

CARBON REDUCTION PROGRAM

2024 SMALL URBAN AND RURAL APPLICATION GUIDELINES

OVERVIEW

On November 15, 2021, the Bipartisan Infrastructure Law (BIL) (also known as the Infrastructure Investment and Jobs Act or IIJA) was signed into law. The BIL established the Carbon Reduction Program to reduce transportation greenhouse gas emissions. Through the Carbon Reduction Program, Oregon is apportioned \$82.5 million over 5 years. These funds are allocated by federal formula to Transportation Management Areas (TMAs), Small Urban and Rural areas, and Statewide projects.

Urbanized Area	Total FY 22-26 ³
TMA's (Portland, Eugene, and Salem)	\$28.5 million
Small Urban and Rural Areas	\$24.1 million
Statewide	\$29.8 million
Total:	\$82.5 million

Table 1: Carbon Reduction Program FY 22-26

To inform the development of the program, ODOT's Climate Office convened a Consultation Group over the course of 2022. The group consists of metropolitan planning organizations, Transportation Management Areas, and other partners. The Consultation Group developed key strategies and priorities and project scoring criteria for the Carbon Reduction Program. The strategies and priorities are based on the Statewide Transportation Strategy - A 2050 Vision for Greenhouse Gas Emissions Reduction, Oregon's roadmap to achieving the state's greenhouse gas reduction goals.⁴ The Consultation Group will continue to be engaged at key milestones during future developments of the program.

Project identification for Carbon Reduction Program funds occurs through three different processes. All projects must meet the eligibility requirements of 23 USC 175 (c).

- Transportation Management Areas identify projects for their funds based on the Carbon Reduction Program strategies and priorities and existing outreach processes.
- ODOT utilizes a competitive selection process to identify projects for the Small Urban and Rural areas using the strategies and priorities and project scoring criteria.
- ODOT coordinates internally to identify and scope projects for the Statewide funding.

The Carbon Reduction Program requires ODOT to develop a Carbon Reduction Strategy in consultation with metropolitan planning organizations designated within the State. The Carbon Reduction Strategy is required to identify strategies and projects for reducing emissions from the transportation sector. ODOT

¹ Carbon Reduction Program

² Bipartisan Infrastructure Law - 5-year Carbon Reduction Program by State

³ All dollar amounts are estimates and are subject to change.

⁴ Statewide Transportation Strategy - A 2050 Vision for Greenhouse Gas Emissions Reduction



submitted the DRAFT Carbon Reduction Strategy to Federal Highway Administration for approval with projects identified for Carbon Reduction Program on November 15, 2023. The Federal Highway Administration notified ODOT of its acceptance of the final strategy on February 20, 2024. The strategy will be updated with projects funded through the Carbon Reduction Program as they are awarded. ODOT must submit a Carbon Reduction Strategy to the Federal Highway Administration every four years.

SMALL URBAN AND RURAL CALL FOR PROJECTS

ODOT will conduct a second Call for Projects in 2024 for the remainder of the Small Urban and Rural area funding. The Small Urban and Rural Call for Projects will open on March 1, 2024 and close on May 31, 2024 at 5:00 p.m. Projects selected will reduce transportation greenhouse gas emissions and help implement the Statewide Transportation Strategy. Projects will be consistent with the Carbon Reduction Program and the Federal Highway Administration eligibility criteria. ODOT will make approximately \$12 million of the Small Urban and Rural area funding available through the 2024 Call for Projects.

Funding for the Small Urban and Rural projects is defined by geographic region based on federal formulas (see the Small Urban and Rural Carbon Reduction Program Funding table below). For areas with populations between 200,000-50,000, funding is split based on the five urbanized area of Albany, Bend, Corvallis, Grants Pass, and Rogue Valley. The funds not assigned to a specific urbanized area are split into two portions based on population and can be spent anywhere in the state that meets the population requirements. The first is for areas with populations between 49,999-5,000. The second is for areas with populations of less than 5,000. Table 2 presents the remaining funding available for the 2024 Call for Projects for the Small Urban and Rural areas of the state.

