

Attachment 14A

Explanatory Note for Department of Transportation (DOT) Report August 1, 2011

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 (OST). Information regarding the projects/activities in each Modal Administration/Office is provided below. This explanatory note reports on Department of Transportation (DOT) projects and activities through June 30, 2011.

FEDERAL HIGHWAY ADMINISTRATION (FHWA)

- 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.

- The Nation's Governors are required to make certifications and other assurances that the funding made available under ARRA 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 project's eligible Federal share that has been approved and a project agreement executed. When funds are obligated, States are notified that Federal funds are available for the State use, meaning that State can incur costs, begin projects and then, later be reimbursed for eligible costs. The funds are available until September 30, 2015.

- The total number of ARRA Funded Projects/Activities listed on page 1, column E accounts for FHWA projects where funds have been obligated. The total number of projects obligated for this report is 13,334. The obligation totals for these projects are listed in Total Obligations for Projects and Activities on page 1, column L. This aligns with the Department of Transportation Financial & Activity reports. The total obligations for the 10th report are \$27,390,151,704, which excludes discretionary grant funds Transportation Investment Generating Economic Recovery (TIGER I) projects whose obligations are reported on in a separate report.

- The total NEPA actions reported in column J of page 1 of the FHWA spreadsheet do not include projects where it has been determined that NEPA is not applicable. Projects where NEPA is not applicable are listed under column F of page 1.

- 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 based on the way each State reported the information. If a project's funding source was changed following initial reporting and Division A ARRA funds are not being used, it is listed as withdrawn. If a project was documented to be in the scoping phase (NEPA class of action to be determined) and it was determined not to advance the project, that project was listed as withdrawn on the report. If a project was inaccurately identified as an FHWA ARRA funded project, they have been deleted from the report. The number of withdrawn projects remains the same [488 projects] as reported on the March 31st, 2011 report.
- Virginia had a number of pending NEPA actions removed (10) from the ARRA report because ARRA funds were obligated for preliminary engineering activities only and the corresponding FHWA NEPA action to authorize preliminary engineering activities has been completed. Six pending projects had NEPA actions completed since the last report.
- Michigan has one project with one pending NEPA action because the project has been authorized for advertisement with the condition that it shall not be awarded until the US Army Corps of Engineer (USACOE) permit is issued. Issuance of permit is anticipated in the July 2011 timeframe.
- California had three pending NEPA actions removed from the ARRA report because ARRA funds for the project have been obligated for right of way activities only and the corresponding FHWA NEPA action to authorize right of way activities has been completed. Three pending projects had NEPA actions completed since the last report.
- The MARTA Rail System Line Structure Rehabilitation project, Georgia, is a transit project being funded with highway ARRA funds. This transit rehabilitation project was approved by the Atlanta Regional Commission and the Georgia DOT will complete a transfer of funds so that a grant can be approved by FTA to MARTA, the transit authority. A NEPA determination was completed by FTA rather than FHWA (the project is noted as withdrawn as action 3039 of the FHWA spreadsheet).
- Of the \$27.5 billion appropriated for Highway Infrastructure Investment, ARRA provides that FHWA may retain up to \$40 million for oversight activities which 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 Applicable" (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 continues to update its RADS project database to capture required project information for over 16,900 NEPA actions. As of June 30th, 2011, 1 project (1 NEPA action) remains pending. All project listings will be reviewed and updated in the last NEPA ARRA Section 1609(c) report.
- ARRA appropriated funds for disadvantaged business enterprise bonding assistance for transportation projects are specifically funded through ARRA. DOT's Office of Small and Disadvantaged Business Utilization (OSDBU) 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 funding for the projects has served as the lead agency for any environmental review of the projects. As of June 30th, 2011, the OSDBU had reimbursed 151 separate bond fees for a total of \$1,487,595.80. The program ended September 30, 2010, and these are the final numbers for the program.

NEPA Benefits:

The Federal Highway Administration has processed or is currently processing ARRA-funded projects in many States that demonstrate the benefits provided by the NEPA analysis and documentation. The involvement of stakeholders and collaboration with resource agencies have resulted in projects which incorporate features such as context sensitive solutions and non-motorized facilities into the improvements to highway facilities. For example, on the Yuma Pivot Point Plaza project in Arizona, the NEPA process led to the recognition of the importance of protecting the Swing Span project, a historic feature of the transcontinental railroad system, as well as connecting the Plaza with the adjacent Gateway Park. In the case of the U.S. 33 Nelsonville Bypass in Ohio, the NEPA process led to mitigation measures during and after construction, including tree and grass planting for erosion control and native plant restoration, provisions for large and small animal crossings, special fencing to prevent animal encroachments into the right-of-way, and special lighting to direct the flight of bats over the roadway. In the case of the Newtown Pike Extension project in Kentucky, as a result of the early coordination of the NEPA and National Historic Preservation Act processes, FHWA introduced measures to record the history of National Register of Historic Places eligible structures, collect local oral histories, and use the results from phase 3 archaeological studies for public education efforts.

