



IMPROVE Act Public Transit Capital Grant Program FAQ

Q: What is the IMPROVE Act Public Transit Capital Grant program?

A: The IMPROVE Act Public Transit Capital Grant program is a state-funded grant program that consists of two funding opportunities including (1) an annual, competitive award cycle and (2) a rolling, request-based process for an Advance Commitment of IMPROVE Act funds.

Q: What are the differences between the two funding opportunities that make up the IMPROVE Act Public Transit Capital Grant program?

A: (1) The annual IMPROVE Act award cycle is a competitive grant process that includes the submission of a formal application and evaluation. Applications are evaluated on criteria such as project readiness, safety, reduction of congestion, and economic development benefits. (2) The Advance Commitment of IMPROVE Act funds process is meant to provide FTA 5307 and 5311 eligible transit providers a means of strengthening Federal discretionary grant applications by reducing the overall Federal match level. The advance commitment request can be submitted on a rolling basis throughout the year. All advance commitments are at the discretion of the TDOT Commissioner. Agencies must provide adequate time for consideration of the request – please do not submit the request within days of the discretionary grant deadline.

Q: What is the purpose and intent of the annual competitive IMPROVE Act award cycle?

A: This program is meant to provide capital assistance to support and expand public transportation services in Tennessee through an annual, competitive grant application process.

Q: What is the purpose and intent of the Advanced Commitment of IMPROVE Act funds?

A: Given the USDOT's recent emphasis on maximizing the non-federal share in its discretionary grant programs, transit agencies may wish to consider using the strong state support to reduce the amount of federal funds requested in a discretionary grant application, thereby making the grant application more competitive. The Advance Commitment of IMPROVE Act funds process is meant to aid transit agencies in light of this shifting dynamic with the FTA and USDOT.

Q: What are the procurement requirements for Competitive IMPROVE Act awards?

A: Grantees are required to follow their own procurement policies, as well as comply with all state and federal (where applicable) rules and requirements regarding procurement, construction, and project reimbursement.

At a minimum, the State of Tennessee and TDOT expect successful grant applicants to adhere to (1) full & open competition, (2) written ethical standards, (3) clear statement of procurement needs, (4) nonrestrictive specifications, and (5) equal treatment of bidders/offerors for their IMPROVE Act procurements.

Q: Are sole-source procurements allowed?

A: The IMPROVE Act program will allow for sole-source procurement only in specific circumstances where the project is also supported by federal funds and the agency has obtained written, prior approval for a sole source procurement from the awarding Federal agency. TDOT adheres to full and open competition when utilizing state funds and grantees are expected to do the same. When it is impractical or uneconomical to provide a clear and accurate description of the technical requirements of the property to be acquired, a “brand name or equal” description may be used to define the performance or other salient characteristics of the product or service. TDOT encourages grantees to utilize the FTA Best Practices Procurement Manual (BPPM) for guidance on the preparation of bid specifications and other procurement documentation. A link to the BPPM can be found at the bottom of this FAQ.

If a grantee is awarded funds for a construction-related project, the following determinations apply:

Q: Does my transit agency need to follow federal procurement rules and guidelines when state, local, and federal dollars are being used for the design and construction of a transit facility?

A: Yes, transit agencies will need to follow USDOT and FTA procurement rules and guidelines as outlined in FTA Circular 4220.1.F when any federal dollars are being used. A link to FTA Circular 4220.1.F can be found at bottom of this FAQ.

Q: Does my transit agency need to follow USDOT & FTA procurement rules and guidelines when using state/local funds to repair/modify an already existing, federalized transit facility?

A: Yes, your transit agency must follow USDOT & FTA procurement rules and guidelines for the repair/modification.

Q: Do federal procurement rules and guidelines apply if a grantee is awarded IMPROVE Act funds for the design and construction of a transit facility?

A: USDOT & FTA procurement rules and guidelines will only apply to the project if federal dollars are used.

Q: Can my transit agency use federal dollars in the future to repair/modify a state-funded facility that didn't adhere to federal procurement rules?

A: Yes, federal dollars can be used to repair/modify a state-funded facility. The repairs/modifications will be subject to federal rules and regulations as outlined in FTA Circular 4220.1.F.

Q: Do I need to competitively procure an A/E firm for the design phase of a construction-related project?

A: Yes. A/E firms must be competitively bid in order to be reimbursable with IMPROVE Act funds.

References:

<https://www.transit.dot.gov/regulations-and-guidance/fta-circulars/third-party-contracting-guidance>

<https://www.tn.gov/generalservices/procurement/central-procurement-office--cpo-/local-units-of-governments-/procurement-information.html>

<https://www.transit.dot.gov/funding/procurement/third-party-procurement/best-practices-procurement-manual>