

VIRGINIA DEPARTMENT OF TRANSPORTATION

Transportation Alternatives Program Guide

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Trail to Monticello – Charlottesville, VA

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Program Background

Program History

The Fixing America's Surface Transportation (FAST) Act was signed into law on December 4, 2015. It is the first long-term transportation bill passed since SAFETEA-LU and will run through FY2020. The legislation converts the long-standing Surface Transportation Program (STP) into the Surface Transportation Block Grant Program (STBG) aligning the program's name with how the Federal Highway Administration (FHWA) has historically administered it. The STBG promotes flexibility in State and local transportation decisions and provides flexible funding to best address State and local transportation needs.

Within the STBG funding is a set-aside amount known as the Transportation Alternatives or "TA Set-Aside" as set forth in 23 U.S.C. 133(h). These set-aside funds include all activities that were previously eligible under TAP (Transportation Alternatives Program as set forth in MAP-21), encompassing a variety of smaller-scale, non-traditional transportation projects.

The FAST Act will continue TA's long history. The former Transportation Enhancement Program was originally authorized in the Inter-modal Surface Transportation Efficiency Act of 1991 (ISTEA) and continued through two successive laws: TEA-21 and SAFETEA-LU. The modern Transportation Alternatives Program (TAP) began with the federal transportation bill – Moving Ahead for Progress in the 21st Century, also known as MAP-21 signed in July 2012. The Transportation Alternatives Program (TAP) redefined the Transportation Enhancement (TE) Program and consolidated these eligibilities with the Safe Routes to School and Recreational Trails program eligibilities.

The Transportation Alternatives Set-aside builds upon the legacy of the TE program by expanding travel choices, strengthening the local economy, improving the quality of life and protecting the environment.

Mission of the Transportation Alternatives Set-aside

The program is intended to help local sponsors fund community based projects that expand non-motorized travel choices and enhance the transportation experience by improving the cultural, historical and environmental aspects of the transportation infrastructure. The program does not fund traditional roadway projects or provide maintenance for these facilities. Instead it focuses on providing pedestrian and bicycle facilities, community improvements and mitigating the negative impacts of the highway system.

Reimbursable Program

The Transportation Alternatives Set-Aside is part of the Federal-aid Highway program. It is not a traditional grant program and funds are only available on a reimbursement basis. This means the project sponsor must first incur project expenses and then request reimbursement. It is therefore important to plan ahead and have the necessary funding available to pay for services

and materials until the appropriate documentation can be submitted and processed for reimbursement. The program will allow a maximum federal reimbursement of 80% of the eligible project costs and requires a minimum 20% local match.

Federal Investment

The investment of federal funds requires that the improvements and / or new facilities constructed will:

- Be open and available to the general public including those with disabilities.
- Be not-for-profit; an “admission” fee is acceptable as long as the cost is reasonable and re-invested to provide for the operation and upkeep of the facility.
- Be maintained for the facility’s useful life and the “intended use” protected for a sufficient length of time. The “intended use” pertains more to past TE activities, but could still apply to TA categories such as historic preservation.

Program Structure

Funding

Each State’s Transportation Alternatives Set-Aside includes funding for: the ten (10) Transportation Alternatives (TA) eligibilities; the Safe Routes to School (SRTS) eligibilities; and the “Boulevard” eligibilities. There is a separate sub-apportionment for the Recreational Trails Program (RTP) which is administered by the Virginia Department of Conservation and Recreation (DCR). The RTP allocation is taken off the top of the State’s TA Set-aside amount; with the RTP funds going to DCR and the remaining TA funds going to the Department of Transportation for administration. After the RTP sub-apportionment is removed, the remaining VDOT balance is split evenly: 50% that can be allocated anywhere in the state, and 50% that must be allocated based on population areas as set forth in the federal legislation. The divisions for the population-based sub-allocations are:

- Urbanized areas of the State with a population over 200,000 – also known as Transportation Management Areas (TMAs)
- Areas of the State with a population less than 200,000 but greater than 5,000
- Areas of the State with a population up to 5,000

Virginia has four (4) Transportation Management Areas which are made up of all, or part, of six (6) Metropolitan Planning Organizations (MPOs). These TMAs include: all of the Northern Virginia MPO (COG) and parts of the Hampton Roads (HRTPO), Richmond, Tri-Cities, Fredericksburg (FAMPO) and Roanoke MPOs. The funding amounts set forth for each population area are based on their relative share of the State’s population

Eligible Activities

The FAST Act identifies four (4) categories of eligibilities for the Transportation Alternatives Program:

- Transportation Alternatives
- Safe Routes to School
- Boulevards in former Interstate System Routes
- Recreational Trails

In Virginia, the Transportation Alternatives Program, as administered by the Virginia Department of Transportation (VDOT), focuses on the Transportation Alternatives and Safe Routes to School eligibilities. However, if a project were to be submitted under the “Boulevards” category, that too would fall under VDOT administration. As stated earlier, the Recreational Trails Program is administered by Virginia’s Department of Conservation and Recreation and has a separate application process.

To be eligible for TA funding, a project must relate to surface transportation and qualify under one or more of the TA or SRTS activities. Note that surface transportation includes waterways and rail transportation, but does not include air or space travel.

Transportation Alternatives Eligibilities

Below are the ten (10) qualifying TA activities (see Appendix A for further details):

1. Construction of on-road and off-road facilities for pedestrians, bicycles and other non-motorized transportation users
2. Construction of infrastructure-related projects and systems that will provide safe routes for non-drivers to access daily needs
3. Conversion and use of abandoned railroad corridors for pedestrians, bicycles and other non-motorized transportation users
4. Construction of turnouts, overlooks and viewing areas
5. Inventory, control or removal of outdoor advertising
6. Historic preservation and rehabilitation of historic transportation facilities
7. Vegetation management practices in transportation rights-of-way
8. Archeological activities relating to impacts from implementation of a transportation project

9. Environmental mitigation activities to decrease the negative impacts of roads on the natural environment due to highway run-off and water pollution
10. Wildlife mortality mitigation activities to decrease the negative impacts of roads on wildlife and habitat connectivity

Safe Routes to School Eligibilities

The SRTS activities include both infrastructure and non-infrastructure improvements intended to enable and encourage children K – 8th grade to safely walk and bicycle to school. To qualify as a SRTS project, the improvements must fall within a 2 mile radius of a K-8 school.

These activities include:

1. Infrastructure related projects including their planning, design and construction
 - Sidewalk improvements
 - Traffic calming and speed reduction improvements
 - Pedestrian and bicycle crossing improvements
 - On-street bicycle facilities
 - Off-street bicycle and pedestrian facilities
 - Secure bicycle parking facilities
 - Traffic diversion improvements in the vicinity of schools
2. Non-infrastructure related projects including promotion and safety education (currently administered by VDOT's Safe Routes to School coordinator and funded with remaining 100% SAFETEA-LU funds, applied for separately from the TA program)
 - Public awareness campaigns and outreach
 - Traffic education and enforcement in the vicinity of school
 - Student sessions on bicycle and pedestrian safety, health and environment
 - Funding for training, volunteers and managers of safe routes to school programs

Recreational Trails

The Recreational Trails Program is an independent program with its own call for applications and selection process. Any request for funding under this program and its eligibilities should be directed to Virginia's Department of Conservation and Recreation (DCR).

Boulevards

There is a fourth eligibility for the TA program defined as: planning, designing or constructing boulevards and other roadways largely in the right of way of former interstate system routes or other divided highways. Eligibility under this category has not been fully defined and any

projects within this category should be submitted far enough in advance to allow for an eligibility review by FHWA.

Federal guidance specifically identifies the following as **not eligible** for TA Set-Aside funds:

- Promotional / educational activities except as permitted under the SRTS eligibilities (K-8th)
- Routine maintenance and operations except trail maintenance as permitted under the RTP (administered by DCR; not eligible for VDOT administered funds)
- General recreation and park facilities, playground equipment, sports fields, campgrounds, boat launches, picnic areas and pavilions, etc.

Eligible Sponsors

Legislation allows the following entities to apply for Transportation Alternatives funding:

- **Local governments**
This includes City, Town and County entities
- **Regional transportation authorities**
This includes the regional Planning District Commissions established for the non-Metropolitan areas of the state
- **Transit agencies**
This includes any agency responsible for public transportation that is eligible for funds as determined by the Federal Transit Administration. For example: GRTC (Greater Richmond Transit Company)
- **Natural resource or public land agencies**
This would include any Federal, Tribal, State or local agency responsible for natural resources or public land administration. For example: the Department of Game and Inland Fisheries (DGIF), the National Park Service (NPS), Local / Regional Park Authorities, Bureau of Land Management (BLM) and US Forest Service (USFS)
- **School districts, local educational agencies or schools**
This includes K-8 as well as high schools and universities (public and private)
- **Tribal governments**
This includes federally recognized tribes only
- **Any other local or regional governmental entity with responsibility for, or oversight of, transportation or recreational trails**
This does not include MPOs or the state DOT
- **Non-profit entity responsible for the administration of local transportation safety programs**
This might include a SRTS program or a local program that implements construction / infra-structure safety improvements for non-drivers

In general, non-profit groups are not eligible except as noted above. They may however partner with an eligible entity on an eligible project. The non-profit group will need to work through the eligible entity, as they themselves cannot be direct recipients of program funds or “own” professional service or construction contracts.

Eligible Costs

Specific actions must occur before incurring costs for reimbursement through the Transportation Alternatives Program. Federal obligation of the funds (also known as authorization) and execution of a VDOT project administration agreement mark the starting point for incurring costs eligible for reimbursement. Although time and money may have already been spent developing a project, a project administration agreement and federal authorization must be secured before costs are eligible for reimbursement. **Any costs incurred prior to execution of these two documents cannot be reimbursed.**

Following full execution of a project administration agreement and receipt of the required federal authorization (PE, RW or CN), many project specific costs are eligible for reimbursement:

- 1) Preliminary design and final engineering activities including environmental coordination, cost estimates, construction plans and architectural design work are eligible for reimbursement after approval to proceed is received from the Department.
- 2) Utility relocations and property acquisition necessary for construction are eligible project expenses. Note that only the property specifically required for the project is eligible for reimbursement. For example, if 5 acres of property are purchased for construction of a trailhead facility, but only 2 acres are specifically needed for the trailhead and parking, only the cost associated with the 2 acres is considered to be an eligible project cost.
- 3) Construction work including the required construction engineering / inspection and materials testing would also be eligible costs for a TA project.

NOTE: Work cannot begin on the next phase of project development – preliminary engineering (PE), Right of Way (RW) or Construction (CN) until the specific federal authorization is secured. A separate federal authorization is required for each phase of project development. Please refer to the Locally Administered Projects (LAP) Manual for a more detailed description of the development phases and the activities that occur during each phase.

Ineligible Costs

The TA program only allows reimbursement of eligible expenditures. Sometimes costs that would normally be eligible for reimbursement may not be reimbursable because proper procedures were not followed or required approvals were not in place before the costs were incurred. This would include project costs incurred prior to execution of the project administration agreement and / or receipt of the appropriate federal authorization. It would also be in cases where the federal funds were de-obligated for inactivity. If this occurs, any costs

incurred prior to the federal authorization being re-established would be not by eligible for reimbursement.

Other costs are not eligible for reimbursement at any time. These include but are not limited to:

- Expenses associated with the preparation and submission of a project application
- Preliminary project development costs including feasibility studies, master plans and conceptual design work (these should be completed prior to applying for TA funding)
- Utility costs not necessitated by the project – for example scenic beautification (relocating utilities underground for aesthetic purposes) and betterment costs
- Property acquisition beyond that required for the project – for example parcels purchased for placement of a trail; only the trail footprint or easement would be eligible
- Overhead and operating costs associated with the project including general administrative costs, loan interest, purchase of office furnishings / supplies, office equipment / computers, software or construction equipment
- Costs associated with attending workshops
- Routine and / or incidental maintenance costs
- Staffing and / or operating costs

Costs incurred that were not procured or obtained in accordance with applicable federal / state guidelines would also not be eligible for reimbursement.

