

HIGHLIGHTS:

- \$8.4 billion in transit-related funds have been allocated via the ARRA of 2009.
- The ARRA funds intended for transit investment will help to create nearly one quarter of a million jobs over the next year.
- Successful grant applications will have show their proposed projects to be timely, efficient, transparent, and able to meet specific goals.
- ARRA capital funds can be used for a variety of projects including capital cost of contracting.

NEWS:

To better serve our clients across the country, Majic Consulting Group has opened a new office in Fort Worth, Texas.

Other news, Majic was recently selected to develop the Short Range Transit Plan for Tuolumne County Transit (TCT) in Tuolumne County, California.



Tracking the Transportation Treasure-Trove

With the passage of the American Recovery and Reinvestment Act of 2009 (ARRA), public transportation can expect \$8.4 billion in transit related funding over the coming months.

Of those public transportation funds, \$7.5 billion will be allocated directly to the states, ensuring that the states begin increased development of their public transportation infrastructure.

Virtually half of the overall state funding will be divided between only five states, New York, California, New Jersey, Illinois, and Texas. These states will predominantly use the ARRA funds to further transit projects in their urbanized areas.

The pivotal dates that all transit agencies need to be aware of for ARRA grant submissions are as follows:

July 1, 2009
Deadline for receiving a Transportation

Electronic Award and Management (TEAM) grant number to ensure obligations and eligibility for grant submission and apportionment.

July 1, 2009
Deadline for submission of first-round grant proposals.

September 1, 2009
Apportionment of funds, triggering the reallocation requirement.

September 16, 2009
The Apportionment Notice of reallocation of formula funds will be published in the Federal Register.

December 30, 2009
Deadline for receiving a TEAM grant number for reallocated funds.

December 30, 2009
Deadline for submission of reallocation fund grant proposals.

March 5, 2010
Apportionment of funds, triggering the second reallocation of unobligated funds.

March 31, 2010
Federal Transportation

Administration (FTA) reallocates funds to urbanized areas (UZAs) and states that have not had funds withdrawn.

September 30, 2010
All remaining unobligated balances default to the Treasury.



President Obama signs the American Recovery and Reinvestment Act.

The ARRA funding is geared toward projects that are two-pronged in their scope. These capital projects must both create jobs and expand the current public transportation infrastructure. ARRA funds do not require local matching from the state

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While “shovel-ready” has dug itself into the popular lexicon, it’s more deceptive than descriptive. A variety of capital (shovel) projects are eligible for ARRA funds. Preventative maintenance and acquiring, supervising, or inspecting equipment or a facility for use in public transportation, are all considered eligible capital projects.

The “ready” aspect of “shovel-ready” is a key component of the ARRA. The speed with which the funds are used and the ensuing jobs created, is paramount to the success of the Act and of the American economy.

The degree of transparency required for ARRA funded projects will be unprecedented.

All projects using ARRA funds require written certification from the respective transit chief executives,

affirming that all investments have received full review and are agreed upon as an appropriate use of taxpayer dollars.



\$8.4 billion will be allocated to public transportation projects.

For both urbanized transit agencies receiving funding via their metropolitan planning organization, and rural transit agencies working directly with their state Departments of Transportation, an increased level of efficiency is demanded. The FTA will emphasize the use of economic analysis and performance measurement in transportation planning. Strict scrutiny and oversight are to be expected, in an effort to

ensure that instances of fraud, waste, error, or abuse are minimized.

The FTA has made its commitment to the future growth of public transportation clear. Aside from the “shovel-ready” money earmarked for the states, an additional \$750 million will be allocated to “New Starts.” Another \$100 million will be set aside for discretionary energy funding and \$56.8 million will be used to ensure the proper oversight of all public transit ARRA funds and their usage.

ARRA provides transit agencies across the country with great opportunities to expand and improve their transportation infrastructure. However, strict adherence to the rules laid out by the FTA is integral to ensure that your transit agency is successful in the grant process.

For more information on FTA funding and ARRA rules visit:

fta.dot.gov/index_9118.html

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