Additional examples of benefits of NEPA for ARRA projects include:

- The I-70 / Central Park Boulevard Interchange in Denver. On September 15, 2010, local and State officials broke ground for the construction of a new I-70 / Central Park Boulevard interchange. The interchange, funded from a variety of sources including Federal earmarks and ARRA, will provide additional access to the redevelopment of the 4,700 acre former Denver International Stapleton Airport. The \$50 Million interchange project is being supported with about \$21 Million in federal funds, including ARRA

funds. The project will be underway prior to the official groundbreaking and is planned to be complete by October, 2011. The Stapleton Airport redevelopment project is 15 minutes from downtown Denver, 15 minutes from the new Denver International Airport and is the region's premier sustainable community. It is considered one of the nation's largest mixed-use, urban in-fill developments that will set a new standard for urban living consisting of nearly 12,000 homes and apartments, 13 million square feet of leasable commercial space, six schools, 24 parks and 1100 acres of open space. Additionally, the redevelopment is to serve as a living example of progressive, sustainable practices. All of the former runways and 200,000 tons of asphalt from the old parking lots have been recycled in the community as sidewalks, roadways, bridges, pathways and bike paths throughout the region.

- The Haxton Way Trail in Washington State. On November 9, 2010, the FHWA Washington Division participated in a ribbon-cutting ceremony celebrating the opening of a two-mile pathway adjacent to Haxton Way on the Lummi Indian Reservation near Bellingham, WA. This \$2.06 million project constructed a 10-foot wide pedestrian and bicycle path along a two-mile stretch of Haxton Way between the Silver Reef Casino and Kwina Road which has seen 9 pedestrian and bicycle deaths in the past 20 years. \$1.5 million of state pedestrian/bicycle funds and \$250,000 in Recovery Act funds helped pay for this improvement which will also improve fitness and livability for the Lummis.

- The Fix on I-196 Project in Michigan. On November 19, 2010, FHWA Michigan Division attended a ribbon cutting for "The Fix on I-196" in the City of Grand Rapids, which is Michigan's second largest city. This \$32 million dollar American Recovery and Reinvestment (ARRA) funded project reconstructed and widened nearly two miles of I-196 between US-131 and Fuller Avenue in downtown Grand Rapids. The project featured five new bridges, new through-lanes in each direction and a weave/merge lane through key interchanges. Context sensitive design was incorporated throughout the project. With the cooperation of the City and businesses, Michigan Department of Transportation completed this major reconstruction project in just seven months, on time and within budget.

FEDERAL TRANSIT ADMINISTRATION

- FTA completed all environmental reviews for all ARRA-funded transit projects prior to September 30, 2010. All NEPA findings by FTA for all ARRA-funded transit projects appeared in the spreadsheet accompanying the ARRA section 1609(c) report of September 30, 2010. There have been no changes to the report since that date.

- The Council on Environmental Quality (CEQ) may refer to the ARRA section 1609(c) report of September 30, 2010 by FTA for this reporting period and for all future reporting periods. All FTA NEPA actions for all transit projects funded by ARRA have been completed and are reflected in that report.

- The FTA explanatory note accompanying the ARRA section 1609(c) report of September 30, 2010 provides descriptions of the FTA ARRA programs and details the NEPA actions on projects within each program.

FEDERAL AVIATION ADMINISTRATION (FAA)

- 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 were considered for ARRA support from these appropriations. All FAA NEPA work is done, and the information has not changed since the ARRA section 1609(c) report of September 30, 2010.
- A total of 334 airport grants have been issued for 372 projects, totaling \$1.098 billion. All airports ARRA funding has been obligated and there are no substantial changes or updates this reporting period. All 372 airport improvement projects have started and 365 (98 percent) are now substantially complete.
- The FAA has awarded \$198.5 million in contracts from the Facilities and Equipment appropriation. Facilities and Equipment contracts are major capital investments related to modernizing and improving air traffic control and airway facilities, equipment, and systems. A total of 378 (95 percent) of 399 infrastructure projects underway have been physically completed nationwide.
- This report does not contain estimates. The spreadsheet aggregates 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 Airports 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.

FEDERAL RAILROAD ADMINISTRATION (FRA)

- As of June 30, 2011, FRA has obligated over \$7 billion of its appropriation of nearly \$9.3 billion, including over \$5.7 billion in Capital Assistance for High-Speed Rail Corridors (HSIPR) funds. Funds are available through September 30, 2012.
- Sixty-two HSIPR applications were selected for funding through ARRA in January, 2010. FRA continues to work with selected applicants to create grant agreements and obligate funds under the awards.