Local Match

Federal Transportation Alternatives funding can reimburse up to a maximum 80% of eligible project costs. A local match contribution of 20% or more is required to pay for the remaining project costs. Costs utilized to meet the local match requirement must be eligible project costs that would otherwise be reimbursable. This means that the costs must have been incurred after execution of the project administration agreement and after the date of federal authorization. In cases where construction costs are being utilized for match, the costs must meet the aforementioned requirements as well as having been incurred after the environmental document was approved.

It is important to understand that the local match requirement is not 20% of the federal allocation, but 20% of the total eligible costs, or 20% above the federal allocation requested. To calculate the match based on the total eligible project cost, follow this example:

Example 1: Total eligible project cost = \$125,000
Maximum Federal Allocation = $\$125,000 \times 0.80 = \$100,000$
Match Required = $\$125,000 \times 0.20 = \$25,000$

To calculate the match based on the total federal allocation requested, divide the federal allocation by 0.80, the result will be the total “eligible costs”. Multiply the total eligible cost amount by 0.20 and the result will be the required 20% local match. To calculate the match based on the federal allocation, follow this example:

Example 2: Federal Allocation = \$100,000
Total eligible project costs = $\$100,000 \div 0.80 = \$125,000$
Match Required = $\$125,000 \times 0.20 = \$25,000$

NOTE the match is not $\$100,000 \times 0.20 = \$20,000$

In many cases; however, the full amount requested is not awarded. To calculate the match based on a reduced federal allocation, follow this example:

Example 3: Federal Allocation Awarded = \$50,000
Total eligible project costs = $\$50,000 \div 0.80 = \$62,500$
Match Required = $\$62,500 \times 0.20 = \$12,500$

The match requirement can be met using local, state or in some cases, federal funds. This includes other grant funds – for example, community block grants (CDBG) – or donations. As a general rule; however, sponsors cannot use federal or state transportation funds, including state Revenue Sharing or Recreational Access funds, as match to federal Transportation Alternatives funding. Transportation funds – both state and federal – may be used on TA projects to pay “excess” project costs as described below, but they cannot be used to fulfill the local match requirement. The one exception to this is federal Recreational Trail funds. As set forth in SAFETEA-LU (and continued with MAP-21 and the FAST Act), these federal funds can be used to match federal TA or TE funding.

If the Commonwealth Transportation Board (CTB) does not award a full 80% of the project costs, or if elements of the project are deemed to be ineligible costs, the “excess” costs are 100% the responsibility of the sponsor. These “excess” project costs can be paid for with: local cash funds, other grant funds, transportation funds, private / corporate cash donations or any combination thereof. If other grant funds or transportation funds are used to pay these “excess” project costs, the funds may be from both federal and non-federal sources. Remember, this is for expenses above and beyond the federal and local match requirement. So if costs above the TA project costs are eligible for Revenue Sharing funds, these “excess” costs can be reimbursed by the state funded Revenue Sharing program; they just cannot be used to “match” the federal TA funds. This is a good way to fund the overall cost of a larger-scale project, especially downtown revitalization areas.

In-Kind Match

In lieu of cash, the local match requirement can also be fulfilled through the use of in-kind match. These are eligible project costs that are 1) paid for by the sponsor and not submitted for reimbursement or 2) donated to the project from an outside source. With the TA set-aside, we will continue to allow the use of in-kind contributions to make up the local match portion of project costs. However, it is important that any proposal for using in-kind match be well

documented and submitted and approved in advance of the federal authorization. In addition – for all TA funding requests (beginning with the implementation of MAP-21) – the costs that will be accepted as in-kind match will be limited. It will also be required that any proposed in-kind match be identified and when possible, documented in the funding application.

Allowable in-kind match costs will include:

- Professional services to include design, legal fees, appraisal services, construction engineering, inspection and materials testing.
- Property purchased or donated for use on the project. This would include structures such as train stations and rail trestles. In the case of land, match is limited to that land specifically required for the project. Note that the value of the property being used as match will be based on the acquisition date – the date of donation or sale to the sponsor.
- Materials donated for use on the project including such items as benches and landscaping.
- Construction costs incurred as part of the project and located within the documented project limits as long as the work is performed after the environmental document has been approved.

If you plan to use in-kind contributions in lieu of cash for the required 20% match, this will need to be detailed in your application. It is important to note that while in-kind match must be identified in the application, you should not accept or incur costs for any in-kind services or donations prior to execution of the project administration agreement and federal obligation of funds. Remember that match costs must be otherwise eligible for reimbursement. The only exception to this would be the donation of land or structures (real property) as set forth in the Code of Federal Regulations.

Projects approved under the prior Transportation Enhancement program will be required to follow these guidelines on future applications; however, any prior commitment for the use of in-kind match will be honored as long as eligible costs can be identified and adequately documented.

If you have questions concerning the eligibility of in-kind match, you should contact your VDOT LAD program manager.

Project Sponsor Responsibilities

This is a locally administered, federal-aid transportation project. All potential sponsors are encouraged to review the VDOT Local Assistance webpage for information and additional guidance including the Locally Administered Projects (LAP) Manual and other available resources. The Department will provide oversight on behalf of the Federal Highway Administration (FHWA), but the Department will not be responsible for the administration of the project. The sponsor is responsible for project development, quality assurance, contract administration, daily project management and construction of the project, even if these services or activities are outsourced.

If the project is on VDOT right-of-way, the sponsor will be responsible for securing a land-use permit from the Department prior to any construction taking place.

With these non-traditional projects, it should be assumed that the sponsor will be responsible for future maintenance and upkeep of the project unless other arrangements are made with the Department. Although standard items located within VDOT right of way are normally maintained by VDOT (curb and gutter, crosswalks, sidewalks, etc.), the sponsor should consult with the local VDOT office to confirm that VDOT will continue to maintain these items if modified by the sponsor as part of a TA project. Note that the Department does not typically maintain non-standard features, such as brick paver sidewalks and / or crosswalks, even when they are located within VDOT right of way. If these are part of the proposed project, it is recommended to discuss the future maintenance of these improvements with the local VDOT office before an application is submitted. Note that all TA projects outside VDOT right-of-way, especially historic structures and shared-use paths, will be maintained by the sponsor.

As the sub-recipient of federal transportation funds and the manager of a federal-aid project, the sponsor must adhere to all applicable federal and state regulations and guidelines. They are also responsible for maintaining all project records – both financial and project development – in accordance with federal record retention guidelines. This documentation will be critical in satisfying the federal audit requirements. Maintaining project cost records and reimbursement records is the sponsor's responsibility; it is not the responsibility of the Department. All project records should be maintained a minimum of three (3) years after the FHWA has final vouchered the federal Transportation Alternatives / Enhancement project. For further guidance regarding the type of documentation required, see the LAP Manual.

Application Process

Call for Applications

The call for applications is made annually with applications due in the fall. All applications for Transportation Alternatives funding are to be submitted to the Virginia Department of Transportation – Richmond Central Office, Local Assistance Division. This includes applications submitted for consideration by MPOs in the Transportation Management Areas (TMAs). If an MPO decides to solicit applications separately, that information will be posted on the VDOT Local Assistance Division webpage.

Starting with TA applications due **November 1, 2016**, the application process will become “paperless”. All applications will be submitted electronically through the Department’s application portal. Paper or hardcopies of the application will no longer be accepted. Application guidance and instructions on how to submit an application can be found on the Department’s website along with the current application deadline. The TA website also includes updates announcing the annual Applicant Workshops, providing the location and dates for these regional meetings. These workshops are usually held in the summer and discuss any changes to the program and requirements as well as program eligibility, the application and the scoring criteria.

Application Prerequisites

If considering an application for funding, it is important to begin the scoping and preliminary activities early. This includes scheduling for the following:

Prior to submitting an application, the sponsor must hold a public information meeting notifying the community of an application for federal funding. Any preliminary studies or conceptual designs should be available for review and there should be a public participation period to allow for comments or questions. The meeting should be publicly advertised following local procedures – newspaper, local website, community information board, etc. A copy of the public advertisement and / or notice must be included in the application for funding. If an application for the same project is submitted in multiple years, a new public information meeting will not be required for each subsequent submission unless there is a significant change in scope or a change in location / alignment of the proposed facility.

In addition to a public information meeting, the sponsor must pass a resolution in support of the project. This resolution must include a commitment to provide the 20% match and provide for future maintenance and upkeep of the completed project. A copy of the approved resolution must be included in the application for funding. If an application for the same project is submitted in multiple years, a new resolution will be required for each submission due to the increased match commitment and to allow input from any new board / council members.

If the proposed project is located within the boundaries of a Metropolitan Planning Organization (MPO), then a resolution of support or letter of endorsement from the local MPO is also

required. This is a requirement for all MPOs regardless of whether or not they are part of a TMA. The one exception is the Metropolitan Washington Council of Governments (COG). COG has historically waived the requirement of an MPO endorsement and has elected to continue that practice with the TA program. A copy of the required endorsement must be included in the application for funding. If an application for the same project is submitted in multiple years, a new MPO resolution will be required for each submission due to the possibility of additional funding.

Application Submittal

All applications must be received via electronic submission by the close of business on the application due date. As stated earlier, all applications – even those for consideration by TMAs – should be submitted using VDOT’s application portal

It is important that each application clearly identifies the proposed project scope, the location and the specific improvements to be made. The individuals scoring the application may not be familiar with the area and the needs to be fulfilled by the proposed project, so details are important. To assist those evaluating the project, it is strongly recommended that the application include a detailed location map, pictures and a narrative that clearly explains the proposed improvements and how they will enhance the existing transportation network. Before submitting, make sure to review the application carefully to ensure that all required attachments have been included.

Applications should be limited to a maximum request of \$1,000,000 per project, per application cycle. In accordance with program policy, TA funding is distributed amongst the CTB members and the Secretary of Transportation for award. Note that if a CTB member elects to fund a project, they must award a minimum 50% of the federal amount requested per this policy. Historically the average federal award is \$250,000 per project. If the funding needs are significant, it is strongly recommended that the sponsor secure additional funding sources in order to lower the amount of TA funds requested.

With the passage of MAP-21 and continued by the FAST Act, MPOs in the four TMAs are also making project selections and awarding funds within their boundaries. This allows for higher awards in these areas.

Project Scope

Keep in mind that a project must have a well-defined scope that can be designed and under construction within four (4) years of the project’s initial funding allocation. Note that additional allocations do not automatically extend this time limit. If the proposed project is large and / or more complex, it is recommended that additional funding sources be secured in order to complete the project quicker and with less reliance on TA funding.

There were multiple instances in the former Transportation Enhancement (TE) program that sponsors of larger, multi-phased projects collected or “banked” funds for future phases. This approach left federal funds unexpended while at the same time additional funds were being applied for. The FHWA requires that federal funds be expended in a timely fashion and monitors the expenditure of funds quarterly through what is known as the FIRE report. This report quickly identifies projects that are not expending funds. If your TA project is on this report, FHWA will consider de-obligating the federal funds which could ultimately lead to the loss of project funding. For this reason, it is also important to understand that the FHWA expects awarded funding to be expended promptly and not “held” for construction. They do not accept delaying the expenditure of federal fund until other phases are completed.

