

# FEDERAL-STATE PARTNERSHIP FOR STATE OF GOOD REPAIR PROGRAM

## Notice of Funding Opportunity Webinar

Federal Railroad Administration

October 31, 2019



# Agenda

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- 1 Program Overview
- 2 How to Apply
- 3 Best Practices
  - Project Narrative
  - Statement of Work
  - Benefit-Cost Analysis
- 4 Q & A



# **Federal-State Partnership Program Overview**

# Program Purpose & Funding Overview

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## 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 Overview

- Published in the Federal Register on October 8, 2019
  - **\$396 million available** from fiscal year 2019 appropriations
  - Applications due by **5 pm ET on December 9, 2019**
- Concurrent applications are allowed
  - Indicate other program(s) where application has been submitted

# Key Definitions

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## Capital Project

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- Primarily intended to **replace, rehabilitate, or repair** major infrastructure assets used in Intercity Passenger Rail service
- Primarily intended to **improve Intercity Passenger Rail performance**
- **Major Capital Project** is a project with a proposed total project cost of \$300 million or greater

## State of Good Repair

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- 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

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



# Eligible Applicants

## Eligible Applicants

- States (*including 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 may be included as a partner on an application submitted by one or more eligible applicants*



# 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
  - Affirm entity joins as an applicant – not just letter of support
- **Identify roles and responsibilities between applicants**
  - Joint applicant role at discretion of applicants – there are no specific requirements for how joint applicant participates in project.
  - Joint applicant may:
    - Provide matching funds or in-kind contributions
    - Be a sub-recipient of a grant award
    - Implement or manage parts of project delivery

# Non-Federal Match Requirements

## Non-Federal Match

- Federal share of total costs **shall not exceed 80 percent**
- First 20 percent of non-Federal match is **limited to cash contributions**
- In-kind contributions will be accepted beyond the first 20 percent
- If Amtrak is an applicant, its ticket and other non-Federal revenues generated from its business operations may be used as matching funds

**Average non-Federal match for selected projects in FY17-FY18 round was 39%**

## Selection Preferences for Matching Funds

- *50 percent or greater non-Federal match*
- *Non-Federal shares consisting of funding from multiple sources demonstrating broad participation and cost sharing from affected stakeholders*



# Eligible Projects

## Eligible Project Criteria

### 1 Capital Project

- May include final design, but only in conjunction with an award for project construction
- Planning, PE/NEPA are not eligible

### 2 Meets the Qualified Railroad Asset definition

### 3 Executes one or more of the following activities

- Replace existing assets in-kind, or with assets that increase capacity or provide a higher level of service
- Ensure that service can be maintained while existing assets are brought to a state of good repair
- Bring existing assets into a state of good repair



# Qualified Railroad Asset Definition

## Qualified Railroad Asset

Qualified Railroad Assets include **infrastructure, equipment, of 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)

# Project Eligibility – Non-NEC Project

Eligibility Requirement	How to Demonstrate Eligibility for a Non-NEC Project
<b>Applicant ownership or control</b>	<ul style="list-style-type: none"> <li>• Own the assets improved by the project,</li> </ul> <p style="text-align: center;"><b>OR</b></p> <ul style="list-style-type: none"> <li>• Show control over the assets improved by the project (<i>e.g., via agreement(s) with owner</i>)</li> </ul>
<b>Contained in planning document</b>	<ul style="list-style-type: none"> <li>• Show project is contained in relevant State Rail Plan(s)</li> </ul> <p><b><i>If not in State Rail Plan, then either:</i></b></p> <ul style="list-style-type: none"> <li>• Show project is contained in an equivalent planning document, <b><i>or</i></b></li> <li>• Amend the State Rail Plan to include the project</li> </ul>
<b>Cost Allocation Policy</b>	<ul style="list-style-type: none"> <li>• Show the project is for routes subject to Sec. 209 of the Passenger Rail Investment and Improvement Act of 2008 (PRIIA)</li> </ul> <p style="text-align: center;"><b>OR</b></p> <ul style="list-style-type: none"> <li>• Demonstrate the project is subject to a similar agreement</li> </ul>
<b>State of Good Repair</b>	<ul style="list-style-type: none"> <li>• Describe asset condition and performance as of passage of FAST Act (<i>Dec. 2015</i>)</li> <li>• Indicate how assets do not meet SOGR definition</li> </ul>

