



COLORADO

Department of Transportation

Division of Transit & Rail

Notice of Funding Availability 2021 CDOT Consolidated Call for Capital Projects CDOT Division of Transit and Rail

August 28, 2020

PART 1 Introduction and Definitions

Introduction

The Colorado Department of Transportation (CDOT) Division of Transit and Rail (DTR) is issuing a Notice of Funding Availability (NOFA), requesting applications for capital transit projects to be initiated in 2021. This NOFA sets forth guidelines for submitting an application, applicant and project eligibility, evaluation criteria, regulations and processes, and the schedule for this call.

CDOT has approximately \$10 million available in federal and state funds for transit capital projects. Funds may be used for items defined as capital assets by the Federal Transit Administration (see Part 6 for listing).

If selected for award, CDOT's expectation is that subrecipients will begin implementing their projects no more than six months after the announcement of an award.

Applications are due to CDOT by **11:59 p.m. on Monday, October 12, 2020**. **Applications submitted after this deadline will not be accepted or considered for funding.**

Applications must be submitted through COTRAMS, DTR's online award management system. We strongly recommend that you use Google Chrome when submitting your application.

If you have not received any transit-related funds from CDOT in the past three years, you must complete and submit a **New Applicant Questionnaire to Kenneth Mooney at kenneth.mooney@state.co.us** as soon as possible but no later than **11:59 p.m. on Monday, September 21, 2020**.

Potential applicants are strongly encouraged to read the guidance provided herein.

Definitions

1. **Alternatively-fueled rolling stock** (alt-fuel rolling stock): For the purpose of the Settlement Program, this includes vehicles fueled by electric battery, hydrogen fuel cell, and compressed natural gas (CNG) buses that are fueled by renewable natural gas (RNG)
2. **Acquisition vehicle**: For the purpose of the Settlement Program, the specific alternatively-fueled bus(es) identified to replace the qualifying vehicle(s) of like size, capacity, and class. For this round of Settlement Program funding, this definition



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- includes only battery electric buses, hydrogen fuel cell-powered buses, and compressed natural gas (CNG) buses that are fueled using renewable natural gas (RNG).
3. Capital transit asset: Rolling stock, facility, infrastructure or equipment with a useful life of at least one year, and which is eligible for capital assistance.
 4. Colorado Beneficiary Mitigation Plan (BMP): The State of Colorado's Beneficiary Mitigation Plan summarizes how Colorado plans to use funds in the Volkswagen Diesel Emissions Settlement Trust (Trust), of which the State of Colorado was designated an eligible beneficiary, including certain categories of eligible mitigation actions determined appropriate to achieve the goals of the Trust. For this CCCP, this definition refers to the 2019 BMP.
 5. Closed-door service: Refers to transit service that is limited to a particular clientele, such as the participants in a particular program or the residents of a particular facility, as opposed to being offered to the public at large or to any senior or person with a disability.
 6. Equivalent vehicle: For the purpose of the Settlement program, a diesel-fueled bus of like size, capacity, and class to the qualifying vehicle identified for replacement, the cost of which is used to calculate the incremental cost
 7. Equipment: Equipment means an article of nonexpendable, tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost that equals or exceeds the lesser of the capitalization level established by the recipient or sub recipient for financial statement purposes, or \$5,000. Equipment includes rolling stock, computing devices, information technology systems, and all other such property used in the provision of public transit service.
 8. Expansion vehicle: rolling stock acquired to add to the agency's existing fleet, where the acquired rolling stock expands the agency's fleet and/or service.
 9. Incremental cost: the difference between the cost of an alt-fuel vehicle and an equivalent vehicle not powered by an alternative fuel of like size, capacity, and class -- as related to the incentive formula defined in the BMP.
 10. Large Urbanized Area (Large UZA): Census-designated area with a population over 200,000
 11. Open-door public transportation: Services that are open to any member of the public, in the case of public transportation programs, as opposed to services that are limited to a particular sub-group of the general population.
 12. Open-door specialized transportation: service available to any elderly or disabled person in need and not limited to a particular clientele or facility.



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13. Preventive Maintenance: Preventive maintenance means all maintenance costs related to vehicles and non-vehicles. Specifically, preventive maintenance includes all the activities, supplies, materials, labor, services, and associated costs required to preserve or extend the functionality and serviceability of the asset in a cost effective manner, up to and including the current state of art for maintaining such an asset. In this call, preventive maintenance can include any equipment that performs a protective measure to protect the health and safety of drivers and passengers.
14. Personal Protective Equipment: Personal Protective Equipment (PPE) can be counted as preventive maintenance capital expense if the equipment has more than one year useful life and exceeds \$5,000 unit cost.
15. Qualifying vehicle: the specific diesel-fueled bus(es) identified for replacement using Settlement Program funds, which is drivable and has been registered, insured, and **operated** in Colorado for the previous two (2) years (generally from the date of application). **Operated** means three (3) or more preventative maintenance cycles OR 15,000 or more transit revenue service miles OR 1,250 or more transit revenue service hours amassed during the previous two (2) years.
16. Replacement vehicle: rolling stock acquired to replace existing rolling stock, where the existing rolling stock is replaced and removed from the agency's fleet, or is converted to a spare vehicle when there is a low spare ratio.
17. Revenue vehicle: rolling stock used in providing transit service for passengers.
18. Rolling stock: buses, vans, train cars, gondola cabins, SUVs, and cars, or other passenger vehicles.
19. Rural area (also called non-urbanized area): Census-designated area with a population under 50,000; for the Senate Bill 267 program, rural definition is by county, not Census-designated area.
20. Settlement Program: CDOT's Settlement Transit Bus Replacement Program for alt-fuel vehicles, as defined in the BMP.
21. Small Urbanized Area (Small UZA): Census-designated area with a population between 50,000 and 200,000
22. Spare Ratio: The number of spare vehicles divided by the vehicles required for annual maximum service. Spare ratios will be taken into account in the review of projects proposed to replace, rebuild, or add vehicles. The basis for determining a reasonable spare bus ratio takes local circumstances into account. The number of spare buses in the active fleet for grantees operating 50 or more revenue vehicles should not exceed 20 percent of the number of vehicles operated in maximum service. For purposes of the spare ratio calculation, "vehicles operated in maximum service" are defined as the total



