

Delaware Transit **Corporation**

Section 5310 **State Management Plan**

Enhanced Mobility of Seniors and individuals with Disabilities Program

Revised October 2023



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Section A : **Program Goals and Objectives**

The Delaware General Assembly created the Delaware Transit Corporation (DTC), as provided in the Delaware Code, upon determining that there is a continuing need to apply the resources of the state to implement plans for public and specialized transportation in the state. In addition, the General Assembly recognizes there is a continuing need to implement such plans on a comprehensive and integrated basis to obtain an economical, efficient, and unified system of public and specialized transportation. To accomplish this the General Assembly acknowledges the need to provide methods of financing existing and future transportation facilities to maintain and develop such economical transportation systems for the health, welfare, convenience, and safety of the people of the State of Delaware.

DTC's mission statement is "DART – Connection you to what matters. Every Ride*Every Customer*Ever Day". DTC's mobility program is "*to design and provide the highest quality public transportation services that satisfies the needs of the customer and the community.*" The Delaware Department of Transportation's Long Range Transportation Plan supports the DTC mission and further challenges DTC to "*ensure the basic mobility needs of the community are met, particularly for those who have low incomes, have disabilities, or are too old or too young to drive.*" DTC will be challenged to meet those needs with a mixture of traditional and non-traditional types of transit using existing community resources by coordinating transportation services.

DTC is responsible for the planning and operation of all fixed route services statewide, and the "shadow" paratransit services required under the Americans with Disabilities Act (ADA). DTC also manages the Section 5310 projects in Delaware, as well as several other specialized services related to the transportation of the elderly and persons with disabilities. As the "Mobility Manager" for the State of Delaware, DTC has a vested interest in the coordination of all federal or state funded transportation programs to ensure that there are no unmet transportation needs in the state due to duplication of service in some areas and lack of service in others. To this end, DTC will endorse funding for those agencies that are willing to participate in a coordinated transportation plan.

DTC realizes in its experience in transportation service deliveries that there are areas and populations where public transportation services are unavailable, inappropriate, or insufficient, therefore, the goals and objectives of Delaware's State Management Plan are:

1. To actively promote the coordination of specialized transportation services to persons 60 years of age or older, and to persons with disabilities, of any age, regardless of the disability (cognitive or physical).
2. To help alleviate the transportation barriers associated with being elderly and/or disabled, and to provide guidelines for private, nonprofit, and public organizations to collectively work to help achieve that goal.
3. To encourage cooperation and coordination between all Section 5310 organizations and their programs, and with other agencies providing transportation services.
4. To ensure full compliance with Federal and State guidelines and requirements.
5. To ensure adherence to the DelDOT's and DTC's Long-Range Plans. DTC has developed, in combination with local MPO's and the public, a long-range plan, which acknowledges the significant increase in the elderly population in future years.

Section B: **Roles and Responsibilities**

The Role of Federal Transit Administration (FTA)

The Program is administered at the Federal level by the Federal Transportation Administration, an agency of the United States Department of Transportation. FTA's responsibilities include providing overall policy and program guidelines, allocating funds to States who administer the Program, reviewing and approving State Grant Applications.

The Role of Delaware Department of Transportation (DelDOT)

DelDOT has the initial responsibility, as designated by the Governor, to oversee the Section 5310 Program in Delaware.

The Role of Delaware Transit Corporation (DTC)

The Delaware Transit Corporation (DTC), a division of DelDOT, has the responsibility to ensure that Federal guidelines are met as well as recommending final approval of applications and projects for funding. DTC has been selected to administer the Section 5310 Program in Delaware. DTC will determine if the 5310 funds will be used for purchased transportation, the purchase of vehicles, or any combination of the eligible activities listed in the circular. DTC's primary responsibilities include advertising the availability of Program applications funds, issuing applications to interested organizations, recommending the selection of eligible organizations/projects, reviewing applications/projects, and making recommendations for award. In addition, DTC is responsible for the procurement of vehicles and/or related equipment and monitoring all aspects of the overall Program.

The Role of Organizations Participating in the Section 5310 Program

It is the responsibility of each participating organization to fully comply with all program requirements. Each organization must utilize all awarded funds and equipment as intended and stated in the original agreement.

Section C: **Coordination**

DTC must ensure that the Section 5310 Program is coordinated with other federal and state funded programs to the maximum extent possible to enhance the transportation opportunities for all citizens of the state, particularly the elderly and persons with disabilities. DTC participated in the creation of the Statewide Coordinated Transportation Plans that were developed. Section 5310 agencies, non-profits, governmental agencies, and the general public were all encouraged to participate. DTC encourages 5310 agencies to coordinate services with each other.

Section D: **Eligible Sub-Recipients**

Section 5310 funds are made available through DTC to organizations deemed eligible and who demonstrate a project plan that meets FTA and DTC qualifying standards and favorably serves persons with disabilities, elderly citizens, and other citizens for whom public transportation services are inaccessible, insufficient, or inappropriate.

