

FY 2011

**APPLICATION INSTRUCTIONS FOR
INTERCITY SERVICE OPERATING PROGRAM**

BUREAU OF PASSENGER TRANSPORTATION



I. PROGRAM DESCRIPTION

The purpose of the Michigan Department of Transportation's (MDOT's) Intercity Service Operating Program is to enhance intercity travel for the citizens of Michigan by providing operating assistance to private intercity carriers. Routes receiving operating assistance will be the result of a competitive bid process, with the most responsive bidder being selected to provide the service.

The amount of operating assistance available is subject to the level of need, funding availability, and legislative appropriation for the Intercity Service Operating Program. Program goals, carrier eligibility, and other requirements are detailed in the Intercity Bus Program Guidelines, dated February 22, 2001, found in Attachment A. The program priorities, in order of importance, are to maintain existing service and expand service that can become operationally self-sufficient.

II. PROGRAM CRITERIA

Eligible applicants – see Attachment A, Intercity Bus Program Guidelines.

Operating assistance proposals for service expansion must meet all applicable requirements and will be evaluated using the following criteria:

- A. Ability of the service to connect with the statewide/national intercity network; other intercity carriers; local transit; AMTRAK; and/or airports.
- B. Ability of the routes to serve Michigan communities.
- C. Ridership potential.
- D. If applicable, past experience of the route being proposed.
- E. Quality of the information submitted in the proposal based on completeness, relevance, conciseness, and organization.
- F. Ability of the route to be self-sufficient at the end of the three-year demonstration period.

Technical assistance in preparing the application or answering questions about the Intercity Service Operating Program can be obtained by contacting:

Rob Pearson, Project Manager
Michigan Department of Transportation
Bureau of Passenger Transportation
P.O. Box 30050
Lansing, Michigan 48909
(517) 335-2572 or e-mail PearsonR1@michigan.gov

The application is due to the above address by **February 1, 2010**.

III. APPLICATION REQUIREMENTS

The following items are required to complete an application to propose a route for service. For the applicant's convenience, Attachment B contains a check list of the items required.

- A. Title Page - Grant Application Title Page. (Attachment C)
- B. Description of Service to be Provided
- Service Area - proposed service area, including the counties and the cities and villages to be served.
 - Service Characteristics - days, route(s), and miles to be operated.
 - Service Area Demographics - population to be served and per-capita income.
 - Include a map of the proposed route(s).
- C. Justification for Proposed Service - Written justification supporting the need for the proposed service.
- D. Service Development Plan - Detailed actions that will be taken to make the service self-sufficient. This should include estimated revenues and expenses for the three year period.
- E. Proof of Public Notice - After a route has been approved to be bid for operating assistance, evidence that public notice has been given to citizens affected by the proposed service must be provided. Proof of publication in a newspaper of general circulation will be accepted. (Attachment D contains a sample public notice.)
- F. FY 2011 FTA Certification and Assurances – A list of the certifications and assurances is available in Attachment E. This information details the requirements of FTA Section 5309, Section 5310, Section 5311, 5311(f), Section 5316, Section 5317, and SDNT programs. All applicable items must be checked off for the program you are applying for. Return the signed form to MDOT. (Attachment F)
- G. Contract Clauses Certification – Contract clauses certify compliance with federal requirements. It is an annual certification process, and the clauses are referenced in the MDOT project authorizations but not attached.
- The form must be signed by an authorized signer of your contract or Master Agreement and returned to MDOT (Attachment G). Obtain and review the set of clauses from BPT's website at <http://www.michigan.gov/mdotptd>, under "Resources," "Applications & Forms."
- H. 5333(b) Labor Warranty – This form must be signed and returned to MDOT. This is a certification required by Federal Transit Law which protects transit employees who may be affected by Federal transit funding. The law requires employee protections be in place and certified by the Department of Labor before Federal transit funds may be released to a transit provider. (Attachment H)

Completion of the form requires a list of the unions representing your employees, the third party transportation provider that you hire to perform public transportation services and their union representation, and a list of other surface transportation providers serving the general public, which include, but are not limited to, Specialized Services and Section 5310 agencies and their union representation within our jurisdictional service area. You may need to use resources such as the Yellow Pages to locate other providers and contact those providers for union information.

Note: Please do not include school bus transportation providers and their unions on the 5333(b) Labor Warranty form.

- I. Title VI Information - a) Under Item No. 1, report on the Title VI Information form any active lawsuits or complaints alleging discrimination based on race, color or national origin with respect to service or other transit benefits; b) under Item No. 2, report any civil rights compliance review activities conducted within the last three years with regard to your transportation program; c) under Item No. 3, describe your agency's efforts in ensuring that the level and quality of service will be provided without regard to race, color or national origin and that there is not a disparate impact on groups protected by Title VI of the Civil Rights Act of 1964 and the related statutes and regulations; and d) complete and return the form to MDOT. (Attachment I)

Title VI of the Civil Rights Act of 1964 is the Federal law that protects individuals from discrimination on the basis of their race, color, or national origin in programs that receive Federal financial assistance.

There are many forms of illegal discrimination based on race, color, or national origin that can limit the opportunity of minorities to gain equal access to services and programs. Among other things, in operating a federally assisted program, a recipient cannot, on the basis of race, color, or national origin, either directly or through contractual means:

- Deny program services, aids, or benefits;
- Provide a different service, aid, or benefit, or provide them in a manner different than they are provided to others; or
- Segregate or separately treat individuals in any matter related to the receipt of any service, aid, or benefit.

Organizations must ensure that the level and quality of service will be provided without regard to race, color or national origin and that there is not a disparate impact on groups protected by Title VI of the Civil Rights Act of 1964 and the related statutes and regulations. This is especially important if the same service has been provided for several years and demographic changes may have occurred in your community or if service changes have been made.

ATTACHMENT A

INTERCITY BUS PROGRAM GUIDELINES

February 22, 2001

PROGRAM GOALS

The purpose of the intercity bus program is to enhance intercity bus travel for the citizens of Michigan by providing capital and operating assistance to private intercity bus carriers. No publicly-funded transit authority/agency is eligible for this program.