# Project Eligibility – NEC Project

Eligibility Requirement	How to Demonstrate Eligibility for a NEC Project
<b>Applicant ownership or control</b>	<ul style="list-style-type: none"> <li>• Own the assets improved by the project</li> </ul> <p style="text-align: center;"><b>OR</b></p> <ul style="list-style-type: none"> <li>• Show control over the assets improved by the project (<i>e.g., via agreement(s) with owner</i>)</li> </ul>
<b>Contained in planning document</b>	<ul style="list-style-type: none"> <li>• Show project is contained in the NEC Commission 5-Year Capital Investment Plan (CIP)</li> </ul> <p><b><i>If not in the CIP, then either:</i></b></p> <ul style="list-style-type: none"> <li>• Show project is contained in an equivalent planning document, <b><i>or</i></b></li> <li>• Update the CIP to include the project</li> </ul>
<b>Cost Allocation Policy</b>	<ul style="list-style-type: none"> <li>• Show the project is subject to the cost-allocation policy developed under Sec. 212 of PRIIA (<i>i.e., the NEC Commuter and Intercity Rail Cost Allocation Policy</i>)</li> </ul>
<b>State of Good Repair</b>	<ul style="list-style-type: none"> <li>• Describe asset condition and performance as of passage of FAST Act (<i>Dec. 2015</i>)</li> <li>• Indicate how assets do not meet SOGR definition</li> </ul>

# Evaluation & Selection Criteria

## Evaluation Criteria

- **Technical Merit:** Project readiness; applicant past performance and capacity; private sector participation; qualifications of key personnel; consistency with planning documents
- **Project Benefits:** Effects on system performance, safety, competitiveness, reliability; improved modal integration; ability to meet demand

## Selection Criteria

- **Preferences:** Amtrak is not sole applicant; joint applications; 50 percent or greater non-Federal match
- **Key Departmental Priorities:**
  - Supporting economic vitality
  - Leveraging Federal funding
  - Preparing for future operations and maintenance costs
  - Innovative approaches to safety and project delivery
  - Accountability
  - Non-Federal match comprised of more than one source



# Other Requirements & Restrictions

## Other Restrictions / Requirements

- FRA will not fund PE, NEPA or related clearances under this NOFO
- Pre-award costs incurred prior to selection, without an FRA NEPA determination, or without prior FRA written approval are unallowable costs
- 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 projects
  - Such projects may be located on shared corridors where Commuter Rail Passenger Transportation also benefits
- 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

