

Useful Life Standard and Utilization
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 PTB 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, PTB 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 PTB.

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 PTB's Policies webpage. The Iowa scoring method considers both age and mileage of the vehicle.

Fleet Utilization Standards – PTB encourages full utilization of every vehicle within your fleet throughout its useful life, especially vehicles purchased with funds administered by PTB.

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, PTB 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:

1. the OIG's minimum utilization standard is met; or
2. the director of PTB approves a "case-by-case" waiver. (This will only be done after PTB 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 PTB 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: 1) evidence the low usage is temporary, and 2) 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 PTB each year. It is strongly suggested that Contingency Fleet Plans be submitted to PTB 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: www.iowadot.gov/transit/handbook/PDFs/Contingency_fleet_plans_checklist.pdf.

State-funded Vertical Infrastructure Useful Life – The Iowa DOT Public Transit Bureau 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 Bureau 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.

Utilization Standards for Other Equipment – Equipment such as computers, radios and fareboxes purchased with state or federal dollars must also be used to its maximum capacity.

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. PTB 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.

Procedures for Completing Rehabilitation Projects – A written request to proceed with vehicle rehabilitation must be prepared by the transit manager and submitted to the TPA. This must include the results of an inspection identifying needed work (the inspection must include, at a minimum, the items covered in the Vehicle Rehabilitation Checklist. See Chapter 9 for Procurement Procedures.

Federal and PTB 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:

1. a complete overhaul or replacement of two or more major drive-train subsystems (engine, transmission, rear end); or
2. a complete overhaul or replacement of one major drive-train subsystem (engine, transmission or rear end) and a thorough overhaul or rehabilitation of two or more of the following:
    a. front suspension (must include more than shocks);
    b. brakes (not just routine surface turning and shoe or pad replacement);
    c. air conditioning system (must involve blower fan switches, motor, resistor, and wiring replacement and include more than freon recharge or leak repairs);
    d. electrical system (must involve every subcomponent);
    e. exterior body work and repainting (not just minor touch-up work or accident repair);
    f. wheel bearings and axles;
    g. interior (thorough upholstery recovering, refinishing the walls and replacement of or resurfacing the floor); or
    h. 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 in-house 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 PTB, detailed records of the labor and materials must be maintained and only the cost of "direct" staff time will be reimbursable. PTB 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 Vehicle Rehabilitation Checklist must be completed and submitted, along with an updated property inventory form, to the TPA upon completion of the rehabilitation project. The property inventory form needs to have the following items completed for rehabilitated vehicles:

b. Property ID Number
k. Fund Source
l. Project Number
o. Acquisition (Completion) Date
p. Acquisition (rehabilitation) Cost
r. Federal Dollars
s. Percent Federal Dollars
x. Odometer Reading (at completion)
y. 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 PTB administers.

Computers and Other Office Equipment
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 PTB 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.)

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. PTB'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 PTB. The PTB 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 PTB website's Classified Ad System. A username and password is required to post or view any vehicles on this site. Each of Iowa's 35 transit systems have been given a username and password to access this system.

If no other transit system has expressed interest after 30 days from the date an item was advertised on PTB's website, the transit system with the unneeded equipment may request PTB concurrence to dispose of the item locally.

Advertising Equipment to Other Iowa Transit Systems – A transit system may notify other Iowa transit systems of available excess equipment by posting it on the Classified Ad System of PTB's web site.

Any equipment funded under Sections 5309, 5310, statewide 5309, 5316 or 5317 grants must be advertised to other Iowa transit systems prior to requesting PTB permission for local disposition.

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.

Transfer of Federal Share – If vehicles are disposed of prior to meeting the FTA established useful life standards, the federal interest in the vehicle must:

- 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; or,
- be refunded to FTA.

PTB's policy is to arrange transfers for any vehicles purchased under FTA programs administered by PTB 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 PTB 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, PTB 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 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; or,
- 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.

Transferring Federally Funded Vehicles/Equipment – The transfer of property is documented through a completed Memorandum of Transit Vehicle Transfer. Each party and PTB receives an original copy in any transfer involving PTB 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. Instructions for "Titling and Licensing Your Public Transit vehicle" appear earlier in this chapter. The system transferring the vehicle must delete the equipment from its system's inventory and submit an equipment disposition report to PTB. The system receiving the vehicle must add the transferred equipment to its inventory, and submit a properly prepared Add Inventory Form to PTB.

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 PTB 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 PTB'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 PTB, 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 PTB has authorized local disposal. The four disposal methods are:

1. **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 PTB, a copy of the bid analysis should be provided to your TPA. PTB 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.
2. **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 PTB, PTB concurrence is needed to dispose of a vehicle at a public auction.

3. **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 PTB, PTB must concur in the sale of the equipment.
4. **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:
    a. deciding whether to part out a vehicle; and
    b. establishing the fair market value of the vehicle.

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

Insurance Settlements – When a vehicle funded through PTB has been in an accident and totaled, or can no longer be used as a safe public transit vehicle, the office 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 PTB. The office must concur with the decision to 'total out' any vehicle funded through programs administered by PTB. The settlement funds can be used for purchase of a vehicle of similar age, mileage, capacity and condition for continued transit use. PTB must concur with this purchase. If the vehicle has not met the replacement threshold and a replacement is not purchased, the federal share of the vehicle must be returned. This is based on straight-line depreciation or settlement value whichever is greater. If the vehicle has met the replacement threshold and is not replaced, any insurance funds should be used in the public transit program.

If a system settles with an insurance company on damages to the vehicle and does not use the full amount of the settlement for costs related to the damage, the remainder must be put back in the public transit program. However, vehicles must be repaired to the point where they are mechanically sound, safe and in presentable condition.

Repayment of Federal Share – As noted above, if any FTA funded equipment is disposed of prior to reaching its minimum useful life, the residual federal interest must be refunded or credited toward purchase of another piece of equipment.

If equipment purchased with funds administered by PTB are used to the minimum useful life or beyond prior to disposition, no repayment of federal share is required, but sale proceeds must be retained in the system's public transit program.

For direct recipients of FTA funding, however, repayment of federal share is required on any item with a disposition value of $5,000 or more, though a credit for sales cost is allowed. Smaller disposition amounts must be retained in the public transportation program.

Reporting the Disposition of Equipment
The Capital Equipment Disposition form (Disposal/LKS form) must be completed and sent to PTB when any federally-funded equipment is sold, transferred, or disposed of in any other way. The form can be found in the Transit System Portal. This form is intended for the use of Iowa's transit systems and requires a Personal Identification Number to submit. Disposal of a vehicle prior to PTB selecting the project for funding may result in the elimination of the project.

The disposition report must be filed to finalize the federal inventory and document the value of the equipment at disposition. The report includes a certification that the full proceeds from the sale will be retained to benefit the public transit program. Systems are asked to document the use of such funds in their own files and have such information available for future review by this office or FTA.

Disposition Deadlines – Transit systems are required to post a notice that they have equipment available for sale/transfer on the Classified Ad System on the PTB website within 45 days after accepting a replacement for a vehicle funded under a statewide grant or a like-kind substitution has been approved, unless an exemption is given as discussed below. The equipment will remain on the Classified Ad System web site for 30 days. Then the transit system, along with PTB 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.

If the transit system has other equipment that is no longer actively being used, the transit system is required to notify PTB, 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 PTB 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 the Transit System Portal. This form is intended for the use of Iowa's transit systems and requires a Personal Identification Number to submit.

Retention of Vehicles - With PTB 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. The Request for Vehicle Retention password protected form for Iowa's transit systems can be found at the Transit System Portal.

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 PTB staff to be substantially similar may be purchased entirely with local funds as a replacement vehicle. Such a request shall be submitted in conjunction with a request for advanced disposition. The Disposal/LKS Form can be found in the Transit System Portal. 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 PTB 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 the Transit System Portal. This form is intended for the use of Iowa's transit systems and requires a Personal Identification Number to submit.

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, PTB 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 (by transfer or outright purchase) 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 the Transit System Portal. 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.

Transit Asset Management
The purpose of transit asset management (TAM) is to help achieve and maintain a state of good repair (SGR) for the nation's public transportation assets. The TAM rule (49 CFR § 625.45), published in July 2016, develops a framework for transit agencies to monitor and manage public transportation assets, improve safety, increase reliability and performance, and establish performance measures.

The regulations apply to all Transit Providers that are recipients or subrecipients of Federal financial assistance under 49 U.S.C. Chapter 53 and own, operate, or manage transit capital assets used in the provision of public transportation.

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 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 I providers must develop and carry out their own TAM plans. 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 sub-recipients are not required to be offered a group plan but may participate in one if a sponsor invites them. Each transit provider must designate an Accountable Executive to ensure that the necessary resources are available to carry out the 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 sub-recipients will develop their own TAM plans.

Performance Management - Asset performance is measured by asset class, which means a subgroup of capital assets within an asset category. The following table shows assets for which performance needs to be reported to the NTD and the measure which will be reported.

Transit agencies are required to develop TAM plans and submit their performance measures and targets to the National Transit Database by specific deadlines (see below).

Assets: *Only those for which agency has direct capital responsibility*	**Performance Measure**
Equipment: Non-revenue support-service and maintenance vehicles	Percentage of non-revenue vehicles met or exceeded Useful Life Benchmark
Rolling Stock: Revenue vehicles by mode	Percentage of revenue vehicles met or exceeded Useful Life Benchmark
Infrastructure: Only rail fixed-guideway, track, signals and systems	Percentage of track segments with performance restrictions
Facilities: Maintenance and administrative facilities; and passenger stations (buildings) and parking facilities	Percentage of assets with condition rating below 3.0 on FTA TERM Scale

Useful Life Benchmark - The expected lifecycle of a capital asset for a particular transit provider's operating environment, or the acceptable period of use in service for a particular transit provider's operating environment.

Target Setting - Targets should be set by each transit provider or TAM plan sponsor for each applicable asset class for the coming year. Initial targets were required to be set by January 1, 2017 and then every fiscal year thereafter. It is recognized that transit providers may not have complete data while setting initial targets. To the extent feasible, targets should be supported by data such as the most recent condition data and reasonable financial projections for the future, but the overall end goal is to be in a system-wide SGR.

Timeframes/Reporting -

TAM Plans
A TAM plan must be updated in its entirety at least every 4 years, and it must cover a horizon period of at least 4 years. An initial TAM plan was to have been completed by October 1, 2018.

NTD
Each entity developing a TAM Plan will have to report annually to FTA's National Transit Database (NTD). This submission should include: (1) projected targets for the next fiscal year; (2) condition assessments and performance results; and (3) a narrative report on changes in transit system conditions and the progress toward achieving previous performance targets.

Guidance on transit asset management and the plans can be found at https://www.transit.dot.gov/TAM/.

Chapter 11 - Vehicle 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 Licenses for Transit Vehicles

All vehicles purchased with funds administered by PTB must be titled and licensed to the designated public transit system. Obtaining titles and license plates is the responsibility of the individual transit system, although your assigned TPA will assist in the process. Application procedures for public and private non-profit systems differ.

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 (for a $25 fee.)
License Plates	Iowa law provides free license plates through the state for all government-owned vehicles. Vehicles owned by private non-profit transit systems must be licensed through the local county (for a $25 fee.)

Transit systems organized as public agencies should submit originals of the following items to their TPA in PTB:

1. Application for State of Iowa Transit Bus Plates
2. Applications for Certificate of Title and/or Registration
3. Manufacturer's Certificate of Origin (new vehicle) or Certificate of Title from previous owner authorizing transfer (used vehicle)
4. 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.
5. Damage Disclosure Statement
6. Add Inventory Form (submit to database)
7. Post Delivery Audit Certification must be completed before the title is transferred to the transit system

*If funded 100% with local funds, the transit system only needs to add the vehicle to its inventory through the portal. No other information is needed by the PTB.

Transit systems organized as private non-profit corporations should submit originals of the following items to their county treasurer:

1. Applications for Certificate of Title and/or Registration
2. Manufacturer's Certificate of Origin (new vehicle) or Certificate of Title from previous owner authorizing transfer (used vehicle)
3. 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)
4. Damage Disclosure Statement
5. Current title fee

Private non-profit transit systems should then submit originals of the following to their assigned TPA in PTB:

1. Application for State of Iowa Transit Bus Plates
2. Copy of Certificate of Title
3. Add Inventory Form (submit to database)
4. Post Delivery Audit Certification

*If funded 100% with local funds, the transit system only needs to add the vehicle to its inventory through the portal. No other information is needed by the PTB.

