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March 1, 2016

Subject: Railroad Multi-Modal Transportation Improvement Program

Mississippi Public Railroad Owner:

The Mississippi Department of Transportation (MDOT) included \$10,000,000 for Multi-Modal Transportation Improvement Program (MMTIP) projects in its proposed budget for FY2017. The railroad share of this amount will be \$1,200,000.

This year, railroad sponsors must submit an electronic copy of the application form in addition to the complete application package. The application and supporting document templates area available on the **Office of Intermodal Planning webpage** at www.gomdot.com. As a part of the application, there is also a "Multimodal Project Milestones" page where the railroad sponsor will identify the key dates over the span of the proposed project. Before completing the application, please refer to the *MMTIP Goal and Guidelines for Railroad Projects* on the following pages for more details about the program and the eligibility requirements.

To complete the form, click on the file on the website and save a copy to your computer. Once the form (including milestones) has been completely filled out and saved and all supporting documents saved, the forms can be uploaded to MDOT. Press the "Upload Files to MDOT" in the Rails quadrant. **Note: Do not press the upload button until the forms are completed and the information is ready to be submitted.**

In order to be considered for funding, one (1) original application package must be received in the Rails Division, MDOT office no later than 4:00 PM on April 1, 2016.

Please call us at (601) 359-1454 if you have any questions. E-mail requests can be made to jstubbs@mdot.ms.gov.

Sincerely,

Josh Stubbs, P.E.
Rails Engineer

Enclosures

Multimodal Transportation Improvement Fund Goals and Guidelines for Railroad Multimodal Grants

Multimodal Transportation Improvement Program

The Multimodal Transportation Improvement Program was established by the 2002 Legislature and is contained in Section 65-1-701 through 65-1-709 of the Mississippi Code of 1972 (the “Mississippi Code”). It establishes a special fund, the Multimodal Transportation Improvement Fund (the Multimodal Fund”), into which State funds may be deposited to be expended by the Mississippi Department of Transportation (“MDOT”) for the improvement of airports and public ports, railroads and transit systems in the state.

Funds allocated to the program are distributed as follows:

Rails	12%
Ports	38%
Airports	34%
Transit Systems	16%

Railroad Multimodal Fund Committee

Section 65-1-705(3) of the Mississippi Code creates the Railroad Multimodal Fund Committee (the “Railroad Committee”), which is charged with awarding the grants to public railroads from the Multimodal Funds (“Multimodal Grants”). The Railroad Committee is comprised of the director of each railroad or his/her designee; the Executive Director of the Mississippi Development Authority or his/her designee; and the Executive Director of MDOT or his/her designee.

Goal Of The Railroad Committee

The goal of the Railroad Committee is to maximize the impact of Multimodal Grants by funding projects that will improve the service and safety of public railroads within Mississippi and provide economic benefits to the Mississippi communities in which such railroads are located.

Eligible Uses Of The Multimodal Grant Funds

For a railroad to receive a Multimodal Grant, the proposed use of such funds must be:

- (a) Directly related to capital improvements or the rebuilding or rehabilitation of the basic infrastructure and not for routine maintenance, administrative or operational expenses;
- (b) For a project or use directly related to the operation of the railroad in its modal role;
and

- (c) For a purpose outside the normal operating budget of the railroad

Assuming that the proposal use meets the above requirements, some examples of eligible uses of Multimodal Grant funds are:

- (a) Local share required to match a federal grant;
- (b) Pre-construction studies, planning and design;
- (c) Acquisition of personal property;
- (d) Acquisition of real property;
- (e) Reclamation and related relocation costs;
- (f) Professional services; and
- (g) Construction

Other Requirement For Receipt Of Multimodal Grant Funds

All contracts and purchases relating to the expenditure of Multimodal Funds must be made in accordance with state bid and procurement laws.

A railroad must pledge on its application to fund a minimum of 1% of the total cost of the project for which Multimodal Grant funds are to be used.