number of revenue vehicles operated to meet the annual maximum service requirement. This is the revenue vehicle count during the peak season of the year; on the week and day that maximum service is provided. It excludes atypical days and one-time special events. Scheduled standby vehicles are permitted to be included as "vehicles operated in maximum service."

- 23. Spare vehicle: A rolling stock vehicle that is not normally used in regular revenue service, but, rather, is used as a backup vehicle for those instances when full time vehicles must be removed from regular revenue service for repairs or servicing.
- 24. Specialized transportation/services: Services specifically designed to meet the transportation needs of elderly persons, persons with disabilities, veterans, low income persons, or others with special needs.
- 25. Non Revenue Service (Support) Vehicle: A vehicle operated by a transit agency for a purpose other than passenger revenue services, such as a staff car or a maintenance response truck.
- 26. Transportation Development Credits (Toll Credits) :Transportation Development Credits (TDCs) can be used to fulfill the federal matching fund requirements associated with the use of federal highway and transit reimbursements for eligible capital, operating and planning activities (23 U.S.C.120) . By fulfilling the requirement for the non-federal share of a federally funded transportation project, TDCs allow federal funding to potentially reimburse up to 100 percent of the eligible project cost. Toll Credits are not funds, but a funding tool to meet federal funds local match requirements.. A federal project using Toll Credits still needs to find funds to cover the total project cost. States are awarded and accrue these credits through the Federal Highway Administration (FHWA) based on the amount of capital investments made in federally approved toll facilities such as toll roads and tolled bridges.
- 27. Vehicle (Rolling Stock) Overhaul: Rolling stock overhaul is an eligible capital expense as preventive maintenance. Overhauls are usually done to make sure rolling stock reaches its useful life. Overhaul does not extend the useful life of rolling stock. For rolling stock to be overhauled, it must have accumulated at least 40 percent of its useful life.

PART 2 Funding and Program Information

Funds are available through several federal and state transit programs administered by CDOT. The table below lists these funding sources and the estimated or anticipated amount available under each.

Table 1 Available Funding Programs for 2021 CCCP

Funding Program	Amount Available
FEDERAL PROGRAMS	



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FTA Section 5310: Seniors and Individuals with Disabilities	
Rural 5310 (all areas outside of urban areas)	\$0 ¹
Small Urban 5310 (Boulder, Grand Junction, Greeley, Longmont, Lafayette/Louisville/Erie, and Pueblo)	\$0 ¹
FTA Section 5311: Rural Public Transit (all areas outside of urban areas)	
FTA Section 5339 Formula Program: Bus and Bus Facilities	
Rural 5339 (all areas outside of urban areas)	\$3,500,000
Small Urban 5339 (Boulder, Grand Junction, Greeley, Longmont, Lafayette/Louisville/Erie, and Pueblo)	\$1,461,999
FTA SUBTOTAL	\$4,961,999
STATE PROGRAMS	
FASTER	
Local Competitive	\$0 ³
Urban Area Set-Asides (Denver, Co Springs, Ft. Collins)	\$0 ⁴
Settlement Program*	\$5,000,000 ⁵
Senate Bill 228	\$0 ⁶
STATE FUNDS SUBTOTAL	\$5,000,000
TOTAL	\$9,961,999

¹There are no available FTA-5310 Rural and Small UZA capital assistance funds for the 2021 CCCP due to substantial requests received for operating assistance from 5310 subrecipients during the 2021 Admin/Operating Call.

²Usually \$1 Million in 5311 funds is made available through the capital call (CCCP). This year, due to COVID impacts on budgets, CDOT is reserving these funds for the possible use as administrative & operating funds.

^{3,4} At this time, all FASTER funds have been withheld for potential utilization as administrative & operating funds. Rural and Small Urban agencies please apply using FTA 5339 funds. RTD, MMT, and TransFort, please contact DTR (Ken Mooney) to further discuss whether to apply your funds to capital/asset needs or for administrative & operating needs.

⁵The Settlement Program now has approximately \$13 million available, expected to be optimally awarded over a period of the next 2-3 years.

⁶Normally, SB228 can be utilized to address 5310 subrecipient rolling stock replacement needs. However, FASTER and Senate Bill 228 funds are currently reserved for potential 2021 admin/operating needs and not available for this call. If 2021 financial circumstances improve, CDOT may release the state funds to accommodate the capital requests for this call, or during the April 2021 Super Call.

CDOT does not administer certain FTA funds. Specifically, Section 5310 and Section 5339 funds for large urban areas are awarded directly by the FTA to the designated recipients of those



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areas--Mountain Metropolitan Transit, DRCOG/RTD, and TransFort. Section 5307 funds are awarded directly to both the three large urban areas as well as to the six small urban areas (Boulder, Grand Junction, Greeley, Longmont, Louisville/Lafayette/Erie, and Pueblo).