NOTE: 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.

Reuse of Transit License Plates – 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.

Stolen License Plates – If a license plate or a set of license plates is stolen, it should be reported to the police as soon as possible. PTB should also be notified. PTB 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 PTB 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. For purposes of this lien process, government agencies shall be defined as those operated by municipalities, counties, and 28E, 28M, and 28H organizations. Non-government transit agencies are private non-profit and private for-profit organizations. The Iowa DOT should be listed as the First Security Interest in the "Security Interest Information" section of the Application for Certificate of Title and/or Registration. As a point of clarification, the PTB defines federal interest with FTA Useful Life Standards.

Vans	4 years or 100,000 miles
LD buses	5 years or 150,000 miles
MD buses	7 years or 200,000 miles
HD buses less than 35 feet	10 years or 350,000 miles
HD buses ≥ 35 feet	12 years or 500,000 miles

Removing Liens
The lien on a particular vehicle can be removed when the useful life has been met. For government agencies, the agency must send a formal request to their respective TPA to remove the lien. If the request is approved, the PTB will release the title and send it to the transit agency. For all non-government agencies whose liens are held at the county level, the agency must submit a "Cancellation of Security Interest" form to the particular county holding the lien and the title will be released to the transit agency.

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). PTB 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 PTB are included. Volunteers driving their own cars are not covered by this policy.

The federal Commercial Vehicle Act requires anyone driving a vehicle designed for more than 15 passengers to have a CDL with passenger endorsement. This requirement applies to all vehicles designed to transport 16 or more persons regardless of how the vehicle was funded and applies to volunteer drivers. It applies whether or not the vehicle is occupied and whether or not it is in revenue service.

The type of license needed is determined by the size of the vehicle. Any transit bus over 10,000 pound gross vehicle weight rating (GVWR) is considered designed for 16 or more passengers. This applies to vehicles that have been retrofitted for wheelchair passengers and, therefore, no longer transport 16 passengers. If the vehicle has a seating capacity of 15 or fewer (including driver), the driver needs a Class "D" (chauffeur's) license. Go to the DOT Motor Vehicle Division's License type and fees webpage for a list of license types and costs.

Basic Requirements of the Commercial Motor Vehicle Safety Act (CMVSA) of 1986 - 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.

- A job applicant for a transit job must provide the transit agency with employer information on all driving jobs held for the past 10 years. A driver requiring a CDL cannot have more than one license. The candidate must certify that they provided truthful information. The transit agency must inform the candidate that the information may be used in the employment decision and that former employer's may be contacted. This requirement also applies to an existing employee who is later assigned driving duties.
- A CDL driver must notify their employer within 30 days of a conviction for any traffic violations (except parking). This is true no matter which type of vehicle was driven or in which state it occurred.
- A CDL driver must also notify the Driver Services Bureau within 30 days if convicted in any other jurisdiction of any traffic violation (except parking). This is true no matter which type of vehicle was being driven when the conviction occurred.
- A CDL driver must notify the employer if the license is suspended, revoked, or canceled, or if disqualified from driving.
- No one can drive a commercial motor vehicle without a CDL.
- Violations by either employees or management can result in a civil penalty of up to $2,500. Knowing and willful violations are subject to a criminal penalty of up to $5,000.

Commercial Driver's License (CDL) – Drivers wanting to obtain a CDL or to add certain endorsements to an existing CDL are required to first obtain and hold for 14 days a Commercial Learner's Permit (CLP). This is a requirement of the Federal Motor Carrier Safety Administration and details can be found in 49 CFR 383.25. A CLP is considered a valid CDL for purposes of behind-the-wheel training on public roads or highways, if the following conditions are met:

- The CLP holder is at all times accompanied by a valid CDL holder who has the proper CDL group and endorsement(s) necessary to operate the CMV. The CDL holder must be physically present in the front seat of the vehicle next to the CLP holder or, in the case of a passenger vehicle, directly behind or in the first row behind the driver and must have the CLP holder under observation and direct supervision.
- The CLP holder holds a valid driver's license issued by the same jurisdiction that issued the CLP.
- The CLP holder must have taken and passed a general knowledge test for the commercial motor vehicle (CMV) that person operates or expects to operate.
- The CLP holder must be 18 years of age or older.

Endorsements

- A CLP holder with a passenger (P) endorsement must have taken and passed the P endorsement knowledge test. A CLP holder with a P endorsement is prohibited from operating a CMV carrying passengers, other than Federal/State auditors and inspectors, test examiners, other trainees, and the CDL holder accompanying the CLP holder as prescribed above. The P endorsement must be class specific.
- A CLP holder with a school bus (S) endorsement must have taken and passed the S endorsement knowledge test. A CLP holder with an S endorsement is prohibited from operating a school bus with passengers other than Federal/State auditors and inspectors, test examiners, other trainees, and the CDL holder accompanying the CLP holder.
- Aside from the tank vehicle (N) endorsement, all other endorsements are prohibited on a CLP.

Other CLP Information

- The CLP must be a separate document from the CDL or non-CDL.
- The CLP is valid for one year from the date of issuance, with no renewal period.
- The issuance of a CLP is a precondition to the initial issuance of a CDL. The issuance of a CLP is also a precondition to the upgrade of a CDL if the upgrade requires a skills test.
- The CLP holder is not eligible to take the CDL skills test in the first 14 days after initial issuance of the CLP.
- Documentation is required upon renewal of a CLP.
- There is no longer a grace period when a CDL expires, the expiration date on the CDL is the expiration date of the driver's eligibility to legally operate a Commercial Motor Vehicle.
- Any license document which is currently valid without a photo is no longer eligible after July 8, 2015.

Anyone driving a passenger CMV that meets the requirements of a CDL must have a passenger endorsement, including mechanics required to road test a vehicle. This requires passing knowledge and skills tests. A public transit driver who operates vehicles with air brakes must pass the air brake knowledge and skills tests, using a vehicle equipped with air brakes for the test, to prevent having a restriction 'L', vehicles without air brakes, on their CLP/CDL.

An examiner will administer skills (drive) tests at several locations by appointment on specified days. An appointment may be made by contacting any driver's license station after completing and passing the necessary CDL knowledge tests. The pre-trip portion of the skills test must be passed before going on to the driving portion of the test. To find out the current locations that offer appointments for the skills test call the Driver Services Bureau at (800) 532-1121, or visit the Iowa DOT Driver License webpage.

The Iowa CDL skills test includes a pre-trip inspection, road test and the following skills:

- forward stop;
- measured right turn;
- straight line back; and
- alley dock - back left from 90 degrees.

In July 2015, an option for an 'E' restriction on a CDL was added. The E restriction indicates no manual transmission. If an applicant performs the skills test in a vehicle equipped with an automatic transmission, the State must indicate on the CDL, if issued, that the person is restricted from operating a CMV with a manual transmission. For purposes of the skills test and the restriction, an automatic transmission includes any transmission not operating fully on the gear shift and clutch principle.

CDL study manuals are available upon request from Iowa DOT driver license stations and on the Iowa DOT CDL webpage.

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. The self-certification categories are as follows:

- Interstate Non-excepted
- Interstate Excepted
- Intrastate Non-excepted
- Intrastate Excepted

Those who self-certify to Interstate Non-excepted must also provide to the Driver Services Bureau a copy of their Medical Examiner Certificates. Those self-certifying to Intrastate Non-excepted must carry a copy of their Medical Examiner Certificate with them at all times.

Public transit drivers employed by a city, county, or 28E (i.e. government) are exempt (Interstate-excepted or Intrastate-excepted) per Part 390.3(f)(2) and need only provide the self-certification to the Driver Services Bureau. Public transit drivers employed by non-profit or for-profit agencies will either need to provide the Driver Services Bureau with a copy of the Medical Examiner Certificate for Interstate Non-excepted or carry the Medical Examiner Certificate with them at all times for Intrastate Non-excepted.

The Driver Services Bureau has activated a new webpage that provides additional information on this requirement: http://www.iowadot.gov/mvd/ods/MCRforCDL.html. This webpage provides a link where the self-certification form may be downloaded. Questions may be directed to the Driver Services Bureau at CDLMedCert@iowadot.us.

Chauffeur's License – 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.

Procedures for Checking Driver's License Records
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.)

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, purchase of fuel from Iowa DOT, underground storage tanks, and diesel emission standards.

State Fuel Taxes – 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, Motor Carrier Services Bureau, 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. The quarterly fuel tax report is discussed in Chapter 6 - Reporting Requirements.

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 in effect under Section 421.7 of the Code of Iowa. Refer to your Quarterly Fuel Tax Form and Instructions to compute the additional tax and interest due.

The following fuels are subject to the Iowa Motor Fuel Tax:

1. Gasoline
2. Gasohol
3. Diesel
4. Compressed natural gas (CNG)
5. Liquidified petroleum gas (LPG)
6. Propane
7. 100 % ethanol
8. 100% methanol

Iowa Administrative Rules outlining exemptions and procedures for fuel tax refunds can be found here.

Federal Fuel Taxes - 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:

1. operated for compensation,
2. operated open to the general public, and
3. either
    a. operated in fixed-route service (any size vehicle), or
    b. operated in demand-responsive mode (vehicles must have capacity for 20 or more passengers.)

The Internal Revenue Service (IRS) discusses fuel tax credits for buses and other exempt uses in Publication 510. For answers to tax questions, contact the IRS at 1-800-829-1040.

Gasohol 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. Diesel vehicles are not affected.

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.

Regulations on 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 new 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 Code of Federal Regulations Title 40 Part 86 sets forth bus emission standards.

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. Click here for an Application for Persons with Disabilities Parking Permit.

The application form should be taken to the local driver license examiner station or mailed to:

Vehicle Services Bureau
P.O. Box 9278
Des Moines, IA 50306-9278

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.'

Incidental Use of Transit Vehicles
Federal law allows vehicles bought with FTA assistance to be used for incidental purposes, such as charter service, meal and parcel delivery services, etc. under the following conditions:

- the fully allocated cost of the incidental usages is paid from funds other than public transit funds,
- the total incidental usage of any vehicle does not exceed 20 percent of total vehicle usage, and
- the incidental usage does not interfere with the use of the equipment for public transit service.

Systems may not justify additional vehicles based on incidental services. The use of any vehicle for incidental purposes does not count toward attainment of the minimum useful life that FTA requires for each vehicle.

Note: There are specific rules on what qualifies as an eligible charter service and what procedures must be followed for charter service, even though it is considered an allowable incidental use. Further discussion of FTA's charter regulations is found in Chapter 15.

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

- fire extinguisher
- bio-hazard kit
- first aid kit
- reflective triangles
- seatbelt webcutter
- 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.).

Staff Car Prohibition
Capital funds administered by PTB 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.

Student Transportation
FTA funded vehicles may not be used for exclusive school services. 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." (See 49 CFR 605.3(b).)

The modifications to accommodate students and school personnel are not open-ended; they are limited to using different fare collections and subsidy systems and minor modifications in route or frequency of scheduling to accommodate the extra passengers that may be expected to use particular routes at particular times of day. (See 73 Fed. Reg. at 53385.) Examples of modification: add more buses along routes in morning when school begins, offer fare cards to students at subsidized rates, make short route deviations up to several blocks in length to drop off and pickup students in front of a school.

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.

The full scope of the requirements for contracted student transportation by public transit systems can be found here.

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.

Chapter 12 – Training

The Public Transit Bureau (PTB) 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 PTB's compliance and training officer 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. PTB's objective is to coordinate with the transit community to provide the best possible training program and opportunities.

Technical assistance is provided through new manager orientation, compliance reviews and on-site monitoring of all small urban and regional transit systems. Recommendations for areas of improvement with emphasis on additional training are offered as a follow-up to ensure compliance with state and federal regulations. PTB staff are available for day-to-day assistance, sensitivity analysis, and regulatory investigations. Technical assistance on procurement/contracts and specifications are also available from the PTB.