The program goals are as follows:

- Meet customer long distance travel needs.
- Provide safe, accessible, up-to-date vehicles and terminals for the traveling public.
- Provide connection between communities as well as with the national bus system.
- Increase coordination with local transit agencies to improve intermodal ridership.
- Build partnerships with all other transportation modes.
- Incorporate objectives and strategies relating to intercity bus services included in the Michigan Transit Strategic Plan.
- Secure federal funds to the extent possible to support the intercity bus program.
- Establish a process whereby annual applications for funding are submitted by March 1st of each year for the next fiscal year.

CAPITAL PROGRAM

Carrier Eligibility

Carriers must have operated under a Certificate of Authority in accordance with Public Act 432 of 1982, as amended, for the period of two years to apply for a bus from the capital program.

A carrier in bankruptcy or court approved reorganization shall not be eligible to apply for buses under this program for a minimum of two years and until the company can exhibit financial stability and capability to meet the terms and conditions of this program. Any court ordered stipulations regarding a carrier must be followed. When a carrier is coming out of bankruptcy or court approved reorganization, the Michigan Department of Transportation (MDOT) may conduct a final review of the carrier's financial records to ensure that any liability or tax obligation has been met.

A carrier that has operated service or equipment under contractual agreement with the Department must have done so with no penalties imposed. The carrier shall remain ineligible for two years from the date of any such penalty being imposed.

Bus Procurement

Full size intercity buses that are purchased as part of this program will be eligible for replacement when six years or 450,000 miles have been accumulated. In the case of a leased bus, the lease arrangement defined in the contract will be followed. For other types of buses, the department's replacement schedule will be used.

No carrier is eligible for more than five buses per year, unless otherwise approved by the Department. Reserve or spare buses which do not exceed 20 percent of the fleet being used for regular route service within the state of Michigan will be permitted. All intercity buses purchased or leased under this program shall be accessible in conformance with the Americans with Disabilities Act (ADA) of 1990.

Buses purchased or leased through this program are restricted to regular-route service that originates at, or is destined to, points in Michigan. For regular-route service outside of Michigan the following destinations are allowed: Duluth and Milwaukee for the upper peninsula service and Chicago and Toledo for the lower peninsula service. Other points outside of Michigan will be considered upon request and must have prior approval of MDOT. Round trip service out-of-state must be completed within 24 hours. Equipment maintenance locations, both in-state and out-of-state, will be specified by the capital equipment grant contract.

Regular route service must operate at least five days per week and in excess of 150 miles per day. The use of intercity buses for charters, sightseeing tours, school bus, park and ride, or contract operations will not be permitted. In addition, airport or limousine services that are on-call, on-demand, or reservation actuated, are not eligible for intercity buses under this program.

The carrier is responsible for obtaining three competitive quotes on buses to be purchased. Buses selected will be based on the specifications developed jointly by the Department and the carriers. The Department, in conjunction with the carrier, shall select the most responsive bidder. Qualifying factors include the carrier's fleet, parts inventory, training of personnel, and resale value of the bus.

Buses will be provided to qualified carriers for an annual per bus fee established by MDOT. The carrier shall be responsible for all other operating costs such as license fees, regulatory costs or permit fees, maintenance, and insurance. Quarterly maintenance and mileage reports must be submitted to the Department using its maintenance program requirements. The insurance coverage, as required by state and federal law, shall indemnify and hold harmless the State, the State Transportation Commission (STC), the Department, and all officers, agents, and employees thereof. Required coverage shall also include risk for physical loss or damage to the buses.

The Department shall collect a security deposit in the form of cash or an irrevocable letter of credit from the carrier equal to two percent of the original bus purchase price. If the bus is returned to the Department, the deposit shall be used for any repairs necessary to return the bus to its original condition, less reasonable wear and tear. The security deposit shall not be considered an asset of the carrier. The Department shall not be required to pay interest on the security deposit. The security deposit, or remaining balance, will be returned to the carrier upon final acceptance of an intercity bus returned to the Department.

SERVICE DEVELOPMENT PROGRAM

The purpose of the service development program is to enhance long distance travel. Operating assistance will be considered as a last resort to maintain existing service or to expand service that can become operationally self-sufficient. Routes receiving operating assistance will be the result of a competitive bid process, with the most responsive bidder being selected to provide the service. Bids shall be based on a per-mile rate, less revenues.

The service development program objectives are as follows:

- maintain privately operated intercity bus service in Michigan;
- consider service on new routes proposed by intercity bus operations and/or MDOT;
- link intercity bus services to other modes of public transportation - air, rail, and local transit, as well as the national bus system;
- provide an opportunity for all licensed companies to compete for route service subsidies.

Service that is considered for route assistance will be evaluated based on the ability to meet program objectives. An application process with agreed on evaluation criteria will be used. Routes proposed for operating assistance will be evaluated by MDOT. Those routes recommended will be presented to the State Transportation Commission Subcommittee on Intercity Bus Service for its information. After the Subcommittee review is completed, the competitive bid process will commence.

Carrier Eligibility

The carrier must have two years of experience based on either experienced personnel and/or past performance on work of a similar nature. The carrier must demonstrate that the human resources needed to operate the proposed service can be met. The carrier must also demonstrate financial viability to sustain needed maintenance and operating expenses of the proposed service.

The carrier must have a Certificate of Authority issued by MDOT, in accordance with Public Act 432 of 1982, as amended, or a certificate of authority issued by another state regulatory agency where they are domiciled to provide the service. In the case where a carrier has a certificate of authority issued by another state regulatory agency, a certificate

of authority would have to be obtained from MDOT upon being selected as the most responsive bidder.

If state owned buses are offered as part of the bid process, the capital program eligibility requirements to secure the needed buses must be met. A carrier that has operated under a certificate of authority issued by another state regulatory agency, for a period of two years, would be eligible.

TERMINAL DEVELOPMENT PROGRAM

Passenger terminals will be designed to ensure the smooth flow of passengers and to minimize maintenance and operating costs. Terminal projects will be coordinated with affected local transit agencies, intercity bus carriers, and other modes of travel, such as passenger trains. Terminals will be constructed to respond to local area transportation needs, as well as the needs of intercity bus carriers. The terminal design will incorporate ADA standards. Efforts will be made to involve intercity bus carriers in the planning and construction phases of new facilities.