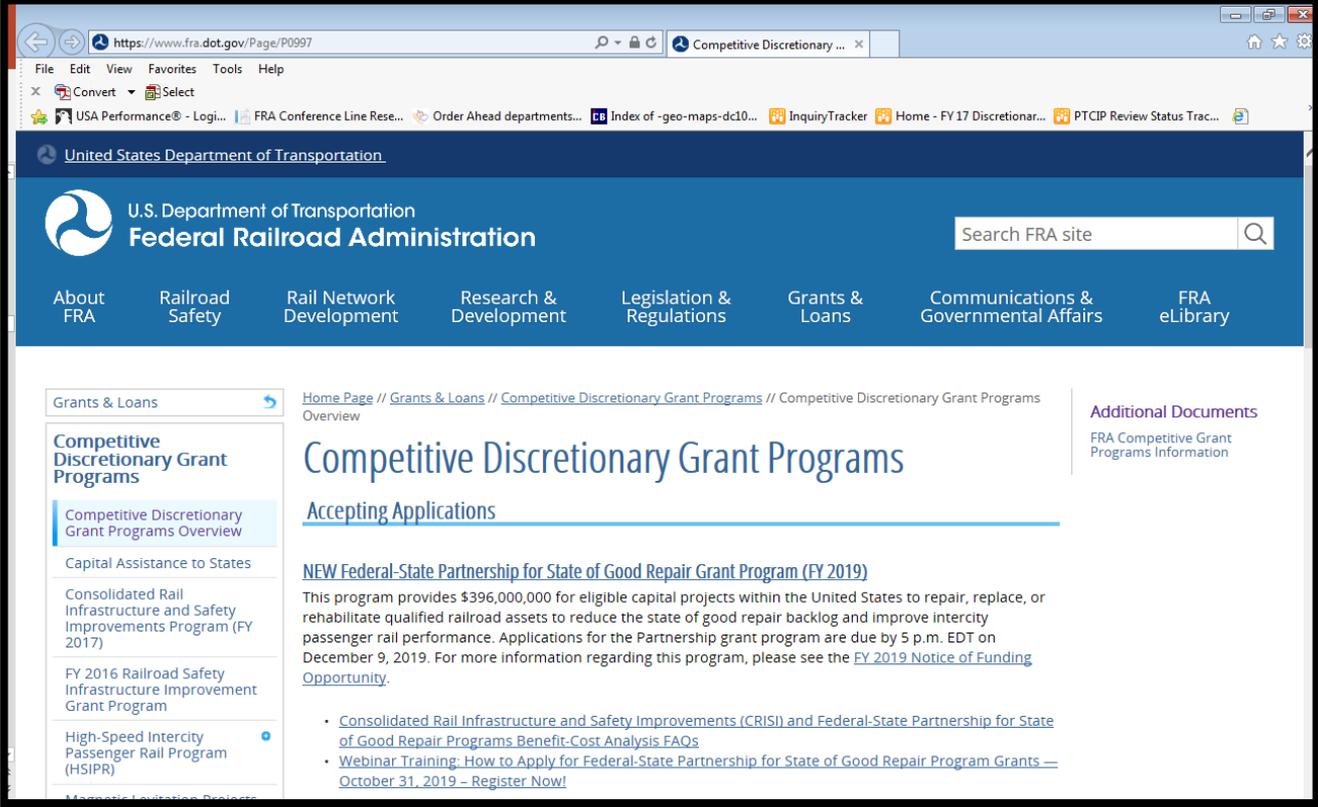
A dark, blue-tinted photograph of a railway track stretching into the distance under a cloudy sky. The tracks are made of gravel and metal rails, leading the eye towards the horizon. The sky is filled with dramatic, dark clouds, and a utility pole is visible on the left side of the track.

# **NOFO Overview and How to Apply**

# Where do I start?

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

- <https://www.fra.dot.gov/grants>



The screenshot shows a web browser window displaying the FRA Competitive Discretionary Grant Programs webpage. The browser's address bar shows the URL <https://www.fra.dot.gov/Page/P0997>. The page header includes the U.S. Department of Transportation logo and the text "U.S. Department of Transportation Federal Railroad Administration". A search bar labeled "Search FRA site" is visible. The navigation menu includes links for "About FRA", "Railroad Safety", "Rail Network Development", "Research & Development", "Legislation & Regulations", "Grants & Loans", "Communications & Governmental Affairs", and "FRA eLibrary". The main content area features a breadcrumb trail: "Home Page // Grants & Loans // Competitive Discretionary Grant Programs // Competitive Discretionary Grant Programs Overview". The title of the page is "Competitive Discretionary Grant Programs" with the subtitle "Accepting Applications". A section titled "NEW Federal-State Partnership for State of Good Repair Grant Program (FY 2019)" is highlighted, with a description: "This program provides \$396,000,000 for eligible capital projects within 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. Applications for the Partnership grant program are due by 5 p.m. EDT on December 9, 2019. For more information regarding this program, please see the [FY 2019 Notice of Funding Opportunity](#)." Below this, there are two bullet points: "Consolidated Rail Infrastructure and Safety Improvements (CRISI) and Federal-State Partnership for State of Good Repair Programs Benefit-Cost Analysis FAQs" and "Webinar Training: How to Apply for Federal-State Partnership for State of Good Repair Program Grants -- October 31, 2019 - Register Now!". A sidebar on the left lists various grant programs, with "Competitive Discretionary Grant Programs Overview" selected. A right sidebar titled "Additional Documents" contains a link for "FRA Competitive Grant Programs Information".

