

FTA's Expedited Project Delivery (EPD) Pilot Program

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Agenda

- **Intro to the Capital Investment Grant Program**
- **How EPD is Different**
- **The VTA EPD Experience**

FTA's Capital Investment Grant Program

- FTA's largest program for funding major capital fixed guideway investments
 - \$3.8 B in FY 22 (at least \$258 M for EPD)
 - \$4.5 B proposed for FY 23 (at least \$608 M for EPD)
- 70 plus projects competing for CIG funding
- CIG typically funds ~ 50 percent of capital costs
- Law requires projects to be evaluated by specific criteria and follow a specific project development process

FTA's Capital Investment Grant Program

NEW STARTS (NS)

- Any new “fixed guideway” rail or bus investment:
 - Cost greater than \$400 M
 - Requires greater than \$150 M in CIG funding

SMALL STARTS (SS)

- Any new rail or bus “corridor” investment:
 - Cost less than \$400 M
 - Max \$150 M in CIG funding

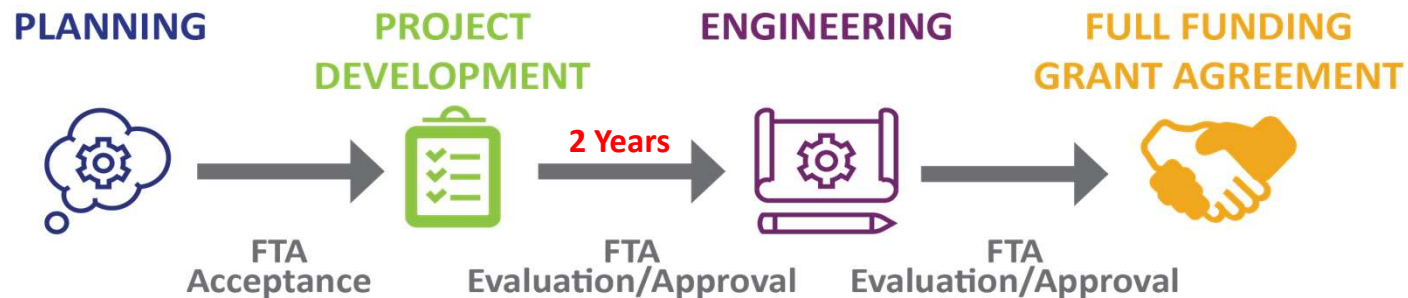
CORE CAPACITY (CC)

- Any investment in an existing fixed guideway that:
 - Is or will be over capacity
 - Improves capacity by at least 10 percent

EXPEDITED PROJECT DELIVERY (EPD)