To ensure we are establishing projects that can expend the federal funds within the four (4) year time limit; we are encouraging a narrower project scope. A sponsor can continue to plan for a larger, multi-phased project – for example, a three-mile trail or multiple blocks of streetscape improvements – but each “project” must be set up in smaller, manageable pieces that can be funded in one or two funding cycles. Funding for a second “piece” or phase of the project can be applied for, but not until the first phase is under construction or has demonstrated substantial progress. The next phase will then become a new “project” with a new project administration agreement and a new four (4) year time limit. This is a different approach from how the former TE program was administered. Getting a project to construction in a timely fashion and completing prior phases is evaluated when scoring a new application. Successfully moving a project through project development demonstrates the ability to administer a federal-aid project which will help a second project score better.

It is acceptable to request funding to design the whole project – multiple phases of a larger project – in the initial project application, but this application must also include a construction phase. Completing design for the whole project at one time provides continuity to the design as well as efficiency in planning for future phases. Understand however, that due to the limited amount of TA funding available and the distribution requirements brought about by MAP-21, there is no guarantee that future construction phases will be funded. This is why it is critical to establish “logical” termini. For pedestrian and bicycle facilities, logical termini usually represent a roadway intersection; connection with another facility; or delivery to a destination such as the entrance to a park. Having logical beginning and ending termini creates “independent” utility or a usable facility even if the project does not continue or expand into future phases.

As noted above, all design / engineering can be done at the beginning of a project as long as at least one construction phase is completed using federal and / or local funding. Federal regulations require that if federal funds are used to reimburse PE activities then the project must progress to RW and / or CN phases. Preliminary engineering alone is not an acceptable project. If the project does not progress, the sponsor may be required to repay the federal funds expended in PE. Repayment of federal funds will be addressed on a case-by-case basis. Note that if a case can be made that the project encountered a “no build” situation, repayment may not be required but this determination will have to be approved by FHWA.

Project Selection

All applications will be reviewed by VDOT staff to ensure they comply with initial screening criteria including:

- project meets program eligibility and has an eligible sponsor
- application includes an adequate project budget and match documentation (if applicable)
- project has an acceptable scope and appropriate termini
- public information meeting notice, sponsor's resolution and MPO endorsement are attached as applicable

If the Department is unsure whether a project meets federal TA or SRTS program eligibility criteria, the application will be submitted to the Virginia Division of FHWA for an eligibility determination.

After the initial screening, the Department will share copies of the TMA applications with the respective MPOs for their review and evaluation. All eligible applications will then be reviewed and scored by VDOT staff based on specific scoring criteria. Projects will be evaluated based on several criteria including:

- Project Funding
- Project Concept
- How the Project Improves the Existing Transportation Network
- Sponsor's Experience Administering a Federal-Aid Project
- Project's Readiness to Proceed

The above "merit" scores will be averaged and used to rank new projects. For existing projects, a second score – or "priority" ranking will be given based on the project's current status and progress being made through project development. Existing projects will be ranked first by their "priority" score and secondly by their "merit" score.

In early spring, a listing of all eligible projects along with their scores will be presented to the TMAs and the Commonwealth Transportation Board (CTB) for consideration. Keep in mind that federal legislation requires the TMAs to make project selections in their respective urban areas while the CTB will make selections in accordance with the current CTB policy – see Appendix B.

Project Approval

Tentative project selections are generally announced in spring. As a rule, the selections are included with the Department's Six-Year Improvement Program (SYIP) public hearings in April / May. The Department strives to have all tentative selections – including TMA selections – available by the hearing dates, but due to the individual MPO timelines, they may not always be included. At the conclusion of the SYIP public hearings, the selections are formally approved by the Commonwealth Transportation Board at their June meeting. If unable to get all TMA

selections in time for the June CTB meeting, the appropriate MPO will be responsible for holding a public hearing and the missing TMA selections will be formally approved by the CTB at a subsequent meeting prior to the October 1 beginning of the federal fiscal year.

Project Implementation

Federal Standards

The Transportation Alternatives program is a federally funded transportation program and therefore governed by Title 23 of the Code of Federal Regulations. In addition, project sponsors must ensure compliance with other federal rules and regulations. Some of the basic federal regulations include:

- Americans with Disabilities Act (ADA)
- National Environmental Policy Act (NEPA)
- Cultural Resources - Section 106 of the National Historic Preservation Act
- Davis-Bacon Wage Rates
- Disadvantaged Business Enterprises (DBE)
- Uniform Relocation Property Assistance and Real Property Acquisition Policies Act
- Brooks Act
- Environmental Justice
- Title VI of the Civil Rights Act of 1964

If you are dealing with a historic property, you will be required to adhere to the Secretary of the Interior's Standards for the Treatment of Historic Properties. Any adverse effect on cultural resources will jeopardize federal funding and must be resolved to the satisfaction of the State Historic Preservation Officer (SHPO) prior to construction.

In addition to the above regulations, the sponsor must be familiar with state and federal procurement requirements. Because this is "transportation" funding, you must also be knowledgeable of AASHTO and VDOT design standards. See the Locally Administered Projects (LAP) Manual for additional guidance.

Project Administration Agreement

In Virginia, federal Transportation Alternatives funds are awarded by the Commonwealth Transportation Board (CTB) in June of each year in conjunction with the Department's Six-Year Improvement Program. Once final selections are announced and the Statewide Transportation Improvement Program (STIP) has been finalized, the Department will forward a Project Administration Agreement to the Project Sponsor for review and signature. Keep in mind that the Federal fiscal year does not begin until October 1 even though project awards are announced in June. The Project Agreement will require signatures by both parties before funds become available for reimbursement.

In addition to the required signatures on the Project Agreement and its Appendix A, the Project Sponsor must also include documentation of signatory authority for the local official signing the agreement. There must be documentation demonstrating that the official signing has "authority"

to enter into an administration agreement with the Department. Signatory authority can be in the form of a local resolution authorizing an official to sign agreements, or it may be a local code reference stating that the official, because of his/her position has authority to execute agreements on behalf of the locality / agency. Agreements will not be executed by the Department without this documentation.

Once the Agreement has been signed by the sponsor and returned, the Commissioner of Highways (or his/her designee) will execute the agreement on behalf of the Department. When advised that the project sponsor is ready to proceed, the Department's Local Assistance Division (LAD) will secure the required federal Preliminary Engineering (PE) authorization and the Sponsor will be notified in writing to proceed with preliminary engineering (PE) activities.

Project Development / Progress

All projects selected for funding should be initiated as soon as possible once funding is available. Regardless of when the project agreement is executed, time will begin on October 1 which is the first day of the federal fiscal year. Each project is expected to proceed to construction within four (4) years from the project's first allocation. It is strongly recommended that the Project Sponsor schedule a "kick off" or coordination meeting with the VDOT District Coordinator once the project administration agreement has been signed and before PE activities begin. Preliminary engineering activities will include environmental coordination, approval of the NEPA document, design / engineering, right-of way phase and final plan review.

Specific project development steps are detailed in the LAP manual. Several aspects of project development that are unique to Transportation Alternatives / Enhancement projects are outlined in Appendix C of this guide. In addition, Appendix D includes a checklist to help guide the project development process.

It is important to realize that projects not meeting the established time frames for expending federal funds will be subject to de-obligation by FHWA. This can slow progress and / or reimbursements. Also, if a project does not progress through project development at an acceptable rate, it may be subject to de-allocation of funds wherein the federal funds are removed from the project permanently. Details of the Department's de-allocation process are included in Appendix E.

A project may be considered delinquent and subject to de-allocation of funds if the following milestones are not met:

- Execution of project administration agreement – within 1 year of first allocation
- Preliminary design complete / 50% plan review – within 2 years of first allocation
- Right-of-Way acquisition / final plan review – within 3 years of first allocation
- Under construction – within 4 years of first allocation

Every project is different and every project encounters its own obstacles, this is understood; however, to meet the established four-year timeframe for construction, it is important that every

project continue to actively pursue each stage of project development. Department personnel – most importantly the VDOT District Coordinator – will be there to assist sponsors through development. For further details regarding specific project development requirements, see the Locally Administered Projects (LAP) Manual which can be found online at VDOT’s Local Assistance Division webpage.

Quarterly Project Status Report

As previously stated, the Project Sponsor has four (4) years to get the TA project under construction. To assist in monitoring this effort, the Department has developed a Quarterly Project Status Report for tracking progress through the development milestones. Submission of this form is mandatory in order that we can better assess the status of these locally administered projects. Use of this form should be discussed with the VDOT District Coordinator at the “kick off” or project coordination meeting.

The Quarterly Project Status Report form can be found online at VDOT’s Local Assistance Division webpage. The report should be submitted to the VDOT District Coordinator quarterly in January, April, July and October of each year. The report should identify the critical milestones accomplished to date, as well as, any delays or difficulties encountered. For your reference, a copy of the form has been included in Appendix F of this guide.

Reimbursement

Reimbursements for TA projects should be submitted at no less than 90 day intervals and can be requested as frequently as once monthly following the steps below:

- Design consultant and / or construction contractor bills the sponsor
- Project sponsor pays the invoice(s)
- Project sponsor submits a request for reimbursement to the VDOT District Coordinator along with copies of the invoice(s) and evidence of payment
- VDOT District Coordinator reviews the request for completeness and forwards it to the VDOT LAD Program Manager for approval and processing
- Once the reimbursement is reviewed for eligibility and any applicable VDOT charges assessed, the VDOT LAD Program Manager sends the request to VDOT’s Central Office Fiscal Division for processing
- VDOT Fiscal Division then processes the payment authorizing reimbursement to the sponsor within 30 days of receipt of a complete submission

The same process should be followed when the sponsor is performing work in-house and wants to be reimbursed. In this case, the sponsor should prepare an itemized breakdown of costs incurred and submit it along with supportive documentation to the VDOT District Coordinator. Reimbursement for in-house expenses must be directly related to project management and include employee names, hours, hourly rates; a simple description of work performed; and receipts for any non-salaried direct costs (consultants, printing, postage, advertising, etc.).

When submitting a reimbursement request, only submit costs that have been incurred. Costs cannot be reimbursed until an invoice has been paid. This is why it is so important to have cash on hand to keep a project going until the first couple of reimbursement requests can get processed and paid.

On each reimbursement request, summarize the eligible project costs providing as much detail as possible in order to identify exactly what is being reimbursed. If there are ineligible costs included on an invoice, these must be clearly identified as ineligible and the costs deducted from the reimbursement request. For example, while tearing up the roadway to install new sidewalks and paver crosswalks, the sponsor may decide to replace an outdated water main. For the sake of efficiency, these improvements can be included in the plans and performed by the same construction contractor, but they cannot be reimbursed with TA funding. In this case, when the contractor's invoice is submitted to VDOT for reimbursement, the water main work / items must be clearly identified and the costs deducted from the total expenditure amount. Note that these costs cannot be used as match since they are not eligible for reimbursement.

If a reimbursement request includes expenditures on multiple developmental phases, it is important that the costs associated with each phase (PE, RW and CN) be kept separately and clearly identified. For example, all preliminary engineering costs should be summarized and kept separate from the construction costs. This is important because the federal authorization secured for preliminary engineering is based on the estimated costs for those expenses and FHWA will only reimburse up to the authorized amount for that phase. Note that bidding and award activities are considered part of the PE phase and CN does not begin until a construction contract is executed.

Appendix G of this guide includes a sample Reimbursement Request and Reimbursement Summary sheet that may be used by sponsors when requesting reimbursement. Use of these forms is not mandatory. When submitted, each request should include a transmittal letter on the sponsor's letterhead and have the appropriate support documentation for expenses incurred, including copies of invoices, receipts, timesheets, etc. There should also be evidence of payment including canceled checks or financial system printouts.

