

**State of Hawaii**  
Department of Transportation  
Statewide Transportation Planning Office

**CAPITAL ASSISTANCE FOR THE TRANSPORTATION  
OF THE ELDERLY AND DISABLED**

In accordance to 49 USC Section 5310

**INFORMATION**



FY 2017

**Deadline to submit application is July 19, 2017**

## Background

In 1990, the American with Disabilities Act (Public Law 101-366), often referred to as ADA, was signed into law. In part, this civil rights legislation mandates equal opportunity in employment, telecommunications, transportation, and places of public accommodation for persons with disabilities. In addition to providing equal opportunities for individuals with disabilities is the requirement to providing “accessibility” in transportation.

The U.S. Department of Transportation (USDOT) published its final ruling implementing the ADA provisions requiring that after August 25, 1990, public and private transportation providers must, with some exceptions, solicit or procure accessible vehicles. These rules apply to both public and private providers regardless of whether transportation is a primary or ancillary function, and covers both fixed-route and demand-responsive transportation operations. For more details on ADA requirements relating to transportation, refer to the September 6, 1991 Federal Register, Part IV Department of Transportation, 49 Code of Federal Regulations (CFR) Parts 27, 37 and 38 Transportation for Individuals with Disabilities; Final Rule.

The Age Discrimination Act was passed in 1975 (42 USC Section 6101). This legislation mandates that no person shall be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any program or activity receiving Federal financial assistance on the basis of age.

In pursuing the intent and requirements of American Disabilities Act and the Age Discrimination Act, the USDOT initiated 49 USC Section 5310 assistance program that makes federal funds available to provide transportation services for elderly persons and persons with disabilities. The 49 USC Section 5310 federal assistance program is administered and managed by the Federal Transportation Administration (FTA). The FTA has designated the Governor of the State of Hawaii to administer the 49 USC Section 5310 program on its behalf. The Governor of Hawaii designated the Hawaii Department of Transportation (HDOT) as the recipient of FTA 49 USC Section 5310 program for the purpose of administering those funds in accordance with State and federal laws, rules and regulations.

## Purpose

The goal of the 49 USC Section 5310 federal assistance program, better known as Section 5310, is to provide assistance in meeting the special transportation needs of elderly persons and persons with disabilities. The Section 5310 program is designed to supplement other FTA capital assistance programs, such as the Section 5307 and Section 5311 programs that provide federal funding assistance to public transportation systems, by funding transportation for elderly persons and persons with disabilities in all areas – urbanized, small urban and rural. The program seeks to enhance coordination of federally assisted programs and services in order to encourage the most efficient use of Federal resources and achieve the national goal of improved mobility for elderly persons and persons with disabilities.

*FTA Coordinated Public Transit – Human Services Transportation Plan*

Federal transit law, as amended by SAFETEA-LU, requires that projects funded from FTA Section 5310, Section 5316 (Job Access and Reverse Commute), and Section 5317 New Freedom) programs be derived from a locally developed, coordinated public transit – human services transportation plan. This coordinated plan maximizes the programs’ collective coverage by minimizing duplication of services. The coordinated services plan was developed through the process that includes representatives of public, private and non-profit transportation and human services providers and participation by the public. The coordinated plan may incorporate activities offered under other programs sponsored by Federal, State and local agencies to strengthen its impact, and participation in coordinated service delivery as long as the coordinated services continues to meet the purposes of all programs.

## Eligible Projects

The FTA Section 5310 program provides assistance for the purpose of providing transportation services in meeting the special needs of elderly and disabled persons where mass transportation services are unavailable, insufficient, or inappropriate.

The Section 5310 program provides several eligible uses that qualify for federal assistance. The State of Hawaii Department of Transportation (HDOT) has determined the most effective and efficient use of these funds are for capital purchases that provide for the transportation service needs of the elderly and disabled. For this reason, eligibility is restricted to two capital uses – (1) motor vehicle purchases, and (2) motor vehicle equipment purchases.

