

General Information for Applicants
Section 5311(f)

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I. Purpose and Background

The Tennessee Department of Transportation (TDOT) announces the availability of Section 5311(f) Intercity Bus Transportation funds to be used for transportation services. TDOT is currently seeking applications from firms, companies, and agencies to provide intercity bus transportation services on various highway routes in the State of Tennessee.

II. Objective

This demonstration project will allow TDOT to utilize intercity bus funding for proposed routes that would operate within Tennessee, that would not otherwise be provided in the open marketplace and that potentially coordinate in a manner consistent with the greater statewide and national intercity bus network. The grant application process is competitive with individual applicants offering a specific intercity bus service to be used as the State of Tennessee's 5311(f) Intercity Bus Demonstration Program.

III. Program Strategy

The purpose of the 5311(f) Intercity Bus Program is to assist public and private providers fill gaps and provide rural communities with intercity connections to the next larger market economy. The Program should promote intercity passenger services by connecting rural communities through incentive funding, and by providing information and equipment to make access to larger areas feasible. The project will serve as a demonstration program

IV. Funding

Funding for TDOT's intercity bus demonstration program comes primarily from the Federal Transit Administration 5311(f) program. The Section 5311(f) Intercity Bus Program is designed to address the intercity travel needs of residents and persons in non-urbanized areas of the state, by funding services that provide access to the national and regional intercity bus and public transportation networks. Fifteen percent of the state's appropriation of the 5311 program is available annually to fund intercity bus, capital, administration, operations, and planning needs in Tennessee. Federal guidance for the Section 5311 (f) Intercity Bus Program can be found in FTA Circular 9040.1F, Chapter VIII.

Section 5311(f) Funding	FY 2006-2007 Appropriation
(2006) TEAM #TN-18-X025-00	\$ 1,759,227
(2007) TEAM # TN 18-X026-00	\$ 1,858,350
Total Funding	\$ 3,617,577

V. PROGRAM GOALS

The Multimodal Transportation Resources Division is proposing to manage a multifaceted 5311(f) program that will 1) provide support for the existing intercity bus routes that tie Tennessee to the rest of the country, 2) provide assistance for new feeder routes which will give smaller communities not served by the existing routes access to stops along those routes, 3) increase public awareness of the intercity connections which are available through a targeted intercity bus marketing program and 4) help providers to upgrade equipment and facilities, including adding accessibility features required by the Americans with Disabilities Act of 1990 (ADA).

The Tennessee Intercity Bus Demonstration Program described herein addresses these elements within the context of the federal program guidance. The definition of intercity bus service used shall be that established by the Federal Transit Administration for the federal program, which is “...regularly scheduled bus service for the general public, which operates with limited stops over fixed routes, connecting two or more urban areas not in close proximity, which has the capacity of transporting passengers and their baggage, and which makes meaningful connections with scheduled intercity bus service to more distant points through the national network of routes.” Charter and tour bus services are specifically excluded. Commuter services (which primarily provide work trips within a local or regional labor shed) are included only if they meet the EOC requirement to make meaningful connections to the intercity bus network. Connections to scheduled intercity rail or air passenger services, where available, are strongly encouraged as a supplement to intercity bus connections, but cannot be substituted for them. Each route must include service to population centers outside of urbanized areas (those with populations over 50,000).

VI. ELIGIBLE PROJECTS

The Tennessee Intercity Bus Demonstration Program is open to private intercity bus companies, to firms wishing to start intercity bus service, to public transit agencies either operating or proposing to operate intercity bus services or terminals, and to local communities wishing to support intercity bus connections to their community. Joint public/private applications are encouraged.

Proposed projects must directly support the provision of intercity bus services in Tennessee. Eligible routes must serve Tennessee intercity bus terminals connected to the nationwide intercity bus network and include stops in nonurbanized areas. For the Section 5311(f) (Intercity) Program only, FTA permits states to pass through funds to private intercity bus providers in a subrecipient relationship. In some instances, certain intercity bus providers may be unwilling or unable to accept the requirements the state applies to subrecipients and may prefer to maintain a contractual relationship in order to isolate the remainder of their operations from Federal requirements related to a grant.

Eligible activities include planning and marketing for intercity bus transportation, capital grants for intercity bus shelters, joint-use stops and depots, operating grants through purchase-of-service agreements, demonstration projects, and coordination of rural connections between small transit operations and intercity bus carriers. Other capital and operating projects for the support of rural intercity bus service are not precluded. For example, operating assistance may be given

to a public or private nonprofit organization for the direct operation of intercity service after appropriate consideration of participation by private, for-profit service providers. Capital assistance may be provided to purchase vehicles or vehicle-related equipment such as wheelchair lifts for use in intercity service. Charter and tour services are generally not eligible for FTA assistance.

