RAIL

MOVING AMERICA FORWARD

FY 2021 Federal-State Partnership for State of Good Repair Grant Program Webinar

Presented by:

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U.S. Department of Transportation
Federal Railroad Administration

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Presenters

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Agenda

1 Partnership Program Overview

2 How to Apply

3 Best Practices
- Project Narrative
- Statement of Work
- Benefit-Cost Analysis
- Environmental Readiness

4 Q & A

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Federal-State Partnership Program Overview

Program Purpose & Funding Overview

PURPOSE

- To fund **Capital Projects** across the United States to **repair, replace, or rehabilitate Qualified Railroad Assets** to reduce the state of good repair backlog and improve Intercity Passenger Rail performance

NOTICE OF FUNDING OPPORTUNITY (NOFO)

- Published in the Federal Register on December 7, 2021 *(update published December 10)*
  - **$198 million available**
  - Applications due by **5 pm ET on March 7, 2022**

- Concurrent applications and resubmissions are allowed
  - Indicate other program(s) where application has been submitted (e.g., CRISI, RAISE)

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CRISI: Consolidated Rail Infrastructure and Safety Improvements Grant Program
RAISE: Rebuilding American Infrastructure with Sustainability and Equity Grants

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Updated NOFO Published on Dec. 10, 2021

Updated NOFO

- The Partnership Program NOFO published in the Federal Register on December 7, 2021, was **inadvertently missing text and was incomplete. *Please disregard this submission*.**

- **An updated and complete NOFO was published in the Federal Register on December 10**
  - Federal Register Link: [FY21 Notice of Funding Opportunity for the Federal-State Partnership for State of Good Repair Program](#)
  - Updated NOFO also published to FRA's Discretionary Grants Webpage and Grants.gov

- **Verify you have the correct document**:
  - Section D in document should provide "*Application and Submission Information*"
  - Redownload the document if you have the December 7, 2021, version

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Program Purpose & Funding Overview

KEY CHANGES & NOTES FOR FY 2021 FUNDS

- **Allows pre-construction eligibility:**
  - Projects for designing, engineering, location surveying, mapping, environmental studies, and acquiring rights-of-way of an eligible capital project are **eligible for funding independently or in conjunction with construction**

- **Updates DOT objectives:**
  - Updates reflect the Biden-Harris Administration's priorities, including creating good-paying jobs, improving safety, applying transformative technology, and addressing climate change and racial equity

- **Uses FAST Act authority:**
  - FY21 funds were appropriated and will be **administered under the Fixing America's Surface Transportation (FAST)** Act *(Pub. L. 114-94 (2015))*
  - Expanded funding and eligibilities provided in the recently enacted Bipartisan Infrastructure Law *(Pub. L. 117-58 (2021))* **will not apply to these funds**

Key Program Definitions

CAPITAL PROJECT

- Primarily intended to **replace, rehabilitate, or repair** major infrastructure assets used in intercity passenger rail service
- Primarily intended to **improve intercity passenger rail performance**
- A **major capital project** is a project with a proposed total project cost of $300 million or greater

STATE OF GOOD REPAIR

- Condition in which physical assets are performing at a level at least equal to their as-built or as-modified design specification
- The life cycle cost of maintaining the assets is lower than the cost of replacing them
- Assets are sustained through regular maintenance and replacement programs

NORTHEAST CORRIDOR

- The main rail line between Boston, MA, and the District of Columbia and branch lines to Harrisburg, PA, Springfield, MA, and Spuyten Duyvil, NY

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Eligible Applicants

ELIGIBLE APPLICANTS

- States *(incl. the District of Columbia)*
- Groups of States
- Interstate Compacts
- Public Agencies or Publicly Chartered Authorities established by one or more States
- Political subdivisions of States
- Amtrak
- Any combination of the above

Selection preference for applications submitted by multiple eligible applicants

Ineligible entities (e.g., private sector firms) may be included as a partner on an application submitted by one or more eligible applicants

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Submitting a Joint Application

JOINT APPLICATION PROCEDURES

- **Identify a Lead Applicant**
  - Serves as point of contact for application
  - Recipient of grant award if selected

- **Identify all joint applicant(s)**
  - Include signed statement from an authorized representative that affirms the entity is partnering as an applicant (not just a letter of support)
  - If Amtrak and State(s): submit cooperative agreement signed by all parties

- **Identify roles and responsibilities between applicants**
  - Joint applicant role at discretion of applicants: there are no specific requirements for how or to what extent a joint applicant participates in project
  - Joint applicant roles may include:
    - Provide matching funds or in-kind contributions
    - Be a sub-recipient of a grant award
    - Implement or manage parts of project delivery

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Non-Federal Match Requirements

NON-FEDERAL MATCH

- Federal share of total costs **shall not exceed 80 percent**
- Cash and in-kind contributions are permitted, consistent with 2 CFR Part 200
- If Amtrak is an applicant, its ticket and other non-Federal revenues generated from its business operations may be used as matching funds
- Identify the source(s) of matching and other funds and clearly and distinctly reflect these funds in project budget

Selection Preferences for Matching Funds:
50 percent or greater non-Federal match

Eligible Projects

ELIGIBLE PROJECT CRITERIA

1 **Capital Project**

- o May include preliminary engineering (PE), environmental review (NEPA*), final design (FD), and construction or acquisition

- o Pre-construction costs are eligible independently or in conjunction with construction project ***(New allowance for FY21 projects)***