There are three categories of eligible applicants for Section 5310 funding as described by FTA Circular 9070.1G Chapter III:

1. Private nonprofit organizations. A nonprofit organization is a corporation or association determined by the Secretary of the Treasury to be an organization described by 26 U.S.C. Section 501(c) which is exempt from taxation under 26 U.S.C. Section 501 (a) or Section 101 or one which has been determined under state law to be nonprofit and for which the designated state agency has received documentation certifying the status of the nonprofit organization.
2. Governmental authorities that certify to the chief executive officer of a State that no non-profit corporations or associations are readily available in an area to provide the service; and
3. Governmental authorities approved by the State to coordinate services for elderly persons and persons with disabilities.

Local governmental authorities eligible to apply for Section 5310 funds as coordinators of services for elderly persons and persons with disabilities are those designated by the State to coordinate human service activities in a particular area. Examples of such eligible governmental authorities are a county agency on aging or a public transit provider which that State has identified as the lead agency to coordinate transportation services funded by multiple Federal or State human service programs.

Section E: **Local Share and Funding Requirements**

The State of Delaware meets its local share funding requirements for Section 5310 Capital Assistance Program through appropriations from the Delaware General Assembly. These appropriations are subject to the state budget review process. All funds applied as local match for Section 5310 grants are derived from the state budget.

1. Federal Participation: The Federal share of capital costs will not exceed 80 percent of the total purchase cost.
2. State Participation: The State of Delaware will provide a 20% match of the total purchase cost.
3. Local Participation: It is the responsibility of the grant sub-recipient to provide all operating expenses.
4. Contributed capital for the purchase of the vehicles or equipment is encouraged.

Section F: **Project Selection Criteria and Method of Distributing Funds**

For an application to be considered for funding, it must be derived from one of the locally developed, coordinated public transit-human services transportation plans for the State of Delaware. The number of organizations funded under the Program ultimately depends upon the funds allocated to the State of Delaware by FTA for the current fiscal year program. Funds are allocated according to an administrative formula that is based on the number of elderly and persons with disabilities in each state according to the latest available U.S. Census data. The annual fiscal year funding level is announced each year by FTA after October 1.

For each fiscal year, the federal portion of Section 5310 funding (80%) will be augmented in Delaware by a 20% portion contributed by the State. Although, not required, a local participation of contributed capital in excess of the non-federal ratio will enhance the opportunity of award. These combined funds will ensure that eligible organizations bear no immediate financial responsibilities other than those associated with registration, insurance, operation, and maintenance of the vehicles and/or related equipment.

Funds will be allocated to participating organizations that qualify under the evaluation criteria and document their commitment to the program's goals and objectives. The reason for this is:

1. To provide funding for the needs of participating 5310 organizations commensurate with achieving the goal of coordinated transportation service delivery.
2. To provide an equitable distribution of limited 5310 funds to both existing program participants and new program participants.
3. To provide funding to those organizations interested in participating but that were unable to do so in previous years.

Using this systematic approach for 5310 fund distribution, it is expected that funding will be provided more equitably throughout the state to eligible organizations.

Funding Priorities are as follows:

Priority One:

To provide vehicle replacement to current Section 5310 organizations needed to maintain current programs; to contract with providers to previously funded organizations which will allow new service to be implemented in an area not adequately represented by the Program and to contract with providers who demonstrate a need for transportation, but currently have limited transportation options available.

Priority Two:

Acquisition of service to promote use of private sector providers and coordination with other human service agencies and public transit providers.

Priority Three:

Additional public transportation projects that improve access to fixed-route service and decrease reliance by individuals with disabilities on ADA-complimentary transit service; or provide alternatives to public transportation that assist seniors and individuals with disabilities with transportation.

ELIGIBLE ACTIVITIES

Section 5310 funds are available for capital and operating expenses to support the provision of transportation services to meet the specific needs of senior and individuals with disabilities.

This means that at least 55 percent of any rural, small, urbanized area, or large urbanized area's annual apportionment must be utilized for public transportation capital projects that are planned, designed, and carried out to meet the specific needs of seniors and individuals with disabilities. It is not sufficient that seniors and individuals with disabilities are merely included (or assumed to be included) among the people who will benefit from the project.

In addition, capital projects up to 45 percent of an area's apportionment may be utilized for additional public transportation projects that:

- a. Exceed the ADA minimum requirements.
- b. Improve access to fixed-route service and decrease reliance by individuals with disabilities with transportation.
- c. Provide alternatives to public transportation that assist seniors and individuals with disabilities and transportation.

