



**2024**  
**Notice of Funding Availability and Guidance**  
**for Capital Projects**

March 4th, 2024

**PART 1 Overview**

**Introduction**

The Colorado Department of Transportation (CDOT) Division of Transit and Rail (DTR) is issuing a Notice of Funding Availability (NOFA), and calling for **Capital transit projects that would be initiated in calendar year 2024 and completed within approximately one to three years**, for the following Federal Transit Administration (FTA), State transit grant programs, and Clean Transit Enterprise (CTE) grant program:

- FTA 5310 Enhanced Mobility of Seniors and Individuals with Disabilities Program (49 U.S.C 5310)
- FTA 5311 Rural Area Formula Program (49 U.S.C. 5311)
- FTA-5339 Bus and Bus Facilities Program (49 U.S.C .5339)
- State FASTER Transit funds
- Settlement Program funds
- CTE Vehicle Program
- CTE Infrastructure Program
- CTE Facilities Program

The NOFA and corresponding materials describe the available funding programs, applicant and project eligibility, local match requirements, application preparation and submission guidelines, evaluation criteria, DTR application review process, and the schedule for this call for projects.

**Application Schedule**

All applications are due to DTR via submission in **COTRAMS**, DTR’s online award management system, by **11:59 p.m.** on May 3, 2024. **Late applications will not be accepted or considered for funding.**

**Table 1: Application Schedule for 2024 Capital Call for Projects.**

<b>Application Types</b>	<b>Application Start Date</b>	<b>Application Due Date</b>
Capital and CTE Zero-Emission VehicleApplications	03/04/2024	05/03/2024

\* Capital application training dates will be announced during the Transit Monthly Call.

## Pre-Application Completion & COTRAMS Access

Each applicant must complete and submit one Pre-Application Agency Update form and update your Capital Inventory records in **COTRAMS** prior to submitting an application. **You will be unable to submit an application until this step is completed.**

If your agency has never received transit funds from DTR, or has not received transit funds in the last three (3) years, you will need to complete and submit a **New Applicant Questionnaire** to Audrey Dakan at [audrey.dakan@state.co.us](mailto:audrey.dakan@state.co.us). Please submit the questionnaire **no later than 11:59 p.m. on Friday, April 5, 2024**, regardless of your project type. The questionnaire, in MS Word format, is included with this NOFA. This questionnaire is intended to determine an agency's eligibility for Federal or State funding and ability to meet DTR's threshold criteria for managing funds. If it is determined your agency is eligible and meets the threshold criteria, you will be given a COTRAMS user ID and password so you can submit your application(s). The **COTRAMS Community User Manual Version 4** helps to answer many questions concerning COTRAMS. You can also reach out to **Audrey Dakan** with COTRAMS questions.

If you have forgotten your COTRAMS user ID and/or password or need any help accessing COTRAMS, contact **Audrey Dakan** immediately to reset your login credentials.

## Award & Contracting Schedule

Following is the schedule DTR will generally adhere to for this Call for Projects.

**Table 2: Award and Contracting Schedule for 2024 Capital Call for Projects.**

Phase	Application/Evaluation/Selection Milestone	Date
Notice of Funding Availability	<ul style="list-style-type: none"><li>● Call for projects officially broadcast by DTR</li></ul>	March 4th, 2024
New Applicants	<ul style="list-style-type: none"><li>● New Applicant Questionnaire</li></ul>	April 5th, 2024
Application Due Date	<ul style="list-style-type: none"><li>● Applications due to DTR via COTRAMS</li></ul>	May 3rd, 2024
Review, Scoring, & Selection	<ul style="list-style-type: none"><li>● Initial application screening by DTR (for subrecipient eligibility and threshold criteria/project eligibility)</li><li>● Applications evaluated by review committee(s)</li><li>● Review committee(s) complete scoring and prepare recommended projects lists; final scores and recommendations submitted to DTR Director for approval</li><li>● CTE Board reviews and approves CTE grant awards</li></ul>	May 2024 and June 2024
Award Discussion & Approval	<ul style="list-style-type: none"><li>● DTR issues Award Offer Letters for selected projects. Agencies review and accept or decline awards in COTRAMS</li><li>● DTR creates Awards in COTRAMS and works with subrecipients to begin developing Scope of Work</li></ul>	July 2024

Budgeting & Programming	<ul style="list-style-type: none"> <li>● TIP &amp; STIP amendments processed by MPOs and CDOT</li> <li>● CDOT creates budgets in SAP and COTRAMS</li> </ul>	August 2024
Statement of Work	<ul style="list-style-type: none"> <li>● Statement of Work (SOW) is developed and finalized</li> </ul>	August 2024
Grant Contract Development	<ul style="list-style-type: none"> <li>● DTR submits SOW and other other supplemental materials for grant award contracting</li> </ul>	September 2024
Subaward/Grant Agreements	<ul style="list-style-type: none"> <li>● CDOT Procurement and Contract Services Center prepares and finalizes subaward/grant agreements</li> <li>● DocuSign packages circulated for signatures</li> </ul>	October 2024
Grant Execution	<ul style="list-style-type: none"> <li>● Subaward/grant agreements are executed by CDOT and subrecipients</li> <li>● DTR executes the COTRAMS Project Budgets, making project funds available</li> </ul>	November 2024

### Selection Methodology

In order to fairly evaluate all applications, DTR will convene Inter-Agency Evaluation Committees (IAEC) to provide input to the process. The IAEC may consist of representatives from other CDOT Divisions, such as the Civil Rights Office and the Division of Transportation Development; other State agencies, such as the Colorado Energy Office (CEO) and Colorado Department of Public Health & Environment (CDPHE); as well as staff from within DTR.

For FTA applications, a recommended project list will be presented to the DTR Director for approval. For CTE applications, a recommended project list will be presented to the board of the CTE for approval. After approval, DTR will issue Proposed Awards/Award Offer Letters for selected projects in COTRAMS to the agencies for review and acceptance. Once all Proposed Awards/Award Offer Letters are accepted and returned to DTR, DTR will publicize the project list to all applicants and take all steps necessary to set up and budget the projects in COTRAMS. Then, DTR will begin scoping and contract negotiations with the awarded agencies.