The Public Transit Bureau 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 of the programs administered by PTB, information on each of the transit systems, the Iowa Transportation Coordination Council, links to FTA rules and regulations, and much more. Transit Agencies are encouraged to check PTB's website resources on a regular basis.

The PTB Peer-to-Peer Program is an opportunity for new transit managers to consult with experienced transit managers. PTB provides new transit staff the contact information of other transit system staff to whom they can direct questions and PTB 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 learn 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 PTB compliance and training officer.

Multi-State Technical Assistance Program (MTAP)

The Iowa DOT is a member of MTAP. Founded under the American Association of State Highway and Transportation Officials (AASHTO) and the Standing Committee on Transportation (SCOPT), MTAP is a network of states that provide a forum for state level discussion of public transportation issues and sharing of technical expertise on transit topics. For issues related to MTAP, please contact PTB Compliance and Training Officer Kristin Haar.

Iowa Public Transit Association (IPTA)

The Iowa Public Transit Association 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.

IPTA/Iowa DOT Transit Training Conferences - Iowa DOT contracts with the IPTA to hold a minimum of three transit training conferences each year, which are open to all Iowa public transit systems - urban and rural. These conferences are funded by RTAP and State Transit Assistance with no or minimal registration fees. 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 an exhibition of

vendors and equipment. It also allows conference participants the opportunity to talk with vendors and manufacturer representatives and preview actual vehicles available for purchase.

IPTA/Iowa DOT Transit Roadeo - 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 situations they face as they carry out their daily duties. Funding for the roadeo is provided through RTAP and STA.

IPTA members, PTB 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 (APTA) National Roadeo conducted in conjunction with its annual meeting. Winners of the small bus category may compete in the Community Transportation Association of America (CTAA) 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 the 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 peer-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; and,
- to build a national database on the rural segment of the public transportation industry.

RTAP National Program – 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 applications, and a National RTAP Chat, E-mail and Hotline.

- **Training materials** have been developed on a number of subjects that cover either new requirements or areas where there was a perceived lack of existing resources. These materials may include a video presentation, an instructor manual, and participant workbooks.
- **Technical Assistance Briefs** are a series of briefing papers designed to keep rural transit informed. These briefs include legislative and regulatory updates, as well as topics of specific interest to rural transit operators. The briefs also incorporate material that has been presented at workshops.
- The **peer-to-peer network** was established to allow local transit systems to access the knowledge base of other local transit professionals who have expertise on specific topics. Most peer assistance takes the form of technical assistance via telephone or e-mail.

- **Web applications** assisting small urban and rural transit agencies with website development and procurement are also available from National RTAP.
- **A National RTAP Chat, E-mail and Hotline**, offers answers to transit related questions, provides referrals to the peer network, and helps disseminate technical assistance and training materials. To receive more information, call a National RTAP specialist at 1-888-589-6821 or go to the National RTAP website for chat and e-mail capabilities.

RTAP State Program – PTB receives a portion of the state level RTAP funding based on Iowa's share of the nation's non-urbanized population. In consultation with IPTA, PTB commits Iowa's share of RTAP funding to technical assistance projects and training. PTB offers a video lending library, 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, which can also be found in this chapter of the handbook.

Marketing and Advocacy Information – Marketing and advocacy assistance is provided through the PTB to help transit systems in their effort to increase public awareness and ridership. Along with brochures and various marketing materials, the Iowa DOT has produced, using RTAP funds, two videos that are offered free of charge to the public.

1. *Your Ticket to Safety: Blood Borne Pathogen Awareness for Transit Professionals (1993)*. This blood borne pathogen video discusses hazards involved with contacting body fluids, the appropriate precautions, and clean-up techniques in a passenger transportation setting. It also addresses OSHA requirements and the concept of "universal precautions." Your Ticket to Safety brochures are available to be downloaded from PTB's website.
2. *Wherever Life Takes You (2008)* is a state-funded 10-minute video that can be used as a marketing tool, also available on PTB's website.
3. *Public Transportation Service in Iowa* (standard or large print) is a brochure, funded by the DOT that lists the names and locations of Iowa's transit systems, Rideshare programs, and intercity bus carriers. These brochures are downloadable from PTB's website, or a hardcopy can be obtained by contacting PTB's administrative assistant.
4. *Various other state-funded marketing materials,* as available, such as brochures, activity books, calendar strips, or other seasonal materials, can be ordered by contacting the PTB administrative assistant, or downloading from the PTB publications and studies website.

RTAP-Funded Training Seminars – PTB sponsors training sessions on transit topics in part with RTAP funds. These courses range from mini-workshops to multi-day courses on such issues as customer service, management, ADA, drug and 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. For more information please see the Iowa Transit Training Fellowship guidelines in this section of the handbook.

Some of the types of training seminars that have been offered by PTB and conducted in Iowa are:

- Accounting (financial management)
- American's with Disabilities Act (ADA) Service Requirements
- Board Training
- Bus Operator Training
- Commercial Drivers Licenses (CDL)
- CTAA Iowa Institute for Transportation Coordination
- Disadvantaged Business Enterprise (DBE)
- Federal Drug and Alcohol Testing Program Requirements
- FTA Funding Programs
- Governmental Cost Allocation Plans and Indirect Cost Rates
- Defensive Driving Certificate Course
- Lift Training

- Mentoring Program (Peer-to-Peer)
- Metropolitan Transportation Planning
- Passenger Assistance Techniques (PAT)
- Procurement
- Rural Transit Management
- Service Planning and Design
- Specialized Transportation Needs
- Third Party Contracting
- Vehicle Maintenance

RTAP/PTB Lending Library – Public transit systems in Iowa may access PTB's training video lending library. These training videos (purchased using RTAP funds) aid the transit manager and staff in development and refinement of specific tasks or skills required to effectively operate a rural transportation system. To borrow training videos and other training materials (loaned to identified transit systems only) please contact the Iowa DOT Library.

Iowa Transit Training Fellowship Program

The PTB sponsors transit training fellowships for public transit training for identified Iowa public transit agencies or planning agencies. Transit-related training may be in-person at conferences, courses, or seminars or 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).
- State Transit Assistance (STA) – For all large urban transit systems, and Metropolitan Planning Organizations (MPOs).

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.

In most cases, fellowships are either funded at 70% or 100% of total allowed costs; i.e. transportation, lodging, and tuition or registration. The percentage is determined by whether the funding source is RTAP (100%) or STA (70%), as detailed above. PTB may, at the office director's discretion, allow reimbursement at a higher percentage for PTB sponsored or other specific training for which participation is strongly encouraged by PTB. Iowa Roadeo winners in two categories are eligible for 100% funding to compete in national roadeo competitions.

In order to make the most of the staff time spent on 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 costing under $100, the planning or transit agency will be responsible for the entire expense.

Transit Training Fellowships are awarded using the following criteria:

- The training is public transit job related;
- The applicant identifies which training sessions they plan to attend and describes how the training will benefit them concerning transit related issues;
- It is cost effective;
- Funds are available; and
- Training is presented by qualified persons with recognized expertise in the area(s) covered.

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, DC is eligible for training fellowships as it directly relates to public transit in Iowa and includes a training component by CTAA and/or APTA.

Application for Training Fellowships – To apply for a fellowship, an Application for Iowa Transit Training Fellowship must be completed according the instructions and requirements stated on Page 2 of the form, and **submitted to PTB at least two weeks prior to the training**. The form must receive the approval of the transit manager, planning director, or other official signatory. The completed form and a copy of the brochure or training information should be emailed or faxed to PTB's administrative assistant.

You will receive an e-mail or letter notification as to whether your request was approved. This notification will also include a fellowship approval number that you will need when requesting payment.

Applications will not be approved if submitted after attending the event or webinar, except in extenuating circumstances as approved by the PTB Director.

Allowable costs for training fellowships (Receipts are required)
For a list of allowable and ineligible expenses, please see Instructional Page 2 of the Application for Iowa Transit Training Fellowship. Any cost comparisons that might be requested in the approval process are the responsibility of the applying/sponsoring transit or planning agency to provide.

- **Tuition/Registration** – A registration receipt or other payment verification (extra charges for banquets or food or excursions from the venue are ineligible expenses)
- **Lodging (Hotel/Motel)** – A *detailed* invoice/receipt that shows a zero balance is required. The invoice/receipt must show the cost of a single room per night and how many nights the recipient stayed overnight, and any taxes or expenses. Room expenses that are eligible are: parking, hotel internet and business calls (documented) for business use. Room charges that did not receive preapproval in the application process shall not be allowed (personal calls, valet parking, safe fee, vacation night stays, companion expenses, double room rates, food, tips, alcohol, incidentals, room service, cancelled room, etc.) Allowable single room rates are limited to $75.00 plus tax within Iowa (unless approved at higher levels) or identified conference hotel rates. Cost comparisons of hotel stays might be requested in the approval process and are the responsibility of the sponsoring transit or planning agency.

  Please note: No lodging (hotel/motel) costs will be allowed for training attended within 60 miles of the participating transit employee's base location. (For example, if a transit system's home office is within the 60-mile radius of the training site, the staff from that site would not be reimbursed for lodging through the fellowship program. Registration fees would still be allowed. However, if a transit system has other garages or offices within their region where transit system employees are based, falling outside the 60-mile radius, fellowships would be granted for those employees attending training.)

- **Transportation (To and From Conference)** –
  - **Air:** A detailed copy of the airline receipt must show date traveled and cost for flight, the number of passengers, and any taxes or fees (excess luggage and trip insurance are not allowable expenses)
  - **Car:** The number of eligible miles traveled should be documented (please include web mileage verification) and multiplied by $0.39 per mile (current state rate). Mileage reimbursement is limited to a maximum of the cost of economy airfare. Ride-sharing is encouraged, but only one person per vehicle can claim the mileage reimbursement. Only direct routes are eligible for reimbursement.
  - **Rental Cars:** Preapproval on rental cars in the application process is required, and a cost comparison will also be required, which includes cost of parking at destination. The

cost of a rental car will only be paid up the lowest comparison cost of mileage, bus, shuttle, or other modes of transportation, and will require detailed receipts. Fuel receipts will not be considered because rental cars are treated the same as any other car, and only mileage for the most direct route to and from the training site are eligible.

- **Bus/Cab/Shuttles/:** Cost comparisons including web mileage verification might be requested at time of application. Travel costs only include from airport to hotel venue, or hotel to venue. Excursions not administratively approved at the approval process are not allowable expenses. Receipts should have the number of occupants, company name and contact information, and the date and places of pickup and delivery. Tips and Metro pass balances are not allowable expenses.
- **Parking:** Must have a detailed receipt that shows the days and contact information for the parking lot company. Extra days airport parking while on vacation are not eligible, nor is valet parking (unless administratively approved in the application process for health reasons).

Please note: No transportation costs (mileage/rental car expenses, etc.) will be allowed for training attended within 60 miles of the participating transit employee's base location. (For example, if a transit system's home office is within the 60-mile radius of the training site, the staff from that site would not be reimbursed for transportation costs through the fellowship program. Registration and parking fees would still be allowed. However, if a transit system has other garages or offices within their region where transit system employees are based, falling outside the 60-mile radius, fellowships would be granted for those employees attending training.)

Reimbursement of Costs – 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 to:

Public Transit Bureau
Attention: PTB Administrative Assistant
Iowa Department of Transportation
800 Lincoln Way
Ames, Iowa 50010
Phone: (515)233-7870
Fax: (515)233-7983

Additional Transit Training Fellowship Guidelines

College Credit – Fellowship assistance will not be approved for course work being taken to satisfy requirements for a college degree or general course work needed to improve a person's job qualifications. For more instructions, and for a list of allowable and ineligible expenses, please see Page 2 of the Application for Iowa Transit Training Fellowship.

Cancellation – If the recipient of a transit training fellowship cannot attend a course/workshop for which registration fees or a room deposit has been paid, the office must be promptly notified. PTB approval 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 PTB actually receives training. Costs of forfeited airline reservations, registration fees, or room deposits are not eligible fellowship expenses.

Ground transportation – To minimize ground transportation expenditures, recipients are required to take public transportation, airport limousines or shuttle buses whenever available instead of taxis. Whenever possible, share ground transportation mode with others. Travel by taxi or rental cars on an exclusive basis should be the last resort.