As a general rule, the sponsor will be reimbursed 80% of the eligible invoice costs submitted. The exception would be if in-kind costs are being used to fulfill the local match requirement. In these cases, the total cost incurred will be increased to allow for reimbursement of 100% of the invoice costs submitted. If using in-kind match, it must be clearly noted on the reimbursement request. In order not to delay reimbursement and to allow sufficient time for an eligibility determination, all in-kind match should be submitted to the VDOT LAD Program Manager as soon as it becomes available and not held until the reimbursement request is submitted.

Match documentation may include receipts for materials that were purchased or services provided; it may include an appraisal or sale document for land and / or buildings (an historic depot, etc.). Note that the match value for property is based on the date of donation or sale which may not be the current value. Also note that only the land specifically needed for the project can be counted toward match; for example, the "footprint" of the trail. Ideally, in-kind match documentation should be submitted separately to the LAD Program Manager prior to the submission of any reimbursement requests. As in-kind match is accumulated throughout project

development – additional materials are donated, etc. – this documentation should be collected and periodically submitted to the LAD Program Manager for review and approval. The value of match on file will be increased as new documentation is submitted. As reimbursements are made using in-kind, the match amount used on each invoice will be deducted or “drawn” down from the available total. If sufficient in-kind match is not on file at the time an invoice is received, reimbursement will be made at 80% until additional documentation is provided.

Although the sponsor is responsible for administering the project, VDOT is required by FHWA to provide oversight on all federal-aid projects. As part of this oversight, VDOT staff will perform certain activities related to the project. This may include general project coordination; preparation and / or approval of the environmental document; plan review; evaluation of property appraisals; and construction inspection / oversight. An estimated value for the anticipated VDOT charges will be included in the Project Administration Agreement’s Appendix A. Because these are locally initiated projects, the Department does not have funding budgeted to cover project expenditures and must therefore seek reimbursement from the sponsor’s federal allocation. Eighty percent of the Department’s cost will be deducted directly from the project’s federal allocation and the remaining 20% will be deducted from the sponsor’s reimbursement payment. As such, the sponsor may not collect the full federal share of the approved allocation. It is therefore strongly recommended that any anticipated VDOT charges be included in the project budget and included in the federal amount requested when applying for Transportation Alternatives funding.

The amount of VDOT charges actually assessed can be affected by several factors: the complexity of the proposed project; whether or not the project is within VDOT right-of-way; and the sponsor’s experience and available resources. The VDOT District Coordinator will be better able to estimate VDOT costs based on information provided by the sponsor at the coordination or kick-off meeting.

Below are several examples to demonstrate how the different reimbursement scenarios would work.

Example 1: Project Sponsor has \$100,000 in consultant invoices for engineering services. No in-kind match is being used and reimbursement is requested at the regular 80% reimbursement rate. No VDOT charges are assessed.

Local expenditures	\$100,000
Federal reimbursement	\$ 80,000
Local match in cash	\$ 20,000

Example 2: Project Sponsor has \$100,000 in consultant invoices for design services to restore an historic depot. The local Railroad donated the depot valued at \$65,000 to the Sponsor. This will be used as in-kind match and the Sponsor is requesting 100% reimbursement of the design invoices. No VDOT charges are assessed.

Local expenditures / invoices	\$100,000
Local expenditures / donated depot	\$ 25,000

Total local expenditures	\$125,000 **
Federal reimbursement	\$100,000
Local in-kind match used	\$ 25,000

**Determined by dividing \$100,000 by 0.80; see explanation below

In cases where in-kind match is used, the amount of documented project expenditures (the invoices submitted) will be increased by the required match amount to allow for 100% reimbursement of the expenditures incurred. In-kind match required based on \$100,000 in invoices is calculated as follows:

$$\begin{aligned} \$100,000 \div 0.80 &= \$125,000 \text{ total expenditures} \\ \$125,000 \times 0.20 &= \$ 25,000 \text{ match required} \end{aligned}$$

Total land value	\$65,000
Land value used	\$25,000
Match still available	\$40,000

Example 3: Project Sponsor has \$100,000 in consultant invoices for engineering services. No in-kind match is being used and reimbursement is requested at the regular 80% reimbursement rate. VDOT charges for plan review in the amount of \$5,000 are assessed on this reimbursement. Remember that 20% of the VDOT charges will be deducted from the locality's reimbursement and 80% will be deducted directly from the federal allocation. In this example, the Sponsor has a \$400,000 federal allocation for the project.

Local expenditures	\$100,000
Federal reimbursement amount	\$ 80,000
Less: 20% match for VDOT charges	\$ 1,000
Reimbursement received by locality	\$ 79,000

The federal allocation is affected as follows:

Federal TA allocation	\$400,000
Less: Federal reimbursement to date	\$ 80,000 (not amount reimbursed)
Less: 80% federal share of VDOT charges	\$ 4,000
Federal TA allocation left	\$316,000

Project Close-Out

Once a project has been completed, it must be closed or "final vouchered" with FHWA. In cases where the sponsor is funding work above the TA contribution and work continues after the federal allocation is expended, the project will not be closed out until work is completed and a final inspection performed.

The close-out process begins with the sponsor submitting a LAP Form C-5 (Reporting Starting and Completion of Projects – see Appendix H) to the VDOT District Coordinator after final acceptance of the project. This signals the completion of a project or project phase and should be submitted for each project UPC. This will begin the Department’s financial close-out of the project including a review of project charges, reconciliation of financial records and any final adjustments needed to the federal reimbursement amount. Note that VDOT actually reimburses the sponsor with state dollars and in turn, requests reimbursement from FHWA. At project close-out, the Department may need to modify the existing federal authorizations (PE, RW and CN) based on actual expenditures to ensure sufficient billing has occurred between FHWA and VDOT. If there are remaining unspent federal funds, these will be de-obligated and re-allocated to other active TA projects.

Once the Department’s reimbursement records have been reviewed and found to be satisfactory, the Department will request that FHWA close or “final voucher” the project. Note that the sponsor is required to keep all project records – financial as well as design, right-of-way and construction – for a minimum of three (3) years after FHWA has final vouchered the project. This includes but is not limited to: selection and procurement process, contracts, invoices, plans, daily diaries, correspondence, materials testing / reports, change orders, C-5, as-built plans, etc.

After Project Completion

Transportation Alternative projects are locally initiated projects; they are not VDOT projects. The expectation is that they will be maintained by the Project Sponsor at an acceptable level for the facility’s useful life. The Department may agree to maintain standard improvements within VDOT right-of-way however this should be requested prior to final plan approval and documented in the land-use permit.

The investment of federal funds requires that the completed project continue to be open and available to the general public; that it maintains its intended use; and that it not become a for-profit enterprise. If a project fails to meet these requirements, the Project Sponsor may be responsible for repayment of the federal funds invested in the improvement. Appendix I of this manual includes the “Repayment Schedule” as approved by the Virginia Division, FHWA.

This schedule can be used to determine potential payback on projects if the federal investment is not protected for a sufficient length of time. It states that all federally funded TE / TA projects must meet the expectations for a minimum of five (5) years or the Project Sponsor will have to repay 100% of the federal investment. Beyond the five (5) year period, repayment will depend on the type of project and the amount of federal investment involved.

GLOSSARY

Allocation – Federal program funds awarded to a project by the Commonwealth Transportation Board.

Appendix A – Attachment included in the Project Administration Agreement that outlines the specific funding limits, match requirements, project cost estimates and time limit for expending funds.

Apportionment – Federal funds budgeted for FAST Act programs.

Authorization – Federal approval required before reimbursable expenses can be incurred. Specific documentation must be submitted in order to request federal approval to proceed to a new phase – preliminary engineering, right of way or advertisement. Any expenses incurred prior to receiving the appropriate federal authorization will not be eligible for reimbursement.

Boulevard – Walkable, low-speed (35 mph or less) divided arterial thoroughfare in urban environments designed to carry both through and local traffic, pedestrians and bicyclists.

Brooks Act – Federal act requiring hiring agencies to use a qualifications-based selection process for selecting professional service providers. The process must be competitive and cannot use price as a factor in selection. The same is set forth in the Virginia Public Procurement Act (VPPA).

Commonwealth Transportation Board (CTB) – The Board is made up of 17 members and the Secretary of Transportation. The members are appointed by the Governor and approved by the General Assembly. The Board is charged with selection of Transportation Alternatives (TA) projects and the allocation of TA funds based on the current selection policy resolution. The Code of Virginia also requires that the Board approve the award of any construction contract (including TA projects) over \$2 million. The Department’s Commissioner has been authorized to approve all contracts for less than \$2 million. The Board generally meets on the third Wednesday of each month.

Coordination or Kick Off Meeting – It is recommended that once a project receives funding and a Project Administration Agreement is executed, that a “kick-off” meeting be scheduled with the local VDOT District Coordinator. This meeting will allow for a discussion of the proposed project scope, the roles and expectations of each party, and may help identify any possible ineligible items. It will also allow the Sponsor to ask questions and identify the next steps needed to proceed with project development.

Cultural Resources – Section 106 – In accordance with Section 106 of the National Historic Preservation Act, federal agencies are required to take into account the effect of their undertaking on properties included in, or eligible for inclusion in, the National Register of Historic Places. The applicant is responsible for identifying and evaluating historic properties.

In Virginia, the Department of Historic Resources (VDHR) is responsible for assisting in the determination of effects on historic properties.

Davis-Bacon Wage Rates – Federal statute requiring the payment of minimum wages, including fringe benefits, to laborers and mechanics engaged in construction activity under contracts entered into, or financed by, agencies of the United States or the District of Columbia. Rates are based on the prevailing wages for corresponding classes of laborers and mechanics employed on similar projects in the local areas where such work is to be performed. These wage determinations are regularly updated by the U.S. Department of Labor.

Design Standards – Projects must be designed in accordance with American Association of State Highway and Transportation Officials (AASHTO) and/or state approved standards. It is permissible for plans to be prepared in accordance with the Sponsor’s standards and format, provided these meet or exceed VDOT standards.

Disadvantaged Business Enterprise (DBE) – A small business owned and controlled by socially and economically disadvantaged individuals. To be eligible as a DBE, the firm must be VDOT certified. Note that “DBE” is a federal requirement and is different than “SWAM” which is a state initiative.

District Coordinator – VDOT employee chosen in each of the nine highway districts to coordinate the district TA projects. The coordinator will assist local Project Sponsors with project development questions, coordinate required reviews, and provide guidance regarding state and federal guidelines.

Eligible Costs – Expenditures that can be reimbursed through the TA program; they include design and engineering, acquisition of property, construction and construction engineering. To be eligible for reimbursement, proper federal authorization is required before the costs are incurred.

Environmental Document – An umbrella document that provides evidence of compliance with a number of different environmental laws and regulations. The following cannot proceed until the environmental documentation has been approved by FHWA: final design activities, property acquisition, purchase of construction materials, or project construction.

Environmental Justice – The Environmental Justice requirement is a result of Executive Order 12898, issued in 1994, which focused attention on the environmental and human health conditions in minority and low-income communities. Per the executive order, each federal agency (and all recipients of federal funds) “shall make achieving environmental justice part of its mission by identifying and addressing, as appropriate, any disproportionately high and adverse human health or environmental effects of its programs, policies, and activities on minority and low-income populations.”

FAST Act – “Fixing America’s Surface Transportation” Act – the current federal transportation legislation passed December 4, 2015. This bill continues the Transportation Alternatives program as set forth in MAP-21 and is in place until FY2020.

FHWA – Federal Highway Administration – Branch of the U. S. Department of Transportation. The Transportation Alternatives program is a federal program administered by VDOT utilizing funds received from the FHWA. The FHWA requires that the Department provide oversight to ensure local recipients of federal TA funds adhere to all federal and state requirements. The FHWA must authorize each phase of project development before the Sponsor moves forward. They also provide program guidance regarding eligibility and reimbursement.