## Contact List

**Table 3: Primary Contacts for 2024 Capital Call for Projects.**

<b>Name</b>	<b>Title</b>	<b>Type of Question</b>	<b>Email</b>
Paul DesRocher	DTR Director		<a href="mailto:paul.desrocher@state.co.us">paul.desrocher@state.co.us</a>
Shilpa Kulkarni	Transit Capital Specialist	All Capital project related questions	<a href="mailto:shilpa.kulkarni@state.co.us">shilpa.kulkarni@state.co.us</a>
Audrey Dakan	Transit Asset & COTRAMS Manager	COTRAMS related questions	<a href="mailto:audrey.dakan@state.co.us">audrey.dakan@state.co.us</a>
Mike King	Asst. Director of Electrification & Energy	CTE Grant related questions	<a href="mailto:michael.king@state.co.us">michael.king@state.co.us</a>
Jun Arcilla	DBE Program Manager	DBE Program related questions	<a href="mailto:jun.arcilla@state.co.us">jun.arcilla@state.co.us</a>
Ann Beauvais	CDOT Contractor - DTR Vehicle Master Price Agreements	All vehicle type funding and procurement related questions	<a href="mailto:ann@raeconsultants.com">ann@raeconsultants.com</a>

## PART 2 Definitions

1. Acquisition vehicle: For the purpose of the Settlement Program, the specific zero-emission bus(es) identified to replace the qualifying vehicle(s) of size, capacity, and class. This definition includes only battery electric buses, hydrogen fuel cell-powered buses, and compressed natural gas (CNG) buses that are fueled using renewable natural gas (RNG).
2. 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.
3. Clean Transit Enterprise: An organization within CDOT developed to support Colorado's transit electrification through planning efforts, transit site upgrades, procurement of electric transit buses, and deployment of associated charging infrastructure.
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 Super Call, this definition refers to the 2019 BMP.
5. COTRAMS: The Colorado Transit and Rail Awards Management System (aka COTRAMS) is DTR's cloud-based grant management system. It is designed to be the hub where transit agencies come to do business with DTR.
6. Coordinated Public Transit-Human Service Transportation Plan (Coordinated Plan): A locally developed, coordinated transportation plan that identifies the transportation needs of individuals with disabilities, seniors, and people with low incomes; provides strategies for meeting those needs; and prioritizes transportation services for funding and implementation.
7. Closed Door Service: 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.
8. 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.
9. Expansion vehicle: Rolling stock acquired to add to the agency's existing revenue service fleet, where the acquired rolling stock expands the agency's fleet and/or service.
10. Incremental Cost: The difference between the cost of a zero-emission 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.
11. Intelligent Transportation Systems (ITS): The use of electronics, communications, or information processing as a single component or in combination to improve efficiency or safety of a transit or highway system.
12. Large Urbanized Area (Large UZA): Census-designated area with a population over 200,000.
13. Metropolitan Planning Organization (MPO): The policy board of an organization created and designated to carry out the metropolitan transportation planning process. MPOs are required to

represent localities in all urbanized areas (UZAs) with populations over 50,000, as determined by the U.S. Census.

14. Minimum Useful Life (MUL): The minimum number of years or miles transit vehicles must be in service before they can be retired, determined by years or miles accumulated in active revenue service. This point assumes that most vehicles still have additional years of useful and cost-effective services but that most of the asset's value has been consumed.
15. Net Operating expenses: Those expenses that remain after the provider subtracts operation revenues from eligible operation expenses. Farebox revenue is the one of the most common operating revenues.
16. 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.
17. Open Door Specialized Transportation: Service available to any elderly or disabled person in need and not limited to a particular clientele or facility.
18. Operating expenses: Those costs necessary to operate and maintain a public transportation system. Operating expenses usually include such costs as salaries, benefits, fuel, and items having a useful life of less than one year.
19. Preventive maintenance: 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.
20. 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 (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.
21. Replacement vehicle: Rolling stock acquired to replace existing rolling stock, where the existing rolling stock is replaced and removed from the agency's revenue service fleet, or is converted to a spare vehicle.
22. Revenue service vehicle: Rolling stock used in the provision of transit service to passengers.
23. Rolling Stock: Buses, cutaways, vans, minivans, train cars, gondola cabins, SUVs, automobiles, trucks, or other passenger vehicles.
24. Rural Area (also called non-urbanized area): Census-designated area with a population under 50,000.
25. Settlement Program: CDOT's Settlement Transit Bus Replacement Program for zero-emission vehicles, as defined in the BMP.

26. Small Urbanized Area (Small UZA or Small Urban): Census-designated area with a population between 50,000 and 200,000 (e.g. the Boulder, Lafayette-Louisville-Erie, Longmont, Pueblo, Greeley, and Grand Junction Urbanized Areas).
27. 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.
28. 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.
29. Special considerations: For applications for replacement vehicles, a request for special considerations can be made to retire a vehicle early (i.e., when a vehicle has not accumulated the minimum years or miles in active revenue service for that particular vehicle type). Special considerations of this type include unexpected declines in vehicle condition, high maintenance costs, damage beyond repair, operating conditions, or other relevant factors indicating a need for replacement before MUL has been met. See Scenario 3, for Replacement of Revenue Vehicles, in FTA-5310, 5311, 5339, FASTER and SB228 Capital Projects Evaluation Criteria, under PART 9 below.
30. Statewide Transportation Improvement Program (STIP): Each state is required under 49 U.S.C. 5304(g) to develop a statewide transportation improvement program (STIP) covering a period of at least four years. The STIP is a staged, multi-year, statewide intermodal program of transportation projects, consistent with the statewide transportation plan and planning processes as well as metropolitan plans, transportation improvement programs (TIPs), and planning processes. The STIP must be developed in cooperation with the metropolitan planning organizations (MPOs), public transit providers, and any Regional Transportation Planning Organizations (RTPO) in the state, and must be compatible with the TIPs for the state's metropolitan areas.
31. Support Vehicle (Non-Revenue Service 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.
32. Transportation Improvement Program (TIP): A list of upcoming transportation projects developed by each MPO—covering a period of at least four years. The TIP must be developed in cooperation with the state and public transit providers. The TIP should include capital and non-capital surface transportation projects, bicycle and pedestrian facilities and other transportation enhancements, Federal Lands Highway projects, and safety projects included in the State's Strategic Highway Safety Plan.
33. 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.
34. Unified Planning Work Program (UPWP): An annual or biennial statement of work identifying the planning priorities and activities to be carried out within a metropolitan planning area. At a

minimum, a UPWP includes a description of the planning work and resulting products, who will perform the work, time frames for completing the work, the cost of the work, and the source(s) of funds. **Metropolitan Planning Organizations** (MPOs) are required to develop UPWPs to govern work programs for the expenditure of FHWA and FTA planning funds.

