FY 2026

Application Instructions
for
Public Transit Programs

Administered by
Office of Passenger Transportation

Effective Oct. 1, 2025 - Sept. 30, 2026

Table of Contents

I. General Information

A. Purpose and Internet Browser Requirements

Purpose:

The Office of Passenger Transportation (OPT) of the Michigan Department of Transportation (MDOT) distributes federal and state funds for the provision of local public transit services. This application is your gateway to those funds. In this packet you will find a description of the transit funding programs administered by OPT, a description of who is eligible to apply and instructions for completing and submitting the application. OPT staff will review all applications, make funding recommendations, and assist you with any further requirements. When selecting projects for funding, MDOT will consider equitable distribution of funds in accordance with Title VI. A completed application does not guarantee a contract award. If your project is selected to receive funding, you will enter into a contract with MDOT and must comply with all requirements of that contract to receive the funds.

This Annual Application Instructions (Instructions) packet is for Fiscal Year (FY) 2026. All documents required for a complete application can be found on the Public Transportation Management System (PTMS) and on OPT's website, Annual Application for Funding (michigan.gov) If needed, the Instructions may be made available in alternative formats such as braille, large print, audio tape, or compact disc. The PTMS Help Guide (michigan.gov) is also available on both PTMS and on OPT's website at Public Transportation (michigan.gov), under PTMS.

Internet Browser Requirements:

In order to complete your application in PTMS, you must use the correct browser. **Microsoft Edge is required**.

To view the transit agency (TA) forms prior to FY 2019 applications in PTMS, Adobe Reader software is recommended. To download the Adobe Reader software, go to https://helpx.adobe.com/reader/get-started.html.

B. Acronyms, Definitions, Laws and Regulations

C. Application Submittal

Applications for programs should be supported by one coordinating entity. The entity should be the public transit authority or governmental agency providing public transit in that area. To ensure coordination, applicants should notify the coordinating entity when their application is ready for submittal to MDOT; this should be done well in advance of the application due date to allow the coordinating entity adequate time to review the application. This process does not make the coordinating entity solely responsible for preparing all of the documents required under the various programs.

D. Submittal Due Dates – Feb.1, 2025 for Programs except for Mobility Management; Mar. 1, 2025 for Mobility Management

Completed application(s) for programs except for Mobility Management are due to OPT by **Feb.1, 2025.**

Mobility Management applications are due to OPT by **Mar. 1, 2025.**

Applications submitted after the due dates might not be considered for funding.

OPT will provide comments and recommendations to the applicant within 60 days after the application is received.

E. Mailing Address

Section 5310 and Section 5304 applicants without access to PTMS must mail their annual applications directly to their OPT project managers.

The mailing addresses for the OPT project managers are listed as below:

Ryan Egres Fred Featherly Michael Valverde Sherry Vandevender	Mailcode: B425 MDOT Office of Passenger Transportation Van Wagoner Building 425 W. Ottawa P.O. Box 30050 Lansing, MI 48909
Deanna Donahoo	MDOT Detroit TSC 1060 W Fort St. Detroit, MI 48226
Tina Hawley Jacob Porath	MDOT Grand Region Office 1420 Front Ave NW Grand Rapids, MI 49504
Dave Moliterno	MDOT Gaylord North Region Office 1088 M-32 East Gaylord, MI 49735

Alex Simonetti	MDOT Cadillac TSC 7915 South US-131 Highway Cadillac, MI 49601
Robbie Smith, Intercity Bus Program	Michigan Department of Transportation Office of Passenger Transportation P.O. Box 30050 Lansing, MI 48909 or e-mail MDOT-OPT-ICB@michigan.gov

F. Project Manager Contact Information

OPT Project Managers by County (see map)

OPT Transportation Service Section Contact Information

Valerie Shultz, Section Manager   517-242-8615
Brian Kass, West Unit Supervisor   906-280-6574
Tina Makarewicz, East Unit Supervisor   517-275-1424

Project Managers
Deanna Donahoo   517-275-1088
Ryan Egres   517-388-5718
Fred Featherly   517-281-7582
Tina Hawley   517-281-7876