Final Acceptance – The acceptance of all contract work after completion and final inspection. Final inspection of a TA project should include the VDOT District Coordinator and/or other VDOT staff member. If the final inspection discloses any work, in whole or in part, to be incomplete or unacceptable, a punch list shall be developed and corrective work completed. Once corrections are made, the local sponsor should confirm final acceptance. This date should be included on the LAP Form C-5.

FIRE – Quarterly federal audit report identifying projects that are not incurring costs or expending federal funds within set timeframes and are therefore subject to de-obligation.

In-eligible costs – Those expenditures that cannot be reimbursed through the TA program. These are generally activities that do not qualify as one of the eligible TA activities set forth in the federal legislation. These costs cannot be used to fulfill the local match requirement because they are ineligible for reimbursement.

In-Kind Match – Eligible services and/or materials donated to the project. Contributions can include professional services, land, materials and construction engineering services. The value of in-kind contributions must be documented and can be used to meet the 20% local match requirement. This may include Project Sponsor expenditures that are not submitted for reimbursement.

LAD Program Manager – VDOT Central Office, Local Assistance Division employee assigned to manage the Transportation Alternatives program. This position will act as a liaison with the Federal Highway Administration on program eligibility and compliance issues. The manager will focus more on overall program policy and training rather than day-to-day project management.

Land-Use Permit – VDOT permit required prior to beginning work within Department right-of-way.

LAP Form C-5 – VDOT form modified for use on locally administered projects that records the beginning and ending dates of construction activity on a project. This form should be completed by the local sponsor after final acceptance and submitted to the VDOT District Coordinator.

Local Assistance Division – Division within VDOT Central Office charged with management of the federal Transportation Alternatives Program. Local Assistance staff will act as liaison with the FHWA throughout TA project development. The Division also manages other local programs including: First Cities, Revenue Sharing, Recreational Access, Economic Development Access, Airport Access, Rural Rustic Roads and Federal Lands Access.

Locally Administered Projects (LAP) Manual – A separate manual developed by the VDOT Local Assistance Division to provide guidance to local governments administering and constructing transportation projects.

MAP 21 – “Moving Ahead for Progress in the 21st Century” federal transportation bill prior to the FAST Act. This two-year transportation bill, signed into law on July 6, 2012, established the Transportation Alternatives Program (TAP) which combined several programs including many of the prior Transportation Enhancement (TE) activities, the Recreational Trails Program (RTP) and the Safe Routes to School (SRTS) Program.

Match Requirement – The TA Program requires that the Project Sponsor provide a minimum 20% match to the total federal allocation granted to a project. This non-federal share may consist of cash, materials, professional services or the value of donated property. For in-kind services or donations to be counted towards the match requirement, they must be expenses that would otherwise be eligible for reimbursement. The Sponsor is ultimately responsible for all project costs over the federal allocation; it is therefore critical that all project expenditures be closely monitored.

Metropolitan Planning Organization (MPO) – Regional organizations that are comprised of local elected officials, appropriate agency officials and state officials or their representatives. MPOs are responsible for the development of transportation plans and programs for the urbanized area they represent. All TA projects require that the local MPO be notified of a Sponsor’s intent to file a TA application with VDOT. If the project is selected to receive TA funds, the MPO must approve its addition to their local Transportation Improvement Program (TIP) prior to federal funds being available.

National Environmental Policy Act (NEPA) – Enacted in 1969, NEPA requires that any activity or project receiving federal funding or other federal approvals (including transportation enhancement projects) undergo an analysis of potential impacts to the environment. Under NEPA, FHWA works closely with other federal agencies and state, local and tribal governments; public and private organizations; and the public to understand a project’s impact on the human and natural environment. This process involves striking a delicate balance among many different factors – mobility needs economic prosperity, health and environmental protection, community and neighborhood preservation, and quality of life for present and futures generations.

Obligation – The placement of federal funds on a particular project by FHWA.

Phase – Every project is broken down into separate developmental phases in which different activities occur. These phases include Preliminary Engineering, Right of Way, Advertisement and Construction. The Project Sponsor must be notified by the VDOT District Coordinator that the required federal authorization has been secured prior to beginning a new phase.

Preliminary Engineering (PE) – First phase of project development including environmental coordination, related engineering studies, design and public involvement.

Project Administration Agreement – Written Agreement between VDOT and the Project Sponsor stating each party’s responsibility in managing the project. The Agreement includes an Appendix A which identifies the maximum amount of federal funds available to the project, the time limit for expending the funds and any items that have been identified as ineligible for reimbursement.

Project Manager – Party responsible for daily administration of a project. This individual may be employed by the Project Sponsor, or a consultant acting on behalf of the Sponsor.

Project Records – This includes, but is not limited to all financial records (invoices, contracts, procurement documents including RFP, selection criteria and evaluations), design and right-of-way documentation, as well as all construction records including the project diaries, materials documentation, invoices, test reports, change orders and claims. These records must be maintained by the project sponsor for a minimum of three (3) years after federal close-out.

Project Sponsor – The entity that is ultimately responsible for administration of the TA project. This is the party that enters into and signs the Project Administration Agreement with VDOT. The Project Sponsor is responsible for the 20% local match requirement as well as ensuring that all state and federal requirements are fulfilled.

Public Information Meeting – An advertised public meeting to present transportation proposals and provide the opportunity for public comment. A public meeting must be held for all TA projects prior to submittal of an application. Requirements for the initial public meeting should follow guidelines or procedures as established by the local government/sponsoring agency.

Quarterly Project Status Report – A report summarizing the critical milestones for project development. The report is mandatory and should be submitted to the VDOT District Coordinator quarterly in January, April, July and October of each year. It should reflect progress being made through project development and construction including identification of any delays / problems encountered.

Responsible Person – A full time employee of the sponsoring agency responsible for making major project decisions and overseeing project administration.

Right of Way (RW) – Preliminary phase of project development involving the acquisition of property and the relocation of utilities.

Secretary of the Interior Standards – Required design and restoration standards for properties either on or eligible for the National Register of Historic Places.

Signatory Authority – This documentation is required by the Attorney General’s Office to certify that the local official signing the Project Administration Agreement is “authorized” to enter into agreements on behalf of the sponsoring locality/agency. It may be in the form of a resolution passed by the local council / board or it may be included in the local code / bylaws.

Six-Year Improvement Program (SYIP) – the Department’s plan for project development and construction advertisement over the next six (6) fiscal years. This program is updated and approved by the Commonwealth Transportation Board each year in June.

Statewide Transportation Improvement Program (STIP) – A federally mandated document that lists the transportation projects and programs to be federally funded statewide. All transportation systems and facilities, including TA projects, must be included. Projects must be included in the STIP before federal authorization can be requested.

Surface Transportation Block Grant Program (STBG) – new name for the former Surface Transportation Program (STP). This is a federal-aid highway program meant to promote flexibility in State and local transportation decisions and provide flexible funding to best address State and local transportation needs. Section 1101 of the FAST Act authorizes funds for the STBG. Included in the STBG program is a set-aside specifically identified for Transportation Alternatives; also called the “TA Set-Aside”.

TA Set-Aside – funding amount identified specifically for Transportation Alternatives projects and eligible activities. This funding is a sub-apportionment of the Surface Transportation Block Grant Program. The TA Set-Aside is authorized under 23 U.S. C. 133(h).

Title VI of the Civil Rights Act of 1964 – Prohibits discrimination based upon race, color or national origin.

Transportation Alternatives Program (TAP) Guide – A manual developed to assist localities interested in applying for federal TAP funding. The guide discusses program eligibility, program requirements and outlines the application / selection process. Further guidance pertaining to project development can be found in the Locally Administered Projects (LAP) Manual.

Transportation Improvement Program (TIP) – A transportation program developed by the MPOs listing federally participating projects to be funded over the next 3 years. All projects that will use Federal funds, including TA projects, must be included in the TIP.

Transportation Management Area (TMA) – An urbanized area with a population exceeding 200,000 people. Virginia has four (4) TMAs made up of six (6) MPOs.

Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (Uniform Act) – Procedures and requirements pertaining to the acquisition of real property and relocation of persons and businesses on federally funded projects. TA projects must adhere to requirements of the Uniform Act.

VDOT – Virginia Department of Transportation – The state highway agency. The Department is made up of nine (9) highway Districts. The Central Office, located in Richmond, houses the policy Divisions – Local Assistance, Construction, Programming and Environmental, which ultimately provide approval and authorization for the separate phases of each TA project.

VDOT Charges – These are expenses incurred by the Department for staff time devoted to project oversight activities including, but not limited to: environmental assistance and/or document preparation, appraisal review, plan review, civil rights reviews and construction inspection. Other oversight may be provided / required based on the project. Eighty percent of these charges will be deducted directly from the federal allocation amount and 20% will be deducted from the sponsor’s reimbursement payment. These costs cannot be recouped by the sponsor and therefore should be included in the project budget.

Appendix A

Transportation Alternatives Eligibilities

Activity	Eligible	Not Eligible
<p><u>Activity #1:</u></p> <p>Construction, planning and design of on-road and off-road trail facilities for pedestrians, bicyclists and other non-motorized forms of transportation</p>	<ul style="list-style-type: none"> • Trails on and off road • New sidewalks • Rehabilitating existing sidewalks to comply with ADA standards and to improve pedestrian access • Other ADA pedestrian improvements including curb ramps and truncated domes • Bicycle lanes • Bicycle parking and bus racks • Bicycle and pedestrian bridges and underpasses • Rails-with-Trails • Equestrian trails when built along with a shared use path 	<ul style="list-style-type: none"> • Sidewalk repair, drainage improvements or other maintenance activities • Circular trails / sidewalks • Facilities located wholly on one site or property that do not provide a connection to existing trails or sidewalks outside the site or property • Trails for equestrian use only • Recreational facilities • Any non-ADA compliant trail / sidewalk facility • Way-finding signage / program as a stand-alone project • Preliminary work including feasibility / location studies and master plans
<p><u>Activity #2:</u></p> <p>Construction, planning and design of infrastructure-related projects and systems that will provide safe routes for non-drivers including children, older adults and individuals with disabilities to access daily needs</p>	<ul style="list-style-type: none"> • Pedestrian and bicycle signals and crosswalks • Pedestrian lighting and other safety-related infrastructure • Safe connections to public transportation 	<ul style="list-style-type: none"> • Bicycle and pedestrian safety / educational programs (see SRTS eligibilities for K-8) • Lighting fixtures intended for aesthetic purposes only (instances where adequate lighting already exists) • Roadway lighting
<p><u>Activity #3:</u></p> <p>Conversion and use of abandoned railroad corridors for trails for pedestrians, bicyclists or other non-motorized transportation users</p>	<ul style="list-style-type: none"> • Rails-to-Trails facilities 	<ul style="list-style-type: none"> • Projects solely to preserve abandoned railroad right of way • Trail facilities for motorized vehicles (ATVs, dirt bikes, snowmobiles, etc) • Maintenance and/or upkeep of trails (including the purchase of equipment)