Ineligible Uses Of Multimodal Grant Funds

Some examples of ineligible uses of Multimodal Grant funds are:

- (a) Routine maintenance equipment
- (b) General business and marketing expenses;
- (c) Railroad promotional information

Application Process

To be considered for a Multimodal Grant, a railroad must complete and file an application with the Traffic Engineering Division of MDOT (the “TED”), 2567 N West St, Jackson, MS 39216, by 4:00 PM on April 1, 2016. The application and supporting document templates are available on the Office of Intermodal Planning webpage at www.gomdot.com. A copy of the current form of the application is attached to these guidelines.

Applications must be signed by an authorized representative of the railroad: a city or county official or a railroad director. **This does not include city or county engineers.** Applications with signatures from an unauthorized representative will be returned.

The TED will review each application to determine whether the application is complete, whether the railroad is eligible to receive a Multimodal Grant, and whether the proposed use of the Multimodal Grant is an eligible use.

Incomplete applications, applications from ineligible railroads, and applications of ineligible uses will be returned to the applicants by the TED with an explanation as to why the application was rejected.

IMPORTANT: In order to be considered for selection, one (1), stapled, originals of the application package must be received in the Rails Division, MDOT no later than 4:00 pm on April 1, 2016..

Selection Process

Copies of all accepted applications will be sent by the TED to each member of the Railroad Committee. Each member of the Railroad Committee will then review each application and prepare an initial scoring of each application using the provided criteria and point system.

The Railroad Committee will then meet to discuss the accepted applications. The applicant whose project is being discussed will be absent from the room. There will be an opportunity for each member to revise their scores after the discussion of applications. The applications will be ranked based on the scores provided by the Railroad Committee. Multimodal Grants will be awarded to the highest ranking applications in descending order until available Multimodal Grant funds are exhausted for the fiscal year.

A railroad whose application was not ranked sufficiently high to be awarded a Multimodal Grant may contact the Traffic Engineering Division for additional information and explanation.

Applications not selected for a Multimodal Grant are not automatically considered for selection the following year. To be considered for a Multimodal Grant the following or subsequent years, an application must be updated and resubmitted in its entirety. Any such application will be scored and ranked in the following and subsequent years as set out above as if it had not been filed, scored or ranked previously.

IMPORTANT: There will be no partially funded projects. Multimodal Grants will be awarded to fulfill the full estimate that is provided as a part of the application. Additionally, there will be no scope changes under any condition. The project must be completed as noted in the application. If the project exceeds the Multimodal Grant amount, any and all overages must be covered by the applicant. If the project cannot be completed for any reason, the funds shall be rescinded.

Grant Agreements

After the Multimodal Grants have been awarded by the Mississippi Transportation Commission, the TED will prepare and submit a Multimodal Railroad Grant Agreement (the “Grant Agreement”) to each recipient of a Multimodal Grant during that fiscal cycle.

Without limitation, the Grant Agreement will:

- (a) Confirm that Multimodal Grant funds will be disbursed only for eligible expenditures within the scope of the approved application, in accordance with the terms and conditions contained in the Grant Agreement, and only upon receipt of an Application for Payment of State Aid (Multimodal Projects) form provided by the TED, accompanied by invoices supporting the claimed costs – in other words, Multimodal Grant funds will be disbursed on a reimbursement basis;
- (b) Confirm that project costs exceeding the amount of the Multimodal Grant are the responsibility of the Multimodal Grant recipient, and that the Multimodal Grant recipient is expected to provide or obtain additional funds sufficient to complete the project;
- (c) Confirm that all Multimodal Grant funds must be disbursed no later than 2 years after being issued a Notice to Proceed; otherwise, any remaining funds in the Multimodal Grant will be forfeited at that time and subject to being awarded to another applicant for another project;
- (d) Require that plans and specification for the project to be funded in whole or in part by a Multimodal Grant be submitted to the TED for review and approval prior to any expenditures for the project;
- (e) Require that Quarterly Reports be submitted over the timespan of the Multimodal Grant.

Audit

Multimodal Funds provided are subject to audit by the MDOT Audit Division.

Waiver

These Guidelines may be amended by MDOT at any time. MDOT, in its discretion, may temporarily waive any requirements of these Guidelines to the extent that the result of such waiver shall be to promote the public purpose of the Multimodal Transportation Improvement Fund statutes and is not prohibited by law.

Additional Information Regarding Multimodal Fund Grants

Additional inquiries regarding any matter discussed in these Guidelines should be directed to:

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