The capital purchases must be for accessible motor vehicles, or equipment for accessible motor vehicles. However, purchases for non-accessible vehicles or equipment are eligible, when Equivalent Service is provided. The following is an outline of eligible motor vehicle expenditures, by organization type and transportation service:

1. Private Non-Profit Organizations – Not Primarily Engaged in the Provision of Transportation
  - A. Fixed Route Service
    - All motor vehicles with capacity > 16 must be accessible
    - All motor vehicles with capacity < 16 must be accessible unless equivalent service is provided
  - B. Demand Responsive Service
    - All motor vehicles must be accessible unless equivalent service is provided
2. Private Non-Profit Organizations – Primarily Engaged in the Provision of Transportation
  - A. Fixed Route Service
    - All motor vehicles must be accessible
    - Except automobiles where equivalent service is provided

- Except vans with capacity < 8 where equivalent service is provided
- B. Demand Responsive Service
- All motor vehicles must be accessible unless equivalent service is provided
3. Public Entities
- A. Fixed Route Service
- All motor vehicles must be accessible
- B. Demand Responsive Service
- All motor vehicles must be accessible unless equivalent service is provided

The proposed capital expenditure, hereafter called the Project, must be consistent with the aforementioned eligible expenditures in order to receive funding assistance.

## Funding Requirements

The Section 5310 program provides a maximum of 80 percent federal funding assistance of the total project cost. The remaining 20 percent of the total project cost must be provided by the applicant organization from non-Federal funding sources. Once an applicant organization is approved to receive FTA funding for an approved project, it is then referred to as a “sub-recipient”.

## Eligible Project Uses

Primary Use is defined as the transporting of elderly individuals and/or individuals with disabilities. Projects, such as motor vehicles or vehicle equipment, purchased with Section 5310 funds do not have to be solely used for the Primary Use. Projects not used for transporting of elderly individuals or individuals with disabilities are defined as Incidental Use. Incidental Use cannot interfere with the Primary Use of the Project.

## Eligible Organizations

Section 5310 program funds are intended for use by Private Non-Profit Organizations or eligible Public Entities, referred to as a “sub-recipient” (of FTA funds) in providing transportation services to elderly individuals or individuals with disabilities.

Public Entities are eligible for federal assistance under the Section 5310 program upon certifying that there are no private non-profit organizations already providing or readily available to provide the proposed transportation service to elderly individuals or individuals with disabilities.

The following are eligible applicant organizations:

1. Private Non-Profit Organizations – Not Primarily Engaged in the Provision of Transportation

Any private non-profit organization that is not a state or local government; and department, agency, special purpose district, or other instrumentality of one or more state or local governments that are not primarily engaged in the provision of transportation, but do provide transportation services to the elderly or disabled.

The applicant Private Non-Profit Organization is required to submit proof of non-profit status by either a copy of the current annual Domestic Non-Profit Corporation Exhibit from the State Department of Commerce and Consumer Affairs or a Non-profit Status Letter from the Internal Revenue Service; and Documentation of Incorporation.

## 2. Public Entities

Any state or local government; and department, agency, special purpose district, or other instrumentality of one or more state or local governments provided there are no non-profit private entities already providing or readily available to provide the proposed transportation service.

The public entity is required to submit evidence that there is no competing non-profit entity providing similar service. The applicant public entity must certify by letter signed by the Director of the agency and the Mayor of the County to the Department there are no non-profit corporations or associations already providing or readily available to provide the proposed transportation service to elderly persons and persons with disabilities.

### Duplication of Transportation Services Requirement

In providing effective and efficient use of Section 5310 federal assistance, Applicant Organizations are required to provide verification and proof that similar services of transporting the elderly or disabled is not being provided by another organization.

## **Project Use Requirements**

### Project Use

The Project must be used as described in the application, and in accordance with all applicable Federal, State and local requirements.

If the sub-recipient does not use the project as described in the application or in accordance to applicable Federal, State and local requirements, the Department may remove the project from the sub-recipient. The sub-recipient will not be compensated for any capital costs related to the removal of the project, and may be removed from any future consideration for Section 5310 program funding assistance.

### Project Not-In-Service

If the Project is not in use for a period longer than two weeks, the sub-recipient is required to immediately notify the Department. The sub-recipient at the time of notifying the Department shall provide the cause for the Project not being in use, efforts taken to get the Project back in service and when the project will be back in service. The Department may consider the sub-recipient's inability to get the Project back in service as being non-compliant with the maintenance requirement.