Rental rates for the use of publicly owned terminals are on a negotiated basis between the carriers and the entity responsible for its operation. The Department recommends that the rental rate be based on a pro-rated share of expenses incurred to operate the building. If deemed necessary, MDOT is willing to mediate rental agreements between the carriers and local transit agencies.

Space can be rented for vendor services, such as concession stands. Fees for short-term and long-term parking can also be assessed. Revenues generated must be accounted for separately and be used for the operation and maintenance of the facility, including driveways and parking lots.

OTHER CAPITAL AND SERVICE DEVELOPMENT REQUESTS

Other capital and service development requests will be evaluated as part of the annual application process. Items such as computers, shelters, marketing funds, and requests for studies will be considered.

ATTACHMENT B

FY 2011 INTERCITY SERVICE OPERATING PROGRAM

CHECKLIST

The following must be included with the application for operating assistance under the Service Development Operating Program:

1. Title Page - Grant Application Title Page (Attachment C)
2. Description of service to be provided - service area, service characteristics, service area demographics and a map
3. Justification for proposed service
4. Service Development Plan
5. Proof of Public Notice - (Attachment D): required after a route has been approved to be bid for service
6. FY 2011 FTA Certification and Assurances (Attachment F)
7. Contract Clauses Certification (Attachment G)
8. 5333(b) Labor Warranty (Attachment H)
9. Title VI Information (Attachment I)

ATTACHMENT D

**SAMPLE
PUBLIC NOTICE**

<CARRIER NAME>

PROPOSED APPLICATION FOR OPERATING ASSISTANCE

All citizens are advised that <carrier name> has prepared an application for State of Michigan financial assistance as required under Act 51 of the Public Acts of 1951, as amended, for fiscal year 2011. The application is to provide an intercity bus route from (state locations) to meet a transportation need for the general public in (insert names) Counties.

<carrier name> ensures that the level and quality of transportation service is provided without regard to race, color, or national origin in accordance with Title VI of the Civil Rights Act of 1964. For more information regarding our Title VI obligations or to file a complaint please contact us at the address given below.

The proposed application is on file at <carrier name><address>, and may be reviewed during a 30 day period ending <date>, between the hours of 8:00 a.m. and 5:00 p.m.

Written comments regarding the application and/or written requests for a public hearing must be received by (insert date). Should a hearing be requested, notice of the scheduled date, time, and location will be provided at least 10 days in advance.

Comments should be mailed to <carrier name and full address>.

ATTACHMENT E

CERTIFICATIONS AND ASSURANCES FOR FTA SECTION 5309, SECTION 5310, SECTION 5311, SECTION 5311 (f), SECTION 5316, SECTION 5317, AND/OR SDNT ASSISTANCE

1. Assurance of Authority of the Applicant and Its Representative

The authorized representative of the Applicant and the attorney who sign these certifications, assurances, and agreements affirm that both the Applicant and its authorized representative have adequate authority under applicable State, local, or Indian tribal law and regulations, and the Applicant's by-laws or internal rules to:

- (1) Execute and file the application for Federal assistance on behalf of the Applicant;
- (2) Execute and file the required certifications, assurances, and agreements on behalf of the Applicant binding the Applicant; and
- (3) Execute grant agreements and cooperative agreements with FTA on behalf of the Applicant.

2. Standard Assurances

The Applicant assures that it will comply with all applicable Federal statutes and regulations in carrying out any project supported by an FTA grant or cooperative agreement. The Applicant agrees that it is under a continuing obligation to comply with the terms and conditions of the grant agreement or cooperative agreement with FTA issued for its project. The Applicant recognizes that Federal laws and regulations may be modified from time to time and those modifications may affect project implementation. The Applicant understands that Presidential executive orders and Federal directives, including Federal policies and program guidance may be issued concerning matters affecting the Applicant or its project. The Applicant agrees that the most recent Federal laws, regulations, and directives will apply to the project, unless FTA issues a written determination otherwise.

3. Nondiscrimination Assurance

As required by 49 U.S.C. 5332 (which prohibits discrimination on the basis of race, color, creed, national origin, sex, or age, and prohibits discrimination in employment or business opportunity), by Title VI of the Civil Rights Act of 1964, as amended, 42 U.S.C. 2000d, and by U.S. DOT regulations, "Nondiscrimination in Federally-Assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act," 49 CFR part 21 at 21.7, the Applicant assures that it will comply with all requirements imposed by or issued pursuant to 49 U.S.C. 5332, 42 U.S.C. 2000d, and 49 CFR part 21, so that no person in the United States, on the basis of race, color, national origin, creed, sex, or age will be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination in any program or activity (particularly in the level and quality of transportation services and transportation-related

benefits) for which the Applicant receives Federal assistance awarded by the U.S. DOT or FTA.

Specifically, during the period in which Federal assistance is extended to the project, or project property is used for a purpose for which the Federal assistance is extended or for another purpose involving the provision of similar services or benefits, or as long as the Applicant retains ownership or possession of the project property, whichever is longer, the Applicant assures that:

- (1) Each project will be conducted, property acquisitions will be undertaken, and project facilities will be operated in accordance with all applicable requirements of 49 U.S.C. 5332, 42 U.S.C. 2000d, and 49 CFR part 21, and understands that this assurance extends to its entire facility and to facilities operated in connection with the project;
- (2) It will promptly take the necessary actions to effectuate this assurance, including notifying the public that complaints of discrimination in the provision of transportation-related services or benefits may be filed with U.S. DOT or FTA. Upon request by U.S. DOT or FTA, the Applicant assures that it will submit the required information pertaining to its compliance with these provisions;
- (3) It will include in each subagreement, property transfer agreement, third party contract, third party subcontract, or participation agreement adequate provisions to extend the requirements imposed by or issued pursuant to 49 U.S.C. 5332, 42 U.S.C. 2000d and 49 CFR part 21 to other parties involved therein including any subrecipient, transferee, third party contractor, third party subcontractor at any level, successor in interest, or any other participant in the project;
- (4) Should it transfer real property, structures, or improvements financed with Federal assistance provided by FTA to another party, any deeds and instruments recording the transfer of that property shall contain a covenant running with the land assuring nondiscrimination for the period during which the property is used for a purpose for which the Federal assistance is extended or for another purpose involving the provision of similar services or benefits;
- (5) The United States has a right to seek judicial enforcement with regard to any matter arising under Title VI of the Civil Rights Act, U.S. DOT implementing regulations, and this assurance; and
- (6) It will make any changes in its Title VI implementing procedures as U.S. DOT or FTA may request to achieve compliance with the requirements imposed by or issued pursuant to 49 U.S.C. 5332, 42 U.S.C. 2000d, and 49 CFR part 21.