Application Requirements

The Section 5310 application will require organizations to provide certain information, which will enable DTC to evaluate the needs and overall eligibility of each organization. Specific information required is as follows:

1. A completed application
2. Most recent Financial Statements and Independent Auditors Report
3. Federal Transit Administration Certifications and Assurances
4. Certification of Incorporation in the State of Delaware (Articles of Incorporation)
5. Certification of Non-Profit Status-Internal Revenue Service Section 501(c)
6. Title VI Implementation plan
7. Organizational Chart as referenced in Section 8 number 6 on application.
8. Liability Insurance Certification

Evaluation and Award

Organizations that will be funded under the Program for the applicable fiscal year will be based upon an evaluation of each proposed transportation service. Each organization's application will be evaluated as to how the organization fulfills the transportation priorities as stated in the Funding Distribution and Priorities section of the State Management Plan and how the organization fulfills an unmet need or strategy as listed in the Coordinated Transportation Plans.

Each organization will also be evaluated on the following criteria:

1. Transportation needs of the clientele to be served as stated in the organization's application.
2. The year and mileage of the vehicle if an organization is asking for a replacement vehicle.
3. Organization's use of existing transportation providers.
4. Coordination efforts with other nonprofit and public transportation services.
5. Proposed utilization of requested vehicle(s) and/or proposed transportation

- as well as, past utilization of previously funded equipment, if appropriate
6. Fiscal and management capabilities.
 7. If the applicant is the current Program participant, whether or not that applicant is in full compliance with Program objectives. Any applicant currently participating in the Program, and who is not in full compliance, will not be funded until full compliance is achieved.
 8. Contributed capital for the purchase of the vehicles or equipment.

Available funds for Delaware are awarded according to the results of the evaluation process. DTC may choose to fund only a portion of the request. The amount of each award is based on the projected cost of the equipment most appropriate to meet the stated objectives of the organization. DTC will determine the budget price for all awarded equipment. After preliminary evaluation, the Program then proceeds to the final, three step process, as follows:

STEP ONE:

After all applications are ranked by DTC and allocation of funds has been made by FTA, DelDOT will approve organization applications for funding. DTC reserves the right to partially fund applications. Approval of applications is contingent upon verification of all information submitted and completion of all required documents. DTC will notify all organizations of the results, by mail.

STEP TWO:

Awards are subject to approval by the Secretary of Transportation. Organization applications that have successfully completed Steps 1 will be brought before the Secretary for review and approval.

STEP THREE:

Applications that have been approved will be incorporated into DTC's annual grant application to FTA for Section 5310 funding. DTC will keep organizations advised of the progress of federal grant approvals and will notify each organization when the actual award has been made. Upon the federal award of funds, DTC will begin the procurement process for equipment.

After all award steps have been completed, DTC, through its bidding and procurement process, will procure all equipment approved for funding. The successful bidder for the manufacture of program equipment is required to deliver such equipment to DTC.

DTC will notify sub-recipient organizations of the date of delivery of equipment. All equipment must meet specification requirements before it is delivered to any organization. No vehicle or equipment will be delivered to any organization until DTC has had the opportunity to fully inspect such vehicles or equipment and has completed all motor vehicle registration requirements as may be applicable. Organizations must execute a 5310 Agreement, a Preventative Maintenance Agreement and provide proof of insurance prior to taking possession of any vehicle or equipment. The cost of the title, registration and vehicle tags is the responsibility of each organization.

If sub-recipients apply to provide trips to serve seniors and/or persons with disabilities, DTC will tailor a contract that will serve the customers while fulfilling the missions of the agency and DTC.

Distribution of Funds

Available funds in Delaware are distributed according to the results of the evaluation process. DelDOT does not guarantee that exact requests will be met, only that organizations will be awarded certain equipment if the evaluation process results in that award.

Application Requirements for Transportation Providers

Qualifying agencies will be paid for providing the trips to their program participants with their drivers and either an existing agency vehicle, or a vehicle provided by DTC, if warranted. Using agency employees to transport program participants greatly increases customer service for those participants, as it provides consistency and familiarity with the employees throughout the day. This also allows for immediate coordination as events change and ensures that the participants arrive and depart at the required times in the most efficient way, benefiting both the participant and the agency.

The Delaware Transit Corporation will enter into contractual agreements with partner agencies and non-profit organizations throughout the state to pay them to provide trips for paratransit eligible participants to and from their agencies for their daytime programs. This venture will use state funds and may include the use of

Delaware Transit vehicles where appropriate. The cost per trip, use of vehicles, agreement term, etc. will be negotiated with each qualifying agency

1. DTC will invite agencies to join the program that have DART trips that are most applicable to the program
2. DTC will contract with the agencies and compensate them to provide trips with the agencies' resources and employees.
3. The partnership must provide operational benefits (reduce peak burden, transition a challenging trip, increased use of 5310 vehicle, etc.) to DTC and provide increased value to the agency.
4. The program will tailor contracts by agency regarding: rates, trips, number of vehicles, number of participants, length of contract, etc.

The Delaware Transit Corporation will enter into contractual agreements with community partners throughout the state to pay them to provide trips in the community to serve the targeted populations. This venture will use Federal and/or state funds and may include the use of Delaware Transit and/or 5310 vehicles where appropriate. The cost per trip, use of vehicles, agreement term, etc. will be negotiated with each qualifying partner.