### Project Title

The title to the Project, motor vehicle or equipment, acquired under the Section 5310 Program will be vested with the sub-recipient.

### Project Use Records

The sub-recipient must keep operation records of the Project. Operation records must be kept for both primary and incidental use, in terms of ridership, trip destination, passenger characteristics, accidents and incidents. The records must also be traceable to the costs and revenues linked to the operations of the project, including primary and incidental uses.

### Project Insurance

The Project purchased with Section 5310 funding assistance is required to have full insurance coverage for the capital cost of the project for the use of the Project. The sub-recipient is responsible for the insurance coverage.

### Commercial Driver's License (CDL)

Anyone that drives motor vehicles or vehicles containing equipment purchased with Section 5310 funds is required to have a CDL for either a single motor vehicle with a gross vehicle weight rating (GVWR) of more than 26,000 pounds, or a motor vehicle designed (base configuration) to transport more than 16 persons, including the driver.

### Commercial Vehicle Permit

By State requirement, vehicles over the GVWR of 10,000 pounds must have a commercial vehicle permit. The commercial vehicle permit is the responsibility of the sub-recipient.

### Project Profit

If Project use or disposition provides a revenue profit, the profits must be reinvested into the sub-recipient's transportation services for the elderly or persons with disabilities, or turned over to the Department where it will be utilized for transit.

## Project Maintenance Requirements

### Maintenance

The sub-recipient must properly maintain the Project at all times and keep the Project in safe operational condition for the use describe in the application, and in accordance with all applicable Federal, State and local requirements. All costs for Project maintenance are the responsibility of the sub-recipient.

If the sub-recipient does not maintain the project as described in the application or in accordance to applicable Federal, State and local requirements, the Department may remove the project from the sub-recipient. The sub-recipient will not be compensated for any capital costs related to the removal of the project, and may be removed from any future consideration for Section 5310 program funding assistance.

### Maintenance and Preventive Maintenance Records

The sub-recipient must keep vehicle maintenance and preventive maintenance records of the Project. Maintenance records include Pre- and Post-trip Inspection, regular maintenance and repair records. Preventive Maintenance records include scheduled vehicle maintenance work at set intervals over the life of the vehicle. These records shall include and/or consist of invoices and certified mechanic reports and assessments.

## Project Service Life & Disposition Requirements

### Vehicle Service Life

Motor vehicles purchased with Section 5310 funds must be used as described in the application, and in accordance with all applicable Federal, State and local requirements for a minimum period here after referred to as the Vehicle Service Life. Vehicle Service Life is defined as follows:

- Light-duty motor vehicles such as automobiles, small buses and small vans: 5 years or 100,000 miles.
- Medium-size, light-duty transit buses (approximately 25'-30'): 6 years or 150,000 miles.
- Medium-size, medium-duty transit buses (approximately 30'): 8 years or 200,000 miles.
- Small-size, heavy-duty transit buses (approximately 30'): 10 years or 350,000 miles.
- Large-size, heavy-duty transit buses (approximately 35' – 40', and articulated buses): 12 years or 500,000.
- For any other type of motor vehicle contact the Department.

Even if the Vehicle Service Life has been met, the Project may only be removed from its use as described in the application, and in accordance with all applicable Federal, State and local requirements, through Section 5310 Disposition or De-obligation process, which requires written approval from the Department.

### Equipment Service Life

Equipment purchased with Section 5310 funds must be in service with the sub-recipient for a minimum period here after referred to as the Equipment Service Life. All equipment purchased with Section 5310 funds shall have an Equipment Service Life of at least 4 years. If the equipment has a service life less than 4 years, the Applicant Organization must provide information on the Equipment's Service Life at the time of application submittal.

### Project Disposition

The Project must be used and operated as described in the application and meet all applicable Federal, State and local requirements. The Project may be removed from this obligation and agreement only when the sub-recipient has received written disposition or de-obligation approval from the Department.