Table 2: Small	Urban and Ru	ral Carbon Reductio	n Funding for I	FY 22-26 by Area
----------------	--------------	---------------------	-----------------	------------------

Urbanized/Rural Area	Estimated FY 22-26 Available Funding ⁶
Albany Area	Proportion Fully Allocated in 2023
Bend Area	Proportion Fully Allocated in 2023
Corvallis Area	Proportion Fully Allocated in 2023
Grants Pass Area	\$655,092
Rogue Valley Area	\$1,606,183
Population Areas 49,999-5000	\$5,912,335
Population Areas <5,000	\$3,760,759

During the Call for Projects, ODOT's Climate Office staff will be available to support interested applicants in refining project concepts to meet the program's criteria. Applicants will be notified of the outcomes of their applications in fall of 2024. Following notification, Climate Office staff will work with the ODOT

⁵ FINAL State of Oregon Carbon Reduction Strategy

⁶ All dollar amounts are estimates and are subject to change.



Program and Funding Services unit to program successful projects into the STIP and support project delivery.

CARBON REDUCTION PROGRAM STRATEGIES AND PRIORITIES

The Carbon Reduction Program Strategies and Priorities table presented below includes key strategies and priorities identified by the Consultation Group to guide the implementation of the Carbon Reduction Program in Oregon. Projects must support one or more of the priority areas to be considered eligible for funding. Projects funded through the Small Urban and Rural Call for Projects should support the implementation of state, regional, and local plans. Project applicants are encouraged to become familiar with ODOT policies and priorities, especially if their project will be located on or involve ODOT right of way.

Table 3: Carbon Reduction Program Strategies and Priorities

Strategies	Priorities	
Vehicle and Fuel Technology		
Increase the operating efficiency of multiple	Increase adoption of fuel-efficient vehicle technologies and	
transportation modes through transitions	shift to alternative fuels that produce less emissions.	
to more fuel-efficient vehicles, fuels that	Increase availability of electric vehicle charging infrastructure,	
produce fewer greenhouse gas emissions or		
have lower carbon intensity, and	electric vehicle charging corridors.	
improvements in engine technologies.	Support transit or public fleets to transition to electric vehicles	
	or low emission fuels.	
Transportation Options		
Encourage a shift to transportation modes that produce fewer emissions and provide for more efficient movement of people and goods.	 Expand public transportation service, increase connectivity to transit stops, and improve operations to make transit service more efficient, including vanpool programs. Implement Transportation Demand Management programs that make it easier for people to choose transportation options consistent with local and state transportation demand management plans. Invest in strategic infrastructure to close gaps in priority active transportation and public transit networks, and increase safety and connectivity for users. Support shared mobility, including bike-share, electric bikes and scooters, and other micro-mobility vehicles. 	
System Operations	and second of the other meaning removed	
Improve the operations of the	Invest in traffic management and intersection technologies	
transportation system and efficiency for all	that reduce emissions, improve system efficiency, and increase	
modes through technology, infrastructure	safety for vulnerable users.	
investments, and operations management.	 Expand intelligent transportation system (ITS) technologies to reduce emissions and maximize efficiency of the existing system. Reduce greenhouse gas emissions from agency operations, materials, and fuels, such as lower carbon materials, renewable energy, fleets, and fuels.⁷ 	

⁷ Low carbon material projects must be part of a larger Carbon Reduction Program eligible project to be eligible for funding.



Strategies	Priorities
Pricing	
Identify sustainable funding sources to maintain and operate the transportation system, provide market incentives for developing and implementing efficient ways to reduce emissions, and to help pay for environmental costs.	• Support methods to price roadway systems accordingly to balance demand, fund maintenance and operations, and reinvest in transportation choices with considerations for equity impacts, location, and recovering costs from environmental impacts.

PROJECT SELECTION CRITERIA

Project selection criteria for scoring the Small Urban and Rural Call for Projects were developed based on the federal Carbon Reduction Program requirements and goals of the Statewide Transportation Strategy. Project applicants are encouraged to consult with ODOT Climate Office staff to ensure their projects meet the goals and criteria of the program.

Eligible projects will be evaluated on the following selection criteria:

- 1. **Climate Benefits (60 pts)** Does the project effectively reduce greenhouse gas emissions from transportation?
 - a. Will the project result in a direct reduction of transportation greenhouse gas emissions, or will the project lead to mode shift or the use of less carbon intensive transportation options?

Projects that can show a more direct or a highly probable reduction (rather than potential reduction) will receive more points.

Projects that incorporate carbon reduction strategies during construction only or as a minor component of a larger project will be considered for those components only.