4. Assurance of Nondiscrimination on the Basis of Disability

As required by U.S. DOT regulations, "Nondiscrimination on the Basis of Handicap in Programs and Activities Receiving or Benefiting from Federal Financial Assistance," at 49 CFR 27.9, the Applicant assures that, as a condition to the approval or extension of any Federal assistance awarded by FTA to construct any facility, obtain any rolling stock or other equipment, undertake studies, conduct research, or to participate in or obtain any benefit from any program administered by FTA, no otherwise qualified

person with a disability shall be, solely by reason of that disability, excluded from participation in, denied the benefits of, or otherwise subjected to discrimination in any program or activity receiving or benefiting from Federal assistance administered by the FTA or any entity within U.S. DOT. The Applicant assures that project implementation and operations so assisted will comply with all applicable requirements of U.S. DOT regulations implementing the Rehabilitation Act of 1973, as amended, 29 U.S.C. 794 et seq., and the Americans with Disabilities Act of 1990, as amended, 42 U.S.C. 12101 et seq., and implementing U.S. DOT regulations at 49 CFR parts 27, 37, and 38, and any other applicable Federal laws that may be enacted or Federal regulations that may be promulgated.

5. Procurement Compliance

The Applicant certifies that its procurements and procurement system will comply with all applicable Federal laws and regulations in accordance with applicable Federal directives, except to the extent FTA has expressly approved otherwise in writing.

6. Lobbying Certification

- A. As required by 31 U.S.C. 1352 and U.S. DOT regulations, "New Restrictions on Lobbying," at 49 CFR 20.110, the Applicant's authorized representative certifies to the best of his or her knowledge and belief that for each application to U.S. DOT or FTA for a Federal grant, loan (including a line of credit), cooperative agreement, or a commitment that the Federal Government to guarantee or insure a loan exceeding \$100,000:
- (1) No Federal appropriated funds have been or will be paid by or on behalf of the Applicant to any person to influence or attempt to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress regarding the award of a Federal grant, loan (including a line of credit), cooperative agreement, loan guarantee, or loan insurance, or the extension, continuation, renewal, amendment, or modification of any Federal grant, loan (including a line of credit), cooperative agreement, loan guarantee, or loan insurance;
 - (2) If any funds other than Federal appropriated funds have been or will be paid to any person to influence or attempt to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any application for a Federal grant, loan (including a line of credit), cooperative agreement, loan guarantee, or loan insurance, the Applicant assures that it will complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," Rev. 7-97; and
 - (3) The language of this certification shall be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, subagreements, and contracts under grants, loans (including a line of credit), cooperative agreements, loan guarantees, and loan insurance).
- B. The Applicant understands that this certification is a material representation of fact upon which reliance is placed by the Federal government and that submission of this certification is a prerequisite for providing a Federal grant, loan (including a line

of credit), cooperative agreement, loan guarantee, or loan insurance for a transaction covered by 31 U.S.C. 1352. The Applicant also understands that any person who fails to file a required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

7. Acquisition of Rolling Stock for Use in Revenue Service

As required by 49 U.S.C. 5323(m) and implementing FTA regulations, "Pre-Award and Post-Delivery Audits of Rolling Stock Purchases," 49 CFR part 663, at 49 CFR 663.7, the Applicant certifies that it will comply with the requirements of 49 CFR part 663 as modified by amendments authorized by section 3023(k) of SAFETEA-LU when procuring revenue service rolling stock. Among other things, the Applicant agrees to conduct or cause to be conducted the requisite pre-award and post delivery reviews, and maintain on file the certifications required by 49 CFR part 663, subparts B, C, and D.

8. Bus Testing

As required by 49 U.S.C. 5318 and FTA regulations, "Bus Testing," at 49 CFR 665.7, the Applicant certifies that, before expending any Federal assistance to acquire the first bus of any new bus model or any bus model with a new major change in configuration or components, or before authorizing final acceptance of that bus (as described in 49 CFR part 665):

- A. The bus model will have been tested at FTA's bus testing facility; and
- B. The Applicant will have received a copy of the test report prepared on the bus model.

9. Charter Service Agreement

A. As required by 49 U.S.C. 5323(d) and (g) and FTA regulations at 49 CFR 604.4, the Applicant understands and agrees that it and each subrecipient, lessee, third party contractor, or other participant in the project at any tier may provide charter service for transportation projects that uses equipment or facilities acquired with Federal assistance authorized under the Federal transit laws (except as permitted by 49 CFR 604.2), or under 23 U.S.C. 133 or 142, only in compliance with those laws and FTA regulations, "Charter Service," 49 CFR part 604, the terms and conditions of which are incorporated herein by reference.

B. The Applicant understands and agrees that:

- (1) The requirements of FTA regulations, "Charter Service," 49 CFR part 604, will apply to any charter service it or its subrecipients, lessees, third party contractors, or other participants in the project provide;
- (2) The definitions of FTA regulations, "Charter Service," 49 CFR part 604, will apply to this Charter Service Agreement; and
- (3) A pattern of violations of this Charter Service Agreement may require corrective measures and imposition of remedies, including barring the Applicant,

subrecipient, lessee, third party contractor, or other participant in the project that has engaged in that pattern of violations from receiving FTA financial assistance, or withholding an amount of Federal assistance as set forth in FTA regulations, "Charter Service," 49 CFR part 604, Appendix D.