35. Vehicle or Rolling Stock Overhaul: Systematic replacement or upgrade of systems whose useful life is less than the useful life of the entire vehicle. Overhaul is an eligible capital expense and is performed as a planned preventive maintenance activity. Overhaul is intended to enable the rolling stock to perform to the end of the original 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.
36. Zero-Emission rolling stock: For the purpose of the Settlement Program and the Zero-Emission Vehicle Transition Planning funds, this includes vehicles fueled by electric battery, hydrogen fuel cell, and compressed natural gas (CNG) from renewable sources, i.e. Renewable Natural Gas (RNG).
37. Zero-Emission Vehicle (ZEV): A vehicle that produces no *tailpipe* emissions, such as a battery electric vehicle or hydrogen fuel cell vehicle. For the purposes of the Settlement Program and OIM ZEV Transition Planning programs, compressed natural gas (CNG) vehicles fueled exclusively with renewable natural gas (RNG) are sometimes eligible under certain specific conditions.



### PART 3 Available Funding and Program Descriptions

**Table 4: Available Funding Programs for 2024 Capital Call for Projects**

Funding Program	Amount Available*
FTA 5339: Formula Program: Bus and Bus Facilities Rural (all areas outside of urban areas)	\$3,925,000.00
FTA 5339: Formula Program: Bus and Bus Facilities Small Urban (Boulder, Castle Rock, Grand Junction, Greeley, Longmont, Lafayette/Louisville/Erie, and Pueblo SUZAs)	\$1,300,000.00
FTA 5310: Enhanced Mobility of Seniors and Individuals with Disabilities Program Rural (all areas outside of urban areas)	\$111,115.00
FTA 5310: Enhanced Mobility of Seniors and Individuals with Disabilities Program Small Urban (Boulder, Castle Rock, Grand Junction, Greeley, Longmont, Lafayette/Louisville/Erie, and Pueblo SUZAs)	\$457,000.00
FTA 5311: Formula Grants for Rural Areas Program (all areas outside of urban areas)	\$6,570,000.00
FASTER Transit funds (Rural Assistance - Fleet)	\$4,100,000.00
FASTER (Urban Set Aside Capital Fleet)	\$3,900,000.00
Settlement Program funds	\$16,800,000.00
CTE Grant Fund	\$15,000,000.00
<b>TOTAL</b>	<b>\$52,663,115.00</b>

\*FTA funding levels are estimations based on FFY2024 FTA apportionments and are subject to actual allocation and budgeting. Additionally, CDOT reserves the right to award less than the amounts listed in this table based on application evaluation outcomes.

#### FTA-5339 Program

FTA Section 5339 is a formula program that provides capital funds to designated recipients in large, urbanized areas (UZAs) and to states for the purpose of financing capital bus and bus related projects that will support the continuation and expansion of public transportation services.

CDOT manages 5339 capital funds only for rural and small urbanized areas. FTA 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. These FTA-5307 designated recipients are RTD, Transfort and MMT.

#### FTA 5310 Program Description

FTA Section 5310 is a formula program that provides capital and operating assistance to states and designated recipients for services designed to improve mobility and meet the needs of seniors and persons with disabilities. Projects funded through this program must be targeted toward meeting the transportation needs of seniors and individuals with disabilities, although 5310-funded services may be used by the general public on an incidental basis. However, it is **not sufficient** that seniors and

individuals with disabilities are included or assumed to be included among the people who will benefit from the project.

FTA 5310 funds are made available in three separate population categories: rural, small urban, and large urban. DTR only administers funds for rural and small urbanized areas. 5310 funds for large urbanized areas are administered by the MPOs/COGs.

5310 program legislation requires that at least 55 percent of 5310 funds be available for “traditional” Section 5310 projects (i.e., capital purchases and mobility management), while the remaining 45 percent can be used for other capital and operating projects that were previously associated with the New Freedom program.

The 5310 program also requires that projects funded through the program must be included in a coordinated public transit-human service transportation plan (coordinated plan).

### **FTA 5311 Program Description**

FTA Section 5311 is a formula program that provides capital, planning, and administrative and operating assistance to states to support public transportation in rural areas with populations less than 50,000.

### **Settlement Program**

The Settlement Program was established as a result of the national Volkswagen Settlement designed to offset the impacts of a diesel emissions cheating scandal. In Colorado, a portion of the funds received by the state are available to fund the direct replacement of pre-2009 Class 4-8 conventionally powered transit vehicles with new zero-emission transit vehicles - specifically battery electric, hydrogen fuel cell, or compressed natural gas (CNG) vehicles fueled by renewable natural gas (RNG). Funds may also be awarded for the purchase and installation of charging infrastructure necessary to support awarded ZEVs.

### **CTE Grant Fund Description**

The Clean Transit Enterprise (CTE) Vehicle Program funds the purchase or acquisition of zero-emission transit vehicles, the CTE Infrastructure Program supports the purchase and installation of charging and/or fueling infrastructure to support transit ZEVs, and the CTE Facilities Program supports the modification or upgrade of existing transit facilities to make them safe and suitable for ZEV deployments.

## PART 4 Subrecipient Eligibility

### FTA-5339 Subrecipient Eligibility

Eligible applicants are public agencies or private nonprofit organizations engaged in public transportation, including those providing services open to a segment of the general public, as defined by age, disability, or low income. Applicants must also certify that they have established and implemented a drug and alcohol testing program in accordance with the conditions of FTA-5339 funding. See 49 CFR Part 40 and Part 655.

Eligible applicants must meet a variety of eligibility criteria, including:

- Operate a demand response or fixed route service in rural or small urbanized areas of Colorado, clearly promoting either service as open to the public.
- Sign annual Certifications & Assurances, certifying compliance with all applicable federal and state regulations.
- Comply with federal drug & alcohol testing regulations and annual reporting requirements.
- Create and/or maintain the following documents:
  - Title VI plan
  - LEP plan
  - Asset management plan
  - Service plan
  - ADA plan
  - DOL
  - Drug & Alcohol policies and procedures
  - Procurement policies and procedures

### FTA 5310 Subrecipient Eligibility

Eligible subrecipients of FTA Section 5310 funds are as follows:

**a. “Traditional” 5310 funds (e.g., Mobility Management and Capital projects)**

- A private non-profit organization directly providing transportation services.
- A local public body approved by the State (CDOT) to coordinate services for seniors and individuals with disabilities. This approval must be requested in advance and should demonstrate how the public body is coordinating with others in its area.

