



Port and Freight Infrastructure Programs (PFIP) Common Themes and Frequently Asked Questions

December 13, 2022

Project Eligibility

Definition of an “innovative and transformative” project

The guidelines describe innovation as “a novel improvement type that has perhaps not been implemented in California”. Considering the wide range of potential improvements, there is not a strict or more detailed definition, and it is incumbent on the applicant to describe the characteristics of the project that represent new ideas or approaches to making effective freight mobility improvements. Since the guidelines emphasize innovative projects and technologies, CalSTA understands that some projects may include associated risks.

Applicants are encouraged to review state policies that discuss the statewide direction toward innovative and transformative transportation improvements and to show how the project aligns with these policies, including but not limited to the Climate Action Plan for Transportation Infrastructure (CAPTI), California Transportation Plan (CTP 2050), California Freight Mobility Plan (CFMP), and California Sustainable Freight Action Plan (CSFAP).

Definition of a “high priority grade separation” project

Applicants are encouraged to reference established designations or efforts, such as being ranked highly on the Section 190 priority list and having clear support from the community. Other considerations may include the number of benefits realized to the different users of a crossing, such as safety benefits for freight and other users, or the existing amount of gate down-time and how the project is able to reduce this time for all users. Delivering benefits to a high number of users and/or improving safety at a particularly dangerous crossing should be quantified and described as part of making the case for a project to be considered high priority.

Eligible Project Elements

Streets & Highway Code § 2196.2(a) states that CalSTA “shall develop and administer contracts, grants, or other funding mechanisms to invest in port-specific high-priority projects that increase goods movement capacity on rail and roadways serving ports and at port terminals.” Therefore, vessels or machinery that do not increase goods movement capacity on rail and roadways serving ports and at port terminals would not be eligible, including vessels that traverse waterways beyond normal port operations



and within close vicinity of a port (such as ocean-going vessels). Vessels that operate on waterways at ports and port terminals would be allowed provided they met the intent of serving goods movement capacity and having strong performance in the scoring criteria.

While other types of freight vehicles, vessels, and equipment may technically be eligible for funding, considering the anticipated interest in the program, to be competitive applicants that include these elements will likely need to describe strong performance on all or most evaluation criteria. The scoring criteria should be considered when determining the length of time these types of project elements would be in operation and whether these elements are owned or leased.

Applicants should be mindful of the restrictions on automation and displacement of human-operated job provisions within the PFIP guidelines.

Partnership and Engagement

Non-port applicants are strongly encouraged to coordinate with applicable ports to demonstrate a nexus between the project and port benefits. Applicants are strongly encouraged to have a letter of support from one or more ports that would directly benefit from the project, but ports are not required to be a co-sponsor. The letter of support should articulate project benefits to the ports in terms of port congestion relief and operational improvement.

Applicants should also be able to demonstrate coordination with ports and other relevant stakeholders, as applicable, throughout project planning and development. Letters of support are also strongly recommended from all stakeholders directly affected or required for project completion and implementation, including rail owners and operators, local jurisdictions, and regulatory entities.

Applications should demonstrate that the project planning and development has included meaningful engagement with communities adjacent to or impacted by the project. Applicants are encouraged to document ways the project has been shaped by the engagement process and how the project scope addresses issues raised by the community.

Prioritization and Scalability

If an applicant is considering submitting multiple related but unique projects, applicants may package the projects into a single application narrative showing overall summary of the program of projects, benefits to the applicant's long-range plans, and clear prioritization of all elements, followed by supporting documentation that provides additional detail for the individual projects, as needed.

Further, applicants are encouraged to submit projects with clear scalability or phasing and the independent utility of each component with associated benefits. Applicants should explain the priority of the scalable components. Clearly communicating project



prioritization allows for the potential for partial award or project scaling for any portion of the application that provides independent utility. To the extent possible, applicants should describe the larger vision that their PFIP project would help build toward, even if PFIP funds would only be used to fund a portion of that vision.

Ultimately, applicants are encouraged to provide information that communicates the applicant's preferences of highest need or aspects of the application that should be implemented first in the event that awarding the full funding request is not possible.

Funding

PFIP cannot be used to supplant previously committed or expended funding. PFIP can be used to continue projects into later phases or add scope to an existing project. PFIP can also be used to provide part of the additional money needed to construct or expand the scope of a project, with the balance coming from an application that has been or will be submitted to another discretionary grant program. The intent to do so should be clearly detailed in the application, as one of the priorities of PFIP is to achieve significant leverage in pursuing additional non-PFIP funding sources. Contingent awards may be made, with a requirement to either successfully receive the applied for non-PFIP funding, or to replace it with an alternative source of committed funds.