ODOT will consider funding these projects if they are part of pilot programs that will lead to systemic changes in the agency's project delivery process. The agency must explain why the larger project budget is not sufficient to incorporate these components without CRP funding.

b. Explain when emissions reductions from the project will occur. Will emissions reductions happen quickly or be achieved over a longer time frame?

Projects that deliver the reductions sooner and that show benefit over a longer time frame will receive more points.

- 2. Local Support and Engagement (10 pts) What is the level of community commitment and support for the project?
 - a. What community engagement efforts informed development or identification of the project? Is support demonstrated from relevant partners?



b. How will the community know the desired outcomes were achieved?

Please attach or link relevant supporting documentation including any plan citations. Letters of support from local jurisdictions, community groups, and other local agencies may also be used as supporting documentation.

3. **Equity (10 pts)** –Does this project mitigate impacts from emissions or reduce barriers and increase benefits to historically disadvantaged communities?

Geographic and demographic considerations, individual project elements, and Justice 40 benefits will be considered.

a. Does the project provide benefits to communities identified by the ODOT Social Equity Index and Justice40 criteria?

Provide the level of disparity from ODOT's Social Equity Index **and** Justice40 for each census tract where the project is located. Agencies may also provide data based on local equity tools. Screenshots of each tool used should be attached with the supporting documentation for the project.

<u>ODOT Social Equity Index</u> (ODOT SEI) can be found in the Planning and Climate Change Resilience layers in the Layer Catalog.

- 1. Apply the layer
- 2. Click the Identify Features button (Small blue button at the top of the map with an "i" on it.)
- 3. Select the census tract(s) for the project area to display the Disparity Category
- 4. Take a screenshot

<u>Justice40 Climate and Economic Justice Screening Tool</u> (CEJST) indicates whether or not a location meets the federal definition for disadvantaged.

- 1. Zoom in on Oregon
- 2. Select your census tract(s)
- 3. Take a screenshot (make sure it includes the "Identified as Disadvantaged" section of the tool)
- b. How will this project provide benefits to historically disadvantaged community members?

Provide a narrative description of the benefits the project will have to disadvantaged community members. If a local equity tool was used to determine disadvantaged status please describe the tool and outcomes here.



- 4. **Opportunities and Innovation (10 pts)** Will this project provide for new opportunities to reduce emissions, include innovative components, expand multimodal or micromobility options, or target parts of the sector that have been slower to decarbonize?
 - a. Does this funding create opportunities for future investments and actions that expand the initial emissions reduction benefits? Does the project or application build off or support other effective carbon reduction projects?
 - b. Will this project create or encourage emissions reductions beyond what are already expected through existing plans, projects and funding opportunities?
- 5. **Project Readiness (10 pts)** Does the agency have a plan for implementation, construction and/or maintenance of the project?
 - a. Does the applicant and local jurisdiction guarantee any required staff time, operations, and maintenance for the project after completion?
 - b. What is the certainty from a cost and risk perspective? Are there uncertainties including, but not limited to; right of way acquisition; bridge, structure, or rail impacts; environmental review; utility relocation or drainage modifications; supply chain; and overall feasibility?

MATCH REQUIREMENTS

Projects will be delivered as federal-aid projects. There is a required 10.27% match from the awarded agency (except as noted below for projects within Indian Reservations, national parks, and monuments). Local agencies are responsible for providing the local match and meeting ODOT reporting requirements for the funding. The match requirement may be met with a cash or in-kind match. Private contributions may be used as match if they are eligible and will not conflict with competitive bid requirements for federal funding. Projects wishing to use in-kind or private match should contact the program manager prior to submitting their application to ensure the intended match is eligible.

The federal share is 100% for projects within Indian Reservations, national parks, and monuments.⁸ Tribes may use Tribal Transportation Program funds for the match if the project is located outside of a reservation. Federal Highway Administration has confirmed that tribal trust lands would be considered eligible under this definition of Indian Reservation for the 100% federal share.⁹ Tribal projects will be transferred to the Bureau of Indian Affairs for delivery using a Fund Transfer Agreement.

PROJECT SIZE

The funding available in Table 2 represents the remaining FY 22-26 funding for each Small Urban and Rural area through the Carbon Reduction Program. ODOT will provide funding for projects up to the amount available for each urbanized or rural area as noted in Table 2. Project costs for selected projects

⁸ <u>Justice40 Non-Federal Match Flexibility - US Department of Transportation</u>

⁹ What is a federal Indian reservation? | Indian Affairs (bia.gov)



may exceed the limits in Table 2, but ODOT will not provide funding beyond what is available for each urbanized or rural area.