Projects may only be disposed of when the intended purpose under the Service Life has been met and the Project can no longer be operated safely, efficiently and effectively. However, if there are reasons by the sub-recipient for Project removal other than the aforementioned, the sub-recipient shall request and receive approval from the HDOT to proceed with removing the Project from application use and applicable Federal requirements. If the HDOT approves Project removal, the sub-recipient shall proceed with the disposition process.

Before any disposition proceedings take place, the HDOT must be contacted for disposition consultation, requirements and procedures. Project disposition is allowed only after written approval from the HDOT.

If the Project is in operational condition as determined by the HDOT and the sub-recipient disposes the Project before the Service Life, the HDOT can reassign the project to another qualified organization. The dollar value of the Project shall be determined by the Straight-Line Depreciation Method and twenty-percent (20%) of the determined dollar share shall be provided to the sub-recipient by the HDOT.

If the Project is disposed before the Service Life and the Project is not in operational condition as determined by the HDOT, the sub-recipient shall reimburse the Department eighty-percent (80%) of the project's value determined by the Straight-Line Depreciation Method.

If the sub-recipient disposes the Project after the Service Life and obtains revenue, eighty-percent (80%) of the revenue proceeds must be utilized for the sub-recipient's transportation services. Or, eighty-percent (80%) of the revenue proceeds must be returned to the Department.

The sub-recipient may sell or trade-in the motor vehicle before its Service Life, when acquiring “like-kind” replacement vehicles (i.e., generally the same class of transit vehicle). The process to acquire “like-kind” vehicles will be the same procedure as acquiring new vehicles – the Section 5310 application process. Proceeds from the sale of the vehicle must be applied towards the purchase cost of the replacement vehicle. Sub-recipients interested in the sale or trade-in of a vehicle must contact the HDOT for consultation, requirements, and procedures before any proceedings take place.

## Accessible Requirements

### Accessibility

The Section 5310 program requires that all Projects utilizing Section 5310 funds must be accessible. The American Disabilities Act requires compliance with specific service provisions related to accessible transportation services. The accessible service provisions are listed:

- Lift and securement use;
- Lift deployment at any designated stop;
- Service to persons using respirators or portable oxygen;
- Adequate time for vehicle boarding and disembarking;
- Ingress and egress assistance to disabled clients;
- Service animals;
- Use of accessibility features;
- Procedures to ensure lift availability, public entities only; and
- Vehicle identification mechanisms.

### Non-Accessibility Exemption

The exception to the accessible requirement is the condition that the Applicant Organization’s transportation service, when viewed in its entirety, provides service to persons with disabilities, called Equivalent Service. Therefore, if other motor vehicles currently in the Applicant Organization’s inventory are accessible or a cooperative agreement with another organization that provides accessible services to the Applicant Organization’s clients, then non-accessible equipped vehicles may be proposed in the application provided Equivalent Service is provided and attested in the application.

## Recipient Organization Requirements

### Managerial Capabilities

A Recipient Organization shall have the management capability to operate and maintain the proposed project. Sub-recipients must continue to provide full managerial capabilities to safely and efficiently operate, maintain and dispose the project in accordance to the Section 5310 program requirements. Annual and Quarterly reports are required to be submitted by the sub-recipient to the HDOT on a timely basis. Documents must be accessible for FTA/HDOT compliance reviews which serve to assess and determine the continuing managerial capabilities of the sub-recipient.

### Financial Capability

The Applicant Organization must have the fiscal capacity to provide the 20% (using non-Federal funds) cost share and to properly operate and maintain the vehicle or equipment.

The Recipient Organization must also have the financial capability necessary to comply with all Section 5310 program and federal requirements. The financial record keeping of the Recipient Organization's transportation program operations, maintenance, and project use shall allow for the tracing of funds to establish that such funds have not been used in violation of the Section 5310 program and federal requirements.

The Recipient Organization's continuing financial competency and capability shall be provided to the Department by quarterly and annual reports and by compliance reviews.

### Reporting

The Federal Fiscal Year from October – September is observed as the FTA accounting and reporting period. The four quarters (1<sup>st</sup>, 2<sup>nd</sup>, 3<sup>rd</sup>, and 4<sup>th</sup>) of the Federal Fiscal Year are Oct-Dec, Jan-Mar, Apr-June, July-Sept; respectively.