2 **Meets the Qualified Railroad Asset definition** *(see following slides)*

3 **Executes one or more of the following activities:**

- o Replaces existing assets in-kind, or with assets that increase capacity or provide a higher level of service

- o Ensures that service can be maintained while existing assets are brought to a state of good repair

- o Brings existing assets into a state of good repair

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*NEPA: National Environmental Policy Act

Qualified Railroad Asset Definition

QUALIFIED RAILROAD ASSET

Qualified railroad assets include **infrastructure, equipment, or facility assets that are used in intercity passenger rail service** and are:

① **Owned or controlled by an eligible applicant**

② **Included in appropriate planning documents and cost allocation policy arrangements**
   - Requirements for Northeast Corridor and non-Northeast Corridor projects are different

③ **Not in a state of good repair**
   - As of the date of enactment of the Fixing America's Surface Transportation (FAST) Act *(December 2015)*

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Project Eligibility – Non-NEC Project

Eligibility Requirement	How to Demonstrate Eligibility for a Non-NEC Project
Applicant ownership or control	• Own the assets improved by the project, **OR** • Show control over the assets improved by the project *(e.g., via agreement(s) with owner)*

Contained in planning document	• Show project is contained in relevant State Rail Plan(s)
	If not in State Rail Plan, then either:
	    • Show project is contained in an equivalent planning document, ***or***
	    • Amend the State Rail Plan to include the project

Cost Allocation Policy	• Show the project is for routes subject to Sec. 209 of the Passenger Rail Investment and Improvement Act of 2008 (PRIIA) **OR** • Demonstrate the project is subject to a similar agreement
State of Good Repair	• Describe asset condition and performance as of passage of FAST Act *(Dec. 2015)* • Indicate how assets do not meet SOGR definition

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Project Eligibility – NEC Project

Eligibility Requirement	How to Demonstrate Eligibility for a NEC Project
Applicant ownership or control	• Own the assets improved by the project ***OR*** • Show control over the assets improved by the project *(e.g., via agreement(s) with owner)*
Contained in planning document	• Show project is contained in the **NEC Commission 5-Year Capital Investment Plan** (CIP) ***If not in the CIP, then either:*** • Show project is contained in an equivalent planning document, ***or*** • Update the CIP to include the project
Cost Allocation Policy	• Show the project is subject to the cost-allocation policy developed under Sec. 212 of PRIIA (*i.e., the NEC Commuter and Intercity Rail Cost Allocation Policy*)
State of Good Repair	• Describe asset condition and performance as of passage of FAST Act *(Dec. 2015)* • Indicate how assets do not meet SOGR definition

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Evaluation & Selection Criteria

EVALUATION CRITERIA

- **Technical Merit** takes into account: Quality of statement of work and application materials; readiness and completion of prerequisites; applicant past performance, technical capacity, and financial contributions; private-sector participation; qualifications and experience of key personnel and organizations; and consistency with planning documents

- **Project Benefits** take into account: benefit-cost analysis; effects on system and service performance; effects on safety, competitiveness, reliability, trip time, and resilience; improved modal integration; and ability to meet current or anticipated demand

SELECTION PREFERENCES

- Amtrak is not sole applicant
- Application jointly submitted by multiple eligible applicants
- Applicant(s) propose a 50 percent or greater non-Federal match

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Evaluation & Selection Criteria

KEY DEPARTMENTAL OBJECTIVES

DOT will assess the project's ability to meet one or more of these objectives. Such considerations can include, but are not limited to, the extent to which an application promotes:

Safety
Improves safety at highway-rail grade crossings, reduces incidences of rail-related trespassing, and upgrades infrastructure to achieve a higher level of safety.

Equitable economic strength, improving core assets
Invests in vital infrastructure assets and provides opportunities for families to achieve economic security through rail industry employment.

Resilience, addressing climate change
Reduces emissions, promotes energy efficiency, increases resiliency, and recycles or redevelops existing infrastructure.

Racial equity, economic inclusion
Improves or expands transportation options, mitigates the safety risks and detrimental quality of life effects that rail lines can have on communities, and expands workforce development and training opportunities to foster a more diverse rail industry.

Transformation of our nation's transportation infrastructure
Adds capacity to congested corridors, builds new connections or attracts new users to passenger rail, and ensures assets will be improved to a state of good repair.

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Other Requirements & Restrictions

OTHER RESTRICTIONS / REQUIREMENTS

- Pre-award costs incurred prior to selection, without an FRA NEPA determination, or without prior FRA written approval are unallowable
- FRA is prohibited under 49 U.S.C. 24405(f) from providing Partnership Program grants for Commuter Rail Passenger Transportation
  - FRA's primary intent is **reasonable investments in Intercity Passenger Rail transportation**
    - Such projects **may be located on shared corridors** where Commuter Rail Passenger Transportation and/or freight rail also benefit
  - FRA has provided grants to commuter or local transit agencies when those agencies have demonstrated their projects have reasonable intercity passenger rail benefits and meet the Qualified Railroad Asset requirements
- For NEC Projects, be compliant with the NEC Cost Allocation Policy (49 U.S.C. 24905(c)(2)) and maintain compliance throughout the project duration

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NOFO Overview & How to Apply

What is a NOFO?

KEY PARTS OF A NOFO

A **Notice of Funding Opportunity (NOFO)**:

- Announces the grant opportunity

- Contains details about the application requirements and procedures to request Federal funding for eligible projects

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What information is in a NOFO?

