



U.S. Department  
of Transportation  
**Federal Transit  
Administration**

[REGION IV  
Alabama, Florida,  
Georgia,  
Kentucky, Mississippi,  
North Carolina, Puerto

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Mr. Jeffrey G. Mann  
General Manager  
Research Triangle Regional Public Transportation Authority  
d/b/a GoTriangle  
4600 Emperor Blvd., Suite 100  
Durham, NC 27703

JUL 28 2017

Re: Approval to Enter Engineering for the Durham–Orange Light Rail Transit Project

Dear Mr. Mann:

The Federal Transit Administration (FTA) approves GoTriangle's request for the Durham - Orange Light Rail Transit Project (Project) to enter the New Starts (NS) Engineering phase of the FTA Capital Investment Grants (CIG) Program. This approval to initiate Engineering is a requirement of Federal transit laws governing the Program (49 U.S.C. 5309(g)).

FTA is required by law to evaluate proposed projects against a number of criteria and ensure that prospective grant recipients demonstrate the technical, legal, and financial capability to implement the project. As a result of FTA's evaluation of the Project, an overall project rating of *Medium* was assigned.

**Please note that the President's Budget for FY 2018 proposes no funding for new projects, and thus GoTriangle acknowledges that it is undertaking additional work at its own risk which may not receive Capital Investment Grants funding.**

With this Engineering approval, GoTriangle has automatic pre-award authority to incur costs for Engineering activities, demolition and other non-construction activities such as the procurement of rails, ties, commodities, and other specialized equipment. GoTriangle should consult with the FTA Region IV office for a determination of whether any other non-construction activity falls within the automatic pre-award authority granted with Engineering approval.

In addition, GoTriangle has automatic pre-award authority to procure vehicles, acquire real property and perform utility relocation since the National Environmental Policy Act review process has been completed. FTA reminds GoTriangle that the procurement of vehicles must comply with all Federal requirements including, but not limited to, competitive procurement practices, the Americans with Disabilities Act, and Buy America Act Requirements. FTA encourages GoTriangle to discuss the procurement of vehicles with FTA prior to exercising the pre-award authority.

This pre-award authority does not constitute any FTA commitment that future Federal funds will be approved for the Project or for any element of the Project. As with all pre-award authority, all Federal requirements must be met prior to incurring costs to retain eligibility for future FTA grant assistance. This approval also does not constitute approval to start any physical construction activity, other than those highlighted above, without the issuance of a Letter of No Prejudice. Additional guidance regarding pre-award authority for the Capital Investment Grants Program is provided in the FTA Fiscal Year 2017 Apportionments, Allocations, and Program Information Notice, that was published in the Federal Register Notice on July 10, 2017.

#### **Local Financial Commitment**

The capital cost of the Project is estimated to be \$2,476,300,680 in year-of-expenditure (YOE) dollars. GoTriangle is seeking \$1,238,150,340 (50 percent) in Capital Investment Grants program funds. FTA determined that currently approximately 39 percent of the non-CIG funds are committed or budgeted. Prior to the Project's consideration for a Full Funding Grant Agreement, GoTriangle must: 1) secure and document the additional commitments of the non-CIG funding for the Project; 2) provide a specific plan for demonstrating financial capacity to cover unanticipated cost overruns or funding shortfalls; and include all financing costs through the end of the presumed FFGA payout schedule in the project cost estimate.

Please be advised that the amount of CIG funding for the Project is fixed at the time of entry into Engineering. Therefore, consistent with GoTriangle's request, \$1,238,150,340 represents the maximum amount of NS funds that will be provided by FTA for the Project should an FFGA be approved.

#### **Scope, Schedule, Cost, and Technical Capacity**

FTA has determined that GoTriangle has the technical capacity and capability to effectively manage the Engineering phase of the Project. However, during Engineering, GoTriangle must address all recommendations noted in FTA's *Readiness to Enter Engineering Review Report*, which represent risks to the project cost and schedule, including the key items listed below:

- Revise the Safety and Security Management Plan (SSMP) by addressing the Project Management Oversight Contractor (PMOC) findings regarding integrating safety and security into the development of the project, and the development of detailed safety and security design criteria.
- Prior to the 65% design completion milestone, perform detailed analyses using the expertise of GoTriangle's Program Management Consultant (PMC) to determine staffing needs for: 1) rail operations and maintenance and agency administration; 2) completing design and construction with agency staff as well as consultant support; and 3) completing system integration testing, start-up and safety certification.
- Complete the initial identification of potential secondary risk mitigation options as early in Engineering as possible, so that their inclusion could be planned for within the design, and construction contracts could include them as options.



**Civil Rights**

Pursuant to the Civil Rights Act of 1964 and its implementing regulations, including FTA Circular 4702.1 (Title VI Program Guidelines for FTA Recipients, Part II, Section 114), GoTriangle submitted a revised Title VI program on September 22, 2014.

This submission was approved by FTA on October 9, 2014. FTA informed GoTriangle that an update to the agency's Title VI program must be submitted by October 10, 2017. The current program approval remains valid through November 30, 2017.

GoTriangle's Equal Employment Opportunity (EEO) Plan in review status and expires on March 31, 2020. GoTriangle submit the required EEO program update at least 30 calendar days before the current approval expires. GoTriangle's revised Disadvantaged Business Enterprise (DBE) program was submitted on June 10, 2014, and approved by FTA on June 18, 2014.

GoTriangle's required triennial DBE program goal was submitted July 20, 2015, and approved by FTA on September 1, 2015. The agency's goal remains valid through September 30, 2018.

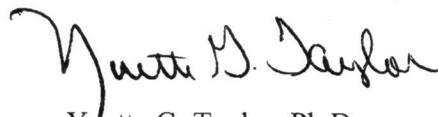
GoTriangle is required to ensure that the vehicles, stations, and facilities are designed and engineered to ensure compliance with current standards for accessibility under U.S. Department of Transportation regulations implementing the transportation provisions of the Americans with Disabilities Act of 1990 (ADA). GoTriangle is advised to independently verify manufacturers' claims of ADA compliance, and to consult with FTA's Office of Civil Rights concerning ADA requirements as project construction and implementation progresses.

**Before and After Study**

Within four months of entry into Engineering, GoTriangle should complete the milestone activities required for the Before-and-After Study of the Project, namely the documentation, analysis, and archiving of the predicted physical scope, capital cost, transit service levels, operating and maintenance costs, and ridership. GoTriangle should coordinate this work, as it is underway, with the FTA Office of Planning and Environment.

FTA looks forward to working with GoTriangle on the Durham-Orange Light Rail Transit Project. If you have any questions, please call me at 404-865-5600 or Guanying Lei of our Region IV office at (404) 865-5615.

Sincerely,



Yvette G. Taylor, Ph.D.  
Regional Administrator