



**STATE OF TENNESSEE
DEPARTMENT OF TRANSPORTATION
DIVISION OF MULTIMODAL TRANSPORTATION RESOURCES
SUITE 1800, JAMES K. POLK BUILDING
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NASHVILLE, TN 37243-0349
(615)741-2781**

JOHN C. SCHROER
COMMISSIONER

BILL HASLAM
GOVERNOR

May 15, 2018

RE: FTA Section 5307 FFY2018 Program Allocation

Dear Direct Recipients:

The FTA has announced the Federal Fiscal Year (FFY) 2018 5307 Small Urban apportionment. TDOT is issuing this allocation letter to enable Tennessee's small urban agencies to apply directly to the FTA for these 5307 funds.

TDOT Multimodal is pleased to announce the allocation of FTA Section 5307 program funds for FFY2018. Allocations are determined by formula. Factors include the UZA population reported by the 2010 US Census, as well as verified 2016 National Transit Database (NTD) data for Revenue Miles, Unlinked Passenger Trips, and Local Participation.

The table below shows the funds allocated to each Direct Recipient:

FTA Section 5307 FFY2018 Allocation

Direct Recipient	FFY18 Allocation
Bristol Tennessee Transit	\$375,038.00
Clarksville Transit System	\$2,434,457.00
Cleveland Urban Area Transit System	\$705,342.00
Jackson Transit Authority	\$1,370,188.00
Johnson City Transit	\$1,649,008.00
Kingsport Area Transit Service	\$971,824.00
Morristown- ETHRA	\$644,538.00
Murfreesboro Rover Transit System*	\$1,670,212.00
TOTAL	\$9,820,607.00

*Murfreesboro qualifies for Small Transit Intensive Cities (STIC) federal funds in the amount of \$202,003.00 based on the agency's service performance. The table above represents the full 5307 allocation for small urban areas which includes the additional STIC funds for Murfreesboro.

TDOT offers a state match on 5307 capital expenses only. TDOT Multimodal does not match 5307 operating expenses. Contracts will have a two-year term period at time of request, unless circumstances exist that require a period beyond two years, which will be reviewed on a case-by-case basis.

In years past, TDOT has permitted 5307 funds to be available indefinitely and the FTA has drawn on Tennessee's oldest small urban funds in order to prevent funds from lapsing. However, the result is that several agencies have accumulated 5307 funds, reserving these funds for future capital projects. While TDOT appreciates the need to plan for future projects, TDOT must balance future needs against the current needs of other transit agencies. In order to establish a balance between saving for future projects and meeting current needs, TDOT will make the FFY2018 5307 funds available for obligation through April 30, 2021. Funds allocated are subject to redistribution if not obligated by the deadline.

Tennessee 5307 funds are in high demand across the state and TDOT wants to ensure every \$1 is utilized for public transit service and that discarding any funds back to the FTA is minimized. Direct Recipients must receive approval from TDOT prior to deobligating funds in their active 5307 grants. In the event that funds are deobligated by a direct recipient without TDOT written approval, funds may be deducted from the agency's future 5307 allocations.

The table below indicates the period of availability for all 5307 funds:

Federal Fiscal Year	Deadline for Obligating Funds in FTA Grants
FFY16	April 30, 2019
FFY17	April 30, 2020
FFY18	April 30, 2021

As identified in this Split Letter, the Designated Recipient authorizes the assignment/allocation of Section 5307 to the Direct Recipient(s) named herein. The undersigned agree to the Split Letter and the amounts allocated/assigned to each Direct Recipient. Each Direct Recipient is responsible for its application to the Federal Transit Administration to receive Section 5307 funds and assumes the responsibilities associated with any award for these funds.

If you have any questions, please contact Alaire Gage, 5307 Program Manager, at alaire.gage@tn.gov or by phone at (615) 313-3192.

Best regards,


Matthew Long
Transit Manager

- cc: Toks Omishakin, Deputy Commissioner/Chief
Liza Joffrion, Multimodal Director
Larry Sanborn, Multimodal Assistant Director
Dr. Yvette Taylor, FTA Region IV Administrator
Robert Buckley, FTA Region IV Director of Finance & Program Oversight
Andres Ramirez, FTA IV Community Planner
Jason Spain, TPTA Executive Director
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