KEY PARTS OF A NOFO

- Program Summary

- Key Dates

- Addresses

- FRA Contact Information

- Table of Contents
  - Program Description
  - Federal Award Information
  - **Eligibility Information**
  - **Application and Submission Information**
  - **Application Review Information**
  - Federal Award Administration Information
  - Federal Awarding Agency Contacts

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Where do I start?

Check the FRA **Competitive Discretionary Grant Programs** webpage

- https://railroads.dot.gov/grants-loans/competitive-discretionary-grant-programs/competitive-discretionary-grant-programs

Where do I find "How to Apply" information?

Search Grants tab on **Grants.gov:**

Click the **Opportunity Number** to see the Synopsis

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What is the Synopsis?

Summary information about the grant opportunity in Grants.gov:

KEY STEPS

- Obtain a Dun and Bradstreet number (DUNS)
- **Register early** in the Federal government's System for Award Management (SAM)
  - **NOTE: SAM registration can take up to 2 weeks (longer if you do not have an Employer Identification Number)**
- For Grants.gov, complete an **Authorized Organization Representative** profile and create a username and password
- Submit an application addressing all requirements outlined in the NOFO

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What do I include in my application?

REQUIRED DOCUMENTS

- Project Narrative

- Statement of Work

- Environmental Compliance (NEPA) Documentation
  - *Note: May include a draft document that requires development, review, and approval by FRA or an existing completed NEPA document approved by FRA or another Federal agency that covers the proposed project scope*

- Benefit-Cost Analysis

- Draft Use/Ownership Agreement *(if applicable)*
  - *Note: FRA requires a written agreement exist between the applicant and the railroad regarding use and ownership consistent with 49 U.S.C. 22905(c)(1) for projects using rights-of-way owned by a railroad that is not the applicant*

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What forms are required?

REQUIRED FORMS

- SF424 (Application for Federal Assistance)
  - *Either*: SF 424A or 424C – Budget info for Non-Construction OR Construction
  - *Either*: SF 424B or 424D – Assurances for Non-Construction OR for Construction

- FRA's Additional Assurances and Certifications (FRA F 30)

- FRA's Applicant Financial Capability Questionnaire (FRA F 251)

- SF LLL: Disclosure of Lobbying Activities (only required if reportable Lobbying activities exist)

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Where do I find additional information and help?

Find Additional Information about the grant opportunity in Grants.gov at the bottom of the Synopsis page:

Application Review and Selection Process

1. Intake and Eligibility

Each application is reviewed for completeness and eligibility to determine which applications move to the evaluation stage

2. Evaluation

Each complete and eligible application is evaluated by a panel of DOT subject matter experts using criteria outlined in the NOFO

3. Selection

Final funding decisions are made by taking into account the evaluation and selection criteria outlined in the NOFO

4. Announcement

FRA press release announces selections approximately 4 to 5 months following application due date

Grant Application Process

FRA's [Competitive Grants Application Process webpage](#)

Best Practices

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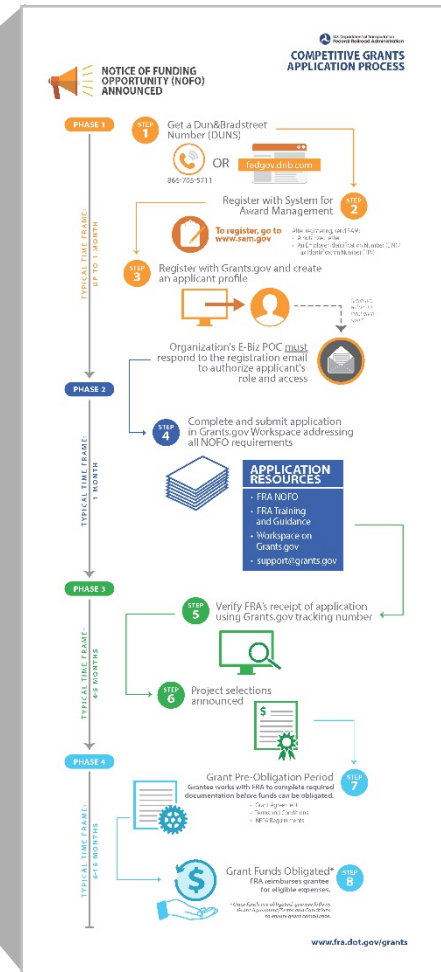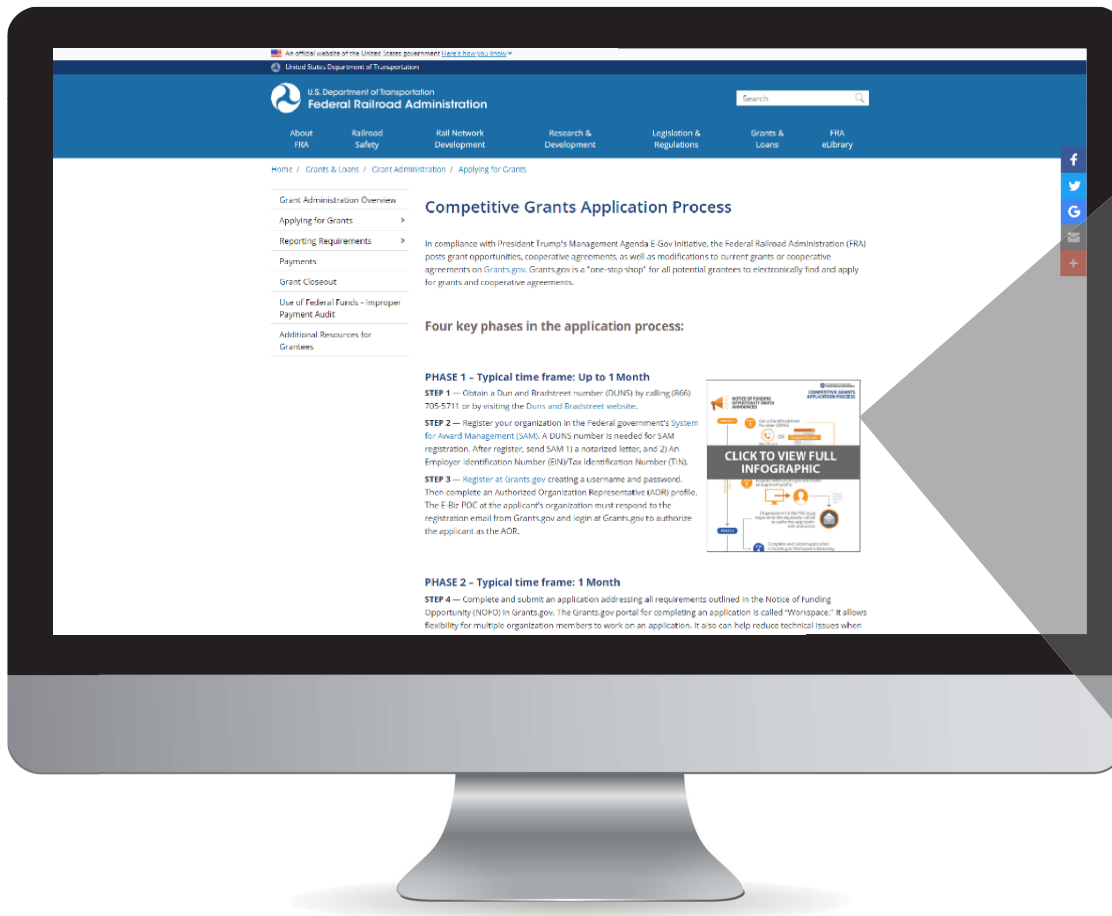
Best Practices & Helpful Hints