Click on the link to access the NOFO

# Where is the Partnership Program NOFO?

**FEDERAL REGISTER**  
The Daily Journal of the United States Government

Notice

Notice of Funding Opportunity for the Federal-State Partnership for State of Good Repair Program  
A Notice by the [Federal Railroad Administration](#) on 10/08/2019

Comments on this document are being accepted at [Regulations.gov](#). [SUBMIT A FORMAL COMMENT](#)

**PUBLISHED DOCUMENT**

**AGENCY:**  
Federal Railroad Administration (FRA), Department of Transportation (DOT).

**ACTION:**  
Notice of funding opportunity (NOFO or notice).

**SUMMARY:**  
This notice details the application requirements and procedures to obtain grant funding for eligible projects under the Federal-State Partnership for State of Good Repair Program (Partnership Program). This notice solicits applications for Partnership Program funds made available by the Consolidated Appropriations Act, 2019. The opportunity described in ~~this notice is made available~~ under Catalog of Federal Domestic Assistance (CFDA) number 20.326, "Federal-State Partnership for State of Good Repair."

**DOCUMENT DETAILS**

**Printed version:**  
[PDF](#)

**Publication Date:**  
10/08/2019

**Agencies:**  
[Federal Railroad Administration](#)

**Dates:**  
Applications for funding under this solicitation are due no later than 5:00 p.m. EDT, December 9, 2019. FRA will not consider applications for funding or supplemental material in support of an application

Site Feedback

# 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

# Where do I find “How to Apply” information?

Search grants on **Grants.gov**:

The screenshot shows the Grants.gov search interface. On the left, under 'BASIC SEARCH CRITERIA', the 'CFDA' field contains '20.326'. Under 'OPPORTUNITY STATUS', 'Posted (1)' is selected. Under 'FUNDING INSTRUMENT TYPE', 'All Funding Instruments' is selected. Under 'ELIGIBILITY', 'All Eligibilities' is selected. On the right, the search results table shows one result:

Opportunity Number	Opportunity Title	Agency	Opportunity Status	Posted Date ↓	Close Date
<b>FR-FSP-19-002</b>	FY19 Federal-State Partnership for State of Good Repair Program	DOT-FRA	Posted	10/08/2019	12/09/2019

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

# What is the Synopsis?

Summary information about the grant opportunity in Grants.gov:

The screenshot shows the Grants.gov interface for viewing a grant opportunity. The page title is "VIEW GRANT OPPORTUNITY" and the grant number is "FR-FSP-19-002". The grant title is "FY19 Federal-State Partnership for State of Good Repair Program" and the agency is "Department of Transportation DOT/Federal Railroad Administration". There are "Apply" and "Subscribe" buttons. Below the main title, there are tabs for "SYNOPSIS", "VERSION HISTORY", "RELATED DOCUMENTS", and "PACKAGE". The "SYNOPSIS" tab is selected and highlighted with a red box. The synopsis content is displayed in a table format under the heading "General Information".