Below is a brief description of each of the funding programs.

- **FTA 5339 Formula Program** offers capital funding to public agencies or private nonprofit organizations engaged in public transportation. CDOT administers Section 5339 Formula funding for rural and small urbanized areas. Section 5339 formula funds for the state's three large urbanized areas are provided directly by the FTA to the designated recipients in those three areas.
- **Settlement Program** funds are made available for the direct replacement of diesel-fueled passenger revenue vehicles. Funds are provided for the purchase of capital assets necessary to replace those vehicles with a zero-emission vehicle--namely, battery electric, hydrogen fuel cell, or compressed natural gas (CNG) vehicles fueled by renewable natural gas (RNG). Funds are also available for a portion of the electrical charging infrastructure necessary for the deployment of such vehicles. The funds are available in both rural and urbanized areas.

PART 3 Local Match

Given the consideration of COVID-19 impacts on the transit industry, federal and state funds may be used to fund up to 100% of project costs for this call. All FTA programs require a minimum local match of 20%, except when Transportation Development Credits (Toll Credits) apply as local match waiver.

Local match funds must be in cash. Local match can come from many sources, including state (non-CDOT) or local appropriations, Toll Credits, tax revenues, private donations, revenue from service contracts, and income generated from advertising and concessions—provided its use as match is not prohibited or disallowed by that funding source. Local match may also consist of any non-DOT federal funds that are eligible to be expended for transportation. Examples of types of programs that are potential sources of local match include employment, training, aging, medical, community services, and rehabilitation services.

Toll Credits can be used as a tool to meet local match requirements of federal funds. When CDOT uses Toll Credits, CDOT takes credit for participating in funding transportation via toll revenue dedicated to transportation rather than by matching federal funds project by project. The subrecipient pays 0% of the local match as federal funds will cover 100% of total project costs.

Normally, in cases of demonstrated financial need or hardship, State funds administered by CDOT can be used to match a federal award, providing up to 80% of the required 20% matching funds for the federal award, provided such funds are specifically approved by DTR. The subrecipient must still provide a 20% local match for its state-funded award. This means that the



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subrecipient pays only 4% of the total project cost: 80% federal, 16% state (80% of 20%), and 4% local (20% of 20%). Since this type of funding arrangement rapidly draws down available funding and reduces the number of projects awarded, CDOT will carefully assess requests of this type. **In this call, based on COVID-19 impacts, CDOT cannot guarantee there will be state funding available for local match awards.**

It is CDOT's intention and discretion that Toll Credit be used as local match waiver for federal funds only in situations where worthy projects cannot proceed without the additional capital assistance due to a specified financial hardship. Applicants will have an opportunity to explain and justify how essential and critical the project is to their transit revenue services and describe their financial hardship in the capital application.

CDOT requires written letters of support and commitment from **partners** in a project that are making a commitment to the project (e.g., organizations providing some or all of the local match, providing land or right-of-way for a project, or agreeing to share a multimodal facility). Applicants should not submit general letters of support.

The Settlement Program does not require a local match and offers an incentive by awarding a portion of the local match required for state and federal awards.

PART 4 Application Process

For the 2021 CCCP, CDOT is offering two type of capital application through COTRAMS for:

- A. Revenue Service Vehicles
 - 1) Replacement Vehicles:
 - a. Acquire rolling stock to replace existing rolling stock.
 - b. Acquire bus(es) fueled by electric battery, hydrogen fuel cell, or RNG to replace diesel-fueled bus(es) under the Settlement Program.
 - 2) Expansion Vehicles:
 - a. Acquire rolling stock for fleet and/or service expansion.
- B. Other Capital Projects
 - 1) Vehicle related equipment, preventive maintenance, such as Personal Protective Equipment (PPE) (useful life over one year and unit cost exceeds \$5,000 capital expense), and vehicle overhauls.

One vehicle application will be released to each current DTR subrecipient through COTRAMS. If an applicant plans to submit requests for multiple replacement vehicles, the applicant may bundle those replacement vehicles into one single application; requests for replacement and expansion vehicles, though, must be submitted in two separate applications--one for



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replacements and one for expansions. **In order to submit multiple applications, you will need to request additional application(s) from Kenneth Mooney at kenneth.mooney@state.co.us.**

The minimum federal or state capital assistance request amount is \$25,000, except in cases where an applicant is requesting state funds to be used as local match for federal funds. There is no maximum request, but applicants should take into consideration the amounts available and CDOT's preference to provide some geographic equity.

Applications must be submitted electronically through COTRAMS (<https://cotrams.force.com/cdotcommunity/login>), CDOT's on-line award management system. If you are a current and active CDOT subrecipient you should have a user ID and password for the website. If you have forgotten your COTRAMS user ID and/or password, or need any help accessing COTRAMS, contact system administrator Kim Phi immediately kim.phi@state.co.us to reset your login credentials.

If you are **not** a current subrecipient, or have not received transit funds in the last three years, you will need to first complete and submit a **New Applicant Questionnaire** prior to submitting an application. The questionnaire, in MS Word format, is attached to this NOFA. This questionnaire is intended to determine eligibility for federal and/or state funding and ability to meet DTR's threshold criteria for managing funds. This questionnaire will also inform potential applicants of the requirements of DTR funding and indicate which funding programs might be the most appropriate. DTR may also arrange a phone call and possibly an on-site visit so that questions can be answered to make the application process more clear and to allow CDOT to become more familiar with the applicant. If it is determined that you are eligible and meet threshold criteria, you will be given a COTRAMS user ID and password so that you can submit your application in COTRAMS. You'll also be given COTRAMS training. Please fill out the questionnaire and submit it to Ken Mooney (kenneth.mooney@state.co.us) as soon as possible but no later than 11:59 p.m. September 21, 2020 in order to allow maximum time to complete the application.