☑ Read the Notice of Funding Opportunity (NOFO) completely and carefully to understand the criteria for eligibility and selection, and what information each application must include

☑ FRA has identified several focus areas where applications that are not selected often demonstrate deficiencies:
- o Project Narrative
- o Statement of Work
- o Benefit-Cost Analysis
- o Environmental Readiness

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Best Practices – Project Narrative

Best Practices – Project Narrative

Project Narrative Outline

I. Cover Page

II. Project Summary

III. Project Funding

IV. Applicant Eligibility

V. Project Eligibility

VI. Detailed Project Description

VII. Project Location

VIII. Evaluation & Selection Criteria

IX. Project Implementation & Management

X. Environmental Readiness

☑ Structure your project narrative in accordance with the outline specified in the NOFO

☑ Include all elements identified in the outline

☑ Follow the instructions for each element

☑ Adhere to 25-page limit

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Best Practices – Project Narrative

Project Narrative Outline

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IX.   Project Implementation & Management

X.   Environmental Readiness

☑ Indicate if an application for the project has been submitted previously to another Federal grant program – include the program and year

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Best Practices – Project Narrative

Project Narrative Outline

☑ Briefly describe the project in **4 to 6 sentences**, its anticipated benefits, and the transportation challenges the project will address

☑ Think of this section of the application **as your elevator pitch for the project** to the DOT Secretary and FRA Administrator

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Best Practices – Project Narrative

Project Narrative Outline

I. Cover Page

II. Project Summary

III. **Project Funding**

IV. Applicant Eligibility

V. Project Eligibility

VI. Detailed Project Description

VII. Project Location

VIII. Evaluation & Selection Criteria

IX. Project Implementation & Management

X. Environmental Readiness

- ☑ Only include eligible costs
- ☑ Specify each source of non-Federal match
- ☑ Provide details about in-kind match
- ☑ Indicate public- vs. private-sector match
- ☑ Describe the non-Federal funding arrangements
- ☑ Attach funding commitment letters
- ☑ Identify if the proposed match will not be available until a certain date or if funds must be spent by a deadline

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Best Practices – Project Narrative

Project Narrative Outline

I.   Cover Page

II.   Project Summary

III.   Project Funding

IV.   Applicant Eligibility

V.   Project Eligibility

VI.   Detailed Project Description

VII.   Project Location

VIII.   Evaluation & Selection Criteria

IX.   Project Implementation & Management

X.   Environmental Readiness

- ☑ Thoroughly discuss the transportation challenges and benefits

- ☑ Include data to support project benefits

- ☑ Describe how project components are related and will be sequenced

- ☑ Include photographs or diagrams

- ☑ Identify all host railroads, operators, and beneficiaries

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Best Practices – Project Narrative

Project Narrative Outline

I.   Cover Page

II.   Project Summary

III.   Project Funding

IV.   Applicant Eligibility

V.   Project Eligibility

VI.   Detailed Project Description

VII.   Project Location

VIII. Evaluation & Selection Criteria

IX.   Project Implementation & Management

X.   Environmental Readiness

- ☑ Identify cities, counties, and states where project is located
- ☑ Include a map of the project
- ☑ Identify railroad mileposts
- ☑ For grade crossing projects, include the U.S. DOT National Highway-Rail Crossing Inventory number