Lodging reimbursement – The single hotel or motel room rate will be reimbursed unless a room is shared by two or more persons each attending under the Iowa Transit Training Fellowships Program. If a rate other than the single room rate is charged, the single room rate must be shown on the bill.

Foreign travel restriction – No fellowship shall be awarded for training outside 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 director of PTB.

Peer-to-Peer Visits -- 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 PTB. There will be no reimbursement for staff time. Along with an Application for Iowa Transit Training Fellowship, you must send a brief description of whom and where you plan to visit and what you intend to learn.

On-Site Training -- Fellowship assistance may be granted for on-site training to employees of Iowa transit systems, their contracted service providers, and Iowa transit planning agencies. The training must propose a substantial benefit to the public transit system(s).

Costs eligible for 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 PTB staff approval to hold on-site training in your area, submit the following application materials to PTB:

1. Completed Application for Iowa Transit Training Fellowship;
2. List of participants to be trained;
3. Workshop information including criteria, outline, and agenda; dates and times of workshops; instructor information;
4. Cost Proposal: an estimated breakdown of total training cost;
5. A brief description of the reason for the workshop; and
6. How the training will benefit the transit system and employees' skills.

Chapter 13 - Civil Rights

The Iowa DOT, transit systems and sub-providers 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 PTB comply with civil rights requirements. Federal nondiscrimination statutes include:

1. 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;
2. 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;
3. 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); and
4. 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.

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. Joint participation agreements contain assurance clauses that transit agencies sign verifying compliance.

In signing joint participation agreements, each 5310, 5311, and statewide 5339 sub-recipient provides the following assurance: *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.* In addition, the joint participation agreement contains the assurance that *the sub-recipient shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, age, or national origin.*

Each Section 5310 or 5311 transit system must file, on a one-time basis, a signed and dated standard DOT Title VI assurance and update it as necessary when changes occur. The certificate and three appendices are part of the grant application.

Annually Section 5310 and 5311 transit systems must submit a local civil rights assurance. This is submitted as part of the annual grant application certifying that:

- the transit system shall not discriminate on the grounds of race, color, creed, national origin, sex, age or disability when providing service funded with FTA funds.
- the transit system shall not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin, and shall take affirmative action to ensure that applicants and employees are not discriminated against during employment.
- 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.

Section 5310/5311 transit agencies 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 2000d, 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 USC 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 addresses requirements enumerated in FTA Circular 4702.1B, *Title VI Requirements and Guidelines for Federal Transit Administration Recipients*. Subrecipients shall submit Title VI Programs to the Iowa DOT in order to assist the Iowa DOT in its compliance efforts. For all recipients (including subrecipients), the Title VI Program must be approved by the recipient's board of directors or appropriate governing entity or official responsible for policy decisions prior to submission to FTA or to the Iowa DOT, as the case may be. Every Title VI Program shall include the following information:

1. A copy of the transit agency's Title VI notice to the public that indicates the transit agency complies with Title VI, and informs members of the public of the protections against discrimination afforded to them by Title VI. Include a list of locations where the notice is posted.
2. A copy of the transit agency's instructions to the public regarding how to file a Title VI discrimination complaint, including a copy of the complaint form.
3. A list of any public transportation-related Title VI investigations, complaints, or lawsuits filed with the Transit Agency since the time of the last submission. This list should include only those investigations, complaints, or lawsuits that pertain to allegations of discrimination on the basis of race, color, and/or national origin in transit-related activities and programs and that pertain to the transit agency submitting the report, not necessarily the larger agency or department of which the transit agency is a part.
4. A public participation plan that includes an outreach plan to engage minority and limited English proficient populations, as well as a summary of outreach efforts made since the last Tile VI Program submission. A transit agency's targeted public participation plan for minority populations may be part of efforts that extend more broadly to include other constituencies that are traditionally underserved, such as people with disabilities, low-income populations, and others.
5. A copy of the transit agency's plan for providing language assistance to persons with limited English proficiency, based on the DOT LEP Guidance.
6. Transit agencies that have transit-related, non-elected planning boards, advisory councils or committees, or similar bodies, the membership of which is selected by the transit agency, must provide a table depicting the racial breakdown of the membership of those committees, and a description of efforts made to encourage the participation of minorities on such committees or councils.
7. Primary recipient transit agencies shall include a narrative or description of efforts the transit agency used to ensure subrecipients are complying with Title VI, as well as a schedule of subrecipient Title VI Program submissions
8. If the transit agency has constructed a facility, such as a vehicle storage facility, maintenance facility, operation center, etc., the transit agency shall include a copy of the Title VI equity analysis conducted during the planning stage with regard to the location of the facility.
9. Additional information as required of fixed route transit systems, states, and MPOs.

For Fixed Route Transit Systems,

a. If a transit provider:
    1. Operates 50 or more fixed route vehicles in peak service and is located in an Urbanized Area (UZA) of 200,000 or more in population; or
    2. Has been placed in this category at the discretion of the Director of Civil Rights in consultation with the FTA Administrator.

Then the transit provider's Title VI Program must contain all of the elements described in this chapter.

b. If a fixed route transit provider does not meet the threshold in paragraph a, then the transit provider is only required to set system-wide standards and policies, as described below.

Contents of fixed route transit systems Title VI Program:

1. All fixed route transit providers shall submit:
    a. All general requirements explained and numbered 1-9, above; and
    b. System-wide service standards and system-wide service policies whether existing or new, as described in FTA C 4702.1B Chapter IV.
2. Transit providers that operate 50 or more fixed route vehicles in peak service and are located in a UZA of 200,000 or more in population will also include:
    a. A demographic analysis of the transit provider's service area;
    b. Data regarding customer demographics and travel patterns, collected from passenger surveys;
    c. Results of the monitoring program of service standards and policies and any action taken, including documentation to verify the board's or governing entity or official's consideration, awareness, and approval of the monitoring results;
    d. A description of the public engagement process for setting the "major service change policy" and disparate impact policy;
    e. A copy of board meeting minutes or a resolution demonstrating the board's or governing entity or official's consideration, awareness, and approval of the major service change policy and disparate impact policy;
    f. Results of equity analyses for any major service changes and/or fare changes implemented since the last Title VI Program submission;
    g. A copy of board meeting minutes or a resolution demonstrating the board's or governing entity or official's consideration, awareness, and approval of the equity analysis for any service or fare changes required by FTA C 4702.1B.

Fixed route transit agencies are also required to set system-wide service standards and policies. These standards and policies must address how service is distributed across the transit system, and must ensure that the manner of the distribution affords users access to these assets. Providers of fixed route public transportation shall also adopt system-wide service policies to ensure service design and operations practices do not result in discrimination on the basis of race, color, or national origin. Service policies differ from service standards in that they are not necessarily based on a quantitative threshold.

FTA requires all fixed route transit providers to develop quantitative standards for the indicators listed below:

1. Vehicle load.
2. Vehicle headway.
3. On-time performance.
4. Service availability.

FTA required fixed route transit providers to develop a policy for each of the following service indicators:

1. Distribution of transit amenities.
2. Vehicle assignment.

After an initial Title VI Program has been approved, an update is required every three years.

All transit agencies must notify beneficiaries of protections afforded 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 or stops, and/or on transit vehicles.

The Title VI notice shall include:

1. A statement that the agency operates programs without regard to race, color, or national origin.
2. 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.
3. A description of the procedures that members of the public shall follow in order to file a Title VI discrimination complaint against the recipient.

Transit agencies shall inform the public of their rights under Title VI through such measures as posting the Title VI notice on posters, comment cards, or fliers placed at stations, bus shelters, and in transit vehicles.

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 guide-ways, 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 large FTA-assisted project such as a multi-modal transportation facility or a fixed guide-way light rail system, the applicant should be taking steps to ensure compliance with Title VI and 49 U.S.C. Section 5332 prior to submitting a grant application for assistance. Such steps should include: informing all communities of public be considered for selection to decision making transit boards and advisory committees; and ensuring that input on a facility's accessibility and location will be obtained and decisions will be made without regard to race, color, creed, national origin, age, or sex.

Environmental Justice

Executive Order 12898, Environmental Justice (EJ), directed federal agencies to assess the impact of programs and policies on minority populations and low-income populations. Limited English Proficiency (LEP) of a community or service area must also be evaluated. If a significant portion of the community served is non-English speaking, it is the responsibility of the transit system to provide important information on services or public meetings, etc. in another language. Failure to provide information in the language of what has been determined as a significant portion of the community could result in a Title VI finding of discrimination based on national origin.

DOT Order 5610.2(a) sets forth the US DOT policy to consider EJ principles in all DOT programs, policies, and activities.

The guiding EJ principles to consider in planning and project development and through all public outreach and participation efforts are:

- To avoid, minimize, or mitigate disproportionately high and adverse human health and environmental effects, including social and economic effects, on minority populations and low-income populations.
- To ensure the full and fair participation by all potentially affected communities in the transportation decision-making process.
- To prevent the denial of, reduction in, or significant delay in the receipt of benefits by minority and low-income populations.

In order to assist FTA in carrying out their EJ requirements, FTA Circular 4703.1 provides guidance for incorporating EJ principles into plans, projects, and activities that receive funding from FTA. The Circular explains how to conduct an EJ Analysis, how to achieve meaningful public engagement with EJ populations, integrating EJ into transportation planning and service delivery, and incorporating EJ principles into the NEPA process.

Equal Employment Opportunity (EEO)
EEO requires all recipients of FTA funds to provide equal employment to all persons. The recipient shall take affirmative action to ensure that applicants are employed without regard to race, color, religion, sex or national origin.

From FTA Circular 4704.1A, *Equal Employment Opportunity (EEO) Requirements and Guidelines for Federal Transit Administration Recipients*:

> The FTA Master Agreement requires all applicants, recipients, subrecipients, and contractors receiving FTA funding to comply with applicable Federal civil rights laws and regulations and to follow applicable Federal guidance. Any FTA applicant, recipient, subrecipient, and contractor who meet both of the following threshold requirements must implement all of the EEO Program elements:
>
> - Employs 100 or more transit-related employees,* and
> - Requests or receives capital or operating assistance in excess of $1 million in the previous Federal fiscal year, or requests or receives planning assistance in excess of $250,000 in the previous Federal fiscal year.
>
> Agencies between 50–99 transit-related employees are required to prepare and maintain an EEO Program that includes the Statement of Policy, dissemination plan, designation of personnel, assessment of employment practices, and a monitoring and reporting system. (See Attachment 5 [of FTA C 4704.1A] for an EEO Program Format Checklist.) These smaller agencies are not required to conduct a utilization analysis with goals and timetables or to submit the EEO Program to FTA every four years. Instead, these agencies will be

required to provide the EEO Program to FTA if requested by the Civil Rights Bureau or for any State Management Review or Triennial Review.

FTA requires the agencies to request EEO Programs from their subrecipients and contractors who meet the EEO Program threshold, as specified in Chapter 2 of this Circular. This will enable agencies to determine and document that subrecipients and contractors comply with EEO statutes and regulations.

FTA applicants, recipients, subrecipients, and contractors who do not meet the EEO Program threshold above are not required to submit an EEO Program to FTA but are still required to comply with all Equal Employment Opportunity statutes and regulations.

* When calculating the total number of transit-related employees, agencies are required to include all part-time employees and employees with collateral duties that support the transit program. For example, a budget analyst who processes payments for the transit program would be considered a transit-related employee.

Iowa's large urban, direct FTA grantees will complete their EEO Programs, as applicable, and submit to FTA directly. Iowa's small urban and rural systems, if the above conditions are met for completing an EEO Program, will submit that program to the Iowa DOT to keep on file for FTA review.

FTA requires each applicant, recipient, subrecipient, or contractor that meets the EEO Program threshold requirements, as outlined above, to submit an updated EEO Program every four years or as major changes occur in the workforce or employment conditions, whichever comes first.

The elements of an EEO Program include:

1. Statement of Policy
2. Plan for dissemination both internally and externally
3. Designation of appropriate personnel responsible for carrying out the EEO Program, including the designation of an EEO Officer
4. Utilization Analysis
5. Goals and timetables to correct identified areas of underutilization or concentration
6. Assessment of an agency's employment practices
7. Plan for monitoring and reporting on the EEO Program

Note: Transit agencies with between 50 and 99 transit-related employees are not required to include items 4. or 5. in their EEO Program.