PART 5 **Applicant Eligibility**

Even though not all funds listed below are available for this call, DTR staff will use the following applicant eligibility guidelines to determine the appropriate, available funding source(s) for each applicant. However, applicants can state their preference for (or against) a certain source(s) for a particular project(s) in their application(s).

Federal funds. Applicant eligibility for FTA funding assistance is defined based on each particular program, as set forth below:

Section 5311: Public and private nonprofit agencies, as well as tribal governments, providing public transportation in rural areas.



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Section 5339: Public agencies and private nonprofit organizations engaged in public transportation. Section 5339 funds for the Denver, Fort Collins, and Colorado Springs large urbanized areas are administered by their designated recipient of FTA Section 5307 funds, not by CDOT.

State funds. Applicant eligibility for State funding assistance is defined based on each particular program, as set forth below:

FASTER: Local public and private nonprofit agencies, as well as tribal governments, providing public transportation or open-door specialized transportation.

Settlement Program: Local public agencies, private nonprofit entities, and tribal governments, but only for the replacement of Class 4-8 vehicles, which refers to larger buses, starting at Class 4, which is a larger body-on-chassis diesel-fueled bus.

Senate Bill 228: Local public agencies, private nonprofit entities, and tribal governments providing public transportation, as well as those that offer open-door or closed-door specialized transportation.

CDOT will largely determine the eligibility of each applicant project based on the Agency Profile and staff knowledge of each applicant's operation, along with the information provided in the application. Staff will consider funding projects from each of the programs for which an applicant and project is eligible, subject to availability and scoring of the project. CDOT will consider three service area factors, based on whether an applicant serves a rural area, a small urbanized area, or a large urbanized area. If any applicant serves **more** than one of the three service areas, it is important that the application point out where each proposed project will serve. For example, "Replacement vehicle 1 will serve both a rural area and a small urbanized area, though most services will be provided in the small urbanized area."

CDOT will also consider three service population factors, based on whether an applicant provides public transportation, open-door specialized transportation, or closed-door specialized transportation. If any applicant serves **more** than one of the three service populations, it is important that the application point out where each proposed project will serve. For example, "Expansion vehicle #2 will be used primarily for closed-door specialized services in Madison County, not for our rural public transportation program," or, "The facility will be located in a rural area of Elm County, where we serve the general public, but will also be used by the open-door specialized transportation service we provide in Monroe County." Providing this vital information in the Project Description portion of the application will greatly assist CDOT.

Applicants must be prepared to take full responsibility for carrying out the proposed project. Project sponsorship cannot be transferred or reassigned to another agency **without prior written approval from CDOT**. CDOT encourages agencies to collaborate and select the most



appropriate applicant agency prior to submitting an application and **not** to assume that CDOT will approve any project sponsorship change.

PART 6 **Project Eligibility**

Based on COVID-19 impacts, the award of limited capital funds will be focused on the base vehicle price and essential/critical options costs, subject to CDOT's evaluation.

Funds may be used for any items defined as a **capital asset** by the FTA. However, CDOT will **not** accept requests for funding office-related equipment and staff vehicles, **nor** for the leasing of capital assets, **nor** for operating or administrative expenses in this call. For this call, eligible work elements or activities for capital assets, include, but are not limited to, the purchase of:

- Rolling stock (buses, vans, train cars, gondola cabins);
- Vehicle related equipment, preventive maintenance, such as Personal Protective Equipment (PPE) (useful life over one year and unit cost exceeds \$5,000 capital expense), and vehicle overhauls.

In general, project eligibility for the FTA programs and FASTER includes all of the project types listed above. The other State programs are limited to certain project types, as set forth below.

Project eligibility for the **Settlement Program is limited to the direct replacement of passenger transit vehicles that are diesel-fueled and Class 4 or higher (over 14,000 pounds), with an alternative fuel (electric, hydrogen, or RNG) vehicle.** Charging equipment associated with acquisition vehicle(s), as well as reasonable costs associated with installing that equipment, is also eligible. Further details on eligibility are included in Part 13 below.

Project eligibility for the **Senate Bill 228 program (if it is made available) is limited to replacement vehicles and can be used in any part of the state.**

PART 7 **Threshold (Minimum) Criteria for Applicants**

Applicants must have the financial and managerial capability and capacity to manage any funds awarded, ensure satisfactory completion of the applied-for project, and be willing and able to follow all federal, state, local, and tribal regulations and guidelines. Applicants must also meet the following minimum criteria:

- A. **Legal Standing:** Applicants must be registered on the official U.S. Government System of Award Management (SAM) system, SAM.gov, and not be, at the time of award, suspended, debarred, ineligible, or voluntarily excluded from participation in federally-assisted transactions and procurements. If an agency is not registered at the time of application, they must demonstrate their willingness and ability to register with SAM.gov, and provide proof of that registration to CDOT, before they can be awarded funds.



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B. Financial Management and Capacity: Applicants must have financial policies and procedures; an organization structure that defines, assigns, and delegates authority; and financial management systems in place to match, manage, and charge only allowable cost(s) to the award.