General Information	
<b>Document Type:</b> Grants Notice	<b>Version:</b> Synopsis 1
<b>Funding Opportunity Number:</b> FR-FSP-19-002	<b>Posted Date:</b> Oct 08, 2019
<b>Funding Opportunity Title:</b> FY19 Federal-State Partnership for State of Good Repair Program	<b>Last Updated Date:</b> Oct 08, 2019
<b>Opportunity Category:</b> Discretionary	<b>Original Closing Date for Applications:</b> Dec 09, 2019 No Explanation
<b>Opportunity Category Explanation:</b>	<b>Current Closing Date for Applications:</b> Dec 09, 2019 No Explanation
<b>Funding Instrument Type:</b> Cooperative Agreement	<b>Archive Date:</b> Jan 08, 2020
<b>Category of Funding Activity:</b> Transportation	<b>Estimated Total Program Funding:</b> \$396,000,000
<b>Category Explanation:</b>	<b>Award Ceiling:</b> \$396,000,000
<b>Expected Number of Awards:</b> 15	<b>Award Floor:</b> \$0
<b>CFDA Number(s):</b> 20.326 -- Federal-State Partnership for State of Good Repair	
<b>Cost Sharing or Matching Requirement:</b> Yes	

# How do I apply?

## 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 2 weeks or more**
- 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

# *What do I include in my application?*

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## Required Documents

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- Project Narrative
- Statement of Work
- Environmental Compliance Documentation
- Benefit- Cost Analysis

# What forms are required?

## Required Forms

- SF 424 (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
- SF LLL: Disclosure of Lobbying Activities



# FRA's Assurances and Certifications

Locate these forms in **Related Documents** in Grants.gov:

The screenshot shows the Grants.gov interface for a grant opportunity. The 'RELATED DOCUMENTS' tab is selected and highlighted with a red box. Below the tabs, a table lists related documents. The document 'Required FRA Assurances and Certifications' is highlighted with a red box.

File Description	File Name	Last Updated Date/Time	File Size
Folder: Full Announcement - Notice of Funding Opportunity	<a href="#">FR-FSP-19-002-Full Announcement - Notice of Funding Opportunity.zip</a>	Oct 08, 2019 08:42:37 AM EDT	228.5 KB
Notice of Funding Opportunity for FY19 Federal-State Partnership for the State of Good Repair	<a href="#">2019-21866.pdf</a>	Oct 08, 2019 08:42:36 AM EDT	335.4 KB
Folder: Other Supporting Documents - FRA Assurances and Certs	<a href="#">FR-FSP-19-002-Other Supporting Documents - FRA Assurances and Certs.zip</a>	Oct 08, 2019 08:47:41 AM EDT	657.6 KB
<b>Required FRA Assurances and Certifications</b>	<a href="#">FRA F 30 Certifications Regarding Debarment Suspension and Other Responsibility Matters.pdf</a>	Oct 08, 2019 08:47:41 AM EDT	666.6 KB



# Best Practices

# 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 three primary areas where applications that are not selected for funding typically demonstrate deficiencies:
  - Project Narrative
  - Statement of Work
  - Benefit-Cost Analysis



The background of the slide is a blurred photograph of a high-speed train track. The tracks are in the foreground, and the overhead power lines and support structures are visible in the mid-ground and background. The entire image has a blue color cast and is out of focus, creating a sense of motion and depth.

# 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

# Best Practices – Project Narrative

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



# Best Practices – Project Narrative

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- ☑ Briefly describe the project **in 4 to 6 sentences**, its anticipated benefits, and the transportation challenges the project will address
- ☑ Think of this space **as your elevator pitch for the project** to the DOT Secretary and FRA Administrator



# Best Practices – Project Narrative

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- ☑ Only include eligible costs
- ☑ Specify each source of non-Federal 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



# Best Practices – Project Narrative

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- ☑ 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

# Best Practices – Project Narrative

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- ☑ 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

# Best Practices – Project Narrative

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- 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



# Best Practices – Project Narrative

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- 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

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- X. Environmental Readiness**

- ☑ If NEPA is complete, indicate the date of completion and type of NEPA document (Categorical Exclusion, Finding of No Significant Impact, Record of Decision) and provide a link or reference to the document
- ☑ If NEPA is underway or not started, provide the current status, expected completion date, and type of document