For more details on completing an EEO Program, please refer to FTA Circular 4704.1A.

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.

FTA funds may not be used to purchase vehicles that are not accessible by persons with disabilities, unless the vehicles are purchased for demand-responsive services and the transit system provides equivalent access to persons with disabilities when service is viewed in its entirety. FTA requires self-

certification by applicants that it meets the accessibility requirement. Sub-recipients of PTB must provide an analysis showing this is the case before non-accessible vehicles will be funded in a statewide grant.

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 PTB that change either their fixed-route services or their paratransit services shall notify the PTB and provide assurance that the paratransit service remains comparable. The PTB is responsible for verifying that subrecipients are in compliance.

Sub-recipients 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.

Sub-recipients must keep on file for one year all complaints of non-compliance received. A record of such complaints must be kept for five years. An explanation of any such complaints and their resolution must be provided with each annual application for funding submitted to the PTB.

Basic Provisions – 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 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 may not be charged more for a trip than a person without disability would be charged for a similar trip.

All transit systems providing fixed route service must acquire accessible vehicles. This requirement applies to all vehicles being leased, rehabilitated or remanufactured.

Transit systems that only provide demand responsive service may purchase some non-ADA accessible vehicles if they can certify they provide equivalent service to individuals with disabilities.

A transit system may refuse service to someone who is violent and endangers others, 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.

Reasonable Modification of Policies and Practices – In 2015 the US DOT issued a Final Rule under the ADA and Section 504 of the Rehabilitation Act of 1973, "specifically to provide that transportation entities are required to make reasonable modifications/accommodations to policies, practices, and procedures to avoid discrimination and ensure that their programs are accessible to individuals with disabilities." This rule can be found at http://www.gpo.gov/fdsys/pkg/FR-2015-03-13/pdf/2015-05646.pdf. 49 CFR Parts 27 and 37 are affected, as follows:

Part 27.7(e.) ***Reasonable accommodations.*** A public transit agency shall make reasonable accommodations in policies, practices, or procedures when such accommodations are necessary to avoid discrimination on the basis of disability unless the public transit agency can demonstrate that making the accommodations would fundamentally alter the nature of the service, program, or activity or result in an undue financial and administrative burden.

Part 27.13(a.) ***Designation of responsible employee.*** Each public transit agency shall designate at least one person to coordinate its efforts to comply with this part.

Part 27.13(b.) ***Adoption of complaint procedures.*** A public transit agency shall adopt procedures that incorporate appropriate due process standards and provide for the prompt and equitable resolution of complaints alleging any action prohibited by this part and 49 CFR parts 37, 38, and 39. The procedures shall meet the following requirements:

1. The process for filing a complaint, including the name, address, telephone number, and email address of the employee designated under (a) of this part, must be sufficiently advertised to the public, such as on the public transit agency's website.
2. The procedures must be accessible to and usable by individuals with disabilities.
3. The public transit agency must promptly communicate its response to the complaint allegations, including reasons for the response, to the complainant by a means that will result in documentation of the response.

Part 37.3 Definitions. *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.

Part 37.5 (h.) It is not discrimination under this part for an entity to refuse to provide service to an individual with disabilities because that individual engages in violent, seriously disruptive, or illegal conduct, or represents a direct threat to the health or safety of others. However, an entity shall not refuse to provide service to an individual with disabilities solely because the individual's disability results in appearance or involuntary behavior that may offend, annoy, or inconvenience employees of the entity or other persons.

Part 37.17 (a.) ***Designation of responsible employee.*** Each public transit agency subject to this part shall designate at least one person to coordinate its efforts to comply with this part.

Part 37.17 (b.) ***Adoption of complaint procedures.*** A public transit agency shall adopt procedures that incorporate appropriate due process standards and provide for the prompt and equitable resolution of complaints alleging any action prohibited by this part and 49 CFR parts 27, 38, and 39. The procedures shall meet the following requirements:

1. The process for filing a complaint, including the name, address, telephone number, and email address of the employee designated under (a) of this part, must be sufficiently advertised to the public, such as on the public transit agency's website.
2. The procedures must be accessible to and usable by individuals with disabilities.
3. The public transit agency must promptly communicate its response to the complaint allegations, including reasons for the response, to the complainant by a means that will result in documentation of the response.

Part 37.169(a.)

1. A public entity providing designated public transportation, in meeting the reasonable modification requirement of Part 37.5(g.)(1.) with respect to its fixed route, demand responsive, or complementary paratransit services, shall respond to requests for reasonable modification to policies and practices consistent with this section.

2. The public entity shall make information about how to contact the public entity to make requests for reasonable modifications readily available to the public through the same means it uses to inform the public about its policies and practices.
3. This process shall be in operation no later than July 13, 2015.

Part 37.169(b.) The process shall provide a means, accessible to and usable by individuals with disabilities, to request a modification in the entity's policies and practices applicable to its transportation services.

1. Individuals requesting modifications shall describe what they need in order to use the service.
2. Individuals requesting modifications are not required to use the term 'reasonable modification' when making a request.
3. 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.
4. Where a request for modification cannot practicably be made and determined in advance, operating personnel of the entity shall make a determination of whether the modification should be provided at the time of the request.

Part 37.169(c.) Requests for modification of a public entity's policies and practices may be denied only on one or more of the following grounds:

1. Granting the request would fundamentally alter the nature of the entity's services, programs, or activities.
2. Granting the request would create a direct threat to the health or safety of others.
3. 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.

Part 37.169(d.) In determining whether to grant a requested modification, public entities shall be guided by the provisions of Appendix E of this Part.

Part 37.169(e.) 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.

Part 37.169(f.)

1. Public entities are not required to obtain prior approval from the DOT for the process required by this section.
2. DOT agencies retain the authority to review an entity's process as part of normal program oversight.

Standards for Accessible 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.

Paratransit 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.
- 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.
- 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.

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.

Paratransit - Service Criteria

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.

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.

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.

Trip Purpose – There can be no restrictions on the purpose of the trip.

Service Hours – ADA Complementary Paratransit must operate during all hours and days that fixed route service is available. Paratransit service may operate during more hours or days than fixed route service, but not less.

Capacity – 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.

Paratransit service must be available throughout a fixed route service area, except in areas only served by commuter bus service.

Public transit systems are not limited to only providing service required by these criteria.

Service Animals – Persons with disabilities must be allowed to travel with a service animal. A service animal is defined as "any guide dog, signal dog, or other 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." (49 CFR Section 37.3) Service animals must be allowed in public transit vehicles and facilities.

The US Department of Justice has amended their definition of service animal to only include dogs and miniature horses. The US Department of Transportation has not adopted this more limited definition, therefore for public transit purposes any animal may be a service animal so long as it performs a service for its owner. To determine if an animal is a service animal, the transit system cannot ask for proof or certification but may ask if an animal is a service animal or ask what tasks the animal has been trained to perform. Also, a transit agency may not limit the number of service animals that accompany a passenger. An individual may have several service animals each trained to perform different tasks. As long as the animal(s) meet the definition of service animal and is/are kept under the control of the rider, the transit agency may not refuse to transport the animal(s). The only reasons a service animal may be denied on public transit vehicles is if the animal is out of control and the animal's owner does not take effective action to control it or the animal poses a direct threat to the health or safety of others.

Service Provision Requirements – 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.

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. "Legitimate safety requirements" include such circumstances as a wheelchair of such size that it would block an aisle, would block the vestibule, or would interfere with the safe evacuation of passengers in an emergency. These "legitimate safety requirements" must be based on actual risks, not on speculation, stereotypes, or generalizations about individuals with disabilities or about the devices they use for mobility purposes.

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.

Any passenger must be allowed to use lifts, even while standing, and must be allowed to face any direction.

Stops must be announced aboard fixed routes at major intersections and transfer points, or on request.

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.

Individuals who use a respirator or personal oxygen supply can travel with these devices, consistent with DOT hazardous materials rules.

Waiver to purchase non-accessible vehicles – The requirement to purchase only accessible vehicles may be waived for vehicles used for demand-responsive services, provided disabled persons have service equal to that offered other persons. The service for disabled persons must also be integrated with that for non-disabled persons to the maximum extent possible. Non-accessible vans and small buses 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. In addition, any vehicle purchased without accessibility features must be readily convertible to wheelchair access. This will include purchase of a lift door on small buses.

Before any non-accessible equipped vehicle can be programmed for Section 5310/5311 or statewide 5339 recipients, an analysis of the demand-responsive service showing that it is equal in all seven areas listed below must be included as part of the funding application or as part of the TIP:

1. Response time;
2. Fares;
3. Geographic area of service;
4. Hours and days of service;
5. Restrictions based on trip purpose;
6. Availability of information and reservations capabilities; and
7. Constraints on capacity or service availability.

The transit system must file a certification that these criteria have been met before any non-accessible demand-responsive vehicle may be purchased. Transit systems receiving FTA funds through a statewide grant must make this certification to the state; direct FTA recipients must certify directly to FTA. A certification is not valid for more than one year (Certificate of Equal Access for Persons with Disabilities).

A written plan of how a transit system responds to a call for accessible transportation under each contract and in each service area will help provide documentation of procedure. Public participation is an important part of ADA and should be part of an ADA written plan. Documentation of this participation may be beneficial if the transit system is sued.

Sanctions – 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 PTB needs to be notified of any lawsuit filed against a transit system. Section 5307 systems must also notify FTA.

Private Taxis and the ADA – 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.

ADA Employment Provisions and Public Transit – Transit systems are reminded that the employment provisions of the ADA must also 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 work stations should be accessible.

ADA Transition Plans – 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.

Each FTA recipient that receives more than $250,000 in contracting opportunities is required to have a DBE program and goal. Contracting opportunities include purchase orders or contracts for the purchase of goods, services, or construction projects, excluding rolling stock. Recipients are required to have a goal only for years when more than $250,000 in contracting opportunities is expected.

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. PTB incorporated a small business element in the DBE program that can be found at http://www.iowadot.gov/civilrights/documents/SmallBusinessElement_%20FTA.PDF. Each subrecipient is required to report anticipated contracting opportunities to PTB, where the information is compiled to calculate a DBE goal and submitted to FTA. Additional DBE information can be obtained from the U.S. DOT DBE Web Site: https://www.transportation.gov/civil-rights/disadvantaged-business-enterprise and the Best Practices Procurement Manual http://www.fta.dot.gov/grants/12831_6037.html.

Certification as a DBE – A firm seeking certification as a DBE must demonstrate that it meets the federal requirements. The firm must be a for-profit small business concern that:

1. Is at least 51% owned (or 51% of stock owned) by one or more individuals who are *socially* and *economically* disadvantaged
2. Is managed and controlled on a daily basis by one or more individuals of the disadvantaged owners

Members of the following groups are presumed to be socially disadvantaged: Black-Americans, Hispanic Americans, Native Americans, Asian-Pacific Americans, Subcontinent Asian Americans, women, and others designated by the small business administration. Any individual who is not a member of a protected minority group may provide evidence showing social disadvantage in education or business. For example, persons with disabilities may be able to show they are socially disadvantaged on a case-by-case basis.

Individuals are considered to be economically disadvantaged if they are socially disadvantaged individuals with a personal net-worth that does not exceed $1.32 Million. Personal net-worth does not include the value of the primary residence or the value of the business.

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. For additional information or assistance in helping a firm receive certification as a DBE, contact: Iowa DOT Civil Rights Bureau, DBE Supportive Services, 515-239-1422, danny.wagener@iowadot.us.

Bidders List – Agencies required to have a DBE program are required to maintain a bidders list of all vendors submitting bids on solicitation. Bidder's lists are intended to be used to identify available and willing vendors for any particular type of work. The bidders list will provide the most accurate data possible about the universe of available firms for use in setting goals. Information to be obtained and maintained in a bidders list must include: name and address of firm, dollar range of annual gross receipts, age of firm, and DBE status.

DBE Directory – A searchable directory of DBE firms certified by the Iowa DOT is available online and updated in real time.

DBE Goal – A DBE goal is the anticipated percent of DBE participation that an agency will try to achieve through race neutral or race conscious efforts. The goals are set with knowledge of relative availability of DBEs. No quotas are allowed in federal contracting. The statutes authorizing the DBE program set 10% as the national aspirational goal. However, grantees must set goals based on what will achieve a level playing field for DBEs in their own area. Individual recipients do not have to justify a goal that is less than the national goal.