- Any NS/SS/CC project
 - Supported by a P3
 - Follows different PD process

The CIJG Project Development Process



Alternatives Analysis

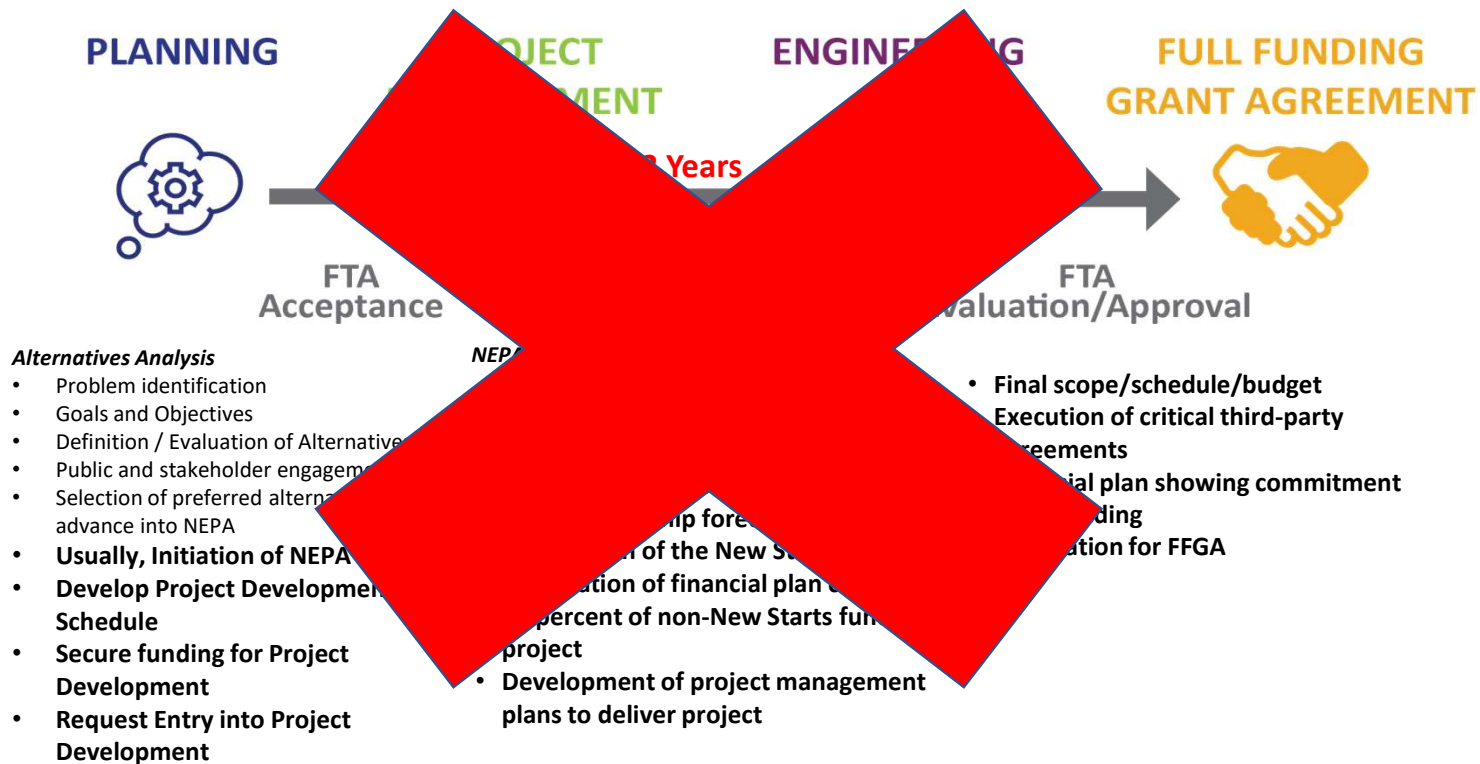
- Problem identification
- Goals and Objectives
- Definition / Evaluation of Alternatives
- Public and stakeholder engagement
- Selection of preferred alternative(s) to advance into NEPA
- **Usually, Initiation of NEPA**
- **Develop Project Development Schedule**
- **Secure funding for Project Development**
- **Request Entry into Project Development**

NEPA and Preliminary Engineering

- CE/FONSI/ROD
- **Development of project delivery approach**
- **Refined cost estimates**
- **Refined ridership forecasts**
- **Preparation of the New Starts criteria**
- **Preparation of financial plan committing 30 percent of non-New Starts funding to project**
- **Development of project management plans to deliver project**

- **Final scope/schedule/budget**
- **Execution of critical third-party agreements**
- **Financial plan showing commitment of all funding**
- **Application for FFGA**

The EPD Project Development Process



Overview of the EPD Program

- Permits FTA to make 8 EPD grants
- Primary objectives
 - Streamline project development and FTA decision-making
 - 120-Day FTA grant application review and approval process
 - Promote public private partnerships
 - Learn lessons on innovation in project delivery and FTA oversight

There's a catch!