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Best Practices – Project Narrative

Project Narrative Outline

I. Cover Page

II. Project Summary

III. Project Funding

IV. Applicant Eligibility

V. Project Eligibility

VI. Detailed Project Description

VII. Project Location

VIII. Evaluation & Selection Criteria

IX. Project Implementation & Management

X. Environmental Readiness

- ☑ Include a separate section in the project narrative focused on how the project meets each of the evaluation and selection criteria

- ☑ *DO NOT* rely solely on the contents of the "detailed project description" section to satisfy this requirement — it is OK to repeat key points in this section

- ☑ Quantify benefits whenever possible

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Best Practices – Project Narrative

Project Narrative Outline

I.   Cover Page

II.   Project Summary

III. Project Funding

IV.   Applicant Eligibility

V.   Project Eligibility

VI.   Detailed Project Description

VII. Project Location

VIII. Evaluation & Selection Criteria

IX.   Project Implementation & Management

X.   Environmental Readiness

☑ Highlight applicant's past experiences managing and overseeing similar projects, including FRA- or DOT-funded projects

☑ Describe expected arrangements for project contracting, contract oversight, change-order management, risk management, and conformance with Federal requirements for progress reporting

Best Practices – Project Narrative

Project Narrative Outline

I.   Cover Page

II.   Project Summary

III.   Project Funding

IV.   Applicant Eligibility

V.   Project Eligibility

VI.   Detailed Project Description

VII. Project Location

VIII. Evaluation & Selection Criteria

IX.   Project Implementation & Management

X.   Environmental Readiness

*For more information on the NEPA process, access FRA's recent webinar, Introduction to NEPA and FRA's Categorical Exclusions Webinar, on FRA's Webinars webpage.

☑ For FD/Construction Grant Application:

- *If NEPA is **complete**: Provide copy of NEPA document or link.

- *If NEPA is **not started**: Provide detailed project description and description of setting/land use, with visuals.

- *If NEPA is **underway**: Provide current status, expected completion date, and type of document.

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Best Practices – Statement of Work

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Best Practices – Statement of Work

☑ See FRA's Statements of Work webpage:

https://railroads.dot.gov/grants-loans/grant-administration/statements-work

☑ Use templates for the
- o SOW (Attachment 2)
- o Schedule (Attachment 3)
- o Budget (Attachment 4)

Best Practices – Statement of Work

☑ Organize the scope of work into discrete and logically sequenced tasks

☑ Provide appropriate timing for tasks

☑ Identify the deliverables required to communicate progress and completion of tasks to FRA

☑ Check the budget to ensure numbers are consistent with cost information submitted in forms and other areas of the application

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August 30, 2016 (final)

CAPITAL COST ESTIMATING

GUIDANCE FOR
PROJECT SPONSORS

- Capital Cost Estimating Guidance: https://railroads.dot.gov/rail-network-development/training-guidance/capital-cost-estimating-guidance
- Utilize FRA's Standard Cost Categories as a way to organize the scope of work and budget
  - https://railroads.dot.gov/elibrary/mp-33-scc-worksheets

- Ensure consistency among the project narrative, statement of work, benefit-cost analysis, and other application materials

FRA MAIN WORKSHEET										Issue Date 5/4/16
Grantee Name									Today's Date	8/28/14
Project Name and Location: Rail Project A, Two cities with rural in-between									Yr of Base Year $	2014
Current Phase : Final Design, Ready to Procure Construction									Yr of Revenue Ops	2017

| Standard Cost Category | | Unit | Quantity | Base Year Dollars | | | | | | YOE Dollars Total (X000) (from Inflation Worksheet) |
				Without Contingency (X000)	Allocated Contingency (X000)	TOTAL (X000)	Unit Cost (X000)	Percent of Construction Cost	Percent of Total Project Cost	
10	Guideway & Track Elements	Lineal Miles of Guideway	105	1,520,000	140,000	1,660,000	15,810	69%	52%	1,718,100
10.010	Guideway: At-grade exclusive right-of-way	Lineal Miles of Guideway	100	550,000	50,000	600,000	6,000			
10.020	Guideway: At-grade semi-exclusive (allows cross-traffic)	Lineal Miles of Guideway		0		0				
10.030	Guideway: At-grade in mixed traffic	Lineal Miles of Guideway		0		0				
10.040	Guideway: Aerial structure	Lineal Miles of Guideway		0		0				

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Best Practices – Benefit-Cost Analysis

Why Do Benefit-Cost Analyses?