1. DTC will invite community partners to join the program that fill a transportation gap in a targeted area.
2. DTC will provide a vehicle to the community partner and compensate them to provide trips with their resources and employees.
3. The partner must provide trips that benefit the targeted population (persons with disabilities, the aged, low-income, veterans, etc.
4. The program will tailor contracts by agency, regarding rate, trips, number of vehicles, number of participants, length of contract, etc.

Section G:
Annual Program of Projects Development and Approval Process

DTC had developed over the years a mailing list of private non-profit agencies. This list is comprised of all agencies who have ever received assistance under this program, all agencies that have applied but have been denied assistance and all agencies who have made an inquiry or requested information on the Section 5310 program but have never applied for assistance. Typically, DTC sends out applications to each agency on this list. In addition, DTC advertises an “Expression of Interest for FTA Section 5310 Funding” in Delaware local newspapers. Applications are typically due, seven weeks after the advertisement appears in the local newspaper. After the filing deadline each application is reviewed and scored by DTC’s Department. Ranking is accomplished by a weighted point system. Awards are usually announced four weeks later.

Section H:
State Administration, Planning and Technical Assistance

DTC does not use 10 percent of the funds for these purposes.

Section I:
Transfer of Funds

DTC does not transfer 5310 funds to other FTA programs.

Section J:
Private Sector Participation

To ensure that the public and all private for-profit transit operators have the opportunity to be involved in the transportation planning process and the development of transportation plans in both urban and rural areas, DTC invites these groups to the transportation plan meetings. Interested parties will be given the opportunity to express their views on the proposed transportation services.

Section K: **Civil Rights**

Delaware Transit Corporation on behalf of the State of Delaware provides to FTA assurances that the Program will be managed in compliance with the Equal Employment Opportunity, Title VI, Disadvantaged Business Enterprise, American with Disabilities Act and Section 504 programs.

In accordance with FTA circular 9070.1G a signed Standard Assurances, including Title VI is included in the application package. All applications are retained on file. Those agencies selected by Delaware Transit Corporation for inclusion in the federal grant submission must provide various assurances as required by law and/or deemed necessary by DTC. These assurances will remain on file with the application and must be on file before a vehicle is released to an agency. Delaware Transit Corporation will provide adequate monitoring of its sub-recipients to assure their compliance through site inspections, field evaluations and inquiry to complaints received.

Section L: **Section 504 and ADA Reporting**

Each approved applicant as part of their FTA Certifications and Assurances certifies that it is following all requirements imposed by or pursuant to 49 CFR, Part 27, Nondiscrimination because of a handicap.

The Delaware Transit Corporation being the sole purchaser of equipment assures that all specification requirements under ADA are met. In addition, by application review, field inspection of equipment and follow up to complaints received, DTC monitors each sub-recipient's service to assure compliance with Section 504 and ADA requirements.

Section M: **Program Measures**

Monthly vehicle utilization reports are required from organizations receiving Section 5310 equipment. These reports are to be submitted to DTC by the 15th working day of the following service month. DTC reviews and analyzes the monthly reports and uses this information to monitor the Program.

Section N: **State Program Management**

Procurement

DTC requires that all equipment purchased under this grant program be accessible and meet ADA vehicle specification requirements. The specifications are developed by DTC's Operations Department. The purchasing of all vehicles is handled by DTC's Fiscal Department using a formally advertised competitive bid process. All titles are issued in the name of the sub-recipient.

Vehicles funded for transporting elderly and disabled individuals will include modified vans or various size buses. Vans and buses are customized, to the extent possible, to the needs of the organization and it is the responsibility of each interested organization to be as specific as possible when indicating needs on the application. In all cases, vehicles will be wheelchair lift operated.

Funded organizations will be given the opportunity to select floor plans (if available and as approved by DTC), certain vehicle exterior colors and related equipment (if applicable) after the awards are made. Other capital expenses eligible to be funded under the Section 5310 Program include radios, communication equipment, and computer software/hardware.

Ownership

Vehicles purchased under the Section 5310 Program are funded on an 80/20 federal/non-federal matching basis. This means that FTA provides 80% of the funding for the Program and the State of Delaware provides the 20% local match on behalf of the Section 5310 sub-recipients.

Title to the equipment acquired under the Section 5310 Program will be retained by the awarded organization, for the useful life of the vehicle. Useful life is defined by DTC and will vary by type of equipment as well as by operational environment. Section 5310 sub-recipients may not enter into any form of agreement that affects or in any way encumbers or alters the title to the equipment funded under this program without the prior written consent of DTC.

In most cases, the ownership of vehicles more than five (5) years old, which were awarded through the program, remain the same with no further obligations to the program, EXCEPT:

1. The sub-recipient Agency must continue to provide vehicle insurance, with the Delaware Transit Corporation (DTC) named as the additional insured. The Agency must furnish DTC with a Certificate of Insurance

yearly, specifically noting the vehicle covered.