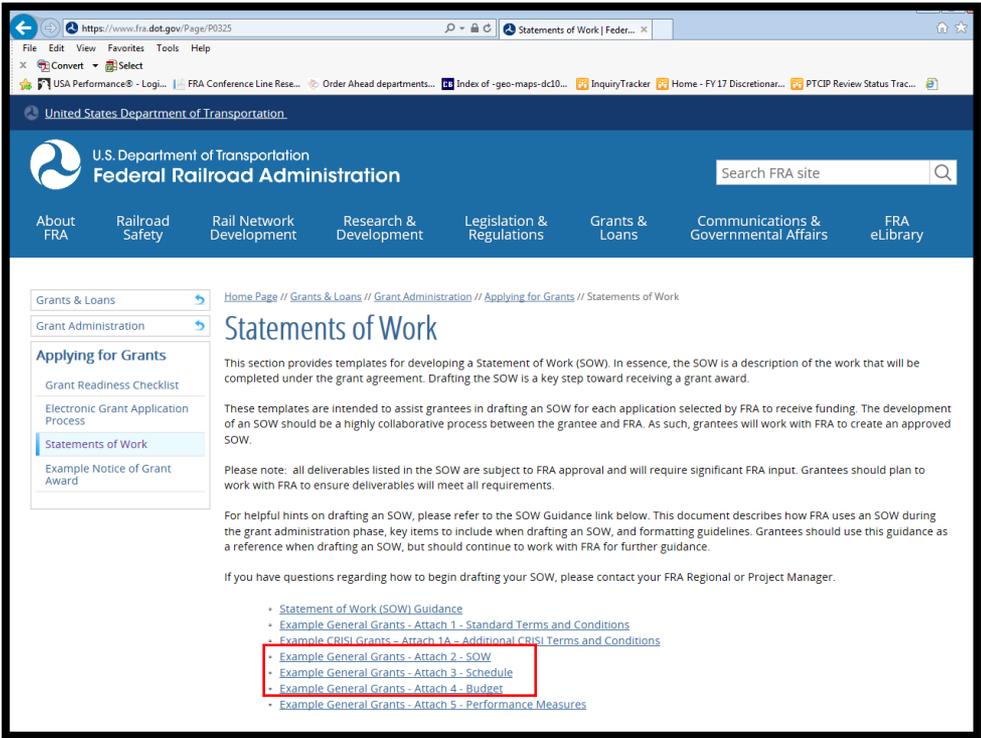


# **Best Practices – Statement of Work**

# Best Practices – Statement of Work

✔ See FRA’s Statements of Work webpage:  
<https://www.fra.dot.gov/Page/P0325>

- ✔ Use templates for the
- SOW (Attachment 2)
  - Schedule (Attachment 3)
  - 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

**STATEMENT OF WORK**

[insert applicant/grantee name]  
[insert project name]  
[insert NOFA name]

**I. BACKGROUND**

*Instructions: The "Background" section of the SOW is intended to provide a consistent frame of reference to the applicable solicitation and funding source of all grants/cooperative agreements awarded funding by the FRA. This section also provides high-level overview information regarding the project and applicant/grantee. Approximately 3-4 paragraph in length.*

**II. OBJECTIVE**

*Instructions: The "Objective" section of the SOW is intended to provide a clear description of the underlying transportation problem that the project will address; the work that will be accomplished under the grant/cooperative agreement; the end-state of the project, and the public benefits that the project is intended to achieve.*

**III. PROJECT LOCATION**

*Instructions: The "Project Location" section of the SOW is intended to provide information related to the geographic scope of the project, as well as to identify important related intercity corridors or service. The project location should be specific and detailed. Planning projects should note where the project is likely to be deployed.*

**IV. DESCRIPTION OF WORK**

*Instructions: The "Description of Work" section breaks the scope of work for the project into discrete and delineable tasks. If the FRA funded-project is part of a larger effort, describe that larger effort, but link tasks specifically to the FRA-funded portion of the project. Be clear regarding the work to be done in each task and be sure tasks can be linked to deliverables and timelines. Use the guidance below to develop this section.*