- BCAs encourage applicants to focus and refine project scopes and outcomes

- BCAs are a method to enable comparison across diverse project types and magnitudes

- Part of Fed-State Partnership selection criteria:
  - Secretary shall "take into account the cost-benefit analysis of the proposed project"
  - Other FRA programs (CRISI) and Departmental programs (RAISE and FASTLANE/INFRA) have similar provisions

BCA – Overview of Steps

1 Specify your project's <u>base case</u>, <u>alternate case</u>, and <u>timeline</u>

2 SHOW how your <u>alternate case</u> will result in specific effects (i.e., <u>project benefits</u>)

3 Break down benefits and costs into the smallest sub-elements possible

4 Assign monetary values to sub-elements using USDOT's *BCA Guidance*

5 Calculate results and <u>discount</u> to <u>base year</u>

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BCA – Scope of Analysis

- The <u>base case</u> reflects the status quo — i.e., the world as it exists today
- The <u>alternate case</u> (i.e., "build scenario") is the proposed project
  - An analysis for construction should present a *single* project
  - One *application* can contain multiple projects
  - Multiple projects need multiple analyses
  - Avoided costs of alternatives not taken are NOT benefits

- The <u>timeline</u> must be appropriate for the proposed project
  - Match the useful life of the project, but not more than 30 years of operation
  - Projects with useful life beyond 30 years will have <u>residual value</u> (stations in particular) → Use GAAP straight line depreciation

BCA – Scope of Analysis

- Examine *ONLY* the differences between the base case and alternate case (i.e., the <u>marginal effects</u>)

- Planned future projects are ***irrelevant***

- These differences should reflect realistic projections

Examples:
- Intercity passengers will likely change modes if their station is unavailable, while commuters are more likely to divert to another nearby station
- Host railroads will impose speed and weight restrictions before shutting down completely
- Growth rates will not suddenly double unless a fundamental change occurs

BCA – Benefits & Costs

- The marginal effects of the alternate case are the project benefits
  - Marginal effects are sometimes undesirable, shown as negative dollar amounts

- The total costs of the project are all costs associated with implementing the project

- Total **NET** operations & maintenance costs should be included *as benefits*:
  - Net O&M for new infrastructure and equipment will be a negative dollar amount
  - Changes in net O&M costs for existing infrastructure can be positive or negative, but are always included in the numerator
  - Residual value for remaining useful life is a benefit, NOT subtracted from costs

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BCA – Development

- Break down marginal effects into the smallest possible sub-elements

  - This is where 90% of your "thought work" occurs
  - Provide documentation for inputs and growth rates

Example: Replacing a bridge might result in…

- Removal of slow orders, improving through speed (travel time savings)

- Reduced wait time at the approaches (travel time savings and emissions)

- Decreased delays at nearby sidings along the corridor (travel time savings and emissions)

- Reduced O&M costs

BCA – Modal Diversion

- <u>Modal diversion</u> is a marginal choice; *ONLY* count marginal effects

- New users value the project less than existing users
  (Follow the 50% rule in USDOT'S *BCA Guidance*)

- Lost revenue from passengers changing to other modes is a <u>transfer</u>, NOT a <u>benefit</u> (Follow USDOT'S *BCA Guidance*)

Example: Avoided rail-to-truck diversion could result in…

- Increased pavement damage

- Increased harmful emissions

- Increased congestion on highways

- Decreased safety

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BCA – Final Advice

- ☑ **Document your assumptions in as much detail as possible.**

- ☑ If your application contains multiple projects, analyze benefits and costs of each project *separately.*

- ☑ If your BCA includes modal diversion, include YOUR freight and/or passenger traffic counts.

- ☑ Include the specific AADT for each grade crossing project. State DOTs often fail to send updates.

- ☑ *You must include an unlocked Excel spreadsheet that clearly shows your calculations and discounting.*

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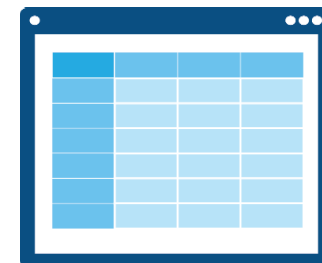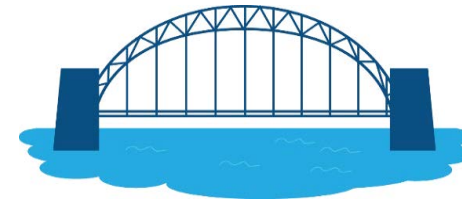
BCA – Guidance/Online Resources

- Follow USDOT's *BCA Guidance*, available at: https://www.transportation.gov/office-policy/transportation-policy/benefit-cost-analysis-guidance

- For rail-specific examples on how to apply the *BCA Guidance*, refer to FRA's BCA FAQ available at: https://railroads.dot.gov/elibrary/consolidated-rail-infrastructure-and-safety-improvements-crisi-and-federal-state
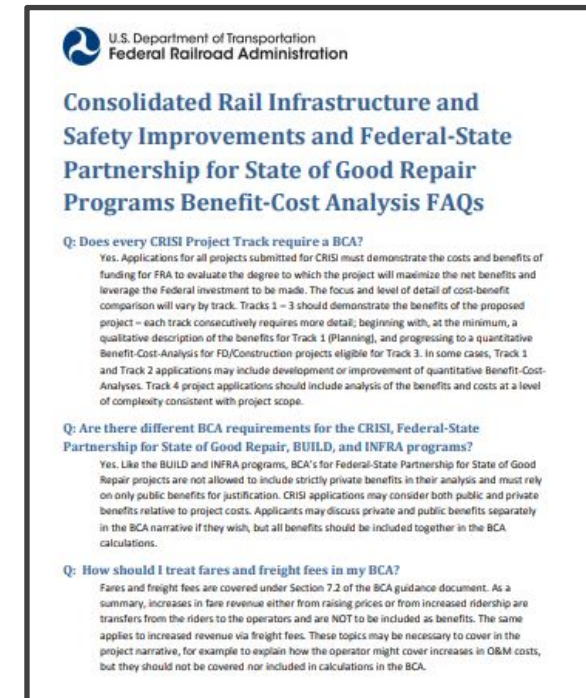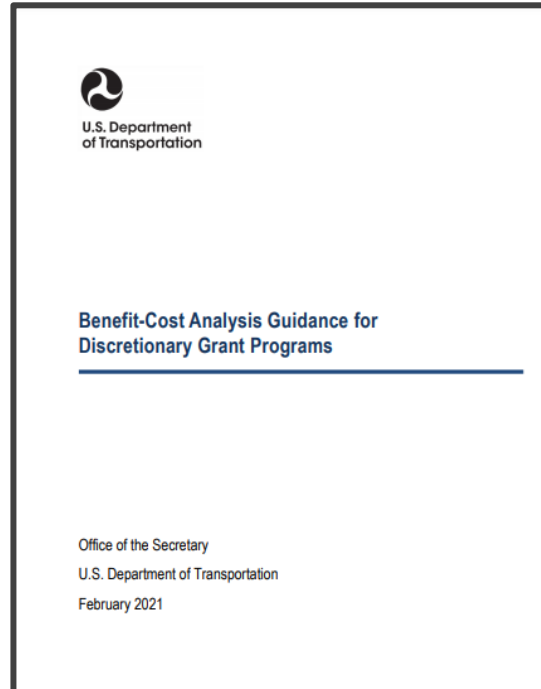
Best Practices – Environmental Readiness