2. The Agency must retain ownership of the vehicle until such time as it is not either serviceable or the Agency no longer has a need for the vehicle. The Agency may not enter into any agreement with regard to leasing, selling, or otherwise disposing of the vehicle. All vehicles purchased under this program must be returned to DTC for disposal in accordance with Delaware State Law.
3. FTA regulations must be followed until the vehicle is returned to DTC.
4. All terms and conditions of the original contract will remain in place until the vehicle is returned to DTC. This includes provisions for monthly reporting as specified by DTC.

Financial Management

All purchases of vehicles under this program are capitalized and tracked in DTC's Fixed Asset Department.

Responsibilities

Insurance

DTC requires all organizations acquiring vehicles under the Section 5310 Program to purchase and maintain full insurance coverage. Collision and comprehensive insurance must be for the market value of the acquired vehicle and related equipment and must name DTC as the additional insured(s). Organizations must carry minimum liability coverage of one million dollars (\$1,000,000.00). Liability coverage must indemnify and hold harmless DTC against any liability arising out of the organization's possession and use of any Section 5310 vehicle (s) and equipment.

DTC Vehicle Preventative Maintenance Program

Organizations awarded Section 5310 vehicles are required to participate in DTC's Vehicle Preventative Maintenance (VPM) Program, which provides routine vehicle maintenance and inspection on a regularly scheduled basis. Agencies are responsible for maintaining the interior and exterior of the vehicle in a clean manner that reflects a quality transportation service. Each organization is responsible for the cost of labor, parts and supplies under the VPM Program along with all costs associated with additional maintenance outside of the VPM Program.

Repairs must be completed in a timely manner. Upon receipt of a vehicle, DTC will set up a maintenance schedule at one or more of its locations statewide. Sub-recipient organizations are responsible for delivering the vehicle for maintenance and retrieving the vehicle in a timely manner.

Driver Training and Drug/Alcohol Testing

Organizations awarded Section 5310 vehicles will be required to meet any applicable FTA and USDOT regulations concerning Drug/Alcohol Testing. If required Organizations will be required to demonstrate participation in random drug and alcohol testing programs as required by FTA/USDOT by providing documentation which supports the agency's participation. DTC does not require driver-training courses but offers Organizations the opportunity to participate in DTC's Driver Training Program and driver safety classes.

DTC Agreement

The terms and conditions for the use of any Program equipment are outlined in the Standard Agreement between DTC and all sub-recipient organizations. The Agreement must be fully executed before any organization can take possession of any equipment. A copy of the Agreement will be retained by the organization.

Other State Regulations

DTC reserves the right to inspect all equipment received and awarded under this Program. If not used in accordance with the guidelines as set forth, DTC reserves the right to repossess the equipment. In addition, any equipment not maintained in accordance with the manufacturers' specifications and DTC's standards for cleanliness, safety and/or mechanical soundness, is subject to involuntary retrieval by DTC. Please refer to Procedures for Noncompliance for more information.

Property Management

The DTC Operations Department inspects each vehicle prior to delivery to eligible sub-recipients. A file is created by DTC's Fiscal Department on each vehicle as it is delivered. Information includes name and address of sub-recipient, vehicle ID number, vehicle identification number from manufacturer, delivery date, date of last report and status of insurance. In addition, vehicle information and funding source is maintained. Staff will ensure that all equipment is maintained in service for the approved use and that all operating and reporting requirements are met.

Each vehicle will be inspected, at a minimum, once every two years to determine the accuracy of written reports, and to evaluate the overall condition of the vehicle and the sub-recipient's transportation program.

On Site Review

DTC will conduct, at a minimum, an annual on-site review of each sub-recipient to assure their compliance to the Section 5310 program through site inspections, field evaluations, review of documents, and inquiries.

The sub-recipient must permit DTC, or any authorized representative, full access to any books, documents, papers, and records relevant to the project. DTC maintains the right to inspect all project equipment and property with one day's notice.

Use of Vehicle(s) of Equipment/Purchased Transportation

Federal regulations require that all vehicles and/or purchased transportation services acquired under Section 5310 be used only in the following ways:

1. By the private nonprofit organization as described in its original application.
2. By several private nonprofit organizations in coordinated services for a variety of elderly or disabled persons. It is understood that at a minimum, the service that was proposed by the organization in its grant application will be provided and that the originally designated clientele will be served.
3. By a private-for-profit operator, through lease or other contractual agreement, with the private nonprofit organization. FTA will permit vehicles acquired by nonprofit organization to be leased to private-for-profit companies where such companies could not otherwise provide required services and where such arrangements result in more efficient and effective service for elderly and disabled persons. Such arrangements must have prior written permission of DTC.
4. By public bodies approved by the State to coordinate services for elderly and persons with disabilities.
5. By public bodies authorized by the State to provide transportation services to the general public, as long as such use does not interfere with the primary purpose of transporting elderly persons and persons with disabilities.
6. By public bodies which certify to the Governor that no nonprofit corporations or associations are readily available in an area to provide the service.

Effective policy control of vehicles/and or purchased transportation must remain with the grant recipient. DTC must approve any contractual arrangements entered into under all the above prior to contract execution.