**OR**

A local public body certifying that it serves a region where no non-profit organization is available. Public bodies must seek this certification prior to applying and must demonstrate due diligence in attempting to identify any local private nonprofit entity that is or might be interested in providing services for seniors and individuals with disabilities.

**b. “Non-Traditional” Other 5310 funds (e.g., Operating projects):**

- A private non-profit organization.
- A state or local governmental authority.
- An operator of public transportation that receives a Section 5310 award indirectly through a recipient.

For this call, only agencies in rural and certain small urban areas are eligible for pass-through 5310 funds from DTR. See PART 3 for more information.

**FTA 5311 Subrecipient Eligibility**

Eligible subrecipients of FTA Section 5311 funds include federally recognized Indian Tribes, or local government authorities, nonprofit organizations, and operators of public transportation. **Intercity bus service providers who seek 5311(f) funds will need to work with the DTR Bus Operations Team on project selection.**

Eligible subrecipients must also meet the following additional criteria:

- Operate a demand response and/or fixed-route service in rural areas of Colorado, clearly promoting the service as open to the public;
- Sign annual **Certifications & Assurances**, certifying compliance with all applicable federal and state regulations;
- Comply with federal drug & alcohol testing regulations and annual reporting requirements; and
- Create and/or maintain the following documents/policies/procedures:
  - Title VI plan
  - Limited English Proficiency (LEP) plan
  - Asset management plan
  - Service plan
  - Americans with Disabilities Act (ADA) plan
  - Department of Labor (DOL) policies and procedures
  - Drug & Alcohol policies and procedures
  - Procurement policies and procedures

**FASTER Subrecipient Eligibility**

Eligible applicants of local competitive State FASTER funding assistance are local public and private nonprofit entities, as well as tribal governments, that offer public transportation or open-door specialized transportation.

For the purposes of this Super Call, \$3.9M is made available as a set-aside for the state’s three large urbanized areas, with funds going to the three designated recipients in each, as follows: \$3M to RTD in Denver, \$700K to MMT in Colorado Springs and \$200K to Transfort in Fort Collins. \$4.1M is made available statewide on a competitive basis; the designated recipients in the three large urbanized areas are not eligible to apply for the statewide competitive funds because they are guaranteed the set-aside funds, just as they are guaranteed a formula amount under FTA 5339 and FTA 5307.

It should be noted that included within these three large urban areas are the cities of Manitou Springs, Fountain, Loveland, most of Berthoud, Timnath, Windsor, and Denver’s suburbs that lie within the large urbanized area. Providers of open door specialized transportation in the large urbanized areas of

Colorado Springs and Fort Collins are eligible to compete for FASTER funds; however, providers of such services in the Denver large urbanized area are not eligible for FASTER in this call for projects, since those funds are made available instead in a separate HST/FASTER call conducted by DRCOG; specialized operators in the Denver large urbanized area are eligible for Senate Bill 228 funds.

### Settlement Program Subrecipient Eligibility

Eligible applicants include local public agencies, private nonprofit entities, and tribal governments that provide public transit service and/or specialized transportation service, but only for the replacement of pre-2009 Class 4-8 conventionally-fueled transit vehicles.

### CTE Grant Fund Subrecipient Eligibility

Eligible subrecipients of CTE Vehicle, Infrastructure, and Facilities Program funds include local public agencies, private nonprofit entities, and tribal governments that provide public transit service and/or specialized transportation service.

### Program Eligibility Determination

DTR staff do not expect applicants to know which of the many funding programs might be the most appropriate for them. Therefore, DTR will use a variety of eligibility guidelines to determine the appropriate funding source(s) for each applicant and project. However, applicants can state their preference for (or against) a certain source(s) for a particular project in their application.

DTR will largely determine the eligibility of each 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 selected projects from any of the programs for which an applicant is eligible and under which a particular project is eligible, subject to funding availability and project scoring.

In considering program eligibility, DTR 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 an applicant or project serves **more than one** of the three areas, be sure to describe that in the application. DTR 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 or project serves **more than one** of the three service populations, be sure to describe that in the application. Providing this vital information in the Project Information section of the application will greatly assist DTR.

Applicants must be prepared to take full responsibility for carrying out the proposed project. Project sponsorship cannot later be transferred or reassigned to another agency **without prior written approval from DTR**. DTR encourages agencies to collaborate and select the most appropriate applicant agency prior to submitting an application and **not** assume that DTR will approve any project sponsorship change.

## PART 5 Project Eligibility

FTA and State Funds may be used for any items defined as a capital asset by the FTA (currently defined as items costing more than \$5,000 and with a useful life of more than one year). However, CDOT will not accept requests for funding office-related furnishings and administrative staff vehicles, nor for the leasing of capital assets or administrative expenses related to a capital purchase. Eligible work elements or activities for capital assets, include, but are not limited to, the purchase, acquisition, or construction of:

- Revenue service vehicles;
- Vehicle rehabilitation or rebuild;
- Preventive maintenance or vehicle overhaul;
- Design or construction of transit stations, transfer facilities, bus storage and/or maintenance facilities, and other transit facilities;
- Design or construction of multimodal facilities, such as facilities that accommodate some combination of services of multi-regional or statewide significance, such as regional bus service, Amtrak, and Greyhound/intercity bus service;
- Design or construction of park-and-ride facility construction, renovation or improvements;
- Technology improvements that enable enhanced transit services, including signal prioritization and Intelligent Transportation Systems (ITS);
- Technology improvements that significantly improve the coordination of human services transportation by means of mobility management tools, such as call centers;
- Wayfinding signage between modes (e.g., signage for intermodal facilities, intercity bus stations, Amtrak, park-and-rides, etc.);
- HOV, HOT, queue jump, and bus pull-out lanes, Bus Rapid Transit projects, and bus lanes;
- Bike racks, lockers, bike parking, e-scooter docking, or other micro-mobility elements at multimodal stations;
- Enhanced modal connections, such as trails, sidewalks and bike lanes leading to major transit stations, provided they have a transit connection and enhance transit ridership;
- Design/engineering and environmental studies, including preliminary or final plans; and
- Support vehicles, including trucks used in maintenance response and towing, but excluding automobiles used by staff.