10. School Transportation Agreement

- A. As required by 49 U.S.C. 5323(f) and (g) and FTA regulations at 49 CFR 605.14, the Applicant understands and agrees that it and each subrecipient, lessee, third party contractor, or other participant in the project at any tier may engage in school transportation operations in competition with private school transportation operators that uses equipment or facilities acquired with Federal assistance authorized under the Federal transit laws or under 23 U.S.C. 133 or 142, only in compliance with those laws and FTA regulations, "School Bus Operations," 49 CFR part 605, to the extent consistent with 49 U.S.C. 5323(f) or (g), the terms and conditions of which are incorporated herein by reference.
- B. The Applicant understands and agrees that:
- (1) The requirements of FTA regulations, "School Bus Operations," 49 CFR part 605, to the extent consistent with 49 U.S.C. 5323(f) or (g), will apply to any school transportation service it or its subrecipients, lessees, third party contractors, or other participants in the project provide;
 - (2) The definitions of FTA regulations, "School Bus Operations," 49 CFR part 605 will apply to this School Transportation Agreement; and
 - (3) If there is a violation of this School Transportation Agreement, FTA will bar the Applicant, subrecipient, lessee, third party contractor, or other participant in the project that has violated this School Transportation Agreement from receiving Federal transit assistance in an amount FTA considers appropriate.

11. Demand Responsive Service

As required by U.S. DOT regulations, "Transportation Services for Individuals with Disabilities (ADA)," at 49 CFR 37.77(d), the Applicant certifies that its demand responsive service offered to individuals with disabilities, including individuals who use wheelchairs, is equivalent to the level and quality of service offered to individuals without disabilities. Viewed in its entirety, the Applicant's service for individuals with disabilities is provided in the most integrated setting feasible and is equivalent with respect to: (1) Response time, (2) fares, (3) geographic service area, (4) hours and days of service, (5) restrictions on trip purpose, (6) availability of information and reservation capability, and (7) constraints on capacity or service availability.

12. Alcohol Misuse and Prohibited Drug Use

As required by FTA regulations, "Prevention of Alcohol Misuse and Prohibited Drug Use in Transit Operations," at 49 CFR part 655, subpart I, the Applicant certifies that it has established and implemented an alcohol misuse and anti-drug program, and has

complied with or will comply with all applicable requirements of FTA regulations, "Prevention of Alcohol Misuse and Prohibited Drug Use in Transit Operations," 49 CFR part 655.

13. Acquisition of Capital Assets by Lease

As required by FTA regulations, "Capital Leases," 49 CFR part 639, at 49 CFR 639.15(b)(1) and 49 CFR 639.21, if the Applicant acquires any capital asset by lease financed with Federal assistance authorized under 49 U.S.C. chapter 53, the Applicant certifies as follows:

- (1) It will not use Federal assistance authorized 49 U.S.C. chapter 53 to finance the cost of leasing any capital asset until it performs calculations demonstrating that leasing the capital asset would be more cost-effective than purchasing or constructing a similar asset; and it will complete these calculations before entering into the lease or before receiving a capital grant for the asset, whichever is later; and
- (2) It will not enter into a capital lease for which FTA can provide only incremental Federal assistance unless it has adequate financial resources to meet its future obligations under the lease if Federal assistance is not available for capital projects in the subsequent years.

14. U.S. Office of Management and Budget (OMB) Assurances

Consistent with OMB assurances set forth in SF-424B and SF-424D, the Applicant assures that, with respect to itself or its project, the Applicant:

- (1) Has the legal authority to apply for Federal assistance and the institutional, managerial, and financial capability (including funds sufficient to pay the non-Federal share of project cost) to assure proper planning, management, and completion of the project described in its application;
- (2) Will give FTA, the Comptroller General of the United States, and, if appropriate, the State, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the award; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives;
- (3) Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest or personal gain;
- (4) Will initiate and complete the work within the applicable project time periods following receipt of FTA approval;
- (5) Will comply with all applicable Federal statutes relating to nondiscrimination including, but not limited to:
 - (a) Title VI of the Civil Rights Act, 42 U.S.C. 2000d, which prohibits discrimination on the basis of race, color, or national origin;
 - (b) Title IX of the Education Amendments of 1972, as amended, 20 U.S.C. 1681 through 1683, and 1685 through 1687, and U.S. DOT regulations, "Nondiscrimination on the Basis of Sex in Education Programs or Activities

- Receiving Federal Financial Assistance," 49 CFR part 25, which prohibit discrimination on the basis of sex;
- (c) Section 504 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. 794, which prohibits discrimination on the basis of disability;
 - (d) The Age Discrimination Act of 1975, as amended, 42 U.S.C. 6101 through 6107, which prohibits discrimination on the basis of age;
 - (e) The Drug Abuse Office and Treatment Act of 1972, as amended, 21 U.S.C. 1101 *et seq.*, relating to nondiscrimination on the basis of drug abuse;
 - (f) The Comprehensive Alcohol Abuse and Alcoholism Prevention Act of 1970, as amended, 42 U.S.C. 4541 *et seq.* relating to nondiscrimination on the basis of alcohol abuse or alcoholism;
 - (g) The Public Health Service Act of 1912, as amended, 42 U.S.C. 290dd through 290dd-2., relating to confidentiality of alcohol and drug abuse patient records;
 - (h) Title VIII of the Civil Rights Act, 42 U.S.C. 3601 *et seq.*, relating to nondiscrimination in the sale, rental, or financing of housing; and
 - (i) Any other nondiscrimination statute(s) that may apply to the project;
- (6) To the extent applicable, will comply with, or has complied with, the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, (Uniform Relocation Act) 42 U.S.C. 4601 *et seq.*, which, among other things, provide for fair and equitable treatment of persons displaced or persons whose property is acquired as a result of federally assisted programs. These requirements apply to all interests in real property acquired for project purposes and displacement caused by the project regardless of Federal participation in any purchase. As required by sections 210 and 305 of the Uniform Relocation Act, 42 U.S.C. 4630 and 4655, and by U.S. DOT regulations, "Uniform Relocation Assistance and Real Property Acquisition for Federal and Federally Assisted Programs," 49 CFR 24.4, the Applicant assures that it has the requisite authority under applicable State and local law to comply with the requirements of the Uniform Relocation Act, 42 U.S.C. 4601 *et seq.*, and U.S. DOT regulations, "Uniform Relocation Assistance and Real Property Acquisition for Federal and Federally Assisted Programs," 49 CFR part 24, and will comply with that Act or has complied with that Act and those implementing regulations, including but not limited to the following:
- (a) The Applicant will adequately inform each affected person of the benefits, policies, and procedures provided for in 49 CFR part 24;
 - (b) The Applicant will provide fair and reasonable relocation payments and assistance as required by 42 U.S.C. 4622, 4623, and 4624; 49 CFR part 24; and any applicable PTA procedures, to or for families, individuals, partnerships, corporations, or associations displaced as a result of any project financed with FTA assistance;
 - (c) The Applicant will provide relocation assistance programs offering the services described in 42 U.S.C. 4625 to such displaced families, individuals, partnerships, corporations, or associations in the manner provided in 49 CFR part 24;
 - (d) Within a reasonable time before displacement, the Applicant will make available comparable replacement dwellings to displaced families and individuals as required by 42 U.S.C. 4625(c)(3);
 - (e) The Applicant will carry out the relocation process in such manner as to provide