**Task 1: Detailed Project Work Plan, Budget, and Schedule**

*Task 1 generally includes the following activities/deliverables: the Grantee will prepare a Detailed Project Work Plan, Budget, and Schedule for the follow-on tasks, which may result in a revised statement of work. The project work plan will describe, in detail, the activities and steps necessary to complete the tasks outlined in the statement of work. The work plan will also include information about the project management approach (including team organization, team decision-making, roles and responsibilities and interaction with FRA), as well as address quality assurance and quality control procedures. In addition, the work plan will include the project schedule (with grantee and agency review durations), a detailed project budget, and an environmental class of action recommendation memorandum (if applicable). If the Grantee*

# Best Practices – Statement of Work

Federal Railroad Administration

U.S. Department of Transportation

August 30, 2016 (final)

## CAPITAL COST ESTIMATING

GUIDANCE FOR  
PROJECT SPONSORS

- Utilize FRA’s Standard Cost Categories as a way to organize the scope of work and budget
  - <https://www.fra.dot.gov/Elib/Document/16647>
- 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		
<b>10</b> Guideway & Track Elements	Lineal Miles of Guideway	105	1,520,000	140,000	<b>1,660,000</b>	15,810	69%	52%	<b>1,718,100</b>	
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					
10.041 Bridges	Lineal Miles of Guideway		0		0					
10.042 Viaduct	Lineal Miles of Guideway		0		0					
10.043 Other Structure	Lineal Miles of Guideway		0		0					
10.044 Unspecified	Lineal Miles of Guideway		0		0					
10.050 Guideway: Built-up fill	Lineal Miles of Guideway		0		0					
10.060 Guideway: Underground cut & cover	Lineal Miles of Guideway		0		0					
10.061 Cut & Cover Guideway Soft Soils	Lineal Miles of Guideway		0		0					
10.062 Cut & Cover Guideway Hard Soils	Lineal Miles of Guideway		0		0					
10.063 Cut & Cover Guideway Vent Soft Soils	Lineal Miles of Guideway		0		0					
10.064 Cut & Cover Guideway Vent Hard Soils	Lineal Miles of Guideway		0		0					
10.065 Unspecified	Lineal Miles of Guideway		0		0					

A dark, blue-tinted photograph of a railway track receding into the distance under a cloudy sky. The tracks are made of wooden sleepers and metal rails, leading the eye towards the horizon. The sky is filled with soft, white clouds, and the overall mood is serene and contemplative.

# Best Practices – Benefit-Cost Analysis

## Why Do Benefit Cost Analyses?

- It is required by law.
  - 49 U.S.C §24407(e)(1)(B) stipulates that the results of the BCA of each project shall be considered as a selection criteria.
  - TIGER/BUILD and FASTLANE/INFRA have similar provisions.
- They require applicants to rationalize their project scope and intended project outcomes.
- BCA's are the most unbiased way of comparing projects across diverse categories and different magnitudes.

# BCA – Overview of Steps

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1. Specify your project's base case, alternate case, and timeline;
2. SHOW how your alternate case will result in specific effects (i.e., project benefits);
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 discount to base year.

# BCA – Scope of Analysis

- The base case reflects the status quo — i.e., the world as it exists today
- The alternate case (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 timeline 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 residual value (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 marginal effects).
- 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.



