

Attachment 14A

Explanatory Note for Department of Transportation (DOT) Report

February 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 December 31, 2010.

Federal Highway Administration

- 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 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 13,335. 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 8th report are \$26,815,399,365. This decrease from the 7th report reflects 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. These actions account for the change in withdrawn projects numbers from the previous (September 30, 2010) report to this 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 3066 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 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 projects where FHWA has approved the NEPA action (CE, EA/FONSI, or EIS/ROD) and has obligated funds but are awaiting Federal permits prior to initiating construction.
- FHWA continues to update its RADS project database to capture required project information for over 16,900 NEPA actions. FHWA is currently reviewing its remaining pending actions (less than 1% of total NEPA actions) to determine why these projects remain pending. As data errors are identified or it is determined that the project is not active, they will be withdrawn. These projects will be updated in subsequent NEPA ARRA Section 1609(c) reports.
- 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 September 30, 2010, 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:

FHWA 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, historic preservation, habitat preservation, and non-motorized facilities into the improvements to highway facilities. For example, on the Yuma Pivot Point Plaza project, 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, 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 protect bats by directing their flight 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. The Tree Planting Project in Maryland will establish suitable forest habitat within State highway rights-of-way for selected threatened and endangered species.

Additional examples of benefits of NEPA for ARRA projects include:

1) 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.

2) 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.

3) 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)

- This note and the accompanying spreadsheet report indicate the status of the National Environmental Policy Act (NEPA) process for all projects funded under the American Recovery and Reinvestment Act of 2009 (ARRA) by the Federal Transit Administration (FTA) through December 30, 2010. 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. No changes have been made.
- The Council on Environmental Quality (CEQ) and the public may refer to the ARRA section 1609(c) report of September 30, 2010 by FTA and DOT explanatory notes 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 the September 30, 2010 report.
- The DOT explanatory note for FTA 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. All FTA NEPA work for all transit projects in all ARRA transit programs is done.

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 are being considered for ARRA support from these appropriations.
- A total of 334 airport grants have been issued for 327 projects, totaling \$1.098 billion. All airports ARRA funding has been obligated and there are no substantial changes or updates this reporting period. All projects have started, and 302 (92 percent) are 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 403 Facilities and Equipment projects are underway, and 354 (88 percent) have been physically completed nationwide.
- 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 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.

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.

Federal Railroad Administration (FRA)

- As of December 31, 2010, FRA has obligated over \$5.5 billion of their appropriation of nearly \$9.3 billion, including over \$4.2 billion in Capital Assistance for High-Speed Rail Corridors (HSIPR) funds.
- 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, two HSIPR projects have been withdrawn from the program. The two projects are reported as withdrawn for the first time in this worksheet. Two additional Amtrak projects have been withdrawn from the program and are being reported for the first time in this worksheet. Three total Amtrak projects have been withdrawn.
- 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.
- HSIPR actions reported as 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.

- 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 Amtrak 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.
- FRA currently has 22 pending NEPA actions; of those 22, two are Amtrak projects and 20 are HSIPR selected projects. 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.

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 \$1,498,500 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.
- TIGER grant applications were submitted by September 15, 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.
- Although TIGER grant projects have been selected, not all awards have been made. The Department is currently in the process of determining necessary NEPA actions and developing grant agreements with the awardees. DOT administrations are taking responsibility for support work on various TIGER projects, including NEPA documents. The assigned specific DOT administration is generally based on the type of project e.g. transit projects are assigned to the FTA. In this report, DOT has reported those TIGER grants for 65 actions for which the NEPA course of action has been determined and initiated by December 31, 2010.