Federal, state and Settlement Program funds are awarded on a **reimbursement basis; that is, the subrecipient must incur the project costs upfront and submit sufficient evidence of those project costs to DTR for reimbursement.** Therefore, the subrecipient must have the financial ability and cash flow to incur those costs upfront and wait for reimbursement from CDOT. However, exceptions can be authorized for smaller subrecipients who demonstrate a financial hardship.

C. Technical Capacity: Applicants must have the capability and resources necessary to operate and manage the award and project on an ongoing basis; ensure conformity and compliance with all applicable federal, state, local, and tribal regulations and guidelines; ensure project schedules, budgets, and performance objectives are achieved; and obtain all necessary prior approvals and/or waivers before incurring costs or taking any actions.

D. Procurement: Applicants must have their own documented procurement procedures which reflect applicable state, local, and tribal laws and regulations, and conform to applicable federal law and standards at [2 CFR 200.318-326](#).

E. Timely implementation: Applicants must demonstrate their ability and commitment to implement their proposed project in a timely fashion once funding has been awarded and contracted. It is CDOT's expectation that subrecipients will move promptly to procure and implement their projects. Subrecipients that fail to implement projects on a timely basis may harm their chances of winning awards in future applications.

It is especially important that the above capability and capacity is specifically addressed by applicants that have not previously received funds through DTR or by applicants that have had delays or other problems implementing projects awarded funding by CDOT in the past. These agencies should address their financial and award management capability and experience, as well as steps taken to correct any past problems, as appropriate.

PART 8 Evaluation Criteria for Applications and Projects

All applications and projects will be evaluated based on the elements described below. Be sure the answers, information, and supporting documentation provided are relevant, complete, and thorough enough that the nature of the proposed projects (its goals and objectives, purpose, beneficiaries, budget, etc.) is clear and easily understood.

Projects will be evaluated based on the type of project—that is, based on whether they are rolling stock, facilities, equipment or studies, and, further, whether they are replacements or expansions. Please note that the sub-criteria will not be weighted equally and that some will not



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be pertinent. For example, if a criterion has four sub-criteria, evaluators do not necessarily assign 25% weighting to each; they are given flexibility in assigning scores. One exception is on replacement rolling stock scores, where there are metrics for comparing need. Evaluators may also give consideration to geographic equity when assigning scores.

Projects will be evaluated using the following metrics:

(1) For Replacement of Revenue Vehicles:

Metric 1: Vehicles will be scored based on the extent to which they have reached the minimum useful life established by the FTA and CDOT for that particular vehicle type.

The weighting will be 50% age and 50% miles driven. Vehicles which have not reached minimum useful life in either age or miles will not be considered for funding (especially for FTA funds), except as set forth in Metric 2 below.

Metric 2: Vehicles which have not reached minimum useful life in either age or miles will be considered for funding once vehicles meeting Metric 1 have been awarded and there are sufficient state funds. Vehicles which have not reached minimum useful life in either age or miles will be scored based on 30% age, 30% miles driven, and 40% special considerations. Special considerations will be based on an evaluation of information provided by the applicants, which **should include documentable, verifiable, data-based evidence of specific issues, maintenance problems, operating conditions, or other relevant factors related to the need for replacement of the vehicle.** Special considerations may be given to applicants with a lower fleet spare ratio.

Table 2 FTA and CDOT Rolling Stock Minimum Useful Life Standard



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CDOT Category	Representative Vehicles	No. Seats	Approx. Weight (lbs)	Price Range	Minimum Useful Life
Heavy-Duty Large Bus	Most models from Gillig, MCI, NABI, and New Flyer	27-40	33,000 - 40,000	\$400,000 - \$575,000	12 years / 500,000 miles
Heavy-Duty Small Bus	Thomas Transit Liner, Bluebird Q-Bus	26-35	26,000 - 33,000	\$230,000 - \$375,000	10 years / 350,000 miles
Medium-Duty and Purpose-Built Bus	Champion Defender	22-30	16,000 - 26,000	\$85,000 - \$200,000	7 years / 200,000 miles
Light-Duty Mid-Sized Bus (cutaway van chassis w/ dual rear wheels)	Most BOC vehicles (e.g., Startrans Candidate and Senator; Starcraft Allstar)	16-25	10,000 - 16,000	\$60,000 - \$75,000	5 years / 150,000 miles
Light-Duty Vehicles	Vans, minivans, SUVs, sedans	3-14	6,000 - 14,000	\$20,000 - \$65,000	4 years / 100,000 miles

(2) For Expansion of Revenue Vehicles:

Metric 1: Demonstrated Need and Readiness: Higher priority will be awarded to projects that clearly demonstrate the need for the expanded service in terms of documented ridership, needs studies, and community support; that demonstrate an effective business case; and can demonstrate they are truly ready to implement the expansion.

Metric 2: Special Considerations: Higher priority will be awarded to projects where the applicants have a capital replacement plan/asset management plan, who can show strong institutional commitment, and who can show a strong financial commitment.



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(3) For preventive maintenance (e.g, PPE), vehicle overhaul and vehicle related equipment:

Metric 1: Readiness and Demonstrated Timetable: For equipment, higher priority will be given to applicants with a record of completion of past or existing projects.

Metric 2: Project Purpose, Cost Savings, and Efficiency: Higher priority will be given to those projects that have a high degree of local and regional support, have a well-developed and defensible business case, and support or provide significant transit operational and utilization benefits.

Metric 3: Special Considerations: Higher priority will be given to those projects that demonstrate they were developed in partnership with the local community. Applicants that adequately demonstrate funding, financial capacity, and capability to sustain the service and project over time will also be given higher priority.