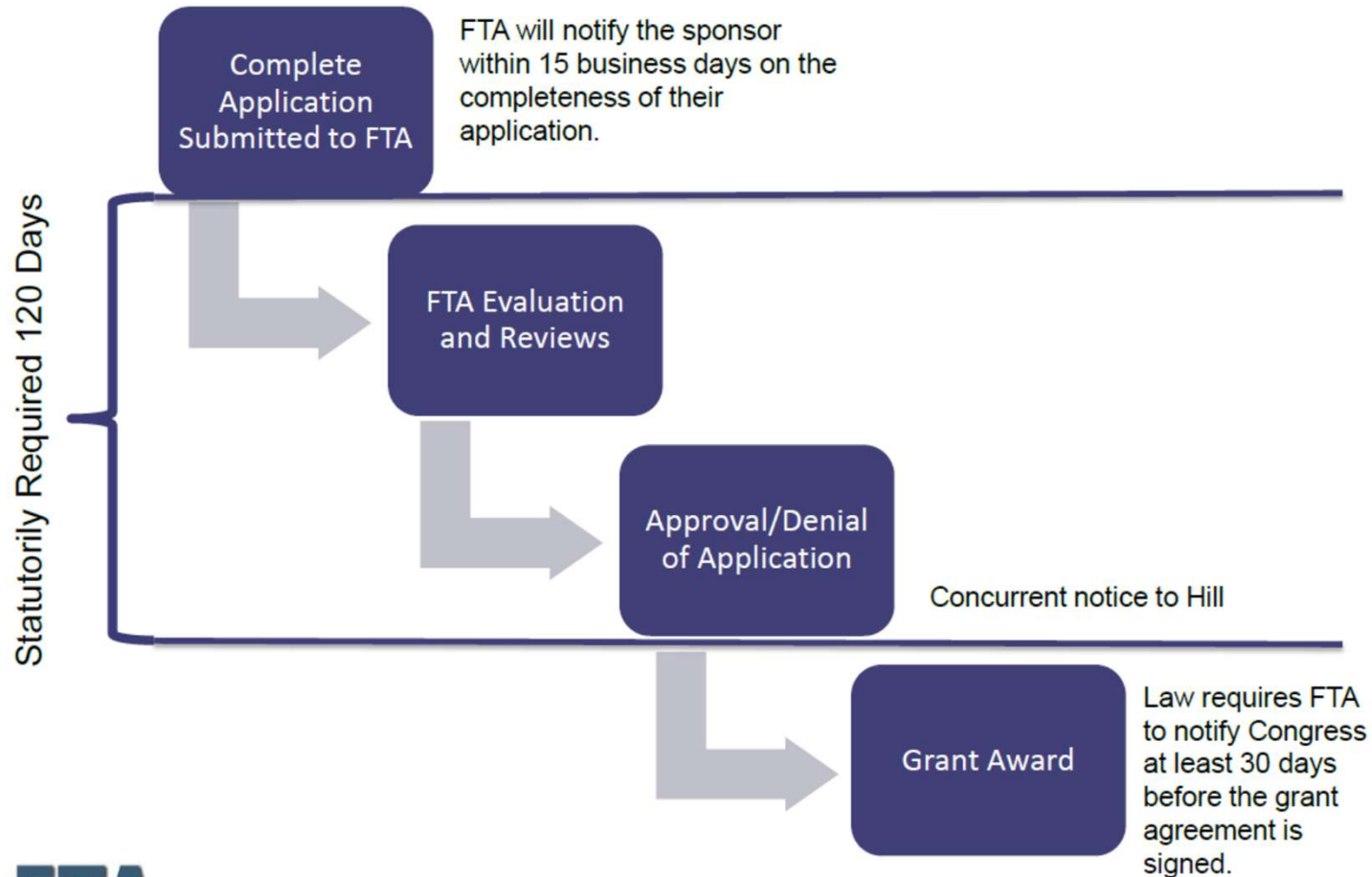
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25 percent federal participation