- displaced persons with uniform and consistent services, and will make available replacement housing in the same range of choices with respect to such housing to all displaced persons regardless of race, color, religion, or national origin;
- (f) In acquiring real property, the Applicant will be guided to the greatest extent practicable under State law, by the real property acquisition policies of 42 U.S.C. 4651 and 4652;
 - (g) The Applicant will pay or reimburse property owners for their necessary expenses as specified in 42 U.S.C. 4653 and 4654, with the understanding that FTA will provide Federal financial assistance for the Applicant's eligible costs of providing payments for those expenses, as required by 42 U.S.C. 4631;
 - (h) The Applicant will execute such amendments to third party contracts and subagreements financed with FTA assistance and execute, furnish, and be bound by such additional documents as FTA may determine necessary to effectuate or implement the assurances provided herein; and
 - (i) The Applicant agrees to make these assurances part of or incorporate them by reference into any third party contract or subagreement, or any amendments thereto, relating to any project financed by FTA involving relocation or land acquisition and provide in any affected document that these relocation and land acquisition provisions shall supersede any conflicting provisions;
- (7) To the extent applicable, will comply with the Davis-Bacon Act, as amended, 40 U.S.C. 3141 *et seq.*, the Copeland "Anti-Kickback" Act, as amended, at 18 U.S.C. 874, and at 40 U.S.C. 3145, and the Contract Work Hours and Safety Standards Act, as amended, 40 U.S.C. 3701 *et seq.*, regarding labor standards for federally assisted projects;
 - (8) To the extent applicable, will comply with the flood insurance purchase requirements of section 102(a) of the Flood Disaster Protection Act of 1973, as amended, 42 U.S.C. 4012a(a), requiring the Applicant and its subrecipients in a special flood hazard area to participate in the program and purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more;
 - (9) To the extent applicable, will comply with the Lead-Based Paint Poisoning Prevention Act, 42 U.S.C. 4831(b), which prohibits the use of lead-based paint in the construction or rehabilitation of residence structures;
 - (10) To the extent applicable, will not dispose of, modify the use of, or change the terms of the real property title or other interest in the site and facilities on which a construction project supported with FTA assistance takes place without permission and instructions from FTA;
 - (11) To the extent required by FTA, will record the Federal interest in the title of real property, and will include a covenant in the title of real property acquired in whole or in part with Federal assistance funds to assure nondiscrimination during the useful life of the project;
 - (12) To the extent applicable, will comply with FTA provisions concerning the drafting, review, and approval of construction plans and specifications of any construction project supported with FTA assistance. As required by U.S. DOT regulations, "Seismic Safety," 49 CFR 41.117(d), before accepting delivery of any building financed with FTA assistance, it will obtain a certificate of compliance with the seismic design and construction requirements of 49 CFR part 41;

- (13) To the extent applicable, will provide and maintain competent and adequate engineering supervision at the construction site of any project supported with FTA assistance to assure that the complete work conforms with the approved plans and specifications, and will furnish progress reports and such other information as may be required by FTA or the State;
- (14) To the extent applicable, will comply with any applicable environmental standards that may be prescribed to implement the following Federal laws and executive orders:
 - (a) Institution of environmental quality control measures under the National Environmental Policy Act of 1969, as amended, 42 U.S.C. 4321 through 4335 and Executive Order No. 11514, as amended, 42 U.S.C. 4321 note;
 - (b) Notification of violating facilities pursuant to Executive Order No. 11738, 42 U.S.C. 7606 note;
 - (c) Protection of wetlands pursuant to Executive Order No. 11990, 42 U.S.C. 4321 note;
 - (d) Evaluation of flood hazards in floodplains in accordance with Executive Order No. 11988, 42 U.S.C. 4321 note;
 - (e) Assurance of project consistency with the approved State management program developed pursuant to the requirements of the Coastal Zone Management Act of 1972, as amended, 16 U.S.C. 1451 through 1465;
 - (f) Conformity of Federal actions to State (Clean Air) Implementation Plans under section 176(c) of the Clean Air Act of 1955, as amended, 42 U.S.C. 7401 through 7671q;
 - (g) Protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended, 42 U.S.C. 300f through 300j-6;
 - (h) Protection of endangered species under the Endangered Species Act of 1973, as amended, 16 U.S.C. 1531 through 1544; and
 - (i) Environmental protections for Federal transportation programs, including, but not limited to, protections for parks, recreation areas, or wildlife or waterfowl refuges of national, State, or local significance or any land from a historic site of national, State, or local significance to be used in a transportation project as required by 49 U.S.C. 303(b) and 303(c);
 - (j) Protection of the components of the national wild and scenic rivers systems, as required under the Wild and Scenic Rivers Act of 1968, as amended, 16 U.S.C. 1271 through 1287; and
 - (k) Provision of assistance to FTA in complying with section 106 of the National Historic Preservation Act of 1966, as amended, 16 U.S.C. 470f; with the Archaeological and Historic Preservation Act of 1974, as amended, 16 U.S.C. 469 through 469c ; and with Executive Order No. 11593 (identification and protection of historic properties), 16 U.S.C. 470 note;
- (15) To the extent applicable, will comply with the requirements of the Hatch Act, 5 U.S.C. 1501 through 1508 and 7324 through 7326, which limit the political activities of State and local agencies and their officers and employees whose primary employment activities are financed in whole or part with Federal funds including a Federal loan, grant agreement, or cooperative agreement except, in accordance with 49 U.S.C. 5307(k)(2) and 23 U.S.C. 142(g), the Hatch Act does not apply to a nonsupervisory employee of a public transportation system (or of any other agency or entity performing related functions) receiving FTA assistance to whom that Act does not