Dave Moliterno   231-340-3225
Jacob Porath   517-614-7287
Alex Simonetti   517-643-0061
Michael Valverde   517-614-1276
Sherry Vandevender 517-930-3859

OPT Program Administration Section Contact Information

Rob Pearson, Bus Regulatory, Intercity Bus,   517-930-3680
Procurement Unit Supervisor

Project Manager
Robbie Smith   517-241-0679

G. Program Description and Eligible Applicants

Federal Programs
State Programs

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II. Requirements for a Complete Application

All TAs with access to PTMS must submit their annual applications through PTMS. TAs without access to PTMS must contact their OPT project manager for access to PTMS. For Section 5310 and Section 5304 applicants without access to PTMS, the required application forms are available on OPT's website, [Annual Application for Funding (michigan.gov)](michigan.gov).

Furthermore, you must complete other program specific requirements as described under **Part III**, Application Submittal by Program of the Instructions. Applications will be considered complete only if the instructions below are followed. **Applicants are responsible for ensuring that all correct information for completing the application is entered into PTMS, including the information relevant to their sub-applicants.**

The following actions related to application submittals in PTMS do not apply to Section 5310 and Section 5304 applicants without access to PTMS.

A description of the purpose of each of the required application elements, including TA forms, can be found in **Part IV,** Instructions for TA Forms and Related Requirements of the Instructions. The directions on how to fill out each TA form is also available on the form.

Completing the application in PTMS consists of the following:

A. Updating Profile Screen
Verify and update all of the information listed on the Profile screen, which includes TA Name, Legal Name, Agency ID, Federal ID, UEI Number (Unique Entity Identifier), Agency Name Associated with EUI Number, Mr./Ms., Title, Profile, Service Hours, County, Address, Phone, Fax, E-mail, Agency Web Address, and Transit Agency Additional Contacts. Your agency's contact information and MDOT Correspondence Categories are used for all MDOT correspondence (both US mail and e-mail). Contact your MDOT project manager if the check boxes are not appropriately checked under the MDOT Correspondence Categories.

B. Updating Vehicle, Facility, and Equipment Inventories
1) Verify that all current revenue vehicles are listed and that all disposed vehicles have been removed from the list by submitting vehicle disposal request forms and a photocopy of the title to your project manager. Update number of spare vehicles and vehicles required for peak service. Justification for revising peak number must be submitted to your project manager. The vehicle spare ratio rate will be automatically updated accordingly.

2) Update mileage. The mileage for all assigned vehicles must be updated. Update the actual mileage of your agency's vehicles after Oct. 1 of the current year and enter the updated mileage in PTMS by **Oct. 15** of the current fiscal

year (the "Current Miles" and "Miles As Of" fields are found on the Characteristics screen for each vehicle). This is the date used to determine the annual mileage for vehicles when calculating underutilization of vehicles.

3) Fill in all required fields on both Characteristics and Financial screens, including vehicles purchased with local funds. **It is important for you to enter the In-Service Date field on the Characteristics screen as this field is used to calculate the eligibility of your replacement vehicle.**

   For transferred vehicles or vehicles purchased used that were originally used for public transit service, put the **original** useful life on the Financials screen and the **original** In-Service Date in the Characteristics screen; put the date transferred/current In-Service Date in the Comment field in the Characteristics screen.

4) Complete the VRR "Vehicle Replacement Requested" field. There are two drop-down fields on the Financial screen for each vehicle, VRR "Vehicle Replacement Requested" and VRF "Vehicle Replacement Funded" which indicate the year you are requesting replacement (VRR) of the ones that have been funded (VRF). If you were not awarded funding for the replacement requested, do not update the VRR field if you are requesting funding for it again, keep it at the original year you requested it. If it is the first time that you are requesting funding for replacement for a vehicle in this FY 2026 application year, fill out the VRR field for this year. **Do not fill out the VRR for your FY 2027, FY 2028, and FY 2029 vehicle replacement requests.** If it is the first time that you are requesting funding for replacement for a vehicle in this FY 2025 application year, fill out the VRR field for this year. Do not fill out the VRR for your FY 2025, FY 2026, and FY 2027 vehicle replacement requests.