FTA defines intercity service as regularly scheduled bus service for the general public which operates with limited stops over fixed routes connecting two or more urban areas not in close proximity, which has the capacity for transporting baggage carried by passengers, and which makes meaningful connections with scheduled intercity bus service to more distant points. Package express service may be included, if it is incidental to passenger transportation.

Not all long distance trips are included in the definition of intercity service. Service which provides extensive circulation within a region with access to multiple destinations at the end of the route, which only incidentally stops at an intercity bus facility among other destinations within the city at either end of a route without regard for scheduled connections, is not considered intercity service.

Intercity Capital Projects in Urbanized Areas: Use of Section 5311(f) funds for capital projects in urbanized areas is limited to those aspects of the project which can be identified as directly benefiting and supporting service to and from nonurbanized areas. These projects are to be included in both the metropolitan TIP and STIP and follow the appropriate project selection requirements contained in the joint planning rule.

Feeder Service: The coordination of rural connections between small transit operations and intercity bus carriers may include the provision of service that acts as a feeder to intercity bus service. The feeder service is not required to have the same characteristics as the intercity service with which it connects. For example, feeder service may be demand-response, while intercity service is, by definition, fixed-route. Examples of eligible costs include marketing and extended hours of service in order to connect with scheduled intercity service.

Regulation of Intercity Service: The operator of intercity bus routes in interstate and/or intrastate service may be required to obtain an operating certificate from the Motor Carrier Section at the Tennessee Department of Revenue. More information may be obtained by contacting Motor Carrier Section at <http://www.state.tn.us/revenue/motorcarrier/index.htm>. Providers must have the requisite operating authority and insurance for services assisted under Intercity Bus Transportation as determined by federal or state regulatory authorities.

Funds for the Section 5311(f) program are available for administration, operating, planning, marketing and capital expenses to support the provision of intercity transportation services. Eligible categories include but are not limited to:

- Capital expenses:
 - Accessible buses or vans,
 - Radios and communication equipment,
 - Vehicle rehabilitation, remanufacture, or overhaul,
 - Wheelchair lifts and restraints,
 - Extended warranties which do not exceed the industry standard,
 - Computer hardware and software for operational support,
 - Lease of equipment or facilities when lease is more cost effective, and

- Transit related intelligent transportation systems.
- Preventative Maintenance:
 - Tires, windshields, oil, lube, brake repairs, body work, mechanic's wages
- Administrative expenses:
 - Salaries of project director, secretary, and bookkeeper,
 - Marketing expenses,
 - Insurance premiums,
 - Office supplies,
 - Facilities and equipment rental,
 - Standard overhead rates, and
 - The costs of administering drug and alcohol testing.
- Operating Expenses:
 - Fuel,
 - Driver's /Dispatchers' salaries and fringe benefits,
 - Licenses.
- ITS or transit related Intelligent Transportation Systems; and
- New mobility management and coordination programs among public transportation providers and other human service agencies providing transportation. Mobility management is an eligible capital cost. Mobility management techniques may enhance transportation access for populations beyond those served by one agency or organization within a community. For example, a non-profit agency could receive Section 5310 funding to support the administrative costs of sharing services it provides to its own clientele with other elderly individuals and/or individuals with disabilities or elderly individuals and coordinate usage of vehicles with other non-profits, but not the operating costs of service. Mobility management is intended to build coordination among existing public transportation providers and other transportation service providers with the result of expanding the availability of service.
- Mobility management activities may include:
 - The promotion, enhancement, and facilitation of access to transportation services, including the integration and coordination of services for individuals with disabilities, older adults, and low income individuals;
 - Support for short term management activities to plan and implement coordinated services;
 - The operation of transportation brokerages to coordinate providers, funding agencies and customers;
 - The provision of coordination services, including employer-oriented Transportation Management Organizations' and Human Service Organizations' customer-oriented travel navigator systems and neighborhood travel coordination activities such as coordinating individualized travel training and trip planning activities for customers;
 - The development and operation of one-stop transportation traveler call centers to coordinate transportation information on all travel modes and to manage eligibility requirements and arrangements for customers among supporting programs; and
 - Operational planning for the acquisition of intelligent transportation technologies to help plan and operate coordinated systems inclusive of Geographic Information Systems (GIS) mapping, Global Positioning System technology, coordinated vehicle scheduling, dispatching and monitoring technologies as well as technologies to track costs and billing in a coordinated system and single smart customer payment systems. (Acquisition of technology is also eligible as a stand alone capital expense.)