Contingent Funding

For all funding sources identified, it should be noted if funds are secured and committed to the project or if they are pending contingencies. When contingent funds are identified as part of the funding plan, applicants should also identify any alternative funding available for use if the contingent funds are not secured.

For agencies that cannot take on the financial risk of cost overruns, please ensure requested funding is sufficient to complete the project as PFIP funding is strictly capped to the amount that is awarded.

Applications should be able to clearly show the anticipated schedule, including timelines of receiving non-PFIP funding, if included within the project funding profile. The application should include a narrative of the overarching project and how it has been previously funded for earlier phases or segments.

Strategy for Leveraging Federal Funds

Applicants are encouraged to clearly describe cost and schedule information for all applicable project phasing, segmentation, sub-components, etc. Additionally, applicants should clearly describe future plans for pursuing federal funding for the project. If the project is not able to be fully funded through the PFIP this information can be helpful for CalSTA decision making that may include partial award intended to be used to increase leverage for future funding programs.

Timely Use of Funds



In general, a project would be eligible if PFIP funding is expended prior to project completion, and the applicant plans to use other committed funding to complete the project. In other words, a project is eligible if project construction is scheduled to extend beyond the PFIP expenditure requirements, but the applicant can complete the project with non-PFIP funding.

CalSTA will coordinate with awarded applicants to strategize the most appropriate scheduling of funding, including the potential to use PFIP funding for earlier expenses and tapering local match funding to cover expenses following the PFIP expenditure deadline.

Once awarded the applicant will be required to adhere to a Timely Use of Funds Policy to ensure that the project uses the funds in a timely manner and if not, to allow other projects to use the funds. A Timely Use of Funds Policy will be posted prior to project award.

The Project Programming Request (PPR)

The PFIP Guidelines have been revised to include a link to a new PPR form customized specifically for the PFIP. This is the only revision to the PFIP guidelines. The electronic Project Programming Request (ePPR) form linked in the original guidelines version should not be used. Applicants are instead directed to download and complete the new PPR form on the Caltrans website here: <https://dot.ca.gov/programs/local-assistance/fed-and-state-programs/Port-and-Freight-Infrastructure-Program>. Not all fields will be applicable to all projects and nominations in PFIP. Please fill out the fields that apply and leave fields blank as needed.

The PPR is intended to be used as a communication tool to describe project information but will not be included in the formal application evaluation.

If an application includes multiple projects and/or several sub-components, applicants are encouraged to do their best effort to describe each project, funding sources, schedule, and other details. CalSTA will reach out to applicants for any clarification and potential refinement of the PPR if needed following project award.

Geographic Equity

While the only formal regional or geographic targets consist of the 70% committed to projects benefiting goods movement to, from and through the Port of Los Angeles (POLA)/Port of Long Beach (POLB) complex, as established in the legislation and program guidelines, CalSTA desires to develop a program that benefits the entire state, achieving an equitable and balanced distribution of the statewide award target.

Benefits



A Cost-Benefit Analysis is not required, but if it is available and an applicant thinks it will be helpful in supporting the application, then it may be referenced and submitted as an attachment.

Projects are expected to begin to provide the project benefits at the end of the constructed project, with an understanding that benefits may increase over time as the capacity built gets more fully utilized. If the project is not completed in a manner that allows expected benefits to be achieved, the applicant may be subject to returning all or a portion of the funds, except as noted below.

If projects or project components, directly associated with emerging technology are unable to be fully implemented because the technology failed, the expended PFIP funding would not need to be returned for projects determined infeasible after good faith efforts to implement the project as described in the application. In this case, the applicant would be expected to provide a publicly available report that details the technology failures and lessons learned to benefit advancement of the associated field.

For projects that have multiple funding sources, and scalability, the applicant needs to clearly define the benefits being committed to for the PFIP funding.

If the project extends beyond the PFIP expenditure date, and is being completed with other program funding sources, the project must still be completed in a manner that allows expected benefits to be achieved.

Application Format and Materials

The application narrative should follow the order and structure of the PFIP guidelines and the Call for Projects.

Applications and associated materials should be transmitted to CalSTA via email to PFIP@Calsta.ca.gov. Large documents not able to be sent via email can be sent via shared folder. When submitting the application narrative and associated materials, website links can be used for referencing planning documents or other reference documents, but application materials should be sent via email.

Evaluation Criteria Weighting

Each evaluation criterion established within the guidelines is important to project evaluation and selection. Considering the anticipated interest in the program, to be competitive applicants will likely need to describe strong performance on all or most criteria.

If an application includes several interrelated sub-projects or project components within an overall program of projects, applicants should attempt to discuss the benefits and performance of each sub-project or project component within the application



narrative and evaluation criteria sections. This information will aid evaluation and decision making in the event that full award is not possible. Final ratings will be tied to the funded project elements if a project is partially funded.