Attachment 15A(1)

Explanatory Note for Department of Transportation (DOT) Report
February 1, 2010

Department of Transportation projects and activities funded under Division A of the American Recovery and Reinvestment Act of 2009 (ARRA or Recovery Act) are divided into activities by the Federal Highway Administration (FHWA), Federal Transit Administration (FTA), Federal Aviation Administration (FAA), Federal Railroad Administration (FRA), Maritime Administration (MARAD), and Office of the Secretary of Transportation. Information about the projects/activities in each Modal Administration/Office are provided below.

Federal Highway Administration (Row 4 of the DOT Summary Spreadsheet)

- ARRA provides funds for restoration, repair, construction and other activities eligible for assistance under 23 U.S.C. Section 133(b) (the Surface Transportation Program), and for passenger and freight rail transportation and port infrastructure projects eligible for assistance under 23 U.S.C. Section 601(a)(8). ARRA lists specific amounts for projects in Puerto Rico and territories. ARRA provides funding for transportation investments at Indian reservations and Federal lands. Three percent of the funds are set aside for Transportation Enhancement activities such as historic preservation, bicycle and pedestrian trails and environmental mitigation.

- U.S. Governors are required to make certifications and other assurances that the funding made available under the Recovery Act will be spent for worthy infrastructure projects. The FHWA report lists projects, by State, that have been obligated. For some States, the projects listed include all highway projects that have been identified in the governor's certification lists. Obligation means that a commitment has been made to pay a State for the eligible Federal share when a project has been approved and a project agreement has been executed. When funds are obligated, States are notified that Federal funds are available for the State use, meaning that the State can incur costs, begin projects and later be reimbursed for eligible costs incurred.

- The total number of ARRA Funded Projects / Activities listed on page 1, column D accounts for FHWA projects where funds have been obligated. The obligation totals for these projects are listed in Total Obligations for Projects & Activities on page 1, column L. This aligns with the Department of Transportation Financial & Activity reports.

- The total NEPA actions reported in column J of page 1 of the FHWA spreadsheet do not include projects where the appropriate level of NEPA analysis is yet to be determined or a determination is made that NEPA is not applicable. Projects determined to be NEPA not applicable are listed under column F of page 1. Projects listed on page 2 with no data in the other columns are still in the scoping phase and the NEPA class of action has not been determined at the time of this report.

- The report does not contain estimates or aggregate projects/activities. Each line item on page 2 identifies an individual project/activity receiving ARRA funding.

- Since the States can make funding decision changes, the report includes projects that may ultimately be funded by non-ARRA sources depending upon how each State reported the information. If a project's funding source was changed following initial reporting, it is listed as withdrawn on the report. If a project was identified as in the scoping phase (NEPA class of action to be determined) and it was determined not to advance the project, it has been listed as withdrawn. If a project was inaccurately identified as an FHWA ARRA funded project, it has been deleted. These actions account for the change in withdrawn projects numbers lfrom 125 to 137 since the 9/30/2009 report.

- Of the $27.5 billion appropriated for Highway Infrastructure Investment, ARRA provides that FHWA may retain up to $40 million for oversight activities. These expenses are not included in the report because they are used to administer the ARRA funds and not for ARRA funded projects/activities.

- The "Description of the Project/Activity" in column C, page 2 of the spreadsheet identifies the specific ARRA project and activities by: State, FHWA Federal Project Number, Project Name (often the State Project Number), Project Description, and FHWA Project Purpose Code (i.e. FMIS improvement type codes).

- The two FHWA NEPA Not Applicables (N/As) listed on Page 1 of the spreadsheet are for projects that are covered under CERCLA/RCRA.

- Multiple NEPA actions are listed for several FHWA projects because additional NEPA actions from different Federal agencies are required to complete the project.

- FHWA NEPA actions that have been pending for longer than 90 days are be a result of several factors, including preliminary engineering activities that take longer then 90 days to complete, assignment of project management to local entities, Federal permits and/or agency consultation required or more involved environmental analysis for projects requiring EA's and EIS's. Some CE's take longer than 90 days to complete because they are for projects that require additional documentation and FHWA approval to demonstrate that the project meets the definition of a CE as described in 23 CFR 771.117(d) and 40 CFR 1508.4, and will not significantly affect the environment.

- ARRA appropriated funds for disadvantaged business enterprise bonding assistance for transportation projects that are specifically funded through ARRA. DOT's Office of Small and Disadvantaged Business Utilization has developed an outreach campaign to distribute information on this program, working with State DOTs, the surety industry, and other Federal agencies such as the Small Business Administration and the Minority Business Development Agency. The DOT administration providing ARRA funding for the projects will be the lead agency for any environmental review. As of December 31, 2009, the OSDBU had reimbursed two separate bond fees for a total of $33,916.

