

Chapter 2 Guidelines for Operating Projects

The information in this chapter applies to organizations awarded RMG funds for operating projects.

Operating

Your grant agreement with WSDOT outlines the eligible services under each project, and funding sources used for each project. Only services identified in the grant agreement are eligible for reimbursement. RMG funds may be used to pay for incremental operating costs of new or expanded service, including labor, benefits, supplies, fuel, insurance, rent, utilities, contracted services and maintenance costs. An operating grant may not be used for depreciation of vehicles purchased with grant funds or costs associated with expenses incurred for timeframes outside of the grant period (such as prepaid insurance coverage). Examples of RMG program criteria:

- Activities and services must either be directly provided or purchased by the applicant. RMG funds are to be used to help establish viable new or expanded transportation services that provide a measurable public benefit.
- Operating assistance must support new transit services and/or the incremental cost of expanding existing transit services. New or expanded transit service cannot appear on timetables before the grant proposal deadline.
- Grant-supported operations must begin no later than Oct. 1, 2015.
- Other funding sources must ultimately replace RMG funds as the new services become part of the baseline transportation network. Operating assistance for a particular service will be limited to four years. Grant-funded services that started during the 2013–2015 grant cycle are eligible for grant funds through June 30, 2017. Grant-funded services that start during the 2015–2017 grant cycle will be eligible for grant funds through June 30, 2019.

Examples of eligible operating grants include but are not limited to the following:

- Operating assistance for new bus routes, new express service, new or expanded “feeder” service, and service that both increases frequency and reduces headways.
- Operating assistance for new community connections or multi-jurisdictional transportation corridors.

Eligible Expenses

An expense must be directly related to the project and reasonable in amount to be eligible for grant reimbursement. Examples of eligible direct expenses include, but are not limited to:

- Employee wages and benefits
- Vehicle fuel
- Vehicle maintenance costs
- Purchased transportation services (purchase-of-service contracts)

Purchase-of-service contracts are subject to procurement requirements and should be competitively awarded and pre-approved by WSDOT for compliance and eligibility. Your community liaison can assist with determining which requirements are applicable.