<p><u>Activity #4:</u></p> <p>Construction of turnouts, overlooks and viewing areas</p>	<ul style="list-style-type: none"> • Turnouts, overlooks and viewing areas that interpret a scenic or historic site 	<ul style="list-style-type: none"> • Interpretation and other amenities installed without construction of a turnout, overlook or viewing area • Safety rest areas • Visitor / welcome centers • Farmers markets, entertainment pavilions, etc. • Staffing, operating or maintenance costs of the pull off • Marketing and promotional activities
<p><u>Activity #5:</u></p> <p>Inventory, control or removal of outdoor advertising</p>	<ul style="list-style-type: none"> • Billboard inventories including those done with GIS/GPS • Removal of illegal and non-conforming billboards (non-conforming signs are those lawfully erected but that no longer comply with the Highway Beautification Act of 1965) 	<ul style="list-style-type: none"> • Administration or operating expenses involved in State outdoor advertising program activities
<p><u>Activity #6:</u></p> <p>Historic preservation and rehabilitation of historic transportation facilities</p>	<ul style="list-style-type: none"> • Rehabilitation and /or restoration of historic transportation facilities including: train depots, rail trestles, bridges, lighthouses, bus terminals, tunnels, canals, locks and tow paths • Properties previously owned and operated by the railroad (example - railway offices and station master's house) • Historic toll facilities 	<ul style="list-style-type: none"> • Historic buildings that are not part of the historic transportation <u>infrastructure</u> (for example: inns and taverns, gas stations and carriage houses) • Projects that do not intend to comply with Secretary of the Interior Standards for Restoration and Rehabilitation • Improvements that will not maintain the historic integrity of the structure • Operation of historic transportation facilities • Spaces not open / accessible to the public • Spaces used in for-profit enterprises • Constructing a replica of an historic transportation facility • Construction of new rail /

		<p>passenger stations</p> <ul style="list-style-type: none"> • Transportation infrastructure not related to surface transportation (i.e. air and space travel)
<p><u>Activity #7:</u></p> <p>Vegetation management practices in transportation rights of way</p>	<ul style="list-style-type: none"> • Vegetation to improve transportation safety (could include removal of vegetation to improve sight distance) • Removal / management of invasive species • Planting of grasses or wildflowers to manage / prevent erosion along transportation corridors 	<ul style="list-style-type: none"> • Landscaping as scenic beautification / stand-alone landscaping project • Landscaping off transportation rights of way • Gateway signage
<p><u>Activity #8:</u></p> <p>Archaeological activities relating to impacts from implementation of a transportation project</p>	<ul style="list-style-type: none"> • Archeological excavations and surveys related to a transportation project • Archeological activities required as part of a MAP-21 eligible project • Interpretation and display of artifacts discovered as part of a transportation project 	<ul style="list-style-type: none"> • Archeological activities not related to a transportation project eligible under federal Title 23
<p><u>Activity #9:</u></p> <p>Environmental mitigation activities to decrease the negative impacts of roads on the natural environment</p>	<ul style="list-style-type: none"> • Stormwater management activities related to highway run-off that address water pollution and improve the ecological balance of local streams and rivers • Detention and sediment basins • Stream channel stabilization • Storm drain stenciling and river / stream clean-ups 	<ul style="list-style-type: none"> • Drainage improvements related to poor maintenance • Stormwater management activities not related to highway run-off and water pollution
<p><u>Activity #10:</u></p> <p>Wildlife mortality mitigation activities to decrease the negative impacts of roads on the natural environment</p>	<ul style="list-style-type: none"> • Wetlands acquisition and restoration • Wildlife underpasses and overpasses to improve wildlife passage and habitat connectivity • Improvements to decrease vehicle-caused wildlife mortality 	<ul style="list-style-type: none"> • Projects not related to the negative impacts of highway construction

Transportation Alternatives (TA) Set-aside funding cannot participate in the maintenance or upkeep of facilities nor can it be used to fund operating or staffing costs. All facilities constructed or improved with TA funds must be open and accessible to the public and cannot be for-profit enterprises.

The Transportation Alternatives Program as defined in MAP-21 **eliminated** three of the activities previously eligible under the SAFETEA-LU Transportation Enhancement (TE) program:

- Acquisition of Scenic Easements and Scenic or Historic Sites
- Historic Preservation **
- Transportation Museums

Other TE activities were **modified** in the updated legislation:

Bicycle and Pedestrian Safety and Educational Activities – Under TAP these activities are no longer eligible under TA, but are still eligible for audiences K – 8th grade as part of the Safe Routes to School (SRTS) eligibilities (non-infrastructure).

Scenic or Historic Highway Programs including Tourist and Welcome Centers – Under TAP this activity is limited to the construction of turnouts, overlooks and viewing areas. Eliminated are the tourist and welcome centers that were previously eligible as well as the promotional and marketing activities (signage, brochures, and websites) for historic driving tours like the Civil War Trails and Road to Revolution.

Landscaping and Scenic Beautification – Under TAP this activity was re-defined as “vegetation management” narrowing the geographic scope of landscaping to along “transportation right of way” and changing the focus from beautification to vegetation management. Relocating overhead utilities was a popular “beautification” activity formerly eligible under this activity that was eliminated by definition.

Rehabilitation and Operation of Historic Transportation Buildings, Structures or Facilities – Under TAP the “operation” of historic transportation facilities such as the Erie Canal was eliminated but preservation and rehabilitation of these facilities are still eligible activities.

** Under TAP the only historic preservation activities eligible are limited to transportation infrastructure as defined in Activity #6. Historic preservation or rehabilitation of non-transportation facilities such as historic mills, courthouses, inns and taverns, was eliminated even if the structures have a strong transportation link or future transportation use.

These changes were all continued and the eligibilities as defined in MAP -21 remain the same in the FAST Act bill.

Appendix B



COMMONWEALTH of VIRGINIA

Commonwealth Transportation Board

Sean T. Connaughton
Chairman

1401 East Broad Street
Richmond, Virginia 23219

(804) 786-2701
Fax: (804) 225-2940

Agenda item # 2

**RESOLUTION
OF THE
COMMONWEALTH TRANSPORTATION BOARD**

July 17, 2013

MOTION

**Made By: Mr. Layne Seconded By: Mr. Sterling
Action: Motion Carried, Unanimously**

**Title: Policy for Selection of Transportation Alternatives Projects and Process for
Transportation Enhancement/Transportation Alternatives Program De-allocation, Project
Transfer, and Inactive Projects**

WHEREAS, the federal Moving Ahead for Progress in the 21st Century Act (MAP-21) provides for a statewide Transportation Alternatives Program, using federal transportation funds and state or local matching funds; and

WHEREAS, from federal funds appropriated to the Transportation Alternatives (TA) program the Commonwealth Transportation Board (Board) shall approve the selection of projects on an annual basis and in accordance with §33.1-12(5) of the Code of Virginia and MAP-21; and

WHEREAS, the Board has expressed a desire to establish a selection policy in order to conform with MAP-21 required policies and to ensure timely allocation of Transportation Alternatives funds; and

WHEREAS, after reviewing the proposed policy changes, the Board believes the policy for selection of Transportation Alternatives project should be adopted as set forth below; and

WHEREAS, in association with the changes under MAP-21 relating to funding for the projects eligible under the Transportation Alternatives Program, it is necessary to adopt a replacement for the current “Enhancement Program De-allocation, Project Transfer and Inactive Project Process” in order to ensure that funding for Transportation Alternatives Projects is utilized within certain timeframes.

NOW, THEREFORE BE IT RESOLVED, the Commonwealth Transportation Board hereby rescinds its previous Interim Policy for Selection of Transportation Alternatives Projects adopted on October 17, 2012 and adopts the following policy and criteria governing the selection of Transportation Alternatives Program projects:

1. As required by MAP-21 the MPOs representing urbanized areas with populations greater than 200,000 (the Transportation Management Areas) will select Transportation Alternatives projects in their areas up to the amount of funding provided them in MAP-21.
2. The Secretary and CTB At-Large members will select Transportation Alternatives projects with the funds made available for population areas less than 200,000, up to the amount provided in MAP-21 for that requirement.
3. Statewide Transportation Alternative funds (remaining 50% of allocation and available for use anywhere in the state) will be apportioned equally among the District CTB members up to total amount of \$9M. The District members will select eligible Transportation Alternatives projects with these funds.
4. If the statewide funds mentioned in item 3 above exceed \$9M, the Secretary and CTB At-Large members will collectively select projects that address statewide funding gaps or needs up to the amount of the additional funding.
5. All projects selected must be under construction within four (4) years of the project’s first allocations availability, unless that time is extended for a documented reason.
6. All projects selected by the Board shall receive not less than 50% of the amount of Transportation Alternative program funds requested in the application. In addition, all projects selected by the Board will be fully funded to the requested Transportation Alternatives Program amount, if that amount is \$200,000 or less and such amount is all that is required to complete the project.
7. Once various project selections have been made in accordance with the foregoing process, the project list will be presented to the full Board for its consideration and approval.

NOW THEREFORE, BE IT FURTHER RESOLVED, the Board approves the Transportation Enhancement/Transportation Alternatives Program De-allocation, Project Transfer, and Inactive Project Process dated June 26, 2013 and attached hereto to guide the Department’s efforts in ensuring that funds for Transportation Alternatives Projects are utilized within the established timeframes and hereby rescinds the Enhancement Program De-allocation, Project Transfer and Inactive Project Process previously approved by the Board on December 8, 2010.

#####

Appendix C

Project Development – What’s Unique?

The Locally Administered Projects (LAP) Manual provides sponsors managing locally administered projects the requirements and guidelines for project development. The LAP Manual should be the primary guide for project development process requirements. **This summary is provided only to point out some of the project development requirements that are unique to Transportation Alternatives / Enhancement projects.** Because these non-traditional projects, although similar, are often less complex and have unique program features that differ from traditional roadway construction projects, there may be slight differences throughout project development. Any specific guidance here takes precedence over the recommended process in the LAP Manual since the intent is to streamline processes whenever possible.

Preliminary Engineering Phase

Request to Administer (RtA)

Roadway projects in the Department’s six-year program require a locality to submit a “Request to Administer” or RtA requesting to administer a VDOT project. Since Transportation Alternatives / Enhancement projects are directly solicited from localities and public agencies, they do not require an RtA. By submitting an application for a Transportation Alternatives / Enhancement project; you are automatically assuming responsibility for development of that project.

Scoping Meeting

More complex projects require a scoping meeting with Department staff, but with these smaller generally straight-forward projects, we recommend a kick-off or coordination meeting in lieu of a more formal “scoping” meeting. It is also expected that the scoping activities and/or evaluation should be performed by the local project sponsor prior to submitting a request for federal TA funding.

Kick-Off Meeting and Quarterly Progress Report

The project sponsor largely controls the schedule on these locally administered projects and therefore needs to take the initiative to ensure VDOT is kept up to date on the project’s status throughout development. It is strongly recommended that the Project Sponsor schedule a coordination meeting or “kick-off” with the VDOT District Coordinator before beginning any preliminary engineering (PE) activities. This meeting will help further define the scope of the

project and outline the key requirements for project development. It will also identify the roles and expectations of each party and outline a tentative schedule of critical activities or project milestones. Discussion at the meeting may also offer insight into any possible ineligible project costs and whether in-kind match has been approved for the project. Since project activities are being discussed, this would also be an opportunity for VDOT to provide the project sponsor with a better estimate of VDOT charges for their assistance and oversight.

A sponsor's regular submittal of Quarterly Project Status Reports will also help ensure VDOT is kept updated on the project's status – see requirements for submission of this form discussed earlier in this guide.

Environmental Document

Because most Enhancement projects are smaller and less complex, they will in many cases qualify for the basic level of NEPA / environmental document – either a Blanket Categorical Exclusion (BCE) or a Programmatic Categorical Exclusion (PCE). In rare instances, they may require the higher level Categorical Exclusion (CE).

In 2008, the Department instituted a policy wherein VDOT District Environmental staff would prepare the environmental document for these locally administered projects initiated in 2008 and later. This means that for any “new” project awarded federal Transportation Enhancement / Alternatives funds for the first time in June 2008 or later, VDOT will provide the basic coordination and required NEPA document. Note that this is considered part of VDOT's oversight and as such, is an eligible project charge. For older projects – those awarded funding prior to 2008 – it will still be the sponsor's responsibility to perform the research and coordinate with the required agencies to complete the NEPA document. For detailed guidance on project sponsors preparing environmental documents and obtaining environmental clearances, visit VDOT's webpage: http://www.virginiadot.org/business/environmental_requirementsTEP.asp

The sponsor must realize that on these “newer” projects, the Department is only performing the basic coordination and preparing the required NEPA document. There may be cases requiring the sponsor to provide some additional coordination or investigation in order to obtain the necessary final environmental clearances and required permits. For example, the sponsor may be directed to conduct additional environmental studies by the regulatory agencies such as limited archaeological surveys, or wetland findings / delineations. The sponsor is responsible for completing this work (above the basic coordination) or for obtaining qualified professionals to perform the work.