   The "VRF" field will be filled in by the OPT program managers when you are awarded funding. If you need assistance correcting your vehicle inventory, please see the "PTMS Vehicle Inventory" Help Guide at both the OPT website and within PTMS or contact your OPT project manager.

   In the months leading up to annual application renewal, you will receive an email from your OPT project manager with your vehicle inventory spreadsheet. This spreadsheet will include vehicles that will be eligible for replacement within the next four years due to years or miles. You should reference this spreadsheet when completing vehicle capital requests to ensure all vehicles that are or will become eligible will be requested in this year's application.

5) Input new equipment/facility items and make any updates. To add items that were funded and/or purchased for over $5K to your facility and equipment inventories, you will need to complete the required fields on the Equipment and Facilities screens in PTMS. To dispose of items, you need to make sure that each item has met the replacement criteria as identified in Appendix C

and that the disposal(s)/transfer(s) have prior approval from your OPT project manager.

For further instructions, see [Local Disposal of Vehicles or Equipment procedures](#).

Notes for Urban Agencies:

- Update the "VRR" field only for the vehicles in the current year's application (not the three future years in their capital requests).

- Send vehicle disposal request form, a photocopy of the title, and proof of FTA approval for disposal (for vehicles with federal funding provided by FTA). OPT Project Managers will be filling in the Vehicle Replacement Funded field for the vehicles being replaced when processing the state match vehicle payments.

- Updating vehicle mileage in PTMS is optional. However, all vehicles funded with federal funding from OPT must be updated. You should update vehicle mileage for OPT's vehicle eligibility analysis if you are a small urban agency and plan to be included in OPT's Section 5339(b) Buses and Bus Facilities Competitive Program consolidated proposal for vehicle replacements.

Related [PTMS Help Guide](#) links:

The sections below are also [available](#) in PTMS by clicking on "Help" on the right top of the screen.

[Vehicle Inventory](#)
[Equipment Inventory](#)
[Facility Inventory](#)

C. Creating and Completing Application Module
The application module consists of Checklist, Capital Request, Annual Budgeted OARs, TA Forms, and Attachments. To create and complete the FY 2026 Application Module, you must:

1) **Complete Checklist** for the funding program(s) you are applying for. The Checklist is a guide to assist you in completing all appropriate components of the application.

2) **Complete and Save Capital Request(s).** This is required if you apply for capital assistance, except for Section 5304 Program. Complete list of all the requests you are making in all the programs which you are applying funding for.

3) **Submit Annual Budgeted OAR(s).** This is required if you apply for operating assistance.

4) **Complete and Save TA Forms.** You need to fill out TA Forms for each program you are applying for. You only need to fill out one set of TA forms per program for both capital and operating assistance.

5) **Attach Any Required Documents and TA Forms in the Attachment section.** As applicable, attach in PTMS a copy of the published public notice or an affidavit provided by the newspaper, a signed copy of the Resolution of Intent form, FTA Certification and Assurances form, signed Contract Clauses Certification form, signed Local Advisory Council (LAC) minutes, local support letters, proof of facility insurance (including flood insurance if you are in a designated flood plain), and signed PTMS equipment inventory, etc. You may attach up to 20 files and each file can be up to 10 megabytes. **Each attachment must be in a separate PDF file. The file name should be in the "AgencyName ApplicationYear FileContent" format, e.g., Adrian 2026 LACminutes.**

6) **Submit and PIN Application.** You must submit the application using the "Submit <Fiscal Year> Annual Application" button on the "Transit Agency Application Listing" screen. **You must also change the status of the annual budgeted OAR to "submit."**

   Once the application is submitted, you are required to enter your PIN in the application. By pinning the application, you are indicating that you will comply with all applicable federal and state regulations. You should have received your PIN in MDOT's letter to your agency dated Nov. 5, 2012. If you have lost or cannot remember your PIN, contact your OPT project manager.

For your assistance, use the "PTMS Annual Application" Help Guide online or in PTMS.

Related [PTMS Help Guide] links:

The sections below are also [available] in PTMS by clicking on "Help" on the right top of the screen.

