

Intercity Bus Grant Proposals Application Guidance

The Iowa Department of Transportation (DOT) is now accepting project proposals under the federally funded Intercity Bus Assistance Program. The intent of the program is to maintain the viability of intercity bus service in the State of Iowa.

Completed application materials should be submitted to the Public Transit Bureau, 800 Lincoln Way, Ames, IA 50010, no later than October 1st of each year. Agreements will be prepared to cover each approved proposal and will be effective Jan. 1st of the proposal's calendar year. For more information about this program, please contact Becky Law rebecca.law@iowadot.us 515-239-1765.

Project Proposal Checklist

- Intercity Bus Assistance Program Project Proposal (one application for each project)
- Intercity Bus Assistance Program Authorizing Resolution
- Labor Protection Agreement
- Certifications and Assurances for FTA programs (Required only for applicants who have not already filed a copy with the Iowa DOT since Jan. 1st of the proposal's calendar year)
- Minority Impact Statement

Intercity Bus Assistance Program Project Proposal – The Iowa DOT application form for intercity bus assistance projects, located at <https://iowadot.gov/transit/Funding-programs-and-applications/applications>.

Authorizing Resolution – An authorizing resolution must accompany each application. The authorized signatory listed on this resolution is the only signatory that may sign agreements between the intercity bus transportation provider and the Iowa DOT.

Labor Protection Agreement – Each intercity bus transportation provider applying for federal intercity bus funds must submit a signed Labor Protection Agreement certifying they will comply with the terms and conditions of the Special Warranty Arrangement.

Certifications and Assurances – Each intercity bus transportation provider applying for federal intercity bus funds must include a signed copy of FTA's current Certifications and Assurances.

Minority Impact Statement – This is the state's mechanism to require grant applications to consider the potential impact of the grants project's proposed programs or policies on minority groups.

Iowa Intercity Bus Assistance Program Background Materials and Program Guidance

Program Purpose:

- Provide support for the existing intercity bus routes that tie Iowa to the rest of the country
- Provide assistance for new feeder routes that will give smaller communities not served by the existing routes access to stops along those routes
- Increase public awareness of the intercity connections that are available through a targeted intercity bus marketing program
- Help providers to upgrade equipment and facilities, including adding accessibility features required by the Americans with Disabilities Act of 1990 (ADA)

The Iowa Intercity Bus Assistance Program described herein addresses these elements within the context of the federal program guidance. The definition of intercity bus service used shall be that established by the Federal Transit Administration (FTA) for the federal program which is,

“regularly scheduled bus service for the general public, which operates with limited stops over fixed routes, connecting two or more urban areas not in close proximity, which has the capacity of transporting passengers and their baggage, and which makes meaningful connections with scheduled intercity bus service to more distant points through the national network of routes.”

Charter and tour bus services are specifically excluded. Commuter services (which primarily provide work trips within a local or regional laborshed) are included only if they meet the requirement to make meaningful connections to the intercity bus network. Connections to scheduled intercity rail or air passenger services, where available, are strongly encouraged as a supplement to intercity bus connections, but cannot be substituted for them. Each route must include service to population centers outside of urbanized areas (those with populations more than 50,000).

Who can apply?

The Iowa Intercity Bus Assistance Program is open to:

- Private intercity bus companies
- Firms wishing to start intercity bus service
- Public transit agencies either operating or proposing to operate intercity bus services or terminals
- Local communities wishing to support intercity bus connections to their community

Joint public and private applications are encouraged. If identical proposals are received from public and private providers, the private sector proposals shall generally be considered more favorably.

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 percent federal and 20 percent nonfederal, with a federal cap of \$12,000 per route
- New marketing of existing service will be funded at 80 percent federal and 20 percent 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, based on useful life of facility
- All improvements must meet ADA accessibility standards

How are funds to be matched?

The nonfederal share of projects is to come from resources other than passenger revenues from intercity bus services. This can include advertising or parcel revenues, interest income, state or local public funds, etc.

How are funds paid out?

All project funds are paid on a cost reimbursement basis. Costs and funding sources must be documented for work performed before payment can be requested. Mileage-based projects shall require documentation of service mileage and cost per mile for preventive maintenance (per FTA definition), insurance or other specifics as noted in the project. Assuming all

documentation is present and correct with a payment request, payment generally is mailed within 10 days to two weeks.

How long can projects last?

A solicitation for project applications shall be conducted annually. Projects for operation of lowa intercity bus service shall generally cover a one-year period. Projects for capital improvements shall require that funds be obligated within one year, but will allow a reasonable period for project implementation thereafter, based on the nature of the project

How does an interested party apply?

Applications containing project proposals may be submitted to the Iowa Department of Transportation's (DOT) Office of Public Transit no later than Oct. 1, each funding year. Proposals must include a detailed description of the applicant's project(s), including a break out of costs and revenue sources with rationale for inclusion of each cost and the basis of cost proration for each, if applicable. Proposed projects, other than those supporting existing lowa intercity bus services, must present the project's justification based on needs and benefits to lowa citizens.

How are projects selected?

Iowa DOT staff will review all applications and proposals. Project costs will be reviewed in relation to anticipated benefits to lowa citizens. Those proposals considered to have unusually high costs versus benefits may be dropped. Proposals may also be restructured in a collaborative effort between Iowa DOT staff and the applicant to develop a proposal that exhibits a cost benefit relationship that is more reasonable.

Flexibility in the allocation of grant funding

An attempt will be made to fund all eligible projects within each category, should funding in one or more categories prove insufficient. Consideration will be given to moving unused funding from other categories proportionate to the initial allocations to the under-funded categories. If additional funding is not available, or, based on the nature of the applications, is not felt to be appropriate, available funding within the category will be prorated among projects. Within the service support and vehicle/equipment purchase categories proration of available funds shall be based on relative intercity mileage in Iowa. Within the station/stop improvement category and generic marketing category, efforts will be made to prorate funds based on relative readiness to proceed.

What other requirements are there?

Providers of intercity bus service must hold proper interstate or intrastate operating authority. Recipients will also have to comply with various federal requirements based on receiving federal transit funding. These include:

- Federal Transit Alcohol and Drug testing provisions, which vary somewhat from those of the Federal Highway Administration
- Federal transit procurement standards (for project-related procurement)
- Independent audit requirements
- Equal Employment Opportunity and Disadvantaged Business Enterprise regulations
- Labor protection certifications
- Environmental protection regulations
- Construction projects must adhere to Davis-Bacon wage rates

Projects for purchase/refurbishment of vehicles/equipment or improvement of stations/stops shall involve provisions assuring continued use in lowa intercity bus service over the useful life of the improvement.