- NEPA Benefits:

  FHWA: FHWA has or is currently processing ARRA funded projects in many States that demonstrate the benefits provided by the NEPA analysis and documentation. For example, through public involvement and resource agency collaboration, FHWA has developed or integrated into projects context sensitive design elements, bicycle & pedestrian facilities, wildlife passages, renovation / preservation of historic resources, and wetlands preservation / mitigation. Some projects are stand alone transportation enhancements. Others are environmental improvements incorporated into a larger transportation project.

<u>Federal Transit Administration (Rows 7-11 of the DOT Summary Spreadsheet)</u>

- FTA has awarded 690 ARRA Grants for over 4,000 projects totaling $7,199,671,952 as of December 31, 2009. One hundred percent of the States and urbanized areas apportioned Transit Capital Assistance funds met their 50 percent obligation goal by September 1, 2009, thereby avoiding redistribution. ARRA further requires 100 percent of the formula funds apportioned to each State or urbanized area to be obligated in a grant by March 5, 2010. After that date, FTA must redistribute any remaining funds to States or urbanized areas that fully obligated their ARRA formula funds. FTA's summary report shows the total funding for projects that have been obligated.

- The date of NEPA document completion is the date that the ROD, FONSI, or CE determination was approved by FTA. Projects reported as “done” did not involve other agency NEPA reviews.

- The information in the FTA report is taken directly from FTA's grants management system, which is called TEAM for "Transportation Electronic Award Management."

- FTA retains administration takedown allowances under the transit programs. FTA reports the appropriated amount less the administrative and oversight funding.

- ARRA-funds are distributed through the following FTA programs:
  - **86-Non-Urban Area Formula and Tribal Transit ARRA (Page 1, Row 1 of the FTA spreadsheet):**
    This program (49 U.S.C. § 5311) provides formula funding to States for the purpose of supporting public transportation in areas of less than 50,000 populations. Eighty percent of the statutory formula is based on the non-urbanized population of the States and 20 percent of the formula is based on land area. No State may receive more than 5 percent of the amount apportioned for land area. In addition, FTA adds amounts apportioned based on nonurbanized population according to the growing States formula factors of 49 U.S.C. § 5340 to the amounts apportioned to the States under the § 5311 program.

    Eligible applicants for the Tribal Transit Program are Federally-recognized Indian tribes or Alaska Native villages, groups or communities as identified by the Bureau of Indian Affairs (BIA) in the Department of the Interior (DOI) for capital projects and

cost. Non-urban area formula and tribal transit NEPA compliance for ARRA-funded projects is the same, insofar as environmental considerations are concerned, as traditionally funded projects.

Environmental documents have been prepared for a variety of ARRA-funded projects. Funds may be used for capital, operating and administrative assistance to State agencies, local public bodies, Indian tribes and nonprofit organizations, and operators of public transportation services. Projects must meet the requirements of the Americans with Disabilities Act, the Clean Air Act or Federally-funded bicycle access projects.

- **96-Urban Area Formula (Page 1, Row 2):**
  This program (49 U.S.C. § 5307) makes Federal resources available to urbanized areas and to Governors for transit capital and operating assistance in urbanized areas and for transportation related planning. An urbanized area is an incorporated area with a population of 50,000 or more that is designated as such by the U.S. Department of Commerce, Bureau of the Census.

  Environmental documents have been prepared for a variety of ARRA-funded projects in urban areas. Funds have been used for planning, engineering, design and transportation-related studies as well as capital investments and general maintenance of buses, vehicles, paratransit services, fixed guideway systems and construction of transit facilities. NEPA compliance for ARRA-funded projects is the same, insofar as environmental considerations are concerned, as traditionally funded projects.

- **56-Fixed Guideway Infrastructure Investment (Page 1, Row 3):**
  A "Fixed Guideway" refers to any transit service that uses exclusive or controlled rights-of-way or rails, entirely or in part. The term includes heavy rail, commuter rail, light rail, monorail, trolleybus, aerial tramway, inclined plane, cable car, automated guideway transit, ferryboats, that portion of motor bus service operated on exclusive or controlled rights-of-way and high-occupancy-vehicle (HOV) lanes. Funds are allocated by a statutory formula to urbanized areas with rail systems that have been in operation for at least seven years.

  Environmental documents have been prepared for a variety of ARRA-funded projects including capital projects to modernize or improve existing fixed guideway systems, the purchase and rehabilitation of rolling stock, track, line equipment, structures, signals and communications, power equipment and substations, passenger stations and terminals, security equipment and systems, maintenance facilities and equipment, operational support equipment including computer hardware and software, system extensions and preventive maintenance. NEPA compliance for ARRA-funded projects is the same, insofar as environmental considerations are concerned, as traditionally funded projects.