[Annual Application]
[Operating Assistance Report (OAR)]
[Attachments and PIN Instructions]

III. Application Submittal by Program

A. Regular Services Program

A-I. Regular Services Program (Not Including JARC Activities)

Operating Assistance Program

a. State Operating Assistance Program-Annual Budgeted OAR-Regular Service

The FY 2026 State Operating Assistance funds will be distributed to eligible authorities and eligible governmental agencies as defined in Act 51. An annual budgeted OAR must be submitted with your annual application in PTMS using the FY 2026 R&E Manual which can be found at Audit & Accounting Information (michigan.gov).

Each eligible agency will receive state operating assistance per one of the following:

Legal Cap (maximum):
- Up to 60 percent of eligible expenses for rural areas and UAs with populations less than 100,000.
- Up to 50 percent of eligible expenses for UAs with a population more than100,000.
- Not less than 50 percent of eligible expenses for services provided by water vehicle.

Guaranteed Floor (minimum): This is equivalent to the state funds received in FY 1997. This is contingent upon a local fund requirement. If local funds are reduced, state funds will be reduced proportionally.

FY 2026 Formula Percentage: When preparing your FY 2026 application, use **30.5895 percent** of total eligible expenses for rural areas and UAs with a population less than 100,000 and **26.0423 percent** of total eligible expenses for UAs with a population more than 100,000.

The percentages have been adjusted to reflect current FY2026 estimates for expenses and estimated LBO funding level. The FY 2026 percentages will change once all the budgets have been submitted.

Note:

- If your budget is 15 percent or higher than your most recent reconciled report, please submit an explanation on the annual budgeted OAR Summary screen, Comments section in PTMS.

- If your budget is 15 percent more than your resolution of intent or public notice, the resolution of intent will need to be re-approved by the board, and re-attached in PTMS, and the public notice will need to be re-published and re-attached.

b. Federal Rural Area Formula Program (Section 5311)

Use **18** percent of your FY 2026 total annual budgeted OAR eligible expenses as the federal operating revenue amount.

Capital Assistance Programs

Agencies applying for capital assistance programs must include all your identified projects in the Capital Request portion of the application in PTMS and identify the proposed funding sources and appropriate fiscal year. Agencies applying for general mobility management projects should select "SEC 5311-JARC" or "SEC 5310-NF as the funding option from the Program drop-down list in the Capital Request screen in PTMS. Agencies must identify **four** years of capital projects to enable us to populate the STIP. Agencies within an urbanized area can provide their PTMS capital requests to their MPO for inclusion in the TIP using MDOT Form 1481. Enter all eligible or anticipated capital projects for FY 2026, FY 2027, FY 2028 and FY 2029, and indicate the needed match. Enter each project only in the first year it is eligible; do not repeat projects in subsequent years. If you do not anticipate any projects for any individual year between FY 2026 and FY 2029, notify your project manager. All eligible capital items should be requested. Unless the funding source has already been identified, such as 5307, 5311, 5311(f), or flex funds (STBG, CMAQ, etc.), the requested funds for capital projects should be Section 5339.

If you have multiple requests that are identical (e.g., more than one replacement vehicle of the same type with the same features and the same unit cost), you should combine those into a single entry, selecting the appropriate quantity in the Requested Quantity field.

Note #1: Previously Requested Capital Items Are Not Automatically Carried Forward.

For details, see the PTMS Help Guide, Annual Application, Create a New Capital Request section.

Note #2: Urban agencies do not have to show the vehicle numbers that are being requested on the annual application. They will fill out the capital request showing the number and type of vehicles.

a. Federal Capital Assistance Programs

TAs are potentially eligible for funding under the following programs:

- CMAQ
- Section 5304
- Section 5307
- Section 5309 - Fixed Guideway Capital Investment
- Section 5311
- Section 5311(f)-Intercity
- Section 5311-JARC
- Section 5310-NF
- Section 5337 - State of Good Repair
- Section 5339 - Bus and Bus Facilities
- Small Urban Program
- STBG
- Transportation Alternatives

If you choose to fund your projects using Section 5311(f) Intercity funds, you should contact the MDOT Intercity Bus project manager as listed in Part I, F. Project Manager Contact Information of this document. Refer to the FY 2026 Application Instructions for Intercity Bus Program document for additional guidance. This application instructions document can be found on OPT's website at Public Transportation (michigan.gov), under Annual Application for Funding (michigan.gov).

b. State Capital Assistance Programs

State Capital Assistance Programs are used to provide match for Federal Capital Assistance Programs.