It should also be noted that in cases where VDOT prepares the environmental document, the sponsor is still responsible for obtaining any required permits and for complying with, and / or enforcing any environmental commitments identified in the NEPA document.

Public Hearings

The public information meeting / hearing held by the sponsor prior to submitting an application for funds, fulfills the initial federal “public participation” requirement for Transportation Alternatives / Enhancement projects. We strongly encourage however that the sponsor include public participation throughout the project development process.

Most Transportation Alternatives / Enhancement projects will not require a formal public hearing during the design phase. It is a good idea however, to hold a Public Hearing or post a Willingness when 1) the acquisition of private property is planned; 2) the project has changed from what was presented at the initial public meeting; 3) a Categorical Exclusion (CE) NEPA document is required; or 4) concerns have been expressed by the community. Local procedures and guidelines should be followed for all public hearings.

Plan Review

The LAP Manual generally requires three (3) plan reviews for roadway projects; usually at the 30 / 60 / 90 percent stage. In an effort to streamline the process for Transportation Enhancement / Alternatives projects, preliminary plans should only require two reviews – one at approximately 50% complete and then a final review when the plans are at 90 – 100% complete. This can be further discussed with the VDOT District Coordinator at the kick-off meeting, but generally, the 50% review will ensure plans are being prepared in accordance with the appropriate standards and enough detail is being provided. It will also provide an opportunity to review for any possible conflicts between the proposed work and any current or future, VDOT improvements. It may also help in identifying any ineligible project costs. Then a final review will ensure the plans are ready for construction advertisement; and again provide an opportunity to identify any possible ineligible items.

In cases where the project involves construction or rehabilitation of a building, VDOT will rely on the locality’s building official to provide a code compliance review and issue any required building permits. Certification of this review will be required at the PS&E stage.

The Department does not review building plans except in cases where the structure will be on State-owned property. If however, the building plans include site improvements such as parking lots, walkways, lighting or landscaping, VDOT will require a plan review for the site improvements. For historic structures, or structures within an historic district, the building plans must be reviewed by the Virginia Department of Historic Resources (VDHR). If VDHR determines that the proposed improvements will have an adverse effect on cultural resources, additional coordination and possible modification to the plans will be required to ensure federal reimbursement. Note that VDHR will review not only direct impacts to the building, but will also review for any “visual” impacts within an historic district.

Ineligible Items

Unlike traditional roadway projects, Transportation Alternatives / Enhancement projects must constantly be reviewed for program eligibility. This is especially critical during design when the scope and design elements may be evolving. Note that the overall project may qualify for program funding, but that does not mean every project “element” is eligible for reimbursement. For example, utility upgrades such as replacing a waterline or repaving the roadway may make sense to include while installing streetscape improvements; or adding tennis courts, barbecue grills and boat launches may make for nice amenities to a trail project, but they are not eligible for reimbursement. Ineligible items if included in the final construction plans and bid document must be clearly marked as ineligible and / or being paid for by others. The amount paid to the contractor for these items must also be deducted from the reimbursement request.

Environmental Commitments

There may be environmental commitments that must be incorporated into final design plans. This may include adding notes to the plans regarding seasonal construction limitations due to endangered species or delineating certain areas that must be avoided altogether during construction. Commitments may also involve a requirement to submit final 100% plans to the Virginia Department of Historic Resources (VDHR) for additional review and / or plan revisions needed to avoid a possible adverse effect determination. Be sure to verify that all commitments have been addressed as needed.

Title Sheet Signatures

All trail, roadside, and bridge plans must be reviewed by the Department; however, Transportation Alternatives / Enhancement projects do not require Department signatures on the title sheet. When plans are submitted for review, the title sheet should include the project name, state / federal project numbers, local signature boxes, and a professional engineer’s seal. It should also specify the standards and specifications under which the project is to be constructed; but they should not be submitted for VDOT signature.

Bid Document Preparation

If the project is funded with “old” Transportation Enhancement program funds (ISTEA, TEA-21 or SAFETEA-LU) as opposed to newer MAP-21 / FAST Act funds, there is a possibility of using state procurement and small purchase procedures for projects estimated at less than \$50,000. This will eliminate the need for a traditional bid proposal / document. Check with your VDOT District Coordinator if you think your project may qualify. Note that MAP-21 legislation eliminated the option of utilizing state procurement rules for “new” projects funded totally with MAP-21 funds.

Right of Way Phase

Ideally, Transportation Alternatives / Enhancement projects should have R/W secured or commitments in place prior to applying for funding; however right of way acquisition is an eligible project cost. All federal requirements as outlined in the LAP Manual must be followed for right of way activities. For right of way acquisition, this includes an approved environmental document and federal RW authorization prior to acquisition and / or negotiation with property owners.

Condemnation

Since this is considered a “community friendly” program, condemnation or the use of eminent domain, is not a course of action recommended by VDOT for use on Transportation Alternatives / Enhancement projects. As such, the costs associated with these actions are not typically eligible for reimbursement by the Department.

Right of Way Certification

All projects will require Right of Way Certification prior to requesting a federal construction authorization. Note that due to the continuing maintenance requirements for TA projects, sponsors may be required to secure permanent easements (as opposed to temporary rights of entry or construction easements) to ensure proper upkeep in perpetuity of the completed facility.

Advertisement and Construction Phase

Authorization to Advertise

A federal authorization to advertise for construction is required prior to advertisement or solicitation of price quotes, on all federal-aid projects. Sometimes however, Transportation Alternatives / Enhancement projects may only involve the purchase of materials. For a streetscape or trail project, this may be the purchase of benches or landscaping that town employees will install; for restoration of a depot, this may be the purchase of paint or drywall and screws that volunteers will use to complete the interior restoration. Note that purchasing materials is still considered a construction activity. As such, no price quotes can be solicited or material purchased – if you expect reimbursement for these items – until a federal authorization has been obtained. To secure federal authorization for the purchase of materials, the following should be submitted to the VDOT District Coordinator:

- 1) Bid Form / Solicitation – this should provide a list of the required materials including the estimated quantities and pay units of each (LF, EA, TON, etc.). This form is essentially the “shopping list” and will be used later to obtain quotes from vendors.
- 2) Specifications, plans, and/or drawings as applicable
- 3) Cost estimate (separate from the bid form / solicitation)
- 4) Copy of approved environmental document

Also contact the VDOT District Coordinator if the estimated construction cost for your Transportation Enhancement project is less than \$50,000; state procurement policy may allow for some procedures to be simplified on smaller construction projects like gateway signs and kiosks. As noted earlier however, the MAP-21 legislation eliminates this opportunity on newer Transportation Alternatives projects.

Additional Work / Change Orders

Any proposed change order meeting the criteria outlined in Chapter 13.3.3 of the LAP Manual should be submitted to the Department for review prior to execution. In addition, for Transportation Alternatives / Enhancement projects, if the project involves restoration of an historic structure or improvements being made within an historic district, all change orders should be submitted to the Virginia Department of Historic Resources (VDHR) for review and comment prior to execution.

Additional work included in change orders may or may not be eligible for reimbursement. Questions regarding eligibility should be discussed with the VDOT District Coordinator. If sufficient federal funds are not available, or the additional work is deemed ineligible, the sponsor is responsible for 100% of these costs. Copies of all approved change orders should be forwarded to the VDOT District Coordinator with a second copy sent to the VDOT LAD Program Manager for reference at the time of reimbursement.

Reimbursement Requests

This is a federal reimbursement program requiring proper documentation of eligible project costs. Reimbursement requests can be submitted as frequently as once a month, but should be submitted at a minimum of once every 90 days. Invoices and evidence of payment are required for all reimbursement requests. Requests should be submitted to the VDOT District Coordinator unless otherwise agreed upon with the VDOT LAD Program Manager.

As noted earlier, if any ineligible items are included in the reimbursement, these items should be clearly identified and the amount deducted from the expenditures / invoice amount. Note that if any previously unidentified item is determined to be ineligible for reimbursement, or if proper procedures were not followed, the item(s) will be deducted from the sponsor's reimbursement.

VDOT Charges

Note that the Department is required by the Federal Highway Administration (FHWA) to provide oversight on these locally administered projects. The actual cost to the Department for providing this oversight will be charged to the project. For Transportation Alternatives / Enhancement projects, that means that 80% of the VDOT charges will be deducted directly from the federal allocation and the remaining 20% will be deducted from the sponsor's reimbursement request.

Appendix D

Project Development Checklist

The LAP Manual is the official guidance document for project development activities but this checklist provides a handy reference to get your project through the critical steps

Project Agreement

- ❑ Commonwealth Transportation Board (CTB) approved project selections
- ❑ Project Administration Agreement and/or Appendix A received from VDOT
- ❑ Agreement / Appendix A signed and returned to VDOT LAD Program Manager along with signatory authority
- ❑ Written authorization to proceed with preliminary engineering activities received from VDOT along with executed copy of the Agreement

Preliminary Engineering

- ❑ Coordination, or kick-off, meeting scheduled with VDOT District Coordinator
- ❑ Environmental coordination with VDOT District Environmental Staff
- ❑ Proposed RFP for professional services submitted to VDOT District Coordinator for Civil Rights review prior to advertisement OR written request submitted for approval to use an existing on-call design contract
- ❑ Approval to advertise RFP or approval to proceed with on-call firm received from VDOT
- ❑ Proposed contract and fee proposal for professional services submitted to VDOT District Coordinator for pre-award audit (if applicable) OR draft Task Order submitted for review
- ❑ Audit of professional services contract completed / task order review completed by VDOT and comments received
- ❑ Contract for professional services awarded by Project Sponsor
- ❑ Environmental document completed and effect determination received from VDOT
- ❑ Plan design underway
- ❑ Public Hearing held or a “Notice of Willingness” posted if required



Remember – Do not proceed with any property acquisition, materials purchase, or work that you want reimbursement for until you receive written authorization to proceed with the applicable phase of work (R/W or construction)!