- Since selection in January, 2010, four HSIPR projects have been withdrawn from the program. Two projects have been previously reported, while another two projects are being reported as withdrawn for the first time in this worksheet.

- Twenty-one ARRA funded projects are being reported for the first time this reporting period. In a NOFA dated March 11, 2011, FRA made \$1.63 Billion of previously obligated but returned ARRA funding competitively available to states and other qualified applicants. FRA announced selections for awards on May 9, 2011. Of these 21 newly-selected ARRA projects, 11 had a NEPA pending status at the end of the current reporting period.

- Of the 11 newly-selected ARRA projects with NEPA pending: 16 are CEs and 5 are EAs. The CEs are being reported as pending because FRA typically finalizes project scopes, schedules and budgets prior to approving NEPA, to ensure the full project is adequately documented. The EAs are being reported as pending because FRA is composing the FONSI, based on the EAs submitted with the application packages.

- Five total Amtrak projects have been withdrawn from the program and are reported in this worksheet. Two projects are being reported as withdrawn for the first time. Amtrak has withdrawn these projects due to concerns regarding whether the projects could be completed within ARRA timeframes, and reallocated the funding to other capital projects already being reported.

- All ARRA Amtrak NEPA actions are being reported as complete or withdrawn for the first time in this report.

- FRA currently has 20 pending NEPA actions; of those 0 are Amtrak projects, nine are previously-reported ARRA HSIPR projects, and 11 are newly-reported HSIPR projects.

- HSIPR actions previously reported as pending that are still pending on the FRA spreadsheet are undergoing final environmental review. Having substantially completed NEPA documentation was a prerequisite for application eligibility of construction projects and corridor development programs. FRA staff is actively reviewing environmental documentation to issue decisions. The type of NEPA action varies by project/program.
 - California projects remain pending to allow the state to prioritize its high priority rail projects' obligation and oversight. The four pending California projects are on track to be NEPA complete by October, 2011.
 - One of the two Michigan projects is pending because the project has undergone a significant reduction in scope, requiring additional environmental findings. The other project is pending while the state finalizes FONSI, with NEPA projected for completion in August, 2011.
 - For one of the three pending New York projects, NEPA is tentatively complete, pending final approval of project scope, schedule, and budget. One of three projects is undergoing a partial redesign requiring additional engineering, which is currently underway. NEPA will be completed at the

conclusion of the additional engineering work. The final project is pending due to uncertainties related to scope of the redesign.

- 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).

- Awards for selected projects are being made continuously and on a rolling basis, as applicants with selected projects are able to provide the materials needed to craft an acceptable grant/cooperative agreement.

- 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.

MARITIME ADMINISTRATION (MARAD)

- 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. The remaining \$2 million is for oversight activities, as stipulated by ARRA.

- 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.

- No changes have been made since the July 15, 2010 submission.

OFFICE OF THE SECRETARY (OST)

- ARRA appropriated \$1.5 billion of discretionary grant funds to be awarded by the Department of Transportation for capital investments in surface transportation infrastructure.

Office of the Secretary (OST)

- ARRA appropriated \$1.5 billion of discretionary grant funds Transportation Investment Generating Economic Recovery (TIGER) grants to be awarded by the Department of Transportation for capital investments in surface transportation infrastructure. Up to \$1.5 million of the appropriated funds may be used for administration of the program. The total appropriation amount has been adjusted to \$1,487,819,565 to reflect inclusion of federal credit assistance.

- A final notice of the TIGER grant program, announcing funding availability, project selection criteria and application requirements, was published on June 17, 2009.
- The Department received more than 1400 applications requesting close to \$60 billion in funding from 50 states, 3 territories and the District of Columbia. Applications were assessed to determine whether projects were well aligned with the short- and long-term criteria specified in the program's Federal Register notice. The Department required rigorous economic justifications for projects requesting more than \$100 million in funds.
- On February 17, 2010, 51 TIGER grant projects were selected for award. These projects represent some of the most innovative projects as well as multi-modal, multi-jurisdictional projects that are often overlooked by the existing funding system. The projects include major billion dollar freight rail corridors in the Mid-Atlantic and South; bridge and road repairs in Oklahoma and South Carolina; and port projects in Maine and Hawaii.
- DOT administrations took responsibility for support work on various TIGER projects, including NEPA documents. The assigned specific DOT administration was generally based on the type of project e.g. transit projects were assigned to the FTA.
- The Woodward Avenue Light Rail Project in Michigan is pending. The Notice of Availability for the Final Environmental Impact Statement was published on July 1, 2011, and a record of decision may be signed after August 1, 2011.
- The Downtown Dallas Streetcar project is pending. The environmental assessment has been completed, and a finding of no significant impact is expected by the end of July 2011.
- The Colton Crossing grade separation project in California, reported as pending in the report for the period ending March 31, 2011, has been completed.

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