VII. What kinds of project is TDOT looking for?

Applicants must ATTEMPT to meet one or all of the Priority points provided below:

Priority 1 - Provide a base level of funding support to preserve the existing intrastate system.

- Funding will be allocated based on existing miles of Tennessee intercity service.
- To qualify for these funds, carriers must provide quarterly reports noting: the number of Tennessee passenger trips by route, miles of revenue service, and total cost per revenue mile.
- Eligible carriers must serve Tennessee intercity bus terminals connected to the nationwide intercity bus network.

Priority 2 - Provide support for the development of new connector/feeder service.

- New service projects are eligible for yearly funding.
- To qualify for these funds, carriers must provide quarterly reports noting: the number of Tennessee passenger trips by route, miles of revenue service, and total cost per revenue mile.
- Eligible carriers must serve Tennessee intercity bus terminals connected to the nationwide intercity bus network.
- New intercity bus service must be ADA accessible.

Priority 3 - Provide funding assistance for route specific marketing projects.

- Marketing of new services will have the highest priority for this category of funding.
- Marketing of new routes will be funded at 80% federal - 20% non-federal.
- New marketing of existing service will be funded at 80% federal - 20% non-federal.
- Project is to be jointly developed between cities, intercity carrier terminal managers, and operators.
- The funding will be limited to external non-labor costs only.
- Applicants should include a system wide overview of their current marketing efforts.
- Applicants with unused marketing funds may have their marketing funding requests reduced or eliminated unless proper justification is provided. Justification should include reasons why funding is unspent plus a plan that assures the balance and any additional funding will be spent in a timely manner.

Priority 4 - Provide support for vehicle and bus terminal improvements.

- Vehicles required to support new services for Tennessee will have the highest priority for funding, terminal improvements will have the next highest priority.
- Terminal improvements shall require commitments to continue service for a period of three years.
- All improvements must meet ADA accessibility standards.

VIII. MATCH REQUIREMENT

Local matching funds for capital, including preventive maintenance, must be at least 8.5 to 10 percent of the net cost of the project. Generally, vehicles purchased will be Americans with Disabilities Act compliant. All matching funds for capital vehicle purchases must be in cash.

Local matching funds for project administration must be at least 10% of the net cost of the

project.

Local matching funds for operations shall be at least 25 percent of the net operating cost of the project. Costs recovered by subrecipients for services provided under contract to certain state or local social service agencies or private social service organizations may be treated as local rather than federal funds. Funds from other federal programs may be used only if so authorized by that program. Project applicants have the responsibility of determining whether funds received from non-FTA federal sources can be used to match FTA funds.

Matching funds may be documented as in-kind contributions. TDOT will also judge applications on the amount of funds participation that come from state, local, or private sources including certain contracts. The value of in-kind contributions is included in net project cost to the extent it is used as local match. Rates for documented volunteer services shall be consistent with those paid for similar work in the applicant's organization or in the labor market in which the recipient competes for services.

Applications are required to be fiscally constrained. Sources of local match must be documented, verifiable through letters of commitment, contract commitments or established historical revenue streams on record to assure that the federal funds can be expended.

IX. AMERICANS WITH DISABILITIES ACT

The Americans with Disabilities Act was signed into law on July 26, 1990. This Civil Rights bill was enacted to ensure that persons with disabilities are afforded the same rights as those without disabilities. Intercity applicants must be compliant with 49 CFR Part 37.

In order to comply with federal regulations, requests to purchase vehicles will not be approved without the vehicle being wheelchair accessible, unless the applicant can certify that the applicant owns and operates other appropriately equipped vehicles to provide equivalent service. Noncompliant providers operating fixed route services must provide complementary paratransit service for individuals with disabilities who cannot use accessible fixed route transit. Facility improvements must address ADA accessibility before other improvements will be considered.

X. 2008 APPLICATION PROCESS - PROJECTED TIMELINE

August 18, 2008	Division publishes public notice & mails flyers announcing grant and application materials.
August 25, 2008	Open Grant Application Period /Technical Assistance begins
September 12, 2008	Letter of intent to submit application due to MPO (if project is in an urbanized area or a transit authority exists) and to TDOT.
Week of Sept.29, 2008	Last dates to publish Legal Notices announcing seeking of projects
October 20, 2008	Open Grant Application Period Ends. All Grant applications due to the Multimodal Transportation Resources Division.
Oct. 21-Oct.31 2008	Division review of applications
November 14, 2008	Funding recommendation made by Division
November 21, 2008	Notice of Grant Award mailed
December 1, 2008	Grantee review and sign grant agreements