For projects that include light-duty electric vehicles, ODOT is limiting the project's total federal-aid funding awards to \$499,000 to take advantage of the opportunity provided through the Build America, Buy America De Minimis Costs and Small Grants Waiver. ¹⁰ If applicants can demonstrate that a Build America, Buy America compliant vehicle exists for the vehicle type requested, they may request a higher funding amount. This funding cap does not apply to stand alone electric vehicle charging infrastructure projects or other eligible projects.

FUNDING PROJECT COMPONENTS

Applicants looking to fund specific components using Carbon Reduction Funding are eligible to apply. However, as noted in the Project Selection Criteria, "projects that incorporate carbon reduction strategies during construction only or as a minor component of a larger project will be considered for those components only." ODOT will consider funding components of larger projects if they are part of pilot programs that will lead to systemic change but does not expect to fund eligible components simply to help a project complete its funding package. The applicant must explain why the project budget is not sufficient to incorporate these components without CRP funding and what other opportunities are available to fund these components. Oregon law and the American Disabilities Act already require the inclusion of bicycle and pedestrian facilities in many types of construction projects.

SCORING AND DELIVERY

ODOT staff will review projects to ensure they meet program eligibility requirements and conduct a scoring process using the project selection criteria. In addition, ODOT will conduct a scope, schedule, and budget review of projects to assess whether projects can be delivered as proposed. ODOT will review the list of proposed projects with the Carbon Reduction Program Consultation Group prior to awarding projects to discuss projects close to the line. Applicants will be notified of the outcomes of their applications in Fall 2024.



Following notification, ODOT will work to program successful projects into the Statewide Transportation Improvements Program. Projects located within metropolitan planning organization boundaries will

¹⁰ Federal Register:: Waiver of Buy America Requirements for De Minimis Costs and Small Grants



need to be programmed into the metropolitan planning organization's Transportation Improvement Program following the metropolitan planning organization's outreach and public notice requirements.

Following entry into the Statewide Transportation Improvement Program, ODOT will work with the local agency to develop an Intergovernmental Agreement in accordance with all federal-aid requirements. Obligation will occur after projects have been included in the Statewide Transportation Improvements Program, intergovernmental agreements have been finalized, and other federal regulations have been met, including the National Environmental Protection Act requirements.

Project delivery will vary based on the type of project. The examples here are illustrative and individual projects may follow different delivery paths:

- Certified Local Public Agencies will likely deliver their own projects in accordance with the rules and regulations for federal-aid projects and existing oversight agreements with ODOT.¹¹
- ODOT will likely deliver construction projects for applicants that are not certified Local Public Agencies to ensure all federal-aid requirements are met.
- Awards for projects on tribal lands will likely transferred to the Bureau of Indian Affairs for delivery if appropriate.
- Projects with vehicle purchases may require local agencies to complete the purchases as subrecipients, requiring them to be able to meet all state and federal procurement laws.
- Transit projects may have Federal Highway Administration Carbon Reduction Program funding
 flexed to the Federal Transit Administration for delivery. ODOT's Public Transportation Division
 may support delivery of these transit projects or they may be delivered by the local agency.
 Applicants of transit projects should coordinate with one of ODOTs regional transit coordinators
 when developing their budgets and project concepts.

Depending on the complexity of the project, applicants should expect a year or more to complete the administrative requirements prior to the project being initiated. Construction timelines will vary depending on the staffing availability of the metropolitan planning organizations and ODOT regions.

REPORTING REQUIREMENTS

ODOT will work with successful applicants to determine the specific reporting requirements based on the type of project. In general, ODOT expects to compile high level progress reports on all projects funded through the Carbon Reduction Program on a regular basis during construction and delivery. Some types of projects may require additional reporting for the useful life of the project. For example, public facing electric vehicle chargers must meet the data submittal requirements of 23 CFR 680.112 on a quarterly and annual basis. Vehicle charging data should be submitted to both Federal Highway Administration and ODOT for reporting purposes by the local agency. In addition, agencies that enroll in the <u>Clean Fuels Program</u> will need to meet the reporting requirements of that program to receive credits.