The Iowa DOT sets a DBE goal every three years (FFY 2020– 2022 FTA DBE goal is 0.24%). Goals must be established 60 days prior to the start of the federal fiscal year.

Goals must now also be determined what portion will be achieved with race conscious or race neutral methods.

Race conscious: (also refers to gender) Specific selection method that consciously selects firms based on DBE status, for example, through use of a contract goal, or using DBE participation in selection criteria.

Race neutral: (also includes gender neutral) – Measures are used to increase opportunities for all small businesses, not just DBEs, and do not involve contract specific goals. Measures may include outreach and technical assistance in the procurement process actively encouraging firms to obtain DBE certification, actively soliciting quotes and proposals from DBE certified firms, and by requiring contractors to actively pursue DBE firms when sub-contracting. Selection is based on competitive bid or price consideration with no specific DBE goal.

Section 5307 transit agencies work directly with the FTA regarding DBE programs. Iowa's small urban and regional transit systems are not required to have their own DBE program or individual goal, unless they receive in excess of $250,000 in contracting opportunities. However, as sub-recipients of FTA funds, they are expected to use good faith efforts in any of their contracting with federal dollars to help achieve the statewide goal, and provide semi-annual reporting of their efforts. Any system receiving a capital grant for a construction project in excess of $250,000 (other than rolling stock) is required to develop a contract goal or a DBE program and goal for their agency. A contract goal must be submitted to the PTB for approval.

Contract Goals: Contract goals may be used if there is a possibility for subcontracting the project. For a particular project, it is possible to determine a project goal by dividing the total number of available bidders in your local market area, by the number of available DBE vendors in your market area. If there is more than one type of industry that will be included in the project, such as heavy construction and trucking, the percentages should be computed separately for each type and weighted by the approximate amount of the contract spent on each.

$$.9 \times \frac{\text{heavy construction DBEs}}{\text{total heavy construction firms}} + .1 \times \frac{\text{\# trucking DBEs}}{\text{total trucking firms}}$$

Past experience and other regional information must also be considered after the initial percent is calculated to determine if an adjustment should be made. More details on goal setting can be obtained on the US DOT web site http://www.osdbu.dot.gov/dbeprogram/tips.cfm.

If a solicitation package contains a contract goal, a *good faith effort* must be demonstrated by bidders. The Iowa DOT's DBE manual describes the DBE responsibilities for showing good faith effort for federal aided construction projects http://www.iowadot.gov/civilrights/documents/DBEProgram.pdf.

Rolling stock purchases: Transit agencies must receive certification from each transit vehicle manufacturer bidding on a federally assisted contract that the manufacturer has complied with DBE requirements in 49 CFR 26.49 http://www.gpo.gov/fdsys/pkg/CFR-2009-title49-vol1/pdf/CFR-2009-title49-vol1-sec26-49.pdf. Vehicle manufacturers are required to submit annual DBE goals directly to FTA. Federal funds cannot be used to purchase a vehicle from a manufacturer who has not submitted a goal to FTA. A sample certification is available at http://www.iowadot.gov/transit/handbook/pdfs/ch9_dbe.pdf.

DBE Report Requirements – Current rules require FTA grant recipients to submit semiannual reports for all grantees. Currently, reports are based on federal fiscal year, due 30 days after the end of the reporting period. A current *Report of DBE Awards and Commitments* form is available at http://www.iowadot.gov/transit/regulations/DBE%20Reporting%20Form.xlsx.

All FTA-assisted purchases, with the exception of rolling stock, should be reported. This might include printing, janitorial services, computer services, supplies, construction contracts, facility remodeling, or other types of goods or supplies. Purchase orders, leases, contracts, and any type of purchase is included. DBE awards must also be separated into the minority group represented by the DBE.

Chapter 14 - 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. For additional information, FTA has developed a Best Practices Manual: FTA Drug and Alcohol Testing Program that can be accessed at: https://transit-safety.fta.dot.gov/DrugAndAlcohol/publications/DocumentInfo.aspx?docid=62

Background

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.

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.

Applicability

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 Section 5311 or 5339 FTA funding.)

Maintenance contractors to transit systems in urbanized areas with a population of 200,000 or greater are also required to have a 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.

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.

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.

Preemption of State and Local Laws

49 CFR Part 655 preempts any state or local law, rule, regulation, or order to the extent that:

1. Compliance with both the state or local requirement and any requirement in Part 655 is not possible; or
2. Compliance with the state or local requirement is an obstacle to the accomplishment and execution of any requirement in Part 655.

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. This program must include:

- a statement describing the employer's policy on prohibited drug use and alcohol misuse in the workplace, including the associated consequences;
- an education and training program;
- a testing program; and
- procedures for referring a covered employee who has a verified positive drug test result or an alcohol concentration of 0.04 or greater to a Substance Abuse Professional (SAP), consistent with 49 CFR Part 40.

Policy – The employer's policy must be written to apply to all employees who perform safety-sensitive functions. The policy must also apply to 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.

The policy must include each of the required elements identified in Part 655.15. A model policy can be found on FTA's website https://transit-safety.fta.dot.gov/DrugAndAlcohol/Tools/PolicyBuilder/CreatePolicy.aspx. Any employer that chooses not to use the model policy will need to make sure they are covering all aspects of the FTA rule.

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. Consequences for testing violations under local authority should also be addressed in this same policy.

While listing the Medical Review Officer (MRO) and Substance Abuse Professional (SAP) in the agency's drug and alcohol testing policy is not required, it is considered a best practice so employees know the names of the individuals performing those duties.

Safety-sensitive functions – 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 the FTA rule does not require maintenance contractors to include their employees in an FTA-compliant testing program if they provide maintenance service on only an ad hoc or one-time basis or if the only transit systems they contract with receive only 5311 funds or 5307 funds for areas under 200,000 population. All employees of transit systems using FTA funds, or their transit service contractors, who perform vehicle maintenance duties remain subject to the rule.

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.

Education and training – The employer is required to distribute a copy of the formally adopted drug and alcohol program policy to each covered employee prior to the employee performing a safety-sensitive

function for the first time. The employee must also have access to the corresponding federal regulations. Employers must also distribute policies to representatives of applicable employee organizations.

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 hot-line 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.

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.

Drug testing program – Employers are required to establish a testing program for prohibited drugs and drug metabolites in the following circumstances: pre-employment, post-accident, reasonable suspicion, random, and return-to-duty/follow up. The employer shall also ensure that the following drugs are tested for: marijuana, cocaine, opioids, amphetamines, and phencyclidine. Consumption of these products is prohibited at all times. A covered employee may be randomly tested for prohibited drug use anytime while on duty. Under the new rules, pre-employment testing modifications allow employers to hire applicants and assign them non-safety-sensitive duties pending receipt of a negative drug test. FTA also added a provision requiring pre-employment tests anytime a covered employee or applicant has not performed a safety-sensitive function within a 90-day period, if that person was also not in a random selection pool during the timeframe.

Alcohol testing program – Employers are also required to establish a program testing for alcohol in the following circumstances: post-accident, reasonable suspicion, random, and return-to-duty/follow-up. Pre-employment alcohol tests are allowed, but not required under the regulation. If an employer chooses to conduct pre-employment alcohol tests, the testing procedures defined in 49 CFR Part 40 must be followed. Employers shall prohibit a covered employee, while having an alcohol concentration of 0.04 or greater, from performing or continuing to perform a safety-sensitive function. A covered employee can only be randomly tested for alcohol misuse while the employee is performing safety-sensitive functions, just before the employee is to perform safety-sensitive functions, or just after the employee has ceased performing such functions.

FTA Random Drug and Alcohol Testing Requirements – FTA requires random drug and alcohol testing throughout the year for safety sensitive employees. 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. Since January 1, 2019, 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 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.

FTA Post-Accident Testing Requirements

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:

1. An individual dies (must test); or

Unless the transit employee's performance can be *completely discounted* as a contributing factor to the accident:

2. An individual suffers bodily injury and immediately receives medical attention away from the scene of the accident; or
3. 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; or
4. The mass transit vehicle is removed from operation.

Who to test:

1. 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
2. Other covered employees who could have contributed to the accident.

Time limitations for post-accident testing:

- 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 accident, <u>document</u> why
    - If not done within **8 hours** of accident, <u>cease attempts</u> and <u>document</u> 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**, <u>cease attempts</u> and <u>document</u> why

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 may ask to see documentation from service agents, who are obligated to provide it, as a means to make sure service agents meet regulatory qualifications. 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). It is the responsibility of the employer to verify that these individuals have met the training requirements.

Collection site preparation and processes were expanded to protect the security and integrity of the collection process. 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.

Medical Review Officers (MROs) – A licensed physician (medical doctor or doctor of osteopath) is responsible for receiving laboratory results. MROs must have knowledge of substance abuse disorders and have appropriate medical training to interpret and evaluate an individual's confirmed positive test result. MROs are required to take formal training and must pass an examination administered by a nationally recognized MRO professional certification board. Twelve hours of continuing education must be completed every three years. New MROs must meet the qualification training requirements before MRO functions can be performed.

Breath Alcohol Technician (BAT)/Screening Test Technician (STT) – These service agents are required to undergo qualification training, as well and demonstrate proficiency of equipment operation and complete refresher and error correction training when required.

Substance Abuse Professionals (SAPs) – An SAP is a licensed physician, licensed or certified psychologist, social worker, employee assistance professional, or addiction counselor with knowledge and experience of treatment of substance abuse. SAPs must receive qualification training and complete an examination by a nationally recognized professional organization. They are also required to complete 12 hours of continuing education every three years.

Consortia/Third Party Administrators (C/TPAs) – 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. 49 CFR Part 40 incorporated public interest exclusions (PIE) million lives in a way we're going the way to with tangible consequences to protect employers and employees from serious misconduct by a C/TPA's or service agents. PTB suggests that the obligation to comply with Parts 40 and 655 be included in the contractual language between the employer and the 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.

Proper use of the Custody and Control Form (CCF) and the 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.

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. Any applicant or employee that refuses to provide this written consent shall not be permitted to perform safety-sensitive functions. Information requested shall consist of the following:

1. alcohol tests with a result of 0.04 or higher alcohol concentration;
2. verified positive drug tests;
3. refusals to be tested (including adulterated or substituted drug test results);
4. other violations of US DOT agency drug and alcohol testing regulations;
5. and with respect to any employee who violated a US DOT drug and alcohol regulation, documentation of the employee's successful completion of US DOT return-to-duty requirements (including follow-up tests).

Information concerning an applicant who has tested positive on a pre-employment test must be requested of the applicant directly if unavailable from the 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.

Confidentiality and Release of Information
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, (e.g. lawsuit, grievance, or administrative proceeding) resulting from a positive drug or alcohol test, or a refusal to test (including, but not limited to, adulterated or substituted test results), 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.

Administrative Requirements
BATs and MROs, etc. are required to maintain their own training records. There is no federal requirement for an employer to have a signed agreement among all service agents. Service agents are, however, responsible for meeting the employer's need to comply with FTA requirements and must produce within two days any information or records the employer is asked to produce by FTA, PTB, or a transit system in the case of service providers.

Access to 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 sub-recipients 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 PTB, in order for PTB 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 a 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.

An employer may disclose an employee's records to the employee or a decision- maker in a lawsuit, grievance, or other administrative or legal proceeding arising from the results of a drug or alcohol test conducted under the authority of 49 CFR Part 655 (including, but not limited to, a worker's compensation, unemployment compensation, or other proceeding relating to a benefit sought by the covered employee).

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.

Record retention – 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:**
  - Records of covered employee alcohol test results indicating an alcohol concentration of 0.02 or greater;
  - Records of covered employee verified positive drug test results;
  - Documentation of refusals to take required alcohol and/or drug tests (including substituted or adulterated drug test results);
  - Covered employees referrals to the SAP, and SAP reports;
  - All follow-up tests and schedules for follow-up tests; and
  - Copies of annual drug and alcohol Management Information System (MIS) reports submitted to PTB or FTA.
- **Three years:**
  - Records of information obtained from previous employers under 49 CFR Part 40.25 concerning drug and alcohol test results of employees.
- **Two years:**
  - Records of the inspection, maintenance, and calibration of Evidential Breath Testing (EBT) devices; and o Records related to the collection process and employee training. (PTB recommends employee training records be maintained for the duration of employment of the employee.)
- **One Year:**
  - Records of negative and cancelled drug or alcohol test results, or alcohol test results with a concentration of less than 0.02.