**PLEASE NOTE:** If you are going to apply for a vehicle type that is offered on one of CDOT's DTR Master Price Agreements (either for an ADA Accessible Ford Transit Van or ADA Accessible BOC- Cutaway Bus, it is a requirement to contact Ann Beauvais from RAE Consultants, Inc. at 719-447-7623 or [ann@raeconsultants.com](mailto:ann@raeconsultants.com) to determine a vehicle cost estimate for your application. For more information and to view available vehicle types on contract, see Part 11: CDOT Price Agreement.

If the vehicle type the applicant is seeking is not listed on one of the CDOT DTR Master Vehicle Price Agreements ( such as ADA accessible minivans, ADA accessible electric vehicles, and heavy-duty buses), it is strongly recommended that you contact Ms. Beauvais to prevent misalignment between the funding requested/awarded and the actual price of your vehicle(s) at the point of purchase. Ms. Beauvais can also provide information on available FTA and State of Colorado compliant procurement and purchasing methods to help provide additional technical assistance to applicants for vehicle types not on the Master Price Agreements.

### **Pre-Award Authority**

Pre-award authority will apply to vehicle replacement/expansion projects, as long as no State funds are used in the project funding. For more information on pre-award authority and subrecipient needs, reach out to DTR's Transit Capital Specialist, **Shilpa Kulkarni**.

### **Settlement Projects**

Projects are limited to the direct replacement of pre-2009 passenger transit vehicles that are conventionally-fueled and Class 4 to Class 8 (over 14,000 pounds) with a zero-emission (electric, hydrogen, or RNG) vehicle. Also eligible is charging equipment associated with that vehicle(s), as well as reasonable costs associated with installing that equipment. Further details on eligibility are included in PART 10 below.

### **CTE Grant Fund Eligibility**

Eligible CTE Vehicle Program projects include the purchase or acquisition of new zero-emission transit vehicles powered by battery electric, hydrogen fuel cell, or (in certain circumstances) renewable natural gas (RNG) powertrains. Eligible CTE Infrastructure Program projects can include the purchase and installation of charging and/or fueling systems required to operate transit ZEVs . Eligible CTE Facilities Program projects include efforts to modify or upgrade existing transit facilities to support the safe and efficient operation of transit ZEVs. Further details on eligibility are included in PART 10 below.

## PART 6 Local Match

All projects funded through the programs in this Call for Projects require some form of local match. The required local match percentage for each project type, based on total project costs, is described in Table 5.

**Table 5: Federal/State and Local Match Percentages for 2024 Capital Call for Projects.**

Funding Program & Project Type	Federal/State Match	Local Match
FTA 5339	80%	20%
FTA 5310	80%	20%
FTA 5311	80%	20%
FASTER	80%	20%
Settlement Program	up to 110%*	0%
CTE Vehicles Program	up to 100%*	0%
CTE Infrastructure Program	80%	20%
CTE Facilities Program	50%	50%

\*Match for Settlement and CTE Vehicles programs is expressed as a percentage of the *incremental cost* rather than the total vehicle cost. If both grants are combined then CDOT will cap the award at less than 100% of total project cost to ensure that local match is contributed.

Local match can come from many sources, including state or local appropriations, 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 consist of any non-USDOT federal funds, such as Medicaid, Older Americans Act funding, or other funds that may be used for transportation; local tax revenues; local general operating funds; donations; or in-kind goods and services.

Local match may only be used once; e.g., the same Older Americans Act funds may not be used for a 5311 grant application and a 5310 grant application. Local entities may choose to overmatch, meaning their portion of the total project budget may exceed 20 percent for capital projects.

DTR requires written letters of support and commitment from **partners** in a project that will need to make 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).

### **Local Match – Cash**

Local match for planning projects must be in cash, unless otherwise specified.

### **Local Match Waiver for Federally-Funded Projects – Toll Credits**

It is CDOT’s intention and discretion that Toll Credits can be used as a local match waiver for federal funds only in situations where worthy projects cannot proceed without the additional 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 services and describe their financial hardship in the application(s).



### **Local Match Relief for Clean Transit Enterprise (CTE) Funded Projects**

Upon request and at the CTE Board's discretion, a local match waiver or relief may be approved for CTE-funded projects for economically depressed agencies due to financial hardship. Applicants will have an opportunity to explain and justify how essential and critical the project is to their transit services and describe their financial hardship in the application(s).

## PART 7 Application Process

### All Applications

Applications must be submitted electronically through **COTRAMS** on or before 11:59 p.m. on the due date described in PART 1 above. Applications are available on your Home page under “Tasks Pending Action”.

In order for an applicant to have a good application, they should go through a preparation phase for each application. This phase should consist of the following steps:

- One application must be submitted for each project
- Clearly identify the project – be sure that you have a clear understanding of what your project needs to accomplish and develop the narrative that explains it
- Develop a clear and concise budget – ensure that you are identifying all elements of this project’s budget, including your local match
- Collect letters of commitment/participation – If your project relies on the participation of other agencies or service partners, particularly for local match, you must provide letters of commitment from them with your application.

### CDOT offers two types of capital applications through COTRAMS, for:

- A. **Revenue Service Vehicle** purchase requests.
- B. **Other Capital** project requests (including support vehicles).

Within those two general categories are subcategories into which each project must fit, as follows:

#### A. Revenue Service Vehicles

##### 1) Replacement Vehicles:

- a. Acquire rolling stock to replace existing rolling stock.  
**NOTE:** Vehicles that have already been awarded for replacement or disposed of are not eligible for replacement in this call, regardless of their availability in the COTRAMS application. Applicants should update their COTRAMS inventory records prior to completing any applications and make sure the Vehicle Usage, Condition, and Vehicle Total Current Mileage fields reflect current and accurate information.
- 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

Facilities, infrastructure (**except major facility and infrastructure projects** because these projects will be selected for SB267 funds through a planning process outside this call), equipment, engineering and environmental studies, design projects, vehicle overhauls, vehicle rehabs and rebuilds, and support (non-revenue service) vehicle purchases.

One revenue service vehicle and one other capital project 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 replacements and one for expansions.

**In order to submit multiple applications, you will need to request additional application(s) from Shilpa Kulkarni at [shilpa.kulkarni@state.co.us](mailto:shilpa.kulkarni@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 a 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 geographic equity.