Disposition of Vehicle(s) or Equipment

FTA funded vehicles and related equipment will be returned to DTC in the following circumstances:

1. Organization is terminating the Program for which the equipment was purchased.
2. DTC requires organization to return the vehicle (see Procedures for Noncompliance).
3. The vehicle has exceeded its useful life and is eligible for rehabilitation or disposal. DTC will determine if rehabilitation is cost-effective, and, if so determined, will retrieve the vehicle, perform the necessary rehabilitation, and return the vehicle to the Program.
4. In the event of extremely unusual or safety related circumstances.

Vehicles will not be transferred, returned to DTC, or parked in storage, nor taken out of service for any period of time because of color, seating configuration, size, maintenance problems (except those which may create a safety hazard), or etc. Upon the return of any vehicle or related equipment to DTC, the organization surrenders all claims to and interests in such equipment. Upon receipt of any funded vehicle or related equipment, DTC will make final disposal in accordance with State and Federal guidelines.

Disposition of Vehicles Destroyed or Damaged in Fire and/or Accident

All vehicles purchased with Section 5310 funds must be covered by insurance. If a vehicle damaged in a fire and/or accident is repairable, the grantee must negotiate a settlement with the insurer, get the vehicle repaired and place it back in service.

If the vehicle is not repairable, it is eligible for replacement. If the grantee wishes to replace the vehicle, 100% of the insurance claim payments must be applied to the cost of the replacement vehicle. If the grantee doesn't wish to replace the vehicle, the insurance claims payment must be returned to DTC who will purchase a replacement vehicle, which can be assigned to another approved grantee.

Restrictions

Riders Other than the Elderly and Disabled

The primary service of Section 5310 vehicles must be for the transportation of elderly and disabled individuals.

Leasing Vehicles

Vehicles acquired under this Program may be leased to other entities such as local public bodies or agencies, other private non-profit agencies, or private for-profit operators. Under such a lease, the lessee operates the vehicles on behalf of the Section 5310 sub-recipient and provides transportation to the sub-recipient's clientele as described in the grant application. This is permitted only when all the following criteria are met:

1. The transportation service provided by the public body is specialized service for elderly and/or disabled, and the public body does not provide general public transportation services.
2. The public body cannot acquire vehicles through other FTA funding sources to provide the service; private-for-profit operators in the area have been given first opportunity to participate in the provision of such service, and the control and responsibility for the vehicle remains with the private nonprofit organization.
3. DTC must approve any contractual agreement entered into which involves a Section 5310 vehicle prior to its execution.

Meal Delivery Service

Exclusive use of Section 5310 vehicles for the delivery of meals is prohibited. However, vehicles used to transport elderly and disabled persons can also be used for incidental meal delivery service during those periods when the vehicles are not in use for the purposes stated in the organization's original application. This type of use should be kept to a minimum, must not interfere with any transportation services for the elderly and disabled.

Organizations that seek to obtain Program vehicles to transport elderly and disabled persons and to deliver meals, must provide detailed explanation of these uses in their application. FTA funded organizations are prohibited from using Program vehicles for meal delivery unless specifically authorized by DTC.

Coordination with Other Transportation Providers

It is the goal of the State of Delaware to promote mobility for people and goods through a balanced and multi-modal transportation system. Consistent with the stated goal, this system will include a coordinated, statewide paratransit service. Such a system will ensure that the maximum amount of transportation service is provided, while maximizing the efficiency of federal and state resources and to the greatest extent practicable minimizing costs. Agencies are encouraged to participate in coordination of services through development of Interagency Agreements.

Service Area

Vehicles funded through this Program must be utilized to transport any organization's eligible clients only within the State of Delaware, unless prior written permission is obtained from DTC prior to any trips.

Audit and Close Out Procedures

Once the project is completed and all funds have been expended:

1. Receive quarterly grant drawdown report from DelDOT's Finance Office within 10 days of the end of the quarter.
2. Reconcile this report with both DelDOT's FACTS and FSF report and FTA's TEAM system.
3. Update Milestones Report {MR} reflecting project completion dates.
4. After balancing, file electronic Financial Status Reports {FSR} through FTA's TEAM system. On this report we will specify that this is the final report for this grant and request that FTA close it.
5. After filing FSR and MR, update Excel spreadsheet that Finance maintains on the grants.
6. Send verification of reconciliation {spreadsheet} and requested closing {FSR report} to DelDOT's and DTC's Finance Offices.
7. Send the project file to DelDOT's Finance Office, requesting that they deactivate and close the project.
8. DelDOT Finance will forward project to the Audit Section for a final audit.
9. Once Audit is received by DelDOT Finance any appropriate action will be performed and the project will be closed.

Procedures for Non-Compliance

It is the intent of DelDOT and DTC to ensure full compliance with all FTA regulations regarding the Section 5310 Program. Although situations that place a program in non-compliance are rare, procedures have been established to enable DTC to effectively monitor the Program.