Employers must maintain this information 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 a request. The following specific records must be maintained:

1. Records related to the collection process:
   - Collection logbooks, if used.
   - Documents relating to the random selection process
   - Documents generated in connection with decisions to administer reasonable suspicion drug or alcohol tests.
   - Documents generated in connection with decisions on post-accident drug and alcohol testing. (Employers must document the testing decision and the decision-making process for each accident. The documentation of the decision not to test is just as important as the documentation of the decision to test.)
   - MRO documents verifying existence of a medical explanation of the inability of a covered employee to provide an adequate urine or breath sample.

2. Records related to test results:
   - The employer's copy of the custody and control form.
   - Documents related to the refusal of any covered employee to submit to a test required by 49 CFR Part 655.
   - Documents presented by a covered employee to dispute the results of a test administered under 49 CFR Part 655.

3. Records related to referral and return to duty and follow-up testing:

- Records concerning a covered employee's entry into and completion of the treatment program recommended by the substance abuse professional.

4. Records relating to employee training:
    - Training materials on drug use awareness and alcohol misuse, including a copy of the employer's policy on prohibited drug use and alcohol misuse.
    - Names of covered employees attending training on prohibited drug use and alcohol misuse and the dates and times of such training.
    - Documentation of training provided to supervisors for the purpose of qualifying the supervisors to make a determination concerning the need for drug and alcohol testing based on reasonable suspicion.
    - Certification that any training conducted under this part complies with the requirements for such training.

5. Annual Drug and Alcohol MIS reports
    - Copies of Drug and Alcohol MIS reports that were submitted to PTB or FTA.

Reporting of Results in Management Information System (MIS)
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. These reports are required to be submitted by small urban and regional transit systems, and their contractors, to PTB by February 15 each calendar year, covering the preceding calendar year's activities.

The employer is responsible for ensuring the accuracy and timeliness of each report submitted by the consortium, or third-party service provider acting on the recipient or employer's behalf. The transit system is responsible for ensuring the accuracy and timeliness of each MIS report submitted by their contractors and forwarding them, along with their own MIS reports, to PTB. PTB will submit the reports, upon request, to FTA's Office of Safety and Security, or its designated agent by March 15th. Although large urban transit systems must complete MIS reporting each year, they are only required to submit their MIS reports when requested to do so by FTA. Those reports are submitted directly to FTA's Office of Safety and Security, or its designated agents by March 15th. Employers are required to use the "EZ" Data Collection Forms if there were no positive test results for the reporting year. Long forms must be used if any covered employee tested positive for any of the five illegal drugs, or if there was a positive alcohol test, per 49 CFR Part 655. These forms can be obtained through the FTA Safety and Security website.

In a few cases, an employer is able to complete a "Certification of Safety-Sensitive Employee Function", rather than completing MIS reports and submitting them to PTB. This certification allows an employer to specifically identify which employees devoted less than 50% of the time he/she was employed during the calendar year performing safety-sensitive duties on services funded either directly or indirectly with federal transit funds or utilizing FTA funded vehicles. The employees identified are considered to be subject only to FMCSA drug and alcohol testing requirements.

Certifying Compliance
Subrecipients of FTA Section 5310/5311 funds must certify compliance with FTA's drug and alcohol testing regulations annually as a condition of receiving federal transit funds. A model certification form can be found in Chapter 6. Small urban and regional transit systems must submit their certification to the PTB by February 15 each year. Large urban transit systems (Section 5307 recipients) must provide PTB with a copy of their annual certification submitted directly to FTA, or complete and submit a certification form included in Chapter 6 to PTB by March 15 each year. Failure to certify compliance with 49 CFR Part 655 may result in the suspension of a subrecipients eligibility for Federal funding. Recipients of FTA funding are subject to criminal sanctions and fines for false statements or misrepresentations under 18 USC 1001.

PTB, as the direct grantee, shall ensure that the subrecipients of funds under 49 USC 5339, 5310/5311 or 23 USC 103(e)(4) comply with 49 CFR Part 655. PTB shall certify to FTA compliance on behalf of its 49 USC 5339, 5310/5311, or 23 USC 103(e)(4) subrecipients, as applicable.

Certifications must be authorized by the employer's governing board or other authorizing official, and must be signed by an authorized person.

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.

Drug and Alcohol Regulation Updates
FTA's Office of Safety and Security provides drug and alcohol regulation updates free of charge. To receive notices of the latest newsletter postings visit the FTA Drug and Alcohol Regulation Updates website.

Questions concerning your drug and alcohol program should be directed to the PTB, for Section 5310/5311 recipients and their contractors. Other Iowa transit systems may also request technical assistance from PTB concerning their drug and alcohol testing program or policies. 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 (OCG) are the only official and authoritative interpreters concerning the provisions of 49 CFR Part 40.

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. Click here for a sample certification.

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.

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 non-compliance cannot exceed five years. The law authorizes three-year debarments for other violations.

Chapter 15 - General Operations

This chapter identifies topics pertaining to general operations that have not been addressed elsewhere in the handbook. Topics are listed in alphabetical order.

Advertising

Public Transit Agencies are required to advertise public transit operations throughout their service area. This includes advertisements published under "Bus Lines" in the yellow pages of each major telephone directory covering the transit agencies service area. At a minimum, these advertisements should list ride request phone numbers for the phone book coverage area.

Audits

Transit systems are required to have an annual audit conforming to the requirements of 2 CFR 200 Subpart F, and submit it electronically to the State of Iowa Auditor of State. The PTB requires transit systems to provide email confirmation as soon as it has been submitted. All sources and amounts of funding that contribute to public transit should be identified. Audits are due one year after the end of the fiscal year (i.e. June 30).

Charter Rules

Public transit agencies are not allowed to provide private charter services, except under a few select circumstances.

All Charter rules can be found in 49 CFR 604.

Charter service is defined as:

1.) Transportation provided by a 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. A third party pays the transit provider a negotiated price for the group;
   b. Any fares charged to individual members of the group are collected by a third party;
   c. The service is not part of the transit provider's regularly scheduled service, or is offered for a limited period of time; or
   d. A third party determines the origin and destination of the trip as well as scheduling.

2.) Transportation provided by a recipient to the public for events or functions that occur on an irregular basis or for a limited duration and:
   a. A premium fare is charged that is greater than the usual or customary fare; or
   b. 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.

Please note: If your transit system has subcontractors operating FTA-funded vehicles as part of your transit service, the subcontractor is covered by the FTA Charter rule in the same manner as your transit system. If the subcontractor has non-FTA-funded vehicles, those vehicles may be used for charter work, but all costs must be segregated so the statistics are not counted as public transit. If the subcontractor does perform charter work using non-FTA-funded vehicles, you may want to consider whether such action will generate complaints if those vehicles are signed as part of your public transit system fleet.

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, or review.
- 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.

- 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, for emergency preparedness planning and operations.
- 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 the 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 or Joint Participation 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 provide 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 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 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 in Appendix A of 49 CFR Part 604, the QHSO shall not be required to register on the FTA charter registration website. If a QHSO does not receive funding from any of the programs listed in Appendix A of 49 CFR Part 604, 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, and 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 (e.g. 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.

Required Reporting on Any Charters Performed

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 e-mail 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; and
- 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.

State Fuel Taxes Required on Any Charters Performed

Fuel used in providing charter services, as well as in other nonpublic or non-passenger services, is taxable under state law and must be so 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:

1. Decline to provide the service with or without referring the requestor to FTA's Charter Registration website
2. Provide the service under an exception noted above, or
3. Provide notice to registered charter providers as provided in this rule and provide the service if no Registered Charter Provider responds to 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 e-mail notice to registered charter providers in the recipient's geographic service area in the following manner:

1. E-mail 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 p.m., in which case the recipient shall send the notice by the close of business the next business day;
2. E-mail notice sent to the list of registered charter providers shall include:
   - Customer name, address, phone number, and e-mail address (if available);
   - Requested date of service;
   - Approximate number of passengers;
   - Whether the type of equipment requested is (are) bus(es) or van(s); and
   - Trip itinerary and approximate duration; and
3. If the recipient intends to provide the service that meets the definition of charter service, the e-mail notice must include the fare the recipient intends to charge for the service.

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

Registration of Qualified Human Service Organizations

Qualified human service organizations (QHSO) that seek services from recipients/subrecipients and do not receive funds from Federal programs but do serve individuals with low-income, with advanced age, or with disabilities) may register on the FTA's Charter Registration website. Once a QHSO has properly registered, a recipient/subrecipient may provide charter service, complying with the requirements under the QHSO exception.

Competition with Private Enterprise

Chapter 324A of the Code of Iowa 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's charter regulations.

Compliance Reviews

As the recipient of section 5310, 5311, statewide 5339 FTA funds, PTB is responsible for ensuring that all subrecipients follow federal regulations. PTB 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 PTB staff. Approximately 250 questions used in the compliance reviews (along with documentation of the federal requirements addressed) can be previewed in the "Compliance Review Questions" section of PTB's Regulations webpage.

Coordination (324A)

The State of Iowa is considered a leader in the coordination of publicly funded transportation primarily because the Iowa legislature adopted transportation coordination provisions in Chapter 324A of the Code of Iowa. 324A.4(1) states: "*...An organization, state agency, political subdivision, or public transit system, except public school transportation, receiving federal, state or local aid to provide or contract for public transit services or transportation to the general public and specific client groups, must coordinate and consolidate funding and resulting service, to the maximum extent possible, with the urban or regional transit system.*"

324A.4(2) designates the Iowa DOT as the responsible agency to verify that all organizations, agencies, subdivisions and transit systems are in compliance with this mandate, while 324A.5 requires all other

units of state and local government in Iowa to assist the department in this effort. Sanctions to induce compliance are established in 324A.5.

Coordination of State and Federal Transit Funds

Transit systems are encouraged to combine state and federal transit funds with those available from other agencies. Transit funds must be used to provide a comprehensive passenger transportation program for both social service clients and the general public. Portions of the service may be designed around the specific transportation needs of a 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 PTB must be open to the general public at all times.

Agencies that contract to purchase transit service from a transit system should share in the benefits from the federal and state transit operating funds. 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. PTB encourages the transit system to distribute the transit funds equitably. The agency can determine the percent of subsidy based on the factors they feel appropriate (i.e. rides, miles, hours). The allocation of state and federal assistance across a transit system's contracts/services shall be public information.

Coordination of Other State and Federal Funds

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. The United We Ride website provides a matrix of the 64 Federal programs providing funding for passenger transportation.

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.

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, PTB discourages such subcontracts since vehicles operated by subcontract, may be under-utilized and not as available to non-clients 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

Fare and Service Changes - Public Comment
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 reduction of transit service. (FTA Circular 9030.1E) PTB has the same requirement for small urban and regional transit systems. The public comment opportunity requirement is in effect even if the fare is increasing only $0.01. However, the definition of 'major reduction of transit service' is one to be made locally.

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 public meeting for any fare increase or major service reduction, should describe how such 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 in order to solicit comments must be given. While the requirement is limited to fare increases and major service reductions, it is good public policy to receive public input for any significant fare or service changes.

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.). PTB has chosen not to 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.

Federal Motor Carrier Safety Regulations
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. These regulations require drivers to pass biennial medical examinations (49 CFR Part 391), and also place limitations on drivers' hours of service (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.

Federal Regulation Tracking
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. PTB will communicate regulations that may affect transit systems via email.

Gift Law

Chapter 68B of the Code of Iowa explains that a public official (i.e. public transit board member) 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.

In-state Travel Authority

Chapter 325 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 325 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; and
- 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.

Intergovernmental Agreements

Chapter 28E of the Code of Iowa 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 7	Region 12
Region 5	Region 10	Region 13
Region 6	Region 11	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 Regional Transit Authority (DART)
- Metropolitan Transit Authority of Black Hawk County (MET, Waterloo)

A listing of the above transit systems with their member cities and/or counties, can be accessed at PTB's Transit Agencies webpage.