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What is NEPA, and why is it required?

- The National Environmental Policy Act (NEPA) is an "umbrella law" that brings together numerous laws, regulations, executive orders, and requirements regarding the quality of the human and natural environment (40 CFR 1500-1508).

- Federal agencies, including FRA, use the NEPA review process to help identify and evaluate project alternatives and to help identify and address project impacts on environmental resources.

NEPA review must be conducted for all FRA grant-funded rail projects.

NEPA

- Clean Air Act
- Clean Water Act
- Environmental Justice Executive Order
- Noise ordinances
- U.S. Department of Transportation Act of 1966; Section 4(f)
- Section 106 of the National Historic Preservation Act
- Contaminated materials and substances
- Endangered Species Act
- Coastal Zone Management Act

- Migratory Bird Treaty Act
- Protection of Wetlands Executive Order
- Patuxent Research Refuge Executive Order
- Floodplain Management Executive Order
- Federal Flood Risk Management Executive Order
- Limited English Proficiency Executive Order
- Military Construction and Appropriations Act
- State Environmental Laws
- Local Environmental Laws

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Environmental Readiness – NEPA

NEPA has to be completed and approved before FRA can obligate grant.

- **Beginning the NEPA process early is critical!** Especially if there are statutory timeframes associated with your project or an applicable environmental review requirement (e.g., consultation under Section 106 of the NHPA), or substantive environmental impacts from your project that need to be mitigated.

NEPA Class of Action & Environmental Decision Document
- *Categorical Exclusion (CE)*
- *Environmental Assessment (EA)/ Finding of No Significant Impact (FONSI)*
- *Environmental Impact Statement (EIS) / Record of Decision (ROD)*

Environmental Readiness – NEPA

FD/Construction Grant:

- *If an approved NEPA document exists*, submit it with your application, and indicate the lead Federal agency, type of document (CE, EA, or EIS) and date of approval.

- *If a completed NEPA document for your project does not exist*, you – if selected for a Partnership grant award – will be <u>responsible for the costs of preparing</u> it and any associated desktop and/or field analyses in accordance with FRA/USDOT environmental review procedures (23 CFR Parts 771 & 774)

  - A detailed Project Description that describes the environmental setting/land use is important to assist FRA in determining the NEPA Class of Action. ***Aerial images are helpful!***

  - You should plan to hire a qualified environmental consultant for complex or controversial projects and/or projects affecting environmentally sensitive resources, such as:
    - Wetlands and water bodies
    - Protected species and habitat
    - Parks and recreational areas
    - Sensitive receptors (noise)
    - Historic properties
    - Environmental Justice populations

PE/NEPA Grant:

- If selected for a Partnership award, you will use grant money to prepare, with oversight from and in coordination with FRA, the appropriate level of NEPA documentation (CE, EA, EIS)

  - In your grant application, provide information to the best of your knowledge regarding the **environmental setting/land use** and the known or suspected presence of community and natural resources and historic properties

  - You should plan to hire a qualified **environmental consultant** for complex or controversial projects and/or projects affecting environmentally sensitive resources.

Other readiness considerations: Permits (e.g., USACE CWA Section 404, USCG Bridge Permit), coordination/consultation under NEPA "umbrella" laws (e.g., SHPO, USFWS, NMFS), agreements re: property acquisitions, easements, or access

USACE: U.S. Army Corps of Engineers
USCG: U.S. Coast Guard
SHPO: State Historic Preservation Officer

USFWS: U.S. Forest and Wildlife Service
NMFS: National Marine Fisheries Service

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Environmental Readiness – NEPA

- Rely on FRA's experience and expertise to determine the level/type of NEPA documentation and consultation necessary for your project — **contact our experts!**

Email: FRAenvironment@dot.gov

Helpful Information Available on FRA's Website

- FRA & NEPA Documentation: https://railroads.dot.gov/rail-network-development/environment/fra-nepa-documentation

- FRA Recommended Trainings & Environmental Resources: https://railroads.dot.gov/rail-network-development/environment/fra-recommended-trainings-environmental-resources