All sub-recipients are required to submit to the HDOT their "Quarterly Vehicle Report" within 15-days of the end of each federal quarter. The "Annual Vehicle Report" and the "Annual Performance Measure Report for Gaps in Service and Ridership" must be submitted within 15 days of the end of the federal fiscal year. The purpose of these reports is to provide assurance that the sub-recipient organization is demonstrating compliance with the Section 5310 program, by providing project and maintenance information on the project.

Failure to submit these reports may be deemed as non-compliance with the Section 5310 Program, which may result in forfeiture of the project and disqualification from future federal assistance opportunities.

## Site Inspection

The purpose of the site inspection is to provide assurance that the Project is being operated and maintained in accordance to the requirements of the Section 5310 Program, and the sub-recipient has adequate financial, management and legal capabilities. The site inspection shall be conducted at the sub-recipient's place of business.

At the site inspection, persons capable of providing the required information regarding the operations, maintenance, records, financial, management and legal capabilities of the Section 5310 program shall be made available to the site inspection team. Site inspections will be conducted with prior notification and arrangement with the sub-recipient organization.

Failure to meet with the Department for Site Inspections shall be determined as non-compliance with the Section 5310 Program and may result in the forfeiture of the project and disqualification from future federal assistance opportunities.

## Application Procedures

When a "Call For Projects" is announced by the HDOT, Applicant Organizations are required to complete and submit the Section 5310 Application and all required documents to the Department by the application deadline. Any late or incomplete application may be rejected from consideration for the Section 5310 program.

Announcement for the "Call for Projects" and related information is available on the HDOT FTA 5310 Program website.

Applications must be submitted to:

Hawaii Department of Transportation  
Statewide Transportation Planning Office  
200 Rodger Boulevard  
Honolulu, Hawaii 96819  
Attention: Section 5310 Application  
Mr. Ryan Fujii

The Department will review all applications for completeness and consistency with the Section 5310 Program requirements. An Evaluation and Selection Committee will be convened to review qualified applications and recommend approval to the Director of Transportation.

The Evaluation and Selection Committee will evaluate and rank the qualified Applications utilizing the following equally weighted Evaluation Criteria:

1. Applicant Organization's Effectiveness of Transportation Program in meeting the transportation needs of the elderly and/or disabled.

2. Applicant Organization's Appropriateness of Project in meeting the transportation needs of the elderly and/or disabled.
3. Applicant Organization's Financial Capability for the local match, and to operate and maintain the project and the transportation program for the elderly and/or disabled.
4. Applicant Organization's Management and Operations Capability to operate and maintain the transportation program to the elderly and/or disabled.

If the Applicant Organization has previously received Section 5310 funding assistance, additional information, including to but not limited to, compliance review findings, site inspection documents and reporting records will be used in the evaluation of the Application.

Applications recommended by the Evaluation and Selection Committee and approved by the Director of Transportation shall be submitted to the FTA in a consolidated grant application for the FTA Section 5310 approval.

## Award Procedures

After FTA 5310 grant approval is received from the FTA, the Department shall notify the Applicant Organizations that they have been approved for Section 5310 funding assistance. The Applicant Organization after receiving approval for Project funding is here after called the sub-recipient Organization. The Section 5310 Program requires that the sub-recipient Organization complete and provide the following documents to the Department:

1. Agreement
2. Certifications and Assurances
3. FTA Master Agreement

If the **sub-recipient** fails to submit the aforementioned documents by the specified due date, the Department may rescind the approved Application.

Upon receipt of the required documents, the procurement of the project shall proceed.

During procurement the sub-recipient will be requested to submit their share of the Project cost to the Department. The sub-recipient's share of the Project cost will be based upon the actual Project cost, not the estimated Project cost specified in the application.

If the sub-recipient does not submit the required share of the Project cost by the specified deadline date, the Department may rescind the approved Application and funding assistance.

After procurement award, the Department will notify the sub-recipient of the Contractor that will provide and deliver the Project.

Upon delivery, the sub-recipient and the Department must verify that the Project meets the specifications provided. The Department shall accept the Project only after certifying the verification of all project specifications. The sub-recipient shall not operate the Project until the Department accepts the Project.