### **CTE Grant Fund Application**

Agencies applying for CTE program-eligible projects, as described in Part-5-Project Eligibility must submit a Revenue Service Vehicle Application or Other Capital Application based on the project type along with the CTE Supplementary Questionnaire. The CTE Supplementary Questionnaire is attached with the NOFA. For further assistance reach out to Shilpa Kulkarni at [shilpa.kulkarni@state.co.us](mailto:shilpa.kulkarni@state.co.us) or Michael King at [michael.king@state.co.us](mailto:michael.king@state.co.us)

## PART 8 Threshold (Minimum) Criteria for Eligible Subrecipients

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

- A. Legal Standing: The subrecipient must be registered on the official U.S. Government System of Award Management (SAM) system, [SAM.gov](https://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 for funds, 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.
- B. Financial Management and Capacity: The subrecipient must have financial policies and procedures; an organizational 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 and State 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. Assuming a valid reimbursement request is submitted, it is the goal of DTR to pay all reimbursement requests within 30 days, but CDOT is afforded 45 days statutorily to complete the reimbursement process.

- C. Technical Capacity: The subrecipient 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: The subrecipient must have its 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 2024 once funding has been awarded and contracted. It is DTR's expectation that subrecipients will move promptly to procure and implement their projects, within guidelines and procedures provided by DTR. Subrecipients that fail to implement projects on a timely basis may harm their chances for winning awards in future applications or may have funds withdrawn with adequate notice.

Applicants that have not previously received funds through DTR or applicants that have had delays or other problems implementing projects funded through CDOT should be sure to detail their financial and award management capability and experience, as well as steps taken to correct any past problems, as appropriate.

## PART 9 Evaluation Criteria for Applications and Projects

Eligible subrecipients' applications and projects will be evaluated based on the elements described below. Be sure the answers, information, and supporting documentation you provide are relevant, complete, and thorough enough that the nature of the proposed project (its goals and objectives, purpose, beneficiaries, scope of work, budget, etc.) is clear and easily understood. Once project requests have been received, DTR staff will review the applications to ensure that minimum eligibility requirements are met. Any applicant not meeting the criteria will be contacted by DTR and given the opportunity to respond to any finding of ineligibility.

### Threshold Criteria for all Applications

In general, a good application should meet specific criteria as follows:

A. Application Completeness and Thoroughness

All questions asked in the application were answered, all information requested in the application was provided, and all required and necessary attachments to the application were included.

Factors: The answers, information, and attachments provided by the applicant were relevant, complete, thorough, and clearly and directly support the application. Incomplete applications or applications that lack enough information to be effectively evaluated will receive lower scores or may be deemed ineligible for funding without further evaluation.

B. Program Eligibility

The proposed project is an eligible project for the respective program and includes work elements or activities like those described in PART 3 above.

C. Consistency with the [Statewide Transit Plan](#) or [Regional Transit Plan](#)

The proposed project is consistent with an implementation strategy identified in the applicant's most recent Regional Transit Plan or in the Statewide Transit Plan.

Factors: The answers, information, and attachments provided by the applicant effectively connect the proposed project to an identified implementation strategy. Projects that are not consistent with any such strategy will be deemed ineligible for funding without further evaluation.

### Capital Projects Evaluation Criteria

All capital applications and projects will be evaluated based on the elements described below. Be sure that the answers, information, and supporting documentation provided are relevant, complete, and thorough enough that the nature of the proposed project (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 be pertinent. For example, if a

criterion has four sub-criteria, evaluators do not assign 25% weighting to each; they are given flexibility in assigning scores.

Projects will be evaluated as follows:

(1) For Replacement of Revenue Vehicles:

Metric 1: State of Good Repair (SGR): Age, Mileage, Usage, and Readiness, including how the vehicle's replacement is projected and prioritized within the applicant's transit asset management plan. Vehicles will be evaluated under one of the following scenarios.

Scenario 1: Vehicles meeting FTA and CDOT minimum useful life.

Vehicles will be scored based on the extent they have reached the minimum useful life (MUL) established by the FTA and CDOT for that particular vehicle type as of the date of submission of the application. See Table 3. The weighting will be 50% years and 50% miles accumulated in active revenue service.

Scenario 2: Vehicles meeting alternative usefulness.

Applicants who have adopted a replacement criteria that includes MUL years or miles and one other measurable criteria (e.g. engine hours, vehicle condition, and lifetime revenue service hours) can make a request for special consideration. Applicants **must** provide supporting documents demonstrating the analysis behind the selection of this alternative criteria and incorporation of this criteria into their replacement planning and/or budgeting processes (e.g. capital replacement schedules, asset maintenance or management plans, budgets, etc.). Such vehicles will be scored based on the extent they have reached the MUL years or miles for that particular vehicle type (see Table 3) and the alternative usefulness established by the applicant, as of the date of submission of the application. The weighting will be 50% MUL and 50% alternative usefulness.

Scenario 3: Vehicles that do not meet MUL but are justifiable for other special considerations.

Applicants seeking to replace vehicles that have not met Scenario 1 and Scenario 2 as of the date of submission of the application can make a request for special consideration. Applicants **must** provide documentable, verifiable, data-based evidence of unexpected declines in vehicle condition, high maintenance costs, damage beyond repair, operating conditions, or other relevant factors related to the need to retire the vehicle before accumulating the minimum years or miles in active revenue service. Special considerations will only be made upon request. The weighting will be 30% years, 30% miles, and 40% special considerations.

Metric 2: Higher scoring will be awarded to applicants that can demonstrate a good SGR through effective, documented, formal preventative maintenance programs or transit asset management programs, and to those that have and follow a capital replacement plan.

(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, or needs studies and community support, which demonstrate an effective business case and can demonstrate they are truly ready to implement the expansion.

Metric 2: Special Considerations: Applicants who have a capital replacement/asset management/ZEV transition plan(s), who can show strong institutional commitment, and who can show a strong financial commitment, will be given a higher priority.

