



COLORADO
Department of Transportation
Division of Transit & Rail
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DATE: May 8, 2020
TO: Transit & Rail Advisory Committee
FROM: David Krutsinger, Director - Division of Transit & Rail
Brodie Ayers, Project Coordination Unit Manager, Division of Transit & Rail
Qing Lin, Programming Unit Manager, Division of Transit & Rail
RE: CARES Act Memo

Purpose

The purpose of this memo is to inform the TRAC of the current direction for distribution of the CARES Act Funds.

Action

Feedback requested from TRAC on whether CARES Act Approach Should Proceed or Be Adjusted

Background

The Coronavirus Aid, Relief, and Economic Security (CARES) Act was passed by Congress, and signed into law by President Trump on March 27th, 2020. The Federal Transit Administration subsequently announced the apportionments for \$25 Billion of those funds on April 2nd, 2020, across urban, rural, and tribal programs. Colorado received \$325 Million of those funds, with CDOT responsible for distributing nearly \$40 Million to rural transit agencies across Colorado. CDOT is distributing the funding on a 2-phased approach, with phase 1 to get 60% of the money out as quickly as possible, reserving 40% to take further input and adjust, if needed.

Details

Colorado's first COVID-19 case was diagnosed March 5th. Colorado declared a public health state-of-emergency on March 10th. Colorado's ski areas were closed on March 15th. School closures and stay-at-home orders were issued locally and statewide between March 16th and March 25th. Bustang and Outrider services were suspended March 29th. During this time most transit agencies across the state experienced a 75 - 90% drop in ridership, reduced services, and increased efforts to clean transit vehicles/facility and protect workers.

With the announcement of the apportionments on April 2nd, CDOT began preparing a plan to allocate, distribute, and contract out the CARES Act funds. CDOT is distributing the funding on a 2-phased approach, with phase 1 to get 60% of the money out as quickly as possible, reserving 40% to take further input and adjust, if needed. CDOT is also splitting the funds into three categories: Administrative/Statewide Efforts (10%), Intercity & Regional Bus (15%), and transit agencies around the state (75%). Other states are using the "administrative" portion to do statewide preparedness/planning for a potential 2nd wave of a COVID outbreak, and/or to do a statewide marketing campaign to "get back on the bus". The intercity & regional bus portion is a requirement of the FTA, at least 15%, unless intercity bus providers agree, and the state certifies to the Governor that the need is not that high. After consultation with intercity providers, the feedback is that 15% is not enough funding to cover all the needs. Transit agencies around the state also have voiced that there is more need than funding, so the intercity portion is not likely to go higher than 15%.

Next Steps

Based on feedback from TRAC and others, CDOT will release Phase 2 (40%) in approximately July 2020.