Eligible authorities and eligible governmental agencies as defined in Act 51 may receive capital grants according to Section 10e(5) of Act 51 to match federal capital programs. **State participation is contingent upon funding availability.** Under Act 51, MDOT is required to provide a portion of the required match for agencies eligible to receive CTF. Specifically, Act 51 states that if money is raised by a CTF-eligible authority or agency for a public transportation capital outlay project funded under certain federal transit programs, the state shall pay not less than two-thirds of the 20 percent local match, which equates to 13.33 percent. Please submit all your capital requests under this application using 80 percent federal funds and 20 percent state match. MDOT will make every effort to provide 20 percent match. **However, we do not know if MDOT's FY 2026 budget will support 20 percent match for all projects. If there is a need for transit agencies to provide a portion of the match, agencies will be notified as soon as possible.** Urban TAs are required to submit a capital match plan once the Federal Register showing apportionments and allocations has been published which should occur between January and April each year at the USDOT's discretion. OPT then develops a statewide capital match plan indicating the state match that will be provided for each project.

Federal, state or local funding is not committed during this annual application process. Therefore, you should include all your capital needs.

Urban agencies: if FTA approves the TrAMS grant, MDOT will provide match. While you are still required to enter all your capital requests for four years, OPT will no longer review these requests for eligibility during the annual application process. Urban agencies must follow FTA's guidelines when requesting federal funds for these projects.

Vehicle prices should be budgeted at anticipated market prices as indicated in [Appendix D](#).

1. Application Requirements

a. Required Actions in PTMS

- Update Profile Screen
- Update Vehicle, Facility, and Equipment Inventories*
- Create and Complete the FY 2026 Application Module
  - ➢ Submit Annual Budgeted OAR(s)
  - ➢ Complete and **Save** Capital Request(s)
  - ➢ Complete and **Save** TA Forms
  - ➢ Attach support documents, signed LAC minutes, signed Contract Clauses Certification, and Resolution of Intent forms
  - ➢ Submit and PIN Application

***Note**: You should update the "VRR" field only for the vehicles in the current year's application (not future years in your capital request). If the "VRR" field is already populated with the previous application year, it should remain unchanged.

b. Required TA Forms

- 5333(b) Labor Warranty
- ADA Complaint Information
- Contract Clauses Certification (attach a signed copy in PTMS)
- Coordination Plan for Local Bus Operating Assistance
- FTA Certifications and Assurances (attach a completed copy in PTMS)
- Resolution of Intent (attach a signed copy in PTMS)
- State Certifications and Assurances
- Title VI Information
- Vehicle Accessibility Plan Update

c. Other Requirements

- Ensure adequate time to schedule your board meeting so a signed copy of Resolution of Intent is attached by the application due date.
- Signed LAC Minutes (upload in PTMS as an attachment). Comments via emails are acceptable.
- **Published** Public Notice (attach in PTMS the affidavit provided by the

newspaper or a PDF of the actual published notice from the newspaper).
A sample public notice is provided in both PTMS and on OPT's website.
Please reference the website for the published public notice requirements:
Michigan Legislature - Section 691.1051.

- Include in PTMS any flex capital projects and the projects must be consistent
  with the RTF, Small Urban, and CMAQ lists. Coordinate with your local RPA
  or MPO representative to ensure your RTF, Small Urban, or CMAQ funding
  request is listed on the S/TIP in JobNet. Ensure Forms 1481 or 1797 are
  completed and attached in JobNet by an urban area MPO or rural RPA
  respectively.
- A signed or stamped copy of your agency's PTMS equipment inventory in
  PTMS (attach in PTMS).
- Proof of facility insurance (including flood insurance if the facility is in a
  designated flood plain) (attach in PTMS).