Due to COVID-19 impacts on funding, facilities and design projects will not be considered during this capital call.

Evaluation criteria for the Settlement Program places more of an emphasis on the alternative-fuel planning and capabilities of the applicant, and is outlined in detail in Part 13.

PART 9 **Selection Methodology**

DTR staff will evaluate and score applications for replacement vehicles. A selection committee made up of CDOT staff (DTR, DTD, the Office of Policy and Government Relations, Office of Civil Rights) will evaluate and score applications for expansion vehicles and other capital projects. Applications for the Settlement Program will be reviewed and evaluated by a secondary selection committee made up of representatives from State agencies on the intra-agency Settlement Fund steering committee, including, but not limited to, the Colorado Department of Public Health and Environment (CDPHE), CDOT, Regional Air Quality Council (RAQC), and Colorado Energy Office (CEO). This selection committee will review only the applicants' alternative fuel implementation plans and make recommendations for vehicles and related charging equipment awards. DTR may also solicit input from CDOT's Region Planners regarding infrastructure, planning, and large capital purchase projects. Applicants are strongly urged to discuss their projects with their Region Planner.

A recommended project list will then be presented to the DTR director for approval. After approval, DTR will issue Award Letters for selected projects in COTRAMS to the agencies for review and acceptance. Once all Award Letters are accepted and returned to DTR, DTR will



publicize the project list to all applicants, and DTR and the Regions will take all steps necessary to set up and budget projects. Then, DTR and Region staff will begin Statement of Work and grant agreement negotiations with the awarded subrecipients. State-funded contracts cannot be executed before the start of Fiscal Year 2022 (July 1, 2021) unless a project is budgeted with funds from a prior fiscal year.

PART 10 Application Protest

All applicants, including those not awarded funding, will be notified of funding award decisions, including those not awarded funding. DTR will publicize the award list of projects that were selected, as well as, for transparency purposes, comments indicating the primary reason(s) an application or project may have received an insufficient score. If an application is denied, the grounds therefore will be given to the applicant.

DTR, recognizing the substantial financial impact its grant programs can have on organizations and individual applications, will provide applicants with the right to protest a grant denial or award amount decision of DTR. This right is provided in order to ensure the proper administration of the DTR programming, encourage thorough review of applications and denials, promote a transparent exchange of information, and provide an opportunity to applicants to avail themselves of the CDOT (Department). The Department fully recognizes the important implications of its grant funding decisions, and it is the Department's firm belief that applicants whose requests are denied or whose award amounts are reduced should have the opportunity for further review and consideration by the Department.

For this reason, the Department hereby provides all applicants who have had an application for a grant denied or reduced the opportunity for further consideration and review, followed by a final agency decision. To exercise this opportunity, applicants must, within 30 days after receipt of the formal grant notification:

- Send a protest letter to the Director of the Division of Transit and Rail at the following address: 2829 W. Howard Avenue, Denver, CO 80204. In the event that the state is still under social distancing requirements, protest letters will need to be emailed to kenneth.mooney@state.co.us.
- State in the subject line of the letter that it is a protest of a grant decision requiring a response within 45 days. (This ensures Department staff are aware of the immediacy of the letter.)
- Clearly state in the letter the application to which it applies and the grounds for protest.

While the Department does not want to unnecessarily burden applicants with what to include in their protest letter, these requirements and procedures ensure the Department timely receives the protest and has sufficient information to meaningfully evaluate the decision. The



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Department shall have no obligation to respond to any letter which fails to conform to the above requirements.

Upon receipt of the protest letter, the Director of the DTR may contact the applicant to discuss the matter further. If the Director of the DTR and the applicant are unable to resolve the issue upon contact, the Director of the DTR will refer the protest to the Chief of the Office of Innovative Mobility. The Chief of the Office of Innovative Mobility will consult with appropriate executive management on the matter and will, thereafter, issue a letter containing the final decision of the agency on the issue. Unless extended by agreement of the Department and the applicant, the Chief of the Office of Innovative Mobility shall issue a final agency decision no later than 45 days after the Department's receipt of the protest letter.

Applicants are encouraged to continue applying for any grants for which they may be eligible in the meantime.

PART 11 **Nondiscrimination**

Pursuant to U.S. DOT Standard Assurances Order 1050.2A, CDOT, in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. §§ 2000d to 2000d-4) and the Regulations, hereby notifies all bidders that it will affirmatively ensure that any contract entered into pursuant to this advertisement, disadvantaged business enterprises will be afforded full and fair opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, or national origin in consideration for an award.

Pursuant to FTA regulations, all subrecipients of CDOT-administered transit awards must submit various civil rights documents to CDOT. In particular, if awarded FTA funding, subrecipients must submit a Title VI Plan to CDOT that conforms to the FTA requirements in Circular [FTA C 4702.1B](#). This also includes a Language Assistance Plan describing how the subrecipient plans to provide language assistance services.

Subrecipients of CDOT-administered transit awards that employ 50 or more transit-related employees or requested/received over \$1 million in operating/capital or over \$250,000 in federal transit planning funds in the previous federal fiscal year are required to have submitted to CDOT an Equal Employment Opportunity (EEO) plan that conforms to the requirements in Circular [FTA C 4704.1A](#).

Questions about civil rights can be directed to Chris Robbie at christopher.robbie@state.co.us, (303) 757-9492.

PART 12 **Schedule**



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Following is the schedule CDOT will generally adhere to for the CY 2021 project selection process.