- otherwise apply;
- (16) To the extent applicable, will comply with the National Research Act, Pub. L. 93-348, July 12, 1974, as amended, 42 U.S.C. 289 *et seq.*, and U.S. DOT regulations, "Protection of Human Subjects," 49 CFR part 11, regarding the protection of human subjects involved in research, development, and related activities supported by Federal assistance;
 - (17) To the extent applicable, will comply with the Animal Welfare Act, as amended, 7 U.S.C. 2131 *et seq.*, and U.S. Department of Agriculture regulations, "Animal Welfare," 9 CFR subchapter A, parts 1,2, 3, and 4, regarding the care, handling, and treatment of warm blooded animals held or used for research, teaching, or other activities supported by Federal assistance;
 - (18) Will have performed the financial and compliance audits as required by the Single Audit Act Amendments of 1996, 31 U.S.C. 7501 *et seq.*, OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations," Revised, and the most recent applicable OMB A-133 Compliance Supplement provisions for the U.S. DOT; and
 - (19) To the extent applicable, will comply with all applicable provisions of all other Federal laws or regulations, and follow Federal directives governing the project, except to the extent that FTA has expressly approved otherwise in writing.

15. Protections for Private Transportation Providers

As required by 49 U.S.C. 5323(a)(l), the Applicant certifies that before it acquires the property or an interest in the property of a private provider of public transportation or operates public transportation equipment or facilities in competition with, or in addition to, transportation service provided by an existing public transportation company, it has or will have:

- A. Determined that the assistance is essential to carrying out a program of projects as required by 49 U.S.C. 5303,5304, and 5306;
- B. Provided for the participation of private companies engaged in public transportation to the maximum extent feasible; and
- C. Paid just compensation under State or local law to the company for any franchise or property acquired.

16. Public Hearing

As required by 49 U.S.C. 5323(b), for a proposed capital project that will substantially affect a community, or the public transportation service of a community, the Applicant certifies that it has, or before submitting its application, it will have:

- A. Provided an adequate opportunity for public review and comment on the proposed project;
- B. After providing notice, including a concise description of the proposed project, published in a newspaper of general circulation in the geographic area to be served, held a public hearing on the project if the project affects significant economic, social, or environmental interests;

- C. Considered the economic, social, and environmental effects of the proposed project; and
- D. Determined that the proposed project is consistent with official plans for developing the community.

17. Interest and Other Financing Costs

As required by 49 U.S.C. 5307(g)(3), 5309(g)(2)(B)(iii), 5309(g)(3)(B)(iii), 5309(i)(2)(C), and 5320(h)(2)(C), the Applicant certifies that it will not seek reimbursement for interest or other financing costs unless it is eligible to receive Federal assistance for those costs and its records demonstrate that it has used reasonable diligence in seeking the most favorable financing terms underlying those costs, to the extent FTA may require.

18. Intelligent Transportation Systems

As used in this assurance, the term Intelligent Transportation Systems (ITS) project is defined to include any project that in whole or in part finances the acquisition of technologies or systems of technologies that provide or significantly contribute to the provision of one or more ITS user services as defined in the "National ITS Architecture."

- A. As provided in subsection 5307(c) of SAFETEA-LU, 23 U.S.C. 512 note, apart from certain exceptions, "intelligent transportation system projects carried out using funds made available from the Highway Trust Fund, including funds made available under this subtitle to deploy intelligent transportation system technologies, [shall] conform to the national architecture, applicable standards or provisional standards, and protocols developed under subsection (a) [of section 5307 of SAFETEA-LU]." To facilitate compliance with subsection 5307(c) of SAFETEA-LU, 23 U.S.C. 512 note, the Applicant assures it will comply with all applicable provisions of Section V (Regional ITS Architecture) and Section VI (Project Implementation) of FTA Notice, "FTA National ITS Architecture Policy on Transit Projects," at 66 FR 1455 *et seq.*, January 8, 2001, and other FTA policies that may be issued in connection with any ITS project it undertakes financed with funds authorized under Title 49 or Title 23, United States Code, except to the extent that FTA expressly determines otherwise in writing; and
- B. With respect to any ITS project financed with Federal assistance derived from a source other than Title 49 or Title 23, United States Code, the Applicant assures that it will use its best efforts to assure that any ITS project it undertakes will not preclude interface with other intelligent transportation systems in the Region.

19. General Program Requirements

- (1) In compliance with 49 U.S.C. 5307(d)(1)(A), the Applicant has or will have the legal, financial, and technical capacity to carry out its proposed program of projects, including the safety and security aspects of that program;
- (2) In compliance with 49 U.S.C. 5307(d)(1)(B), the Applicant has or will have satisfactory continuing control over the use of project equipment and facilities;
- (3) In compliance with 49 U.S.C. 5307(d)(1)(C), the Applicant will adequately maintain the project equipment and facilities;

- (4) In compliance with 49 U.S.C. 5307(d)(I)(E), the Applicant, in carrying out a procurement financed with Federal assistance authorized under 49 U.S.C. 5310 or subsection 3012(b) of SAFETEA-LU: (1) will use competitive procurement (as defined or approved by FTA), (2) will not use exclusionary or discriminatory specifications in its procurements, (3) will comply with applicable Buy America laws, and (4) will comply with the general provisions for FTA assistance of 49 U.S.C. 5323 and the third party procurement requirements of 49 U.S.C. 5325;
- (5) The State has or will have available and will provide the amount of funds required by 49 U.S.C. 5310(c), and if applicable by subsections 3012(b)(3) and (4) of SAFETEA-LU, for the local share, and that those funds will be provided from approved non-Federal sources except as permitted by Federal law; and
- (6) In compliance with 49 U.S.C. 5307(d)(1)(H), the Applicant will comply with: (1) 49 U.S.C. 5301(a) (requirements for public transportation systems that maximize the safe, secure, and efficient mobility of individuals, minimize environmental impacts, and minimize transportation-related fuel consumption and reliance on foreign oil); (2) 49 U.S.C. 5301(d) (special efforts to design and provide public transportation for elderly individuals and individuals with disabilities); and (3) 49 U.S.C. 5303 through 5306 (planning and private enterprise requirements).