2. Review Criteria

Capital requests will be reviewed using the following criteria:

a. All requests for replacement items must meet the replacement criteria identified
   on the "Replacement Schedule for Capital Items" (Appendix C) by Oct. 1, 2026.
   The vehicle(s) that have met useful life in terms of miles may have higher priority
   to receive funding than the vehicle(s) that have only met useful life in terms of
   age.

b. The requested item is needed to maintain or improve the efficiency,
   effectiveness, and/or safety of the transit service provided to the general public.

c. **If requesting vehicles, the number of spare vehicles in the fleet should not
   exceed 20 percent of the number of vehicles operated in peak service.**

   *Spare ratio is defined as the number of spare vehicles divided by the vehicles
   required for annual peak service. This is the revenue vehicle count during the
   peak season of the year, and on the week and day that maximum service is
   provided. It excludes atypical days and one-time special events. Spare ratio is
   usually expressed as a percentage (100 required vehicles and 20 spare vehicles
   results in a 20 percent spare ratio).

   One-to-one replacement, regardless of size of the vehicle, is acceptable.
   Replacing one vehicle with multiple smaller ones is allowed if revenue vehicle
   count during peak hours must increase by one vehicle and justification is
   provided based on capacity. This is determined at the time of the verification form
   submittal. If requesting vehicles, MDOT will review revenue vehicles to ensure
   proper utilization. Rural agencies vehicles are expected to be driven at least
   10,000 miles per year to be considered properly utilized. Non-profit agency
   vehicles are expected to have an average of 520 trips per year. Vehicles not
   meeting these thresholds per year may not be eligible for replacement.

Reasonable justification will be accepted by your project manager for underutilized vehicles. Underutilized vehicles still count against the number of eligible vehicles.

d. Facility requests must be commensurate with the current level of service plus a reasonable factor for future expansion

e. Any capital projects less than $300 are not eligible.

f. Revenue vehicles will allow funding for communication equipment, decals up to $3,000, camera, or bike rack necessary to operate the vehicle.

A-II. Operating and Capital for JARC Activities

Rural Continuation:

No new/expansion projects are being funded. JARC activities are intended to address innovative and flexible transportation to employment needs of individuals with limited incomes, as well as provide transportation to employment opportunities from urban and rural areas to suburban areas for individuals of all income levels. JARC activities are eligible under Section 5311.

JARC activities include capital, planning, operating, mobility management, and stand-alone marketing expenses that support the development and maintenance of transportation services that transport individuals to and from jobs and activities related to their employment.

Applicants are encouraged to submit projects that meet the transportation needs to and from employment and also advance the principles of human services-transit coordination.

Examples include:

- Late-night and weekend service.

- Transit-related aspects of bicycling (i.e., adding bicycle racks to vehicles to support individuals who may use this mode for a portion of their commute).

- Intelligent Transportation System (ITS) and other forms of technology to help plan and operate coordinated systems i.e., Geographic Information Systems (GIS) mapping, Global Position System (GPS) technology, coordinated vehicle scheduling, dispatching, and systems to help track costs and billing.

- Supporting mobility management and coordination programs among public transportation providers and other human service agencies. Mobility management activities may include:

1) 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.

2) Support for short-term management activities to plan and implement coordinated services.

3) The support of state and local coordination policy bodies and councils.

4) The operation of transportation brokerages to coordinate providers, funding agencies and customers.

5) The provision of coordinated services, including the customer-oriented travel navigator systems and neighborhood travel coordination activities of the employer-oriented transportation management organizations and human service organizations.

6) 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 support programs.

Please refer to [FY 2026 Section 5310 and Section 5311 Mobility Management Application Guidelines](#) for details.

Ineligible - Ineligible activities include but are not limited to gasoline vouchers.

Note: The vehicles used exclusively for JARC service should be listed on the JARC OAR. If you do not use all of your vehicles exclusively for JARC service, you need to allocate the number of vehicles based on the percent of JARC service. The total of the JARC OAR and Regular OAR vehicles should not exceed the number of the total fleet.

Any funds awarded for Mobility Management must be expended within one fiscal year and cannot be rolled over into another fiscal year like other capital funds.

Urban:

Agencies in small or large urban areas that are interested in applying for Section 5307 for JARC activities will need to contact their designated funding recipients and submit their projects through the local process. If the projects are selected, the designated recipient will submit the application directly to FTA.

Designated agencies in large urban agencies must include their JARC projects in PTMS following the same instructions as shown on P. 14 in addition to applying directly to FTA.