  This web page provides links to recorded webinars, trainings, and other resources that will be of assistance in preparing NEPA documents for rail projects

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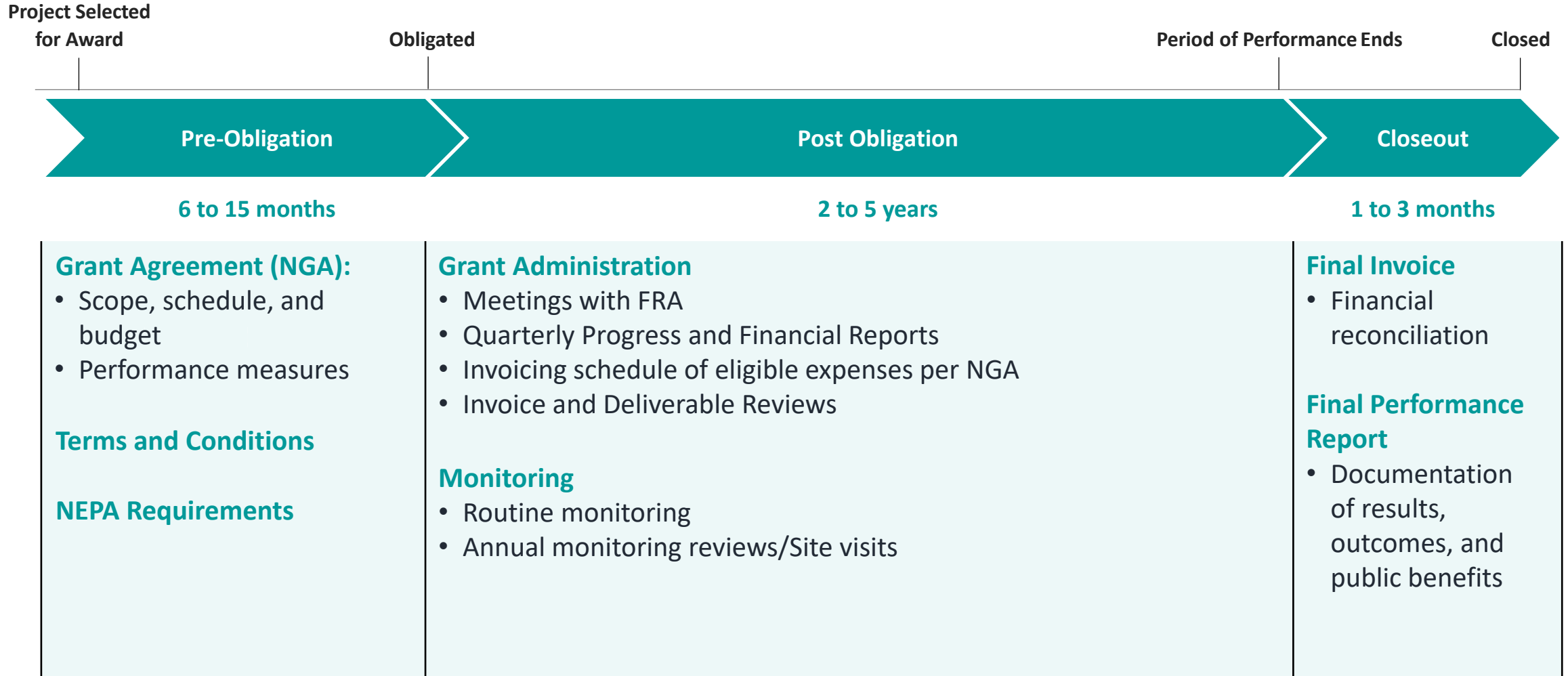# Recap & Reminders

Recap & Reminders

- Always **read the NOFO** carefully
- Determine what a successful project looks like
- Ensure you **submit all needed documents**
- Address all of the evaluation and selection criteria on which you will be rated
  - **Be clear and direct** in responding to criteria
  - Make your application easy to read and evaluate
  - Don't bury key points!

BEST PRACTICES

Recap & Reminders

- **Verify funding and budget amounts** for consistency!
  - **Ensure amounts match** in different parts of your application package (e.g., cover sheet, SOW, Project Narrative, SF-424)
  - Numbers in columns and rows should add up properly in budget tables
  - Only include project costs that are expected to be incurred after grant selection
- Name key partners, indicate in-place agreements, and **include letters of support**
- Have an objective "cold reader" — i.e., an individual unfamiliar with the grant application — review your final document before submission

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Grant Lifecycle and Approximate Time Frames

Project Selected for Award

Obligated

Period of Performance Ends

Closed

Pre-Obligation	Post Obligation	Closeout
6 to 15 months	**2 to 5 years**	**1 to 3 months**

Grant Agreement (NGA):
- Scope, schedule, and budget
- Performance measures

Terms and Conditions

NEPA Requirements

Grant Administration
- Meetings with FRA
- Quarterly Progress and Financial Reports
- Invoicing schedule of eligible expenses per NGA
- Invoice and Deliverable Reviews

Monitoring
- Routine monitoring
- Annual monitoring reviews/Site visits

Final Invoice
- Financial reconciliation

Final Performance Report
- Documentation of results, outcomes, and public benefits

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Contact Us

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Connect with us **USDOTFRA**

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FRA Competitive Discretionary Grant Programs
Webpage https://www.fra.dot.gov/grants