¹¹ Oregon Department of Transportation: Local Agency Certification Program



Federal-aid recipients, including recipients of Carbon Reduction Program funds, are responsible for involving the public, including traditionally underserved and underrepresented communities. "Underserved populations" include minority and low-income populations but may also include many other demographic categories that face challenges engaging with the transportation process and receiving equitable benefits. ¹² ODOT is seeking to fund CRP projects that support the federal Justice 40 Initiative, which establishes a goal that at least 40 percent of the benefits of federal investments in climate and clean energy infrastructure are distributed to disadvantaged communities. ¹³

ODOT has adopted equity as one of the three priorities of its Strategic Action Plan. ODOT has produced a <u>Social Equity Index</u> which identifies historically excluded and underserved people within Oregon. In addition, ODOT has developed <u>Social Equity Foundations</u> which outlines reasons for and strategies for including equity in the planning and project development process. Applicants are encouraged to use a Justice40 tool, ODOT equity tool, or their own equity tools for incorporating equity considerations into their project identification, engagement, and delivery processes. See the evaluation question on equity above for information on how to properly document the equity status of the project location.

REGULATORY CONSIDERATIONS

All projects funded under the program are treated as if they were located on a Federal-aid Highway. This requires the use of Davis-Bacon wage and Build America, Buy America Act requirements, Disadvantaged Business Enterprise Program, and other federal requirements.

The Federal Highway Administration has updated guidance around the Build America, Buy America Act to incorporate construction materials due to new provisions in the BIL. 14,15 Understanding Build America, Buy America Act considerations is important during the project identification process to ensure project delivery. Projects considering the purchase of manufactured products and construction materials, such as components for charging stations, alternative fuels, new vehicle purchases, and the construction of facilities, should be aware that Build America, Buy America Act requirements may apply and coordinate with their regional ODOT office to determine affected components. Projects with less than \$500,000 in federal funding are exempt from Build America, Buy America under Federal Highway Administration's De Minimis Costs and Small Grants Waiver. 16

¹² FHWA's Environmental Justice Reference Guide

¹³ Carbon Reduction Program (CRP) Implementation Guidance (dot.gov)

¹⁴ Memorandum for Heads of Executive Departments and Agencies: Initial Implementation Guidance on Application of Buy America Preference in Federal Financial Assistance Programs for Infrastructure: M-22-11 (whitehouse.gov)

¹⁵ M-24-02 Buy America (whitehouse.gov)

¹⁶ Federal Register :: Waiver of Buy America Requirements for De Minimis Costs and Small Grants



The 1931 Davis-Bacon Act requires the payment of prevailing wage rates to all labors and mechanics on Federal or Federally assisted construction contracts. Carbon Reduction Program funded projects are considered Federal-aid Highway projects and are subject to Davis-Bacon in most circumstances.

The Disadvantaged Business Enterprise Program is a legislatively mandated program that applies to Federal-aid Highway dollars. The U.S. Congress established the Disadvantaged Business Enterprise Program to ensure nondiscrimination in the award and administration of Department of Transportation assisted contracts and remove barriers to the participation of Disadvantaged Business Enterprises in DOT-assisted contracts. The DBE Program was reauthorized in Bipartisan Infrastructure Law (BIL) and applies to projects funded with Carbon Reduction Program funding.

In addition to the federal Build America, Buy America, Oregon House Bill 3332 may apply to projects delivered by ODOT.¹⁷ "The Department of Transportation shall require in each public improvement contract or contract for public works with an estimated contract price of \$250,000 or more that steel, iron, coatings for steel and iron and manufactured products that a contractor purchases for or uses in the public improvement or public works, and that become part of a permanent structure, must be produced in the United States."

Projects are subject to requirements under the National Environmental Policy Act (42 U.S.C. 4321 et seq.), the Uniform Relocation Assistance and Real Property Acquisition Act of 1970 (42 U.S.C. 4601 *et seq.*), and other applicable Federal laws.¹⁸ Federal Highway Administration has provided guidance stating that many of the projects eligible for CRP funding may meet the requirements for Categorical Exclusions which could reduce project delivery time.¹⁹

In addition to the regulations listed here, all applicable federal and state laws and regulations will apply to the delivery of Carbon Reduction Program funds. Applicants with specific questions are encouraged to reach out to ODOT's Climate Office with specific questions (Rye Baerg — Climate Program Coordinator, rye.baerg@odot.oregon.gov).