Phase	Application/Evaluation/Selection Milestone	Due Date
Notice & Application Development	Call for projects officially broadcast by DTR	08/28/2020
	Applications Due to DTR via COTRAMS	10/12/2020
Review, Scoring & Selection	Initial application screening (subrecipient eligibility and threshold criteria/project eligibility) by DTR Applications evaluated by review committees DTR conducts conference call with each CDOT Region regarding major projects within their jurisdiction DTR completes scoring and prepares list of recommended projects; final scores and recommendations submitted to DTR Director	12/22/2021
Award Discussion & Approval	DTR develops list of recommended projects and consults with CASTA regarding the proposed selections DTR Director approves awards	Mid-January 2021
	DTR issues Award Letters for selected projects Subrecipients review and accept or decline awards DTR creates awards in COTRAMS; DTR and Regions work with subrecipients to draft statements of work	Early February 2021
Budgeting and Programming	TIP / STIP policy amendments CDOT Business Offices creates project budgets Scope of work drafting, negotiations with local agencies initiated by DTR, Regions	Mar-Apr 2021
	DTR and Regions finalize subaward agreements/IGAs.	May-Sept 2021



Subaward Agreements		
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PART 13 Additional Guidance for Settlement Program

What are the Settlement Funds?

An automobile manufacturer has agreed to settle allegations that it violated the federal Clean Air Act by selling vehicles that emit more air pollution than the Clean Air Act allows, and by falsifying federal emission tests to hide the excess pollution. Because the affected vehicles exceed emission limits for a pollutant that harms public health and forms ozone or smog, the manufacturer has agreed to place funds in a national trust fund, referred to hereinafter as the Trust funds, that can be used for a variety of purchases intended to mitigate those harmful pollutants.

States have been awarded Trust funds. CDOT DTR expects to receive, over a period of about five years, approximately \$30 million (roughly 43% of the State’s total funds). In the first year of the Settlement Program, eligibility for CNG and propane vehicles were included, however in February 2019 Governor Polis issued Executive Order B 2019-002 directing the state agencies managing the Trust funds to direct all remaining dollars to zero-emission vehicle replacements (i.e. electric, hydrogen, or CNG vehicles fueled by Renewable Natural Gas) rather than other alternative-fuel types. In Colorado, for improved efficiency, funding will flow through existing programs. DTR will use Trust funds for replacement of diesel-fuel buses with alternative-fuel buses in its Settlement Transit Bus Replacement Program (Settlement Program) Funds will be awarded statewide without any geographic targets or quotas, though CDOT will attempt to achieve some equitable geographic distribution.

What kinds of projects are eligible?

Settlement Program funds are intended for the direct replacement of passenger transit vehicles that are diesel fueled and Class 4 or higher (over 14,000 pounds). The funds can be used for the purchase of alt-fuel rolling stock. Settlement Program funds cannot be used for the replacement of existing alt-fuel rolling stock, since that would not produce an air quality improvement, and cannot be used to purchase hybrid vehicles, though alt-fuel vehicles may be awarded to **replace** existing hybrid diesel vehicles.

CDOT will use Settlement Program funds only for the **incremental** cost of an alt-fuel vehicle. That is, for example, for the purchase of a 40-foot coach, Settlement Program funds can be used for the cost exceeding the normal cost of a diesel-fueled 40-foot coach (the equivalent vehicle). However, applicants for Settlement Program funds can request federal or state funds in their CCCP application to cover the cost equivalent of a diesel-fueled vehicle—though CDOT is not guaranteeing the award of such funds.



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In the current round of the Settlement Program, only battery electric, hydrogen fuel cell, and CNG buses fueled by renewable natural gas (RNG) are eligible to replace a diesel-fueled bus. The applicant must provide proof that the CNG bus requested will be fueled using RNG. This verification may take the form of an RNG purchasing agreement or some other mutually-determined documentation considered acceptable by CDOT DTR.

Other eligibility criteria include:

- Only engine model year 2009 or older, Class 4-8 diesel, or hybrid diesel transit vehicles may be replaced.
- Public, private, for-profit, and nonprofit fleets are eligible so long as they meet all applicable eligibility requirements.
- Following acceptance of the replacement alt-fuel vehicle, the vehicle identified for replacement must be scrapped (i.e., the vehicle's frame rails must be cut completely in half and a 3-inch hole must be cut in the engine block) for each new alt-fuel vehicle receiving Settlement Program funding. CDOT must be given the opportunity to witness the scrapping procedure or given other acceptable evidence of such.
- Vehicles identified for replacement must be drivable and must have been registered, insured, and operated in Colorado for the previous two years (to ensure that the program achieves real emission reductions and to prevent abuse). CDOT may request evidence of the vehicle's maintenance records as proof of this.
- The Settlement Program is limited to new vehicle replacements and cannot be used to fund engine repowers of used vehicles or for non-OEM conversion kits. Repowers of new OEM vehicles by certified modifiers that occur prior to initial delivery to the transit agency will be considered on a case by case basis.
- If Settlement Program funds are awarded for a new electric bus or buses, charging equipment associated with that bus or buses may also receive Settlement Program funds, in an amount not to exceed \$100,000 per vehicle, with no local match required. The funds can be used for the charging equipment as well as reasonable costs associated with installing that equipment, such as underground utility work, building modifications to accommodate the equipment, etc. Applicants are strongly encouraged to work with their electric utilities during the project planning stage to determine likely infrastructure needs and whether any utility programs are available to offset project costs.
- Settlement Program funds cannot fund CNG- or hydrogen-fueling infrastructure, though there are other state grant programs that may be available for these project types depending on the specifics.