**Table 3: FTA and CDOT Rolling Stock Minimum Useful Life Standard**

<b>CDOT Category</b>	<b>Representative Vehicles</b>	<b>No. Seats</b>	<b>Approx. Weight (lbs)</b>	<b>Minimum Useful Life</b>
35'-40'+ (large) heavy-duty bus and articulated bus	Most models from Gillig, MCI, NABI & New Flyer	27-40	26,000-40,000	12 years or 500,000 miles
30' (small) heavy-duty bus	Thomas Transit Liner, Bluebird Q-Bus	26-35	26,000-33,000	10 years or 350,000 miles
25'-35' (medium) medium-duty body on chassis (BOC) vehicle and purpose-built bus	Champion Defender, Arboc Spirit of Liberty, Goshen G-Force	17-30	16,000-26,000	7 years or 200,000 miles
25'-35' (medium) light-duty BOC vehicle	Champion Challenger, Arboc Spirit of Mobility	10-25	10,000-16,000	5 years or 150,000 miles
30' or less light-duty vehicle (van, automobile) and 25' or less BOC vehicle	Vans, minivans, SUVs, sedans, StarTrans Candidate II, Champion Crusader	3-19	6,000-14,000	4 years or 100,000 miles
Vehicle Rebuild: A recondition near the end of useful life that results in additional useful life.				Minimum extension of 4 years

(3) For Facilities, Design, and Equipment:

Metric 1: Readiness and Demonstrated Timetable: For facilities, higher priority will be given to those that have NEPA clearance finalized, at least 30% design completed, and site location selected and purchased. For facilities, design, and 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. In the case of requests for the expansion of existing facilities, higher priority will be applied to projects that demonstrate the need for the facility and for growth in the program it supports. Applicants that adequately demonstrate funding, financial capacity, and capability to sustain the service and project over time will also be given higher priority.

Civil Rights Requirements. In determining the site or location of facilities, a recipient or applicant may not make selections with the purpose or effect of excluding persons from, denying them the benefits of, or subjecting them to discrimination under any program to which this regulation applies, on the grounds of race, color, or national origin; or with the purpose or effect of defeating or substantially impairing the accomplishment of the objectives of the Act or this part.” Title 49 CFR part 21, Appendix C, Section (3)(iv) provides, “The location of projects requiring land acquisition and the displacement of persons from their residences and businesses may not be determined on the basis of race, color, or national origin.” For purposes of this requirement, “facilities” does not include bus shelters, as these are transit amenities and are covered in Chapter IV, nor does it include transit stations, power substations, etc., as those are evaluated during project development and the NEPA process. Facilities included in this provision include, but are not limited to, storage facilities, maintenance facilities, operations centers, etc. In order to comply with the regulations. The recipient must complete a Title VI equity analysis during the planning stage with regard to where a project is located or sited to ensure the location is selected without regard to race, color, or national origin. Recipients shall engage in outreach to persons potentially impacted by the siting of facilities. The Title VI equity analysis must compare the equity impacts of various siting alternatives, and the analysis must occur before the selection of the preferred site.



## **PART 10    Additional Guidance for Settlement Program and CTE Programs**

### **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 pollutants 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.

Individual states, including Colorado, have been awarded a portion of Trust funds. CDOT DTR expects to receive, over a period of about five years, approximately \$30.8 million (roughly 43% of the State’s total allocation). In the first year of the Settlement Program, eligibility for CNG and propane vehicles was 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 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 zero-emission 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 equitable geographic distribution over the course of the program.

#### **What kinds of projects are eligible?**

Settlement Program funds are intended for the direct replacement of pre-2009 passenger transit vehicles that are conventionally-fueled and Class 4 to Class 8 (over 14,000 pounds). The funds can be used for the purchase of zero-emission rolling stock. Settlement Program funds cannot be used for the replacement of existing alternative fuel rolling stock, since that would not produce a significant air quality improvement, and cannot be used to purchase hybrid vehicles, though zero-emission vehicles may be awarded to replace existing hybrid diesel vehicles.

CDOT will use Settlement Program funds for up to 110% of the incremental cost of a zero-emission vehicle. For example, for the purchase of a 40-foot coach, Settlement Program funds can only be used for 110% of the cost difference with 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 application to cover the cost equivalent of a diesel-fueled vehicle—though CDOT is not guaranteeing the award of such funds.

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. If an applicant is seeking funds for a CNG vehicle, they 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 conventionally-fueled 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 acquisition vehicle, one qualifying vehicle 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). CDOT must be given the opportunity to witness the scrapping procedure and provided acceptable evidence of such, as more fully described in the CDOT DTR Settlement Program Scrapping Guide for Subrecipients.
- Qualifying vehicles 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. Conversions of new vehicles by qualified vehicle modifiers are allowable.
- If Settlement Program funds are awarded for a new electric bus, charging equipment associated with that bus may also receive Settlement funds, in an amount not to exceed \$100,000, 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.
- Settlement Program funds cannot fund CNG or hydrogen fueling infrastructure.

#### How will CDOT DTR award the Settlement Program funds?

DTR will use a combination of existing funds and Settlement Program funds to incentivize the purchase of zero-emission rolling stock. DTR will fund 110% of the incremental cost of new zero-emission rolling stock and may also fund 80% of the cost of an equivalent diesel-fueled vehicle with 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 conventionally-fueled vehicle award. However, as pointed out above, CDOT cannot guarantee that it will award both Settlement and the equivalent conventionally-fueled vehicle funding.

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

- A. An applicant requests and receives both Settlement Program funding for the zero-emission vehicle(s) and federal or state funding for the equivalent vehicle amounts.
- B. An applicant requests and receives Settlement Program funding for the zero-emission vehicle(s) but does not receive federal or state funding for the equivalent vehicle(s) requested--or which may not have been requested in the first place.
- C. An applicant requests both Settlement Program funding for the zero-emission vehicle(s) and federal or state funding for the equivalent vehicle amounts but is only awarded federal or state funding for the equivalent 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 a zero-emission vehicle.

It is important for applicants to respond to questions in the application regarding how they would

proceed if some of these scenarios were to occur.

For any questions regarding the Settlement Program please contact Michael King at (732) 690-2049 or [michael.king@state.co.us](mailto:michael.king@state.co.us).

### **Additional Guidance for CTE Grant Fund Program**

In 2021, the Clean Transit Enterprise (CTE) was established by SB21-260, and on July 1, 2022 it began collecting a portion of the state's new Retail Delivery Fee to fund projects that support transit fleet electrification in the categories of Planning, Vehicles, Infrastructure, and Facilities. These grant programs are managed by the staff of CDOT DTR and OIM, under the direction of the CTE Board of Directors.

Eligible projects may be awarded in the range of \$25,000 upwards per grantee, with a minimum local share based on the specific program. Vehicle Program grants require 0% local match because the award is for 100% of the incremental cost of the vehicle, rather than the full vehicle cost. Infrastructure Program awards require a 20% local match, and Facilities Program awards require a minimum 50% local match. Cash match is strongly preferred, but in-kind match proposals will be considered if cash is not a viable option. Match relief may be granted by the CTE Board if extraordinary need can be demonstrated, and only in special circumstances that would otherwise preclude an agency from pursuing the project. Funds will be available for planning projects in rural and urban areas and for statewide projects. The total amount of grant funding to be made available for this program in 2024 will be \$15,000,000. For any questions regarding the CTE Vehicle, Infrastructure, or Facilities programs please contact **Michael King** at (732) 690-2049 or [cdot\\_cleantransitenterprise@state.co.us](mailto:cdot_cleantransitenterprise@state.co.us).