# 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



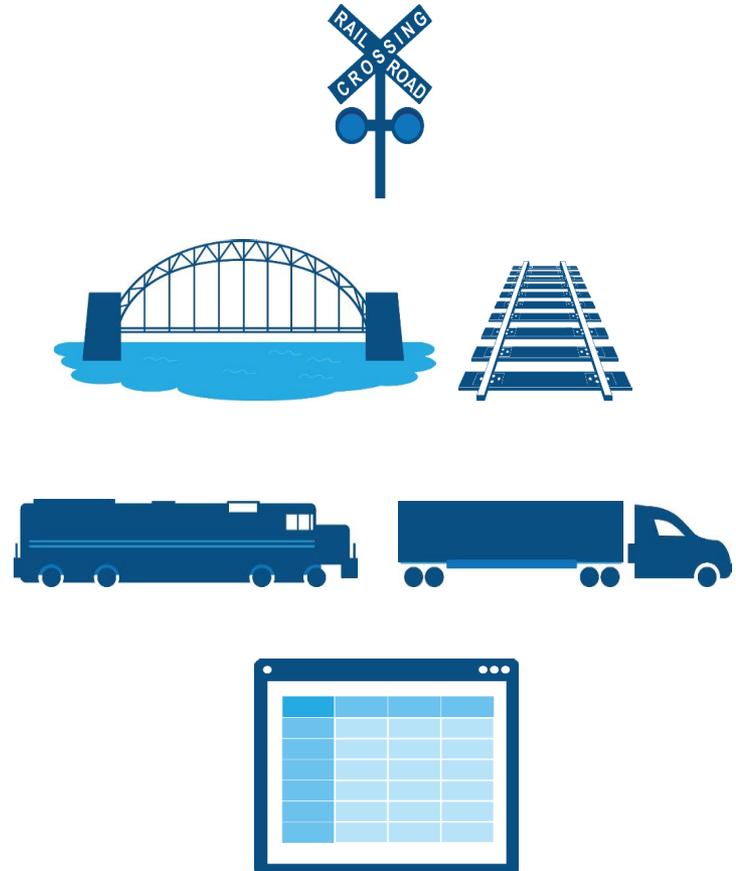
# BCA – Modal Diversion

- Modal diversion 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 transfer, NOT a benefit (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



# 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.***



An aerial, high-angle photograph of a railway track system. The tracks run parallel to each other, receding into the distance. Overhead power lines and support structures are visible above the tracks. A signal light is positioned on the left side of the tracks. The background shows some buildings and trees, suggesting an urban or suburban setting. The entire image has a blue color cast.

# Recap & Reminders

# Recap & Reminders

- Always read the NOFO carefully
- Determine what a "successful" project will look like
- Use the checklist with the application requirements in the NOFO as you complete your application
- Address all of the evaluation and selection criteria on which you will be rated
  - By clearly and directly responding to the criteria, your application will be easier to read and evaluate
  - Don't bury key points!



# Recap & Reminders

- Verify that all budget figures match corresponding figures cited in different parts of your application package – such as the cover sheet, SOW, Project Narrative, and various forms
  - 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



# *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 Lifecycle and Approximate Timeframes



6 to 12 months

2 to 4 years

1 to 3 months

<p><b>Grant Agreement (NGA):</b></p> <ul style="list-style-type: none"> <li>• Scope, schedule, and budget</li> <li>• Performance measures</li> </ul> <p><b>Terms and Conditions</b></p> <p><b>NEPA Requirements</b></p>	<p><b>Grant Administration</b></p> <ul style="list-style-type: none"> <li>• Meetings with FRA</li> <li>• Quarterly Progress and Financial Reports</li> <li>• Invoicing schedule of eligible expenses per NGA</li> <li>• Invoice and Deliverable Reviews</li> </ul> <p><b>Monitoring</b></p> <ul style="list-style-type: none"> <li>• Routine monitoring</li> <li>• Annual monitoring reviews/Site visits</li> </ul>	<p><b>Final Invoice</b></p> <ul style="list-style-type: none"> <li>• Financial reconciliation</li> </ul> <p><b>Final Performance Report</b></p> <ul style="list-style-type: none"> <li>• Documentation of results, outcomes, and public benefits</li> </ul>
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# THANK YOU

## Questions, Please Contact:

- Fed-State Partnership Program: Bryan Rodda
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- BCA: Nate Vomocil
  - Nathan.Vomocil@dot.gov
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FRA Competitive Discretionary Grant Programs Webpage

<https://www.fra.dot.gov/grants>