The EPD Approval Process



VTA's EPD Journey

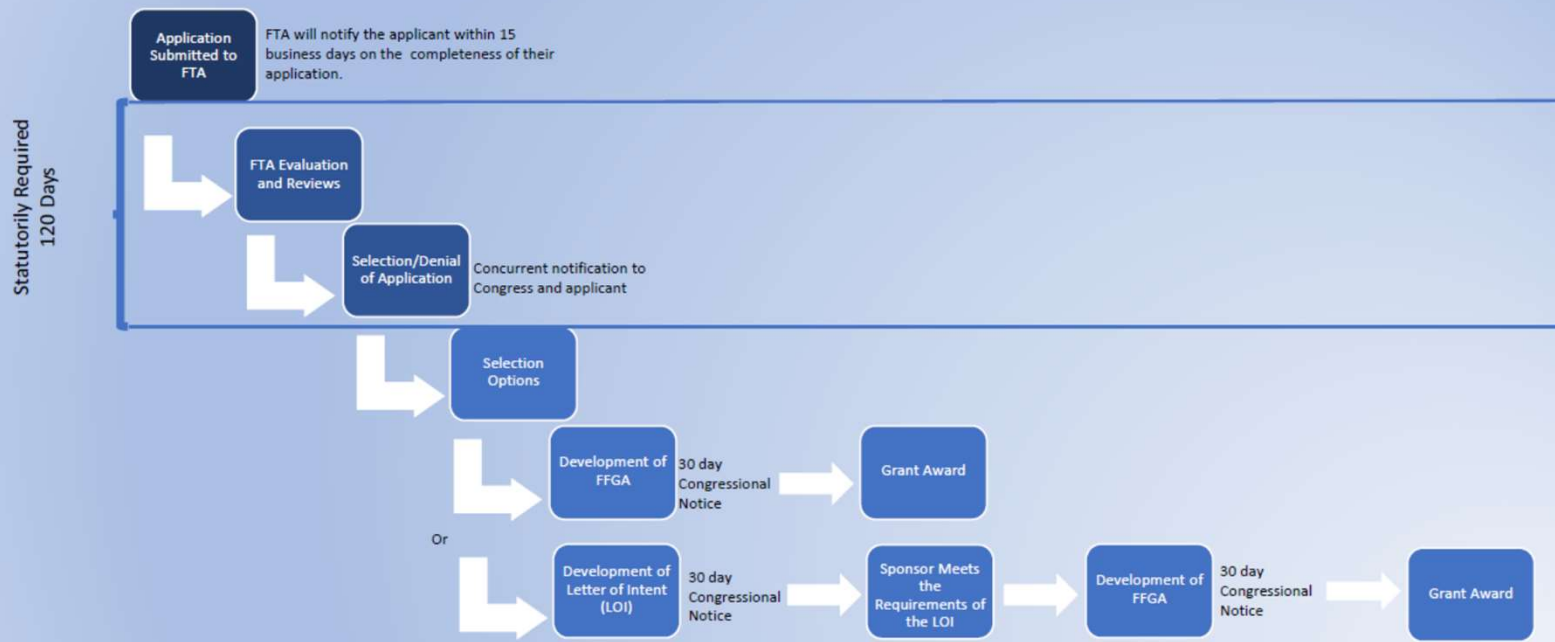
- Early 2018 – VTA and FTA begin informal discussions about entering program
- May 2018 – VTA submits informal proposal
- September 2018 – FTA issues formal Expression of Interest to industry to participate in the program
 - 4 agencies applied for 7 projects
- August 2019 –
 - FTA announces it “will begin discussions” w/ VTA for BSVII participation EPD program
 - Allocates \$125 M in funding

VTA's EPD Journey

- July 2020 – VTA issues NOFO for EPD funding
- August 2020 – FTA assigns PMOC to provide federal oversight of the project
- January 2021
 - VTA applies for EPD funding
 - FTA determines EPA application is incomplete, requests additional information
 - Allocates \$100 M
- March 2021 – FTA revises the EPD approval process
 - Introduces a Letter of Intent (LOI) as an outcome of an EPD application
- April 2021 – VTA resubmits EPD application

The EPD Approval Process

Expedited Project Delivery Pilot Program



U.S. Department of Transportation
Federal Transit Administration

VTA's EPD Journey

- May 2021
 - FTA determines application is complete
 - Starts 120-day clock!
- September 2021 – FTA “selects” BSV II for a grant conditional on meeting requirements of LOI
- October 2021 – LOI issued, provides unlimited pre-award authority
 - Specifies terms of future grant:
 - Demonstrate a commitment of non-federal match to the project
 - Finalize scope, schedule, and budget
 - Good for 2 years
- November 2021 – Today
 - VTA working to satisfy terms of the LOI

Conclusion

- EPD experiencing much less competition for funding than for other CIG program categories
 - VTA has received \$225 M to date
- LOI provides VTA with unprecedented authority to advance BSVII ahead of a grant
 - Strong signal of federal support to the private sector
- FTA's EPD requirements/expectations have not always been clear