## PART 11 CDOT Price Agreement

All applicants seeking funding for vehicle types available on CDOT DTR Master Price Agreements must **use these price agreements as a basis for cost and procurement in order for the vehicle application to be considered for funding.**

- Applications for individual, agency-led procurements of vehicle types that CDOT has available for purchase through their Master Price Agreements will not be considered for funding. This new requirement minimizes federal procurement requirements violation risk at both the state and subrecipient level.
- In order to determine if the vehicle needed by an applicant is available for purchase on a current Master Price Agreement, please review the following sales sheets and supplemental information:

[https://www.codot.gov/programs/transitandrail/assets/nofa-announcements/2024-cdot-dtr-mpa-ada-boc-application\\_order-info\\_march-2024.pdf](https://www.codot.gov/programs/transitandrail/assets/nofa-announcements/2024-cdot-dtr-mpa-ada-boc-application_order-info_march-2024.pdf)

[https://www.codot.gov/programs/transitandrail/assets/nofa-announcements/2024-cdot-dtr-mpa-ada-van-application\\_order-info\\_march-2024.pdf](https://www.codot.gov/programs/transitandrail/assets/nofa-announcements/2024-cdot-dtr-mpa-ada-van-application_order-info_march-2024.pdf)

### [CDOT DTR ADA Vans Master Price Agreement Requirements and Offerings](#) [CDOT DTR ADA BOC Master Price Agreement Requirements and Offerings](#)

- In addition to the requirement of using the Master Price Agreement for pertinent vehicle types, applicants must include a **current (2024 dated) cost estimate derived by RAE Consultants, Inc.** with their submitted application materials.
- **Given the time needed to validate pricing and generate a final cost estimate for the application, applicants are required to contact Ann Beauvais: [ann@raeconsultants.com](mailto:ann@raeconsultants.com) no later than Friday, March 15, 2024 to schedule a meeting to discuss their vehicle needs with RAE Consultants staff and begin the cost estimate process. All applicant cost estimate meetings will occur between March 18-29, 2024 and all final cost estimate documents to attach with the application will be provided by RAE Consultants no later than April 26, 2024.**
- In addition, previously, Master Price Agreement vehicle cost estimates were only valid through the application and review timeframe, and then, if awarded, were modified at the time of award and contract. For 2024, the application cost estimate price derived in March/April 2024 will remain valid at the time of award and contract, and serve as the baseline price for applicant budgeting purposes.

## Part 12 Advance Payment for Vehicle Purchasing off CDOT BOC and Van

### Price Agreements

Advance payment is a payment made for goods or services prior to receipt and acceptance of the goods or the completion and acceptance of goods or services. Here, CDOT advance payment will be allowed for goods only and **limited to \$100,000** of Federal and State Funds per advance payment request.

Advance payment to the sub-recipient will be limited to the minimum amounts needed and timed to be in accord with only the actual, immediate cash requirements to carry out the purchase of the vehicle.

CDOT Advance payment will be offered only to very small sub-recipients (annual transit budget < \$200,000) and small sub-recipients (have an annual transit budget <\$750,000), who have a financial hardship because of the requirement of the sub-recipient to pay 100% of the vehicle cost and then to wait for the 80% (Federal or State share) from CDOT paid on a reimbursement-only basis.

To be eligible for advance payment, the sub-recipient must:

- 1) Be a vendor with CDOT and be eligible to receive electronic payments (EFTs); and
- 2) Have an annual transit budget < \$750,000; and
- 3) Not having significant deficiency or material weakness on the CDOT Audit Review of the Organization; and
- 4) Not be considered High Risk or Medium High Risk as determined by the DTR Risk

Assessment conducted for the awarded project (The project risk assessment score < 55)  
The sub-recipient must submit the advance payment eligibility request to CDOT with the supporting documentation at the time of accepting the vehicle award:

- 1) A statement regarding the sub-recipient's prior experience with the same or similar project, and
- 2) Results of previous audits including whether or not the sub-recipient receives a Single Audit, or compiled financial statements, and
- 3) A statement regarding whether the sub-recipient has new personnel or new or

- substantially changed financial system(s), and
- 4) Written Financial Management Policy, approved by CDOT. The procedure (Especially when sub-recipient needs more than three business days between the receipt of CDOT reimbursement and the payment to the vendor.) must 1) address and minimize the time elapsing between the transfer of funds and payment of the third-party vendor, 2) describe the financial management systems that meet the standards for fund control and accountability, and
- 5) Previous fiscal year actual transit budget indicating the annual transit budget less than \$750,000.

CDOT Audit division will review the sub-recipient's eligibility request for receiving advance payments for vehicles purchasing off the CDOT/State BOC and Van Price Agreements against DTR's established criteria and documentation requirements, and will provide DTR with a memo detailing the results of work performed.

Based on the Audit Division's memo, if DTR determines that the sub-recipient is deemed eligible, DTR will send an authorization letter to the sub-recipient. A copy of the letter will be attached to the award in COTRAMS showing CDOT's advance payment authorization. The relevant CDOT Price Agreement dealer will be copied as well.

## **PART 13 Nondiscrimination**

In addition to the criteria listed above, applicants must be able to comply with federal requirements relating to nondiscrimination, as set forth below:

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 DTR-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 DTR-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 **Jun Arcilla** at [jun.arcilla@state.co.us](mailto:jun.arcilla@state.co.us).

## PART 14 Application Selection Appeals Process

All applicants, including those not awarded funding, will be notified of project funding awards. Once the agencies have accepted the awards for the selected projects, the Division of Transit and Rail will publicize the project list which will include, for transparency purposes, comments indicating the primary reason(s) an application or project was not selected for funding. If an application is denied, the grounds therefore will be given to the applicant. Applicants not awarded funding may reapply in the future for project requests that were denied.

The Department (CDOT 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. This right is provided in order to ensure the proper administration of the Division of Transit and Rail 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 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 Place, Denver, CO 80204.
- 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 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 Division of Transit and Rail may contact the applicant to discuss the matter further. If the Director of the Division of Transit and Rail and the applicant are unable to resolve the issue upon contact, the Director of the Division of Transit and Rail 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.