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 or non-profit corporations under Chapter 504 of the Code of Iowa.

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

Labor Protection

As a condition of using federal transit assistance, transit systems must protect transit employees against any worsening of their situations as a result of any federal transit assistance project. The requirement, found in 49 USC 5333(b) (formerly section 13(c) of the Urban Mass Transportation Act of 1964, as amended) requires that an "arrangement," approved by the Secretary of Labor, be in place before FTA can issue any grant under FTA's 5307, 5339, 5310, or 5311 programs.

Section 5333(b) requires that each agreement must include provisions addressing the following issues:

1. the preservation of rights, privileges, and benefits (including continuation of pension rights and benefits) under existing collective bargaining agreements or otherwise;
2. the continuation of collective bargaining rights;
3. the protection of individual employees against a worsening of their positions related to employment;
4. assurances of employment to employees of acquired mass transportation systems;
5. assurances of priority of reemployment of employees whose employment is ended or who are laid off; and
6. paid training or retraining programs.

FTA and the US Department of Labor established a standard labor warrantee in which all 5311 subrecipients agree to in order to meet this requirement. Each joint participation agreement issued under a 5311 grant binds the subrecipient transit system to the terms of this warrantee.

For other grants, an arrangement /agreement must typically be negotiated with the unions representing the transit employees of the project recipients and/or subrecipients. Each large urban transit system, as well as each small urban or regional system that receives direct FTA funding, must enter into its own agreement reaffirmed for each new grant. The Iowa DOT, as the recipient of the statewide 5307 and 5339 grants, has been required to reach an agreement with the Amalgamated Transit Union, negotiating on behalf of all the transit unions. The agreement is binding on all subrecipients of the statewide 5307 or 5339 grants that do not have their own individual agreement. Each joint participation agreement issued under a statewide 5307 or 5339 grant binds the subrecipient transit system either to its own individual agreement or to the terms of the statewide agreement.

Lobbying
Federal regulations 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.

PTB, 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.

Motor Carrier Registration

Interstate
All public transit systems crossing state lines (interstate travel) are required to register with the Federal Motor Carrier Safety Administration (FMCSA) of USDOT. Registration is free for public agencies. For "quasi-public" (private not-for-profit) corporations there is a $300/year fee, but there are also provisions allowing the fee to be waived or reduced on a case-by-case basis, if it is shown to be in the public interest. 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.

Intrastate
Effective February 1, 2010, the State of Iowa now requires all transit vehicles with a capacity of nine 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.

Because Iowa DOT requires that all vehicles purchased with funds administered by the Iowa DOT accumulate 10,000 or 3,000 miles annually depending on useful life status (please see Chapter 10), even vehicles in use by subcontractors should be rotated to ensure maximum utilization. Considering this requirement, 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.

Open Meetings
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. Requirements on open meetings are found in Chapter 21 of the Code of Iowa. Section 21.3 states "meetings of governmental bodies shall be preceded by public notice…and shall be held in open session unless closed sessions are expressly permitted by law."

Closed sessions may be permitted only in specific situations. See Section 21.5 of the Code of Iowa for more detail and the complete listing of reasons a public body may hold a closed session.

PTB requires public transit systems that are private-not-for-profit corporations to conform to the open meeting requirements as if they are a public agency. PTB also requires meetings to be held in an ADA-accessible facility.

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; or
- 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
800-854-2824

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 inclusion of private transportation operators in the planning process was addressed in Chapter 4, but it should be noted that, to the extent that service planning takes place within the transit system organization as well as through the planning agency, both 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.

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.

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.

Private Sector Clearinghouse

Transit systems receiving federal funds administered by the Iowa DOT are requested to use the private sector notification clearinghouse service provided by PTB to make individual notices to private providers. Items sent to PTB 30-days in advance of a meeting, labeled "For Private Sector Clearinghouse", are posted to PTB's website, then postcards are sent to all private providers having authority to operate in Iowa, the American Bus Association, the United Motorcoach Association, and other out-of-state carriers who have requested notices. Transit systems should allow extra processing time when setting comment deadlines and verify the mailing date before closing comments. Direct FTA recipients may use this process at their discretion.

Private Sector Protest/Appeal Procedures

FTA requires each public transit system using FTA funding to have a private sector protest procedure established. Iowa's small urban and regional transit systems are required to include in their private sector protest procedure the opportunity for an appeal to PTB, and ultimately to FTA. A model private sector protest/appeal procedure can be found here.

Public Hearing Notice

PTB requires that all transit systems notify private transit providers of the public hearings held for state and federal transit assistance administered by PTB. This is in addition to the requirement to publish a notice in a newspaper. More information on public hearing requirements is included Chapter 5, Funding Applications, and in the Private Sector Clearinghouse section in this chapter.

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.

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 PTB 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 14.

Regional Transit Districts

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 participating cities to create, by Chapter 28E 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.

Two or more contiguous counties, one of which with population in excess of 175,000, and participating cities may create, by Chapter 28E Agreement, a regional transit district. Cities within counties contiguous to a Regional Transit District county also may 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 Regional Transit Authority (DART) is organized as Iowa's only Regional Transit District.

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;
- community right-to-know; and
- emergency response right-to-know.

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 work place 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.

School Transportation Restrictions

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.

Iowa Code 321.373.6 reserves the "national school bus glossy yellow" coloration, "school bus" sign, stop arms and the "special signal lamps" to vehicles designed primarily for exclusive school bus usage. Since exclusive school bus usage is not allowed with FTA-funded vehicles, vehicles purchased with funds administered by PTB may not incorporate these features although they may be "school-type vehicles." Iowa law prohibits non-school vehicles from having this equipment even if not purchased with FTA funds.

Taxes Available to Transit

General Fund Levy

Cities and counties can levy property tax for support of their general fund. This is a primary source of funding for many Iowa transit systems. The general fund levy is limited by state law. Chapter 384.1 of the Code of Iowa states these limits.

Hotel and Motel Tax

A city or county may impose a hotel and motel tax at a rate not to exceed seven percent. Chapter 423A of the Code of Iowa 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 Code of Iowa explains the local option taxes.

Municipal Transit Levy

A city may levy a tax for the operation and maintenance of a public transit system at a rate of up to 95 cents per $1,000 of assessed value each year. This is stated in Chapter 384.12 of the Code of Iowa. 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. 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 may not be used in tandem.

Trust and Agency Fund

A trust and agency fund can be established by a city to provide employee benefits. An urban transit system, with the city's approval, may use these funds as outlined in Chapter 384.6 of the Code of Iowa. As with the transit levy, the trust and agency fund levy is not covered by controls on general fund levies.

Tax Exemptions

Fuel Tax

Transit systems are exempt from fuel tax as explained in Chapter 11 under fuel regulations.

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 Code of Iowa 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.

Calendar

State Fiscal Year (July 1 – June 30)

July

1 Fiscal Year Begins
1 Record Odometer Readings for each transit vehicle prior to start of service (Unless recorded after end of service on June 30)
1 Contingency Fleet Plans due, if applicable
Within 90 Days of Contract Start Copy of Transit Service Contracts due
25 Regional/Small Urban System Quarterly Charter Report due
30 4th Quarter Fuel Tax Report due
30 Large Urban System Quarterly Charter Report due *to FTA*
30 Large Urban Quarterly TrAMS Reports (if in TMA) due *to FTA*

August

1 Large Urban System DBE (Next FFY) Goals due *to FTA*
15 4th Quarter Statistical Report or Year End Statistical Report due
15 Year End Odometer Report due

September

October

1 Intercity Bus Applications due
1 ICAAP Applications due *to Systems Planning Bureau*
1 STA Special Project applications due
25 Regional/Small Urban System Quarterly Charter Report due
30 1st Quarter Fuel Tax Report due
30 Regional/Small Urban System DBE (April-September) Semi-Annual Reports due
30 Large Urban System Quarterly Charter Report due *to FTA*
30 Large Urban Quarterly TrAMS Reports (if in TMA) due t*o FTA*
30 Large Urban Annual TrAMS Reports (if in 50,000-200,000 UZA) due *to FTA*

November

15 1st Quarter Statistical Report due
30 Large Urban NTD Reports due *to NTD*

December

1 Large Urban System DBE (April-September) Semi-Annual Report due *to FTA*
During Month Next Fiscal Year STA and FTA 5310 & 5311 Forecasts announced

January

25 Regional/Small Urban System Quarterly Charter Report due
30 2nd Quarter Fuel Tax Report due
30 Large Urban System Quarterly Charter Report due *to FTA*
30 Large Urban TrAMS Quarterly Reports (if in TMA) *due to FTA*

February

1 Draft Passenger Transportation Plans due *to Systems Planning Bureau*
15 2nd Quarter Statistical Report due
15 Regional/Small Urban System MIS Drug & Alcohol Report (Previous Calendar Year) due

March

15 Large Urban System MIS Drug & Alcohol Report (Previous Calendar Year) due *to FTA*

April

1 Consolidated Transit Funding Public Hearings due
25 Regional/Small Urban System Quarterly Charter Report due
30 3rd Quarter Fuel Tax Report due
30 Regional/Small Urban System DBE (October-March) Semi-Annual Reports due
30 Triennially, Regional/Small Urban System DBE Projection Worksheet (for next three Federal Fiscal Years, October 1 – September 30) due
30 Large Urban System Quarterly Charter Report due *to FTA*
30 Large Urban Quarterly TrAMS Reports (if in TMA) due *to FTA*

May

1	Consolidated Transit Funding Applications (including Statewide 5339, 5310, 5311, and Public Transit Infrastructure Grant) due
1	Passenger Transportation Plans due
15	3rd Quarter Statistical Report due

June

1	Large Urban System DBE (October-March) Semi-Annual Report due *to FTA*
15	Triennially, State and Large Urban System DBE (Next three FFYs) Goals Published for Comment (45 days before August 1)
30	2 CFR 200 Audit (Previous State Fiscal Year) due
30	Record vehicle odometer readings at end of service or prior to start of service on July 1
30	End of Fiscal Year

Miscellaneous

Within 90 Days of Contract Start	Copy of Transit Service Contracts due
Two (2) Weeks Prior to Training	Application for Training Fellowships due
Within 60 Days after Training	Fellowship Reimbursement Requests due
Accepted Anytime	AMOCO Loan Applications
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. due to the Iowa DOT Public Transit Bureau, 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 recipients 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 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, pre-scheduled 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 child care, training, and employment, as well as transporting residents of urban areas to suburban employment opportunities.

Joint Participation Agreement: A contract 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.

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.

Major Incident: For NTD reporting, a transit-related incident involving one or more of the following: Property damage equal to or exceeding $25,000, an evacuation due to life safety reasons, or a collision at a grade crossing.

Major Injury: For NTD reporting, a transit-related incident involving one or more of the following: a fatality, or injuries requiring immediate medical attention away from the scene for two or more persons.

Micro Purchase: A procurement for items less than $10,000 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.

New Freedom (NF): A federal program to support new services or accommodations for persons with disabilities that go beyond those required by the Americans with Disabilities Act.

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 with a Joint Participation Agreement.

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 $1.32 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.

Race Conscious: A method to achieve a DBE goal focused specifically on assisting DBEs including women owned DBEs.

Race Neutral: Methods used to achieve a DBE goal by assisting all small businesses. Race neutral includes gender neutrality.

Rebuttable Presumption: Those individuals who are citizens or legal residents of the United States and are women, Black Americans, Hispanic Americans, Native Americans, Asian/Pacific Americans, or Asian/Indian

Americans and other minorities or individuals found to be disadvantaged by the Small Business Administration.

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 (Miles, Hours, and Trips): 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 use 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 g a revenue service vehicle or equipment used in revenue service; dispatch or control of revenue service vehicles; or carrying 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, BAT's and STT's, laboratories, MRO's, SAP's and C/TPA's.

Service Animal: Any guide dog, signal dog, or other 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.

Unlimited Passenger Trip: A one-way trip made by an individual rider in a single vehicle.

Unlinked Passenger Trip: 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 count 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
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
MTAP	Multi-state Technical Assistance Program
NEPA	National Environmental Policy Act
NF	New Freedom (Program)
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
PTB	Public Transit Bureau
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
STT	Screening Test Technician
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

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