1. Application Requirements

a. Required Actions in PTMS

- Update Profile Screen
- Update Vehicle, Facility, and Equipment Inventories*
- Create and Complete the FY 2026 Application Module
  - ➢ Submit Annual Budgeted OAR(s)
  - ➢ Complete and **Save** Capital Request(s)
  - ➢ Complete and **Save** TA Forms
  - ➢ Attach any support documents, signed Contract Clauses Certification and FTA Certification and Assurances forms (attach a completed copy in PTMS)
  - ➢ Submit and PIN Application

****Note**: You should update the "VRR" field only for the vehicles in the current year's application (not the three future years in your capital request). If the "VRR" field is already populated with the previous application year, it should remain unchanged.

b. Required TA Forms

- 5333(b) Labor Warranty
- ADA Complaint Information
- Contract Clauses Certification (attach a signed copy in PTMS)
- FTA Certifications and Assurances (attach a completed copy in PTMS)
- Project Summary for Each Project Funding Request
- State Certifications and Assurances
- Title VI Information
- Vehicle Accessibility Plan Update (if requesting vehicles)

c. Other Requirement

- **Published** Public Notice (attach in PTMS the affidavit provided by the newspaper or a PDF of the actual published notice from the newspaper). A sample public notice is provided in both PTMS and on OPT's website. Please reference the website for the published public notice requirements: Michigan Legislature - Section 691.1051.

- A signed or stamped copy of your agency's PTMS equipment inventory (attach in PTMS).

- Proof of facility insurance (including flood insurance if the facility is in a designated flood plain) (attach in PTMS).

2. Matching Requirements

For JARC projects funded with federal Section 5307, MDOT will continue to provide 50 percent match for operating and 20 percent for mobility management projects, subject to availability of funds.

Farebox revenue cannot be used as local match and must be backed out as ineligible under expense code 55000 Ineligible JARC and NF Fares in your OAR. Farebox revenue refers to Passenger Fares collected from transportation service.

Since MDOT provides the match, local service contracts reported in codes 40930 Local Service Contract/Federal Source, 40940 Local Service Contract/State Source, 40950 Local Service Contract/Local Source, or 40980 Local Service Contract/Competitive Bid must be backed out as ineligible under expense code 55000 in your OAR.

You may submit all your capital requests under this application using 80 percent federal funds and 20 percent state match. **However, we do not know if MDOT's FY 2026 budget will support 20 percent match for all projects. If there is a need for you to provide a portion of the match, you will be notified as soon as possible.**

Federal, state or local funding are not committed during this annual application process. Therefore, you should include all your capital needs.

B. Specialized Services Operating Assistance Program

This program is state funded. One coordinating entity per county or multicounty region that represents the transit interests of seniors and individuals with disabilities is eligible to receive funding. The agency shall be the applicant for all specialized services funding requests in that county or region, regardless of who actually provides the specialized transit services. In order of priority, the coordinating entity must be one of the following:

- A public TA
- A governmental agency
- An existing Section 5310 agency
- A nonprofit corporation representing specialized services interest

If more than one public TA exists in the county or multicounty region (as approved by MDOT), selection of the applicant will be decided by the parties involved.

Transportation providers are currently reimbursed $1.76 per mile or $5.08 per one-way passenger trip up to the contract amount.

The Specialized Services Program also provides reimbursement to volunteer drivers using their personal vehicles to transport passengers for nonemergency medical trips provided it does not duplicate other available service. This service is reimbursed at $0.43 per mile up to the contract amount.

For further information regarding the Specialized Services Program, refer to the Specialized Services Manual.

The funding between the current and new sub-applicants can be adjusted by the local coordination committee. **The amount of funding requested should match the current budget approved, however the awarded funding amount can be increased or decreased by OPT based on the funding that is used in the prior fiscal year.** If funds become available for expansion of services or implementation of new specialized services, applications will be requested at that time.

1. Application Requirements

a. Required Actions in PTMS

- Update Profile Screen
- Update Vehicle, Facility, and Equipment Inventories*
- Create and Complete the FY 2026 Application Module
  - ➢ Submit Annual Budgeted OAR
  - ➢ Complete and **Save** TA