Depending upon the type of compliance problem and severity, the following process will be used when applicable:

1. A DTC representative will notify the Organization that there is evidence of noncompliance. A meeting will be conducted with the Organization and DTC to discuss the problem. DTC will make every attempt to discuss compliance requirements with the Organization to prevent any misunderstandings.
2. After this initial meeting, if compliance problems persist, DTC will notify the Organization in writing of the continuing problem and allow 30 days for resolution of the problem.
3. Should the meeting and written notification fail to bring an organization into compliance, DTC may exercise one of the following options (on a case-by-case basis, depending upon severity of noncompliance):
 - a. deny future funding requests of the organization.
 - b. direct that the funded vehicle and/or related equipment be immediately returned to the nearest DTC facility.

DTC reserves the right to repossess a vehicle immediately where there is evidence that the vehicle is:

1. Being used for illegal activities
2. Being operated in violation of safety standards
3. Being operated in violation of DTC policies

If vehicles and/or related equipment are forfeited by a funded organization, DTC will in turn re-allocate the equipment to another eligible organization. The original grantee will relinquish all rights to any vehicle or related equipment that has been reallocated. Reallocation to other organizations will be considered permanent and vehicles will not be returned to the original-funded organization, even if the organization subsequently resolves the non-compliance problems. Any vehicle that is reassigned to another sub-recipient is reported to FTA on the current Section 5310 Program of Projects.

If vehicles and/or related equipment are forfeited by a funded organization, the organization may appeal such a DTC decision. The appeal must be written and set forth the conditions and circumstances that will allow a clear, reasonable understanding of the facts for such an appeal. Within thirty days (30) of the forfeiture, the appeal must be received at the following address:

The Delaware Transit Corporation
119 Lower Beech Street, Suite 100
Wilmington, DE 19805
Attention: Fiscal Manager

Following receipt of written appeal, the organization filing such will be notified as to the time and place of an appeal hearing.

Section O: **Other Provisions**

Buy America

DTC's Contract Administration Department purchases all vehicles using a formally advertised competitive bid process. DTC requires bidders, as part of the bid process to complete a Buy America Certification. Prior to contract award, the certification is reviewed by the Contract Administration Department. A pre-award and post-delivery audit is completed to assure compliance with Buy America requirements.

Charter Bus

The Organization agrees to comply with 49 U.S.C. 5323(d) and 49 CFR Part 604, which provides that recipients and subrecipients of FTA assistance are prohibited from providing charter service using federally funded equipment or facilities if there is at least one private charter operator willing and able to provide the service, except under one of the exceptions at 49 CFR 604.9. Any charter service provided under one of the exceptions must be "incidental," i.e., it must not interfere with or detract from the provision of mass transportation.

Commercial Driver's License or Class D License

By Federal regulation, a commercial driver's license must be held by any and all operators of vehicles that seat 16 or more people including the driver. Required a Class D Driver License to operate vehicle under 26,000lbs carrying less than 16 passengers. DTC will notify each of its sub-recipients that a valid commercial driver's license or Class D license is required. DTC will provide driver's training and/or refresher training for sub-recipients if requested, or as needed if an operator

has an above average accident record. Additionally, DTC believes that, in part, safe vehicle operation results from recognizing, understanding, and appreciating special customer needs. DTC makes available training to each sub-recipient in passenger sensitivity.

Debarment and Suspension

All sub-recipients and third-party contractors awarded FTA assistance are required to sign a Certification of Integrity. DTC requires bidders, as part of the bid process, to complete a Certification of Integrity. Prior to contract award, the certification is reviewed by the Contract Administration Department. The Contract Department also verifies to the U.S. General Services Administration (GSA) document titled “Lists of Parties Excluded from Federal Procurement or Non-procurement Programs.”

Drug and Alcohol

DTC has a federally approved Drug and Alcohol Policy for ensuring a safe, drug-free workplace. This policy is current and on file at both FTA and DTC. DTC has a program in place for random drug testing of all employees in safety sensitive positions.

Environmental Protection

DTC reviews each potential project to ensure that they are “categorical exclusions” as defined by FTA. If the project does not qualify as a “categorical exclusion”, DTC would ensure that the Environmental Protection requirements as defined in 9070.1G are met.

Restrictions on Lobbying

DTC has certified to FTA that no DTC employee is employed to lobby. All sub-recipients and third-party contractors awarded FTA assistance are required to sign a Restrictions on Lobbying Certification. DTC requires bidders, as part of the bid process, to complete a Restrictions on Lobbying Certification. Prior to contract award, the certification is reviewed by the Contract Administration Department.

School Bus Requirements

Pursuant to 69 U.S.C. 5323(f) and 49 CFR Part 605, recipients and subrecipients of FTA assistance may not engage in school bus operations exclusively for the transportation of students and school personnel in competition with private school bus operators unless qualified under specified exemptions. When operating exclusive school bus service under an allowable exemption, recipients and subrecipients may not use federally funded equipment, vehicles, or facilities.