FEDERAL HIGHWAY ADMINISTRATION ELIGIBLE ACTIVITIES

The list of Federal Highway Administration Carbon Reduction Program eligible activities (<u>found here</u>) should be used to ensure program eligibility.²⁰ In addition, all projects selected through the Small Urban and Rural Call for Projects will be expected to support one or more of the strategies and priorities outlined above.

¹⁷ HB3332 (oregonlegislature.gov)

¹⁸ Carbon Reduction Program (CRP) Implementation Guidance (dot.gov)

¹⁹ Policy on Using Bipartisan Infrastructure Law Resources to Build a Better America (dot.gov)

²⁰ <u>Bipartisan Infrastructure Law - Carbon Reduction Program (CRP) Fact Sheet | Federal Highway Administration (dot.gov)</u>



Carbon Reduction Program funding is only eligible for capital improvement projects and not for operations and maintenance. Carbon Reduction Program funds may be obligated for projects that support the reduction of transportation greenhouse gas emissions, including:²¹

- a project described in 23 U.S.C. 149(b)(4) to establish or operate a traffic monitoring, management, and control facility or program, including advanced truck stop electrification systems;
- a public transportation project eligible under 23 U.S.C. 142;
- a transportation alternative (as defined under the Moving Ahead for Progress under the 21st Century Act [23 U.S.C. 101(a)(29), as in effect on July 5, 2012]), including, but not limited to, the construction, planning, and design of on-road and off-road trail facilities for pedestrians, bicyclists, and other nonmotorized forms of transportation;
- a project described in 23 U.S.C. 503(c)(4)(E) for advanced transportation and congestion management technologies;
- deployment of infrastructure-based intelligent transportation systems capital improvements and the installation of vehicle-to-infrastructure communications equipment;
- a project to replace street lighting and traffic control devices with energy-efficient alternatives;
- development of a carbon reduction strategy developed by a State per requirements in 23 U.S.C. 175(d);
- a project or strategy designed to support congestion pricing, shifting transportation demand to nonpeak hours or other transportation modes, increasing vehicle occupancy rates, or otherwise reducing demand for roads, including electronic toll collection, and travel demand management strategies and programs;
- efforts to reduce the environmental and community impacts of freight movement;
- a project that supports deployment of alternative fuel vehicles, including—
 - acquisition, installation, or operation of publicly accessible electric vehicle charging infrastructure or hydrogen, natural gas, or propane vehicle fueling infrastructure; and
 - o purchase or lease of zero-emission construction equipment and vehicles, including the acquisition, construction, or leasing of required supporting facilities;
- a project described in 23 U.S.C. 149(b)(8) for a diesel engine retrofit;
- certain types of projects to improve traffic flow that are eligible under the CMAQ program, and that do not involve construction of new capacity; [§ 11403; 23 U.S.C. 149(b)(5); and 175(c)(1)(L)]
- a project that reduces transportation emissions at port facilities, including through the advancement of port electrification; and

²¹ <u>Bipartisan Infrastructure Law - Carbon Reduction Program (CRP) Fact Sheet | Federal Highway Administration (dot.gov)</u>



any other STBG-eligible project, if the Secretary certifies that the State has demonstrated a
reduction in transportation emissions, as estimated on a per capita and per unit of economic
output basis. [§ 11403; 23 U.S.C. 133(b) and 175(c)(2)]²²

Applicants are encouraged to connect with ODOT's Climate Office (Rye Baerg – Climate Program Coordinator, rye.baerg@odot.oregon.gov) prior to submitting their application to determine eligibility and the scope of their projects.

SUPPORTING DOCUMENTATION

As part of the online application process, ODOT requires applicants to provide the following supporting documents as attachments to assist in evaluating the projects based on the program's selection criteria and deliverability. Applicants are encouraged to coordinate with ODOT Regions and ODOT's regional transit coordinators when developing their project concepts.

The more detailed information that is provided, the better ODOT will be able to assess the likelihood of success of your project. ODOT may reach out to applicants that have not provided enough information if necessary to ensure that the projects are well understood prior to awarding funding. Applicants are encouraged to consider recent market fluctuations, availability of project components, and other project risks when developing their project scopes, budgets, and schedules.