How will CDOT DTR award the Settlement funds?

DTR will use a combination of existing funds and Settlement Program funds to incentivize the purchase of alt-fuel rolling stock. DTR will fund 110% of the incremental cost of new alt-fuel rolling stock and **may** also fund 80% of the cost of an equivalent diesel-fueled vehicle with



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CDOT-administered federal or state funds. By providing 110% of the incremental cost, CDOT is essentially reducing the local match amount that would have been required for the equivalent diesel-fueled vehicle award. However, as pointed out above, CDOT cannot guarantee that it will award both Settlement Program and the equivalent diesel-fueled vehicle funding. See the tables below for examples.

There are three basic funding scenarios, as outlined below that could occur with this mix of federal/state and Settlement Program funds:

- A. An applicant requests and receives both Settlement Program funding for the alt-fuel vehicle(s) and federal or state funding for the equivalent “base” vehicle amounts.
- B. An applicant requests and receives Settlement Program funding for the alt-fuel vehicle(s) but does not receive federal or state funding for the equivalent “base” vehicle(s) requested--or which may not have been requested in the first place.
- C. An applicant requests both Settlement Program funding for the alt-fuel vehicle(s) and federal or state funding for the equivalent “base” vehicle amounts but is only awarded federal or state funding for the equivalent “base” vehicle amount. In such a case, the applicant can either decline the award, proceed with purchasing a diesel-fueled vehicle, or use other funding to pay for the incremental cost of an alt-fuel vehicle.

It will be important for applicants to respond to questions in the application regarding how they would proceed if some of these scenarios were to result.

The two tables below illustrate the first two scenarios and calculations showing the potential amount of awarded Settlement Program funds and the resulting local share for RNG and electric battery vehicles. In each scenario, the equivalent 40-foot diesel-fueled bus is estimated to cost \$500,000, an RNG-fueled bus is estimated to cost \$600,000, a battery electric bus is estimated to cost \$800,000, and the battery electric bus charging equipment is estimated to cost \$80,000.

For any questions regarding the Settlement Program please contact Michael King at (303) 757-9997 or michael.king@state.co.us.

Table A: Settlement Program Funding Examples with State or Federal Award

	RNG Bus		Electric Bus and Charging Equipment	
Total Alt Fuel vehicle cost	\$600,000 RNG bus cost	\$600,000	\$800,000 electric bus cost	\$800,000



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Electric charging cost	N/A		Electric charging equipment \$80,000	\$80,000
Equivalent vehicle cost	Estimated diesel- fueled 40-ft bus cost of \$500,000		Estimated diesel- fueled 40-ft bus cost of \$500,000	
Federal/ State award for “base” equivalent vehicle	\$500,000 times 80% Federal/State share = \$400,000		\$500,000 times 80% Federal/State share = \$400,000	
Settlement award	Incremental bus cost (\$600,000 minus \$500,000) times 110% = \$110,000		Incremental bus cost (\$800,000 minus \$500,000) times 110% = \$330,000, plus 100% of \$80,000 charging cost = \$410,000	
Total CDOT awards	Federal/State award \$400,000 plus Settlement award \$110,000 = \$510,000	\$510,000	Federal/State award \$400,000 plus Settlement award \$410,000 = \$920,000	\$810,000
Applicant local share	Alt Fuel vehicle cost \$600,000 minus Total Awards \$510,000 = \$90,000	\$90,000	Alt Fuel vehicle cost \$800,000 plus charging cost \$80,000 minus Total Awards \$810,000 = \$70,000	\$70,000

Table B: Settlement Program Funding Examples without State or Federal Award

	CNG Bus Funding		Electric Bus and Charging Equipment	
Alt Fuel vehicle cost	\$600,000 RNG bus cost	\$600,000	\$800,000 electric bus cost	\$800,000
Electric charging cost	N/A		Electric charging equipment \$80,000	\$80,000



Equivalent vehicle cost	Estimated diesel- fueled 40-ft bus cost of \$500,000		Estimated diesel- fueled 40-ft bus cost of \$500,000	
Federal/ State award	N/A	\$ -	N/A	\$ -
Settlement award	Incremental bus cost (\$600,000 minus \$500,000) times 110% = \$110,000	\$110,000	Incremental bus cost (\$800,000 minus \$500,000) times 110% = \$330,000, plus 100% of \$80,000 charging cost = \$410,000	\$410,000
Applicant local share	Alt Fuel vehicle cost \$600,000 minus Total Awards \$110,000 = \$490,000	\$490,000	Alt Fuel vehicle cost \$800,000 plus charging cost \$80,000 minus Total Awards \$410,000 = \$470,000	\$470,000

Evaluation Criteria

As with other replacement vehicle requests, age, mileage, and condition will be key factors in evaluating applications. However, another important part of the review of applications will be the applicant’s demonstrated capacity to implement and operate alt-fuel vehicles within their fleet, particularly if it is for an electric bus. For example, applicants will be asked to describe their long-term alt-fuel vehicle plan and timeline for implementation, their agency’s operational considerations, plans for power delivery, the agency’s related financial plan, and other pertinent planning activities. It will be important for those who propose to use electric vehicles for the first time to address the issue of demand charges, electricity costs, the potential for necessary facility upgrades, and other factors not related to the rolling stock itself in order to demonstrate a full understanding of the broader transition needed for successful implementation.