Right of Way

- ❑ Contact VDOT District Coordinator to get list of certified appraisers
- ❑ Appraisal(s) secured and submitted to VDOT District Coordinator for review
- ❑ Approved appraisal; a copy of the RW plat/plans; and the approved environmental document sent to VDOT District Coordinator requesting Right of Way authorization
- ❑ Written notification that federal authorization received and approval to proceed with property acquisition received from VDOT

- ❑ If relocation of utilities required: Utility plans, cost estimate, and approved environmental document sent to VDOT District Coordinator requesting federal RW authorization for utility work
- ❑ Written notification that federal authorization received and approval to proceed with utilities received from VDOT

Plan Design and Bid Document Preparation

- ❑ Preliminary plans submitted to VDOT District Coordinator for review at approximately 50% complete (or as directed by VDOT District Coordinator)
- ❑ Comments received from VDOT
- ❑ Preliminary plans revised to address VDOT comments
- ❑ Bid document prepared including all applicable specifications and federal provisions
- ❑ Engineer's Estimate prepared
- ❑ Right of Way information submitted to VDOT District Coordinator with a request for right of way certification (not to be confused with RW authorization)
- ❑ Preliminary bid package including plans, bid document and estimate submitted to VDOT District Coordinator for review and comment **** this should be submitted a minimum of 90 days prior to the planned advertisement date ****
- ❑ Comments received from VDOT
- ❑ Plans and bid document revised to address VDOT comments
- ❑ Final plans, bid document, and estimate submitted to VDOT District Coordinator requesting federal CN authorization to advertise
- ❑ Written notification that federal authorization received and approval to proceed with project advertisement received from VDOT

Advertisement and Construction

- ❑ Project publicly advertised for a minimum of 3 weeks
- ❑ Bids received and read publicly
- ❑ Bids reviewed and verified for accuracy; DBE participation confirmed if applicable; low bidder identified
- ❑ Bid information, including bid summary and letter of recommendation from Project Sponsor submitted to VDOT District Coordinator requesting approval to award
- ❑ Concurrence in contract award given by Department
- ❑ Written concurrence to proceed with execution of contract received from VDOT
- ❑ Construction contract awarded to approved bidder by Project Sponsor
- ❑ Pre-construction meeting scheduled by Project Sponsor and VDOT staff invited
- ❑ Construction begins and LAP Form C-5 issued
- ❑ Project records kept daily
- ❑ Coordination with VDOT Construction staff as necessary
- ❑ Change Orders submitted to Department and/or DHR for review (as necessary)
- ❑ Final inspection scheduled to include VDOT Construction staff
- ❑ Construction complete and LAP Form C-5 issued

Appendix E

Transportation Enhancement/Transportation Alternatives De-allocation, Project Transfer, and Inactive Project Process

Identification of Projects Subject to De-allocation:

- Project is subject to de-allocation if not under construction within 4 years from the date federal funding is available for the project's first allocation. Funding availability is defined as the beginning date of federal fiscal year.
- Project is subject to de-allocation if the initial project agreement is not executed within 12 months of presentation to the project sponsor.
- Project is subject to de-allocation if no funds are reimbursed within 24 months of initial funding availability or if the project fails to progress through project development

Process for De-allocation:

- Local Assistance Division (LAD) Program Staff will request by letter, the status along with an action plan for completion (to include a timetable for project development) for any projects subject to de-allocation. The letter will request a response within 45 days.
- Projects acknowledged by the project sponsor as complete or needing to be cancelled will be closed and any remaining allocations transferred to the District Balance Entry account for re-allocation.
- Project sponsors that do not respond to the 45 day letter will receive a follow-up letter stating that the project has been closed-out and any remaining allocation balance will be transferred to the District balance entry account and made available to the District CTB member for re-allocation to active projects.
- Projects that provide a request for an extension of time and timetable for project development will be reviewed by LAD Program staff. If the proposed timetable for project development is acceptable, a new deadline will be established. If unacceptable, the project will be discussed with the District CTB member to determine if de-allocation is necessary.
- The District CTB members will be advised when de-allocated funds become available and those de-allocated amounts will be re-allocated within the same district to existing active projects or placed in the District balance entry account.
- Pre MAP-21 de-allocated funds can be re-allocated to old Transportation Enhancement projects that are not currently eligible under MAP-21.

Project Transfers

Project sponsors may request that allocated funding be transferred to another existing project within the same locality or administered by the same project sponsor. Such transfer requests must be made in writing. These transfers will be made in coordination with the District CTB representative.

In order to advance project development and/or project completion, project sponsors, VDOT staff or CTB members may request that funding be transferred to a project in another locality within the same district. These transfers will be made in coordination with the appropriate District CTB member.

Process for transfer:

- LAD Program Staff reviews project allocations, expenditures, and pending VDOT charges to determine amount available for transfer (in coordination with Programming Division)
- The District CTB member is consulted for concurrence with the request.
- If the District CTB member concurs, the project funding is transferred.
- A letter is sent to the project sponsor indicating whether the funding transfer has been approved or denied. Project agreements are modified as necessary and transmitted with the approval letter.

Additionally, as projects are completed and a final voucher is processed through FHWA, any remaining funds will be transferred to the District Balance Entry account for re-allocation by the District CTB member.

Inactive Project Review

- LAD Program Staff will initiate a final voucher for all completed or cancelled projects
- The District Project Coordinator will review all projects on a quarterly basis to determine if regular billing is taking place. The District Project Coordinator will contact the project sponsor to request prompt billing if no billing has taken place over the past 12 months (1st contact can be informal – letter/email, 2nd contact to be formal letter).
- LAD Program Staff will emphasize the importance of timely billing in program workshops, project meetings, and other program guidance.
- Projects that remain inactive will be subject to de-allocation.

Appendix F

**TRANSPORTATION ALTERNATIVES / ENHANCEMENT PROGRAM
QUARTERLY PROJECT STATUS REPORT**

Project Name:
Project Number:
Sponsor:

Month:
Year:

Current Project Phase: (Check each activity that applies)

PE Consultant Acquisition

- Not Applicable
- RFP Advertised
- Consultant Selected
- Pre-Award audit complete

Construction Authorization

- Requested authorization from VDOT
- Authorization received

Design

- Preparing Plans
- 50% Plans submitted to VDOT for review
- 100% Plans submitted to VDOT for review
- Bid document submitted to VDOT for review

Contractor Acquisition

- Project advertised
- Recommended award to VDOT
- Construction contract awarded

Environmental

- Preparing NEPA Document
- NEPA document approved

Construction

- Project under construction

Right-of-Way

- Requested authorization from VDOT
- RW acquisition complete
- Utility relocation complete
- RW certification received

Project Completed

- Requested final inspection by VDOT

Provide a brief description of progress made since last report:

Explain any delays experienced and efforts made to correct:

Describe anticipated work efforts over the next three (3) months:

Completed by:
Title:

Complete the form quarterly and submit to VDOT District Coordinator in January, April, July and October

cc: Local Assistance Division – TA/TE Program Manager

Appendix G

SAMPLE REIMBURSEMENT REQUEST
(Must be submitted on Sponsor's letterhead)

Date _____

VDOT District Coordinator (Name)
Virginia Department of Transportation
VDOT District Office Address
City, State Zip

RE: Reimbursement Request for [project name]

Dear VDOT District Coordinator (Name):

This is to request reimbursement for the eligible costs incurred on the above referenced Alternatives / Enhancement project. Invoices / supporting documents and evidence of payment have been attached for your review.

PROJECT NUMBER:

UPC NUMBER:

REIMBURSEMENT REQUEST NUMBER:

LOCAL MATCH PROVIDED: CASH or IN-KIND (Circle one)

	CURRENT EXPENDITURES
1. EXPENDITURES (100%)	\$ _____
2. LESS LOCAL SHARE (20%)	\$ _____
3. REIMBURSEMENT (80%) (*)	\$ _____

(*) If using in-kind match, this should equal the invoice amount being requested for reimbursement and "EXPENDITURES" should include the additional match costs.

I certify that the enclosed invoices have been paid and the referenced expenditures have not been previously submitted for reimbursement.

Signature (Local Official)

Title

Date

Attachments

REIMBURSEMENT REQUEST SUMMARY

SPONSOR NAME: _____

PROJECT NAME: _____

PROJECT NUMBER: _____

REIMBURSEMENT REQUEST NUMBER: _____

Preliminary Engineering Current Expenditures	Right of Way/Utilities Current Expenditures	Construction Current Expenditures
---	--	---

Consultant Invoice(s)			
Property / Acquisition			
Utility Relocation			
Contractor Invoice(s) and/or Materials Invoices			
Administrative Salaries			
Miscellaneous Administrative Costs (brief description)			
TOTAL			

Include cumulative dollar amount for each applicable category / activity and attach individual invoices and supporting documents.

CURRENT IN-KIND MATCH
 (Use if you are submitting NEW match ONLY)

SPONSOR NAME: _____

PROJECT NAME: _____

PROJECT NUMBER: _____

Previous Match Submitted to Date	Additional Match Submitted this Invoice *NEW*
-------------------------------------	---

Land / Property Value		
Professional Services		
Donated Materials		
Construction Costs		
Other		
TOTAL		

Include dollar amount for each applicable category / activity and attach supporting invoices / documentation for any *new* match submitted.

COMMONWEALTH OF VIRGINIA
DEPARTMENT OF TRANSPORTATION
REPORTING STARTING AND COMPLETION OF PROJECTS
LOCALLY ADMINISTERED PROJECTS

State Project No.	UPC	Federal Project No.
Locality/Local Sponsor		Local Project No.

Contractor: _____

Project Description / Phase:

	DATE STARTED	DATE COMPLETED
Contract Work	_____	_____
Local Forces	_____	_____
Utilities	_____	_____

This project / phase is complete. All work has been inspected and deemed acceptable by the Locality or Project Sponsor for Enhancement projects. It is certified that work was completed in accordance with approved plans and specifications.

- This work was completed within VDOT right of way; land-use permit is on file.
- This work was completed outside VDOT right of way.

A final inspection was performed on _____ (date). _____ (name) of VDOT was in attendance.

Unless noted below, the project termini were not altered during construction.

REMARKS OR EXPLANATIONS:

Local Official Signature

Printed Name

Title

Local Acceptance Date

Once completed, a copy should be provided to the VDOT Project Coordinator for further distribution within VDOT.

Received By: _____
VDOT Project Coordinator Signature

Date: _____

Appendix I

FEDERAL TRANSPORTATION ALTERNATIVES PROGRAM Repayment Schedule

Type of Project	100% Return of Federal Investment	Minimal Expectation	Annual % Reduction after 5 years
Any project < \$200,000	5 Years	5 Years	0
Landscaping	5 Years	5 Years	0
Un-paved Trail	5 Years	10 Years	20%
Streetscape	5 Years	15 Years	10%
Sidewalks Only	5 Years	15 Years	10%
Paved Trails	5 Years	15 Years	10%
Rehabilitated Structure	5 Years	15 Years	10%
New Structure	5 Years	20 Years	5 %

The above chart proposes a Repayment Schedule for federally funded TE / TA projects. This would be used to determine the potential payback on the federal investment if a project is removed / dismantled, does not maintain its intended use, or is sold (ownership transferred) prior to the above noted expectations. This could also be related to the operation of a facility in the case of a museum or visitor center.

As proposed, all projects would require 100% repayment of the federal funds within the first five (5) years after project completion. Beyond 5 years, the repayment amount would depend on the type of project and the materials used. It would also depend on the overall federal investment – did the project receive \$200,000 or \$3M in federal funds? Projects with a significant federal commitment will have to be evaluated on a case-by-case basis and may require an FHWA determination.

After five (5) years, the amount of potential payback of the federal investment would depend on the type project. Landscaping for example, would not require a payback after five years. A paved trail on the other hand, would require 90% payback of the federal funds if it were closed or otherwise dismantled after just 6 years of operation. If it were closed after 7 years, 80% of the TE / TA funds would be expected, etc. The reductions would continue until 15 years after project completion (LAP C-5 date), at that point, no federal re-payment would be expected. After 15 years, it would be understood that the federal investment had been adequately protected. If the trail had a significant federal investment however, and it was felt that some amount of repayment was in order, this would be evaluated on a case by case basis. An example of this might be the Tobacco Heritage Trail where the federal investment was in the millions and project segments were completed at different times making it difficult to determine one completion date.

The referenced repayment schedule is intended to deal with situations where the project is being closed to the public; changing from its original purpose (going from a transportation museum to an art gallery); or is being sold and becoming a for-profit entity. Note that in addition to the

above; FHWA may require repayment on any federally funded project that is not adequately maintained for its useful life.

This chart can be used to answer questions like:

- How long do I have to keep this building open and operating as a visitor center?
- What if the town wants to sell the restored depot to a private owner for use as a restaurant?
- What if the city plans to widen the road in the next few years and tears out the new sidewalks paid for with TE / TA funds?
- What happens if a car runs off the road and tears down all the new trees the town just planted? Do they have to replace them?
- What if the city wants to turn the museum over to the historic society to run and maintain?