Required supporting documentation includes:

- Project map
- Additional location information if the project has more than one (must include latitude and longitude)
- A detailed line-item budget (costs per unit, expected costs per project phase of the project, etc.)
 - Budgets should include sufficient contingency to cover project risks, inflation, and other factors. ODOT recommends a contingency of 20-30% depending on the project.
 - Projects that will require delivery by ODOT should include delivery costs. Applicants should coordinate with one of ODOT's regional staff for support in determining if they should include these costs. On average, ODOT recommends including approximately 10% of the project budget for delivery costs. Applicants should discuss project delivery costs with ODOT regional staff.
 - The cost estimate and scope of work for the project should include sufficient detail for each task and break out the match for each phase of the project (Planning, Preliminary Engineering, Right of Way, Construction, Other).
 - For transit projects, applicants should coordinate with their Regional Transit Coordinator to make sure their project budget will align with Federal Transit Administration delivery practices.

²² If project applicants are interested in pursuing an STBG-eligible project, they must consult with ODOT and have Federal Highway Administration's approval prior to submitting an application to the Small Urban and Rural Call for Projects.



- Each phase of the project must include a minimum of 10.27% match if match is required.
- ODOT will not cover any expenses in excess of the project award.
- Scope of work (major milestones, responsible parties, expected deliverables, etc.)
 - During scope development, applicants should consider risks for the project including but not limited to: right of way availability, utility relocation needs, availability of vehicles on the market, supply chain disruptions, inflation, Build America, Buy America, etc.
 - The scope of work should provide ODOT an understanding of the depth of understanding the applicant has of the delivery of the project and flag any issues that require additional investigation and may pose a risk to project delivery.

• Local Agency Technical Scope Sheet

- All applications must complete a Local Agency Technical Scope Sheet as part of their application.
- Guidance on how to complete the sheet is provided through the yellow buttons on the right side of the sheet.
- If data is unavailable for certain portions, provide a note of additional data needed and when it might be available.
- For questions about the sheet, please contact your ODOT regional office or the program manager for assistance.

Schedule

- The schedule should lay out the expected timeline for the project by phase taking into consideration the expected start date based on ODOT's delivery process.
- Equity documentation (screenshots of each tool used to determine ODOT SEI and Justice40 outcomes)
- Regional Manager Signature Sheet
 - Review and signature by an ODOT Region Manger is required.²³ Applicants must submit their request for signatures to their Region Manager by May 20, 2024 to allow time for review and signature. A separate PDF signature page is required to be filled out as part of this request.
- Other supporting documentation that may support successful award (optional)
 - For electric vehicle charging equipment, an estimate of expected utility upgrades or communication from the utility should be included. Carbon Reduction Program funds can cover electrical work on site, including transformers, but cannot fund larger utility upgrades such as substation improvements.
 - Any documents that have already been developed as part of the project including site diagrams, planning estimates, etc.
 - Greenhouse gas emissions calculations.

-

²³ Oregon Department of Transportation: Region Contacts



ODOT is not requiring applicants to quantify the expected greenhouse gas emission reductions from their projects. Applicants may do so if they wish to provide reviewers with a better understanding of the project's expected impacts. Federal Highway Administration has a suite of estimation tools created for the CMAQ program that can be used to produce estimates for greenhouse gas emissions and other pollutants.²⁴ If applicants conduct such an analysis they should include the results as part of their supporting documentation.

FREQUENTLY ASKED QUESTIONS

1. Who can apply for projects

Counties, cities, tribal governments, and local transportation agencies representing urbanized and rural areas with populations of less than 200,000 can apply for Carbon Reduction Program funds through the Small Urban and Rural Call for Projects.

2. How do I determine the population of my Urbanized Area?

ODOT will use the adjusted federal-aid Urbanized Area boundaries based on the 2010 Census for determining a project's eligibility. Boundaries can be viewed on ODOT's TransGIS tool.²⁵

3. When can contracting for the project begin?

Successful project applicants may not begin expending award funds until receiving a notice to proceed from ODOT. Non-certified local public agencies will work with ODOT regional offices to deliver their projects. In general, projects must be entered into the STIP, have an approved Intergovernmental Agreement, and have completed Federal Highway Administration requirements to be obligated.

4. Can local governments use local forces to deliver projects?

Projects will need to follow federal requirements and approvals for delivery. This includes requests for local forces to deliver projects.