- **36- New Starts Capital Investment Grant (Page 1, Row 4):**

The New Starts planning and project development process reflects a continuum of local policy development, technical studies and decision-making activities where broad regional problems are identified and prioritized; options for addressing specific problems in specific corridors are identified, evaluated, and narrowed; and optimal investment strategies are selected and advanced for more detailed analysis and, ultimately, implementation and operation. There is a statutory priority for projects that are in construction or for which funds may be obligated within 150 days of enactment of ARRA.

Environmental documents have been prepared for a variety of ARRA-funded "New Start" (49 U.S.C. § 5309) projects. NEPA compliance for ARRA-funded projects is the same, insofar as environmental considerations are concerned, as traditionally funded projects.

ARRA-funded projects include any fixed guideway system which utilizes and occupies a separate right-of-way, or rail line, for the exclusive use of public transportation and other high occupancy vehicles, or uses a fixed cantenary system and a right-of-way usable by other forms of transportation. This includes, but is not limited to, rapid rail, light rail, commuter rail, automated guideway transit, people movers, and exclusive facilities for buses (such as bus rapid transit) and other high occupancy vehicles. ARRA-funds are also applied to general maintenance and replacement of equipment.

- NEPA Benefits:

  As stated above, ARRA has funded more than 4,000 transit projects approved by the Federal Transit Administration. The NEPA process was conducted for each project and, in many cases, contributed to the prevention or elimination of damage to the environment, as well as the enhancement of environmental quality. For example, the scope of a proposed transit project in the Midwest was modified to avoid both critical wetland habitat and important community parkland that had been identified through the NEPA process. The NEPA process was instrumental in identifying adverse noise impacts to sensitive receptors that would be caused by a proposed transit project on the West Coast; the decision maker directed that noise barriers be erected to protect affected citizens living and working along the transit corridor. Finally, a biological study, conducted as part of the NEPA process for a proposed bus facility in the Southwest, led to the placement of nest boxes within the facility to protect certain migratory bird species.

<u>Federal Aviation Administration (Rows 2-3 of the DOT Summary Spreadsheet)</u>

- The FAA was appropriated ARRA funds for two program areas: Grants-in-Aid for Airports and Facilities and Equipment. Only projects which have completed NEPA determinations are being considered for ARRA support from these appropriations. The four stages in awarding Grants-in-Aid for Airports are Programmed, Released, Reserved, and Obligated, as described on our website (www.faa.gov/recovery/). As of December 31, 2009, FAA has identified cumulative airport grants roughly equal to the provided ARRA appropriation

through the Congressional notification system. Excess funding from lower than expected bids will be redirected in support of new projects and announced through the Congressional notification system. After the Congressional notification process, FAA will solicit bids and negotiate grant amounts. Before obligation, the scope and cost of a grant are subject to change. They are not treated as projects for purposes of ARRA NEPA reporting because of these uncertainties.

- This FAA report covers 265 airport projects for which grants have been obligated under the Grants-in-Aid for Airports, ARRA program (Page 1, Row 1 of the FAA spreadsheet). Those grants account for nearly all of the $1.1 billion Grants-in-Aid for Airports appropriation. For the 265 Grants-in-Aid for Airport projects reported here, the applicable Member of Congress has announced the project, bids have been solicited and a grant offer has been accepted by the airport sponsor.

- The FAA has awarded contracts to 291 projects from the Facilities and Equipment appropriation (Page 1, Row 2 of the FAA spreadsheet) for a cumulative total of $104.4 million. Facilities and Equipment contracts are major capital investments related to modernizing and improving air traffic control and airway facilities, equipment and systems.

- This report does not contain estimates. The report does aggregate projects for the Facilities and Equipment contracts, for which there were numerous NEPA actions with the same type and status. Information on individual Facilities and Equipment projects can be found at: http://www.faa.gov/recovery/programs/.

- For Grants-in-Aid for Airport projects, NEPA is triggered when funds are Programmed for a proposed project (Stage 1 in the Grants-in-Aid awarding process). NEPA analyses are initiated during this time. NEPA analyses, including EAs and EISs, are completed before the Released stage of the funding process. The date of NEPA document completion is the date that the FAA approved the NEPA action. There are no other agency NEPA reviews.

- Information for the Grants-in-Aid for Airports is taken from FAA's grants management system, which is called SOAR. Information on the Facilities and Equipment contracts is from Delphi, the Department of Transportation's comprehensive financial management system.

- FAA may retain administration and oversight allowances under the Grants-in-Aid for Airports program. Obligated funds reported do not include any funds for oversight.