Appendix A:

**Lists of Statutes, Regulations, Executive Orders,
and Administrative Requirements Applicable to
Section 5310**

(Briefly described and provided for the convenience of the applicant.)

Statutes

Section 3(e) of the FTA Act, 49 U.S.C. 1602(E) which requires, among other things, the recipient to provide to the maximum extent feasible for the participation of private mass transportation companies.

Section 12(c) of the FTA Act, 49 U.S.C. 1608(C) Which, among other things, prohibits discrimination because of race, color, creed, national origin, sex, or age.

Section 5310 of the FTA Act, 49 U.S.C. 1612 which provides, among other things, for the planning and design of mass transportation facilities to meet the special needs of the elderly and disabled.

Title VI of the Civil Rights Act of 1964, 42 U.S.C. 2000(d) which, among other things, prohibits discrimination because of race, color, or national origin by recipients of Federal financial assistance.

Title VII of the Civil Rights Act of 1964, 42 U.S.C. 2000(a) which, among other things, prohibits discrimination in employment.

Section 504 of the Rehabilitation Act of 1973, 29 U.S.C. 794 which, among other things, prohibits discrimination because of handicap by recipients of Federal financial assistance.

"Hatch Act," 5 U.S.C. 1501, et seq. which, among other things, imposes certain restrictions on political activities of recipients of federal financial assistance.

"Buy America Requirements," Section 5310 of the Surface Transportation Assistance Act of 1982, P.L. 97-424 which, among other things, requires that steel, cement, and manufactured products procured under FTA funded contracts of a certain size be of domestic manufacture or origin (with four exceptions).

Contract Work and Safety Standards Act, 40 U.S.C. 327-333 which, among other things, establishes the required basis and conditions for hours of work and for

overtime pay of laborers and mechanics, and directs the Department of Labor to formulate construction safety and health standards.

National Environmental Policy Act of 1969, 42 U.S.C. 4321, ET SEQ. which, among other things, prohibits Federal assistance that will adversely affect the quality of the environment.

Federal Water Pollution Control Act, as amended by the Clean Water Act of 1977, 33 U.S.C. 1251, ET SEQ which, among other things, sets limits on pollutants discharged in international waterways and requires safeguard against spills from oil storage facilities.

Clean Air Act of 1955, as amended, 42 U.S.C. 7401, ET SEQ. which, among other things, establishes national standards for vehicle emissions Energy Policy and Conservation Act, 42 U.S.C. 6321 which, among other things, authorizes development and implementation of state energy conservation plans.

National Flood Insurance Act of 1969, 42 U.S.C. 4011, ET SEQ. which, among other things, authorizes a national flood insurance program.

Flood Disaster Protection Act of 1973, 42 U.S.C. 4012A, ET SEQ. which among other things, requires the purchases of flood insurance by recipients of federal financial assistance who are in areas having special flood hazards.

The Safe, Accountable, Flexible, Efficient Transportation Equity Act, a Legacy for Users (Public Law 109-059) signed into law on August 10, 2005, and codified in 49 U.S.C. Chapter 53.

Regulations

49 C.F.R. Part 600, et seq. regulations promulgated by FTA 49 C.F.R. Parts 18,20,21, 23, 24, 25, 27, 29, 37, 38,639,661,663 and 665 regulations promulgated by the Department of Transportation governing Title VI of the Civil Rights Act of 1964, Minority Business Enterprise, Relocation and Land Acquisition, Uniform Relocation Assistance and Real Property Acquisition, Nondiscrimination because of Handicap, Drug-Free Workplace

Act of 1988, Bus Testing, Transportation for Individuals with Disabilities, Pre-award and Post-delivery audits, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments, New Restrictions on Lobbying, Capital Leases, 56 Fed. Reg. 51786, dated 10-15-91, Buy America Requirements: Surface Transportation Assistance Act of 1982, respectively.

0 C.F.R. Part 601 regulations promulgated by the Department of Energy governing Restrictions on Lobbying.

36 C.F.R. Part 800 regulations promulgated by the Advisory Council on Historic Preservation.

46 C.F.R. Part 381 regulations promulgated by the Maritime Administration governing cargo preference requirements.

31 C.F.R. Part 205 regulations promulgated by the Department of Treasury governing letter of credit.

40 C.F.R. Part 15 regulations promulgated by the Environmental Protection Agency pertaining to administration of Clean Air and Water Pollution requirements for grantees.

Executive Order

E.O. 11988 which establishes certain specific requirements related to flood protection and control.

E.O. 12372 which rescinds OMB Circular A-95 and establishes new requirements currently being implemented.

Administrative Requirements

Office of Management and Budget (OMB) Circular A-87 which provides costs principles applicable to grants and contracts with State and local governments.

Office of Management and Budget (OMB) Circular A-102 which provides uniform requirements for assistance to State and local governments.

Federal Transit Administration Circular FTA C 9070.IF Dated May 1, 2009, Elderly Individuals and Individuals with disabilities Program Guidance and application Instructions.