5. Is staff time allowed to be funded by CRP to administer the projects?

Time directly attributed to the project is allowed to be charged to the project for ODOT and certified agencies. For non-certified agencies, staff time is not reimbursed. Administration costs are not eligible for funding.

6. What is ODOT's role regarding oversight of the funding?

The ODOT Climate Office is responsible for developing the project selection criteria (in coordination with the program's consultation group), conducting the Call for Projects, selecting projects and coordinating with ODOT Program and Funding Services division to coordinate programing projects

14

²⁴ Toolkit - CMAQ - Air Quality - Environment - FHWA (dot.gov)

²⁵ ODOT TransGIS (state.or.us)



into the STIP. ODOT Regions will provide oversight or delivery of ODOT delivered projects to ensure that all federal-aid requirements are met.

7. Who should I contact with questions about CRP?

For general program questions please contact Rye Baerg (rye.baerg@odot.oregon.gov). For project delivery questions, successful applicants will work with the Climate Office and the regional project delivery teams assigned to their projects. ODOT Regional contacts can be determined by connecting with the appropriate regional office for your agency. Contacts can be found here: Oregon
Department of Transportation: Region Contacts.

8. Is there a minimum or maximum project size?

There is no minimum or maximum project size beyond the funding availability by urbanized area. However, federal-aid funds do require a significant amount of oversight which may decrease the cost benefit ratio for smaller projects.

9. How do I determine the urbanized area for my project?

Applicants may use the Federal Aid Urban Boundaries area on <u>ODOT TransGIS</u> to help them understand the urban area boundaries for their project. A project that is located in more than one area should select the area where the majority of the project funds will spent.

10. Do I need to include costs for ODOT delivery in my project budget?

Yes, if ODOT will be delivering the project, delivery costs should be included in the project estimate and the local match should be adjusted to take this into account. Applicants should contact their ODOT regional office for advice related to delivery cost estimates.

11. Are there specific guidelines for electric vehicles and electric vehicle charging stations?

Yes, Federal Highway Administration released <u>rules</u> on the requirements for electric vehicle charging stations for the NEVI program. The new rules apply to all Federal Highway Administration funding including the Carbon Reduction Program. Federal Highway Administration also has <u>a waiver</u> for electric vehicle charging stations for the Build America – Buy America (BABA) requirements.

ODOT will not fund maintenance and operations of electric vehicle charging equipment. The local applicant will be required to conduct or fund any required maintenance for the chargers through a separate contracting mechanism or using their own resources. If the chargers are public facing, the applicant will be required to track any funds collected and is required to use the funds in accordance with 23 CRF 680. Electric vehicle chargeing projects should consult ODOT's Guide for EV Charging Deployment for cost estimates and considerations for their projects. ²⁶ Documentation of utility upgrades and costs associated should be included in the project's supporting documentation.

²⁶ oregon.gov/odot/climate/Documents/TEINA Deployment Strategy FINAL 08-30-2023.pdf



Electric vehicles may be acquired under the Carbon Reduction Program. These vehicles must meet federal standards for Build America, Buy America provisions as detailed above. Applicants are encouraged to contact ODOT and Federal Highway Administration with specific questions related to available vehicles that meet the requirements.

12. Is the match required to be a cash match?

Non-cash match may be eligible to meet the program requirements. Applicants with specific match questions should contact the program coordinator.

13. My jurisdiction is located within a TMA, can I apply for funding through this call for projects?

No, funding through the Small Urban and Rural Call for Projects is only available for projects located in rural and urbanized areas with populations of less than 200,000. Projects within the TMAs (Portland, Eugene, and Salem) will be selected by the metropolitan planning organization. Interested jurisdictions should contact their metropolitan planning organization about funding opportunities.

14. How long will the funding be available for our project if it is selected?

ODOT will work with successful candidates to program their projects into the STIP. Projects are expected to begin approximately a year from selection to initiation. Some projects may need to move quickly for the obligation of funding to ensure funding is not lost due to federal law. Obligation of construction funding should occur no later than 2026.

15. Will ODOT award partial funding?

ODOT may award partial funding for projects or fund certain components of projects in certain circumstances. If ODOT determines that certain project elements are ineligible, ODOT will contact the applicant to discuss options for adjusting the project scope and budget before awarding funding. ODOT may also offer partial funding to projects to utilize all available funding.