ATTACHMENT F

FY 2011 FTA Certification and Assurances Form

INSTRUCTION: Sign and return it to Michigan Department of Transportation.

This form is required for all agencies applying for Section 5310, 5311, 5311(f), 5316, 5317, SDNT, and/or Marine Passenger agencies applying for Section 5309 funds. For details, review Appendix E of the FY 2011 Annual Application Instructions for Intercity Service Operating Programs, Certifications and Assurances for FTA Section 5309, Section 5310, Section 5311, Section 5311 (f), Section 5316, Section 5317, and/or SDNT Assistance.

NAME OF APPLICANT (entity name in the contract/master agreement)

The applicant agrees to comply with the applicable requirements of the following categories it has selected:

- 1. Assurance of Authority of the Applicant and Its Representative
- 2. Standard Assurances
- 3. Nondiscrimination Assurance
- 4. Assurance of Nondiscrimination on the Basis of Disability
- 5. Procurement Compliance
- 6. Lobbying Certification (Check if the total of all federal applications exceed \$100,000)
- 7. Acquisition of Rolling Stock for Use in Revenue Service
- 8. Bus Testing (Check if purchasing vehicles directly)
- 9. Charter Bus Agreement
- 10. School Transportation Agreement
- 11. Demand Response Service
- 12. Alcohol Misuse and Prohibited Drug Use
- 13. Acquisition of Capital Assets by Lease
- 14. U.S. Office of Management and Budget (OMB) Assurances
- 15. Protections for Private Transportation Providers
- 16. Public Hearing
- 17. Interest and Other Financing Costs
- 18. Intelligent Transportation Systems
- 19. General Program Requirements

FTA and MDOT intend that the certifications and assurances the Applicant has selected on this form should apply, as required, to each project for which the Applicant seeks FTA assistance during fiscal year 2011.

The applicant affirms the truthfulness and accuracy of the certifications and assurances it has made in the statements submitted herein with this document, and acknowledges that the provisions of the Program Fraud Civil Remedies Act of 1986, 31 U.S.C. 3801 et seq., as implemented by DOT regulations, "Program Fraud Civil Remedies," 49 CFR part 31 apply to any certification, assurance, or submission made to FTA. The criminal fraud provisions of 18 U.S.C. 1001 may apply to any certification, assurance, or submission made in connection with any program administered by FTA.

NAME AND TITLE OF AUTHORIZED OFFICIAL	SIGNATURE OF AUTHORIZED OFFICIAL	DATE
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ATTACHMENT G

Contract Clauses Certification Form

INSTRUCTION: Sign and return it to Michigan Department of Transportation

I acknowledge that I have reviewed a copy of the Contract Clauses dated October 31, 2009. I understand that the nature of the project will determine which requirements of the contract clauses apply and I agree that such clauses apply to all FTA-funded contracts for FY 2011.

NAME OF PERSON AUTHORIZED TO SIGN THE CONTRACT/MASTER AGREEMENT		
ORGANIZATION		TRANSIT AGENCY
TITLE OF AUTHORIZED SIGNER	SIGNATURE OF AUTHORIZED SIGNER	DATE

* Entity name in the contract or master agreement. Entities with multiple master agreements will have multiple contract clause certifications.

** If the agency has a master agreement with MDOT, the organization name must match the master agreement and the signature must be the same as the authorized signature of the master agreement.

ATTACHMENT H

5333(b) LABOR WARRANTY

INSTRUCTION: Sign and return it to Michigan Department of Transportation

_____ is applying for Section 5309, 5311, 5311 (f)

NAME OF APPLICANT (entity name in the contract/master agreement)

and/or 5316 funding under the Federal Transit Act, as amended, for fiscal year 2011. We will be bound by the provisions of the special 5333(b) [former 13(c)] labor warranty for the period of the grant.

Note: Do not include school bus transportation providers and their unions.

UNIONS REPRESENTING APPLICANT'S EMPLOYEES (only staff that has duties connected to the transit operation)

THIRD PARTY TRANSPORTATION PROVIDER (agency hired by the applicant to perform public transportation services)

/UNION REPRESENTATION None (please check if none)

The following is a list of other surface transportation providers serving the general public, which include, but not limited to, Specialized Services and Section 5310 agencies, and their unions in our jurisdictional area.

OTHER PROVIDERS/UNIONS REPRESENTATION (please list)

TYPED/PRINTED NAME AND TITLE	SIGNATURE OF TRANSPORTATION PROVIDER	DATE

5309/5311/5311(f)/5316

ATTACHMENT I

FY 2011 TITLE VI INFORMATION

INSTRUCTION: complete and return it to Michigan Department of Transportation

NAME OF APPLICANT (entity name in the contract/master agreement)

All Section 5310, 5311, 5311(f), 5316, 5317, and SDNT recipients and Marine Passenger agencies receiving Section 5309 funds must submit the following information:

1. A list of any active lawsuits or complaints naming the applicant that allege discrimination on the basis of race, color, or national origin **with respect to service or other transit benefits**. The list should include: the date the lawsuit or complaint was filed; a summary of the allegation; and the status of the lawsuit or complaint, including whether the parties to a lawsuit have entered into a consent decree. If none, so state.

RESPONSE:

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2. A summary of all civil rights compliance review activities conducted in the last three years **with regard to your transportation program**. The summary should include: the purpose or reason for the review; the name of the agency or organization that performed the review; a summary of the findings and recommendations of the review; and, a report on the status and/or disposition of such findings and recommendations. If none, so state.

RESPONSE:

-
3. Organizations must ensure that the level and quality of service will be provided without regard to race, color or national origin and that there is not a disparate impact on groups protected by Title VI of the Civil Rights Act of 1964 and related statutes and regulations. This is especially important if the same service has been provided for several years and demographic changes may have occurred in your community or if service changes have been made. Please describe your efforts to comply with this requirement.

RESPONSE:

5310/5311/5311(f)/5316/5317/SDNT/5309 for Marine Passenger