- NEPA Benefits: Below is an example of benefits provided as a result of FAA's NEPA actions:

    - **Construction of a Replacement Airport at St. George, Utah** (Environmental Impact Statement) (FAA Spreadsheet, Page 2, Row 119): Through alternatives development in the NEPA process, the EIS allowed for the evaluation of alternatives with environmental benefits for airport noise, air quality, and energy efficiency. As a result, under the proposed action, no dwellings fall within the 65 decibel Day-Night

Sound Level (DNL) noise contour. The replacement airport at St. George is designed for larger aircraft, contributing to fewer overall operations and a decrease in jet fuel demand and emissions. In addition, the proposed facilities were designed to be more energy efficient.

Federal Railroad Administration (Rows 5-6 of the DOT Summary Spreadsheet)

- As of December 31, 2010, FRA has obligated nearly $1.3 million of their appropriation of nearly $9.3 million.

- In securing bids for approved projects under the grant to Amtrak awarded pursuant to ARRA (Page 1, Row 1 of the FRA spreadsheet), Amtrak reported receiving several bids for programmed projects coming in under cost projections. Amtrak further reviewed their projects and reduced the scope of work for several other projects to make available additional funding. Based on the anticipated availability of surplus of funds from these two causes, Amtrak requested and FRA approved for programming 10 additional projects or project sites. These 10 additional new projects/project sites have secured NEPA clearance through Categorical Exclusion.

- The 36 NEPA actions reported as pending on the FRA spreadsheet are awaiting submission of various documents needed to support a finding of Categorical Exclusion under FRA Procedures for Considering Environmental Impact. These include SHPO impact determinations, cultural resources assessments, and proof of federal permitting agency consultation. The specific required documents vary by project.

- One of the 36 NEPA actions is reported as Pending, 10 are newly programmed projects that have not appeared in previous reports. Twenty-six have appeared previously on at least one quarterly report.

- FRA is actively involved in the evaluation of applications for funding under the Capital Assistance for High-Speed Rail Corridors and Intercity Passenger Rail Service (Page 1, Row 2 of the FRA spreadsheet). Reviews included evaluation of applicant NEPA compliance to date for the proposed funding project. No awards have been made yet for projects, although administrative services have been funded and that is reflected in reduction in the total ARRA appropriation reported for the Capital Assistance for High-Speed Rail Corridors and Intercity Passenger Rail Service Program (reduced from $8 billion to $7,998,471,045 first reported in the third report).

- The total appropriation for Amtrak has been adjusted from $1.3 billion to $1,293,525,000 to subtract funds for administrative purposes. This was first reported in the third report.

- NEPA Benefits:

  FRA's NEPA process has resulted in the identification and documentation of valuable historic resources. For example, environmental analysis required under FRA's NEPA Procedures Replacement of the Safe Harbor Transmission Lines in Lancaster County, PA

(for Row number 448 on Page 2 of the FRA spreadsheet), has determined that the transmission poles involved are historic resources. A cultural resources assessment for the same project indicated the possible presence of tribal cultural resources within the area of potential effects. This project remains Pending as FRA, Amtrak, and other involved agencies coordinate public meetings concerning the preservation of these resources.

Maritime Administration (Row 12 of the DOT Summary Spreadsheet)

- The Maritime Administration was tasked with administering the Small Shipyard Grant program under ARRA. The grant program notice was published on March 4, 2009, and applications were due by April 20, 2009. A total of 454 applications were received and reviewed.

- Of the applications received, 75 were selected to be funded, totaling $98 million.

- A NEPA analysis was conducted for the selected applications. Applicant projects consisted of repair and modernization activities. It was determined that all of the selected projects fit squarely within Agency categorical exclusion guidelines; there were no controversial or extraordinary projects. A single, programmatic categorical exclusion was issued.

- A notice of the second round of the Small Shipyard Grant program (Page 1, Row 1 of the MARAD spreadsheet) was published in the Federal Register on January 13, 2010. The period for submitting grant applications, as mandated by the statute, commenced on December 16, 2009. Applications are due by February 16, 2010, and MARAD intends to award grants no later than April 15, 2010.

Office of the Secretary

- Activities under the Office of the Secretary are provided on Page 1, Row 1 of the DOT Summary spreadsheet. ARRA appropriated $1.5 billion of discretionary grant funds (TIGER) to be awarded by the Department of Transportation for capital investments in surface transportation infrastructure.

- A final notice of the TIGER program, announcing funding availability, project selection criteria and application requirements, was published on June 17, 2009.

- TIGER applications were submitted by September 15, 2009. The Department is currently reviewing the applications and assessing whether projects are ready to proceed rapidly upon receipt of grant monies as evidenced by their completion of the environmental review process and associated permits. It is expected that priority will be given to those applicants that have completed decision documents under NEPA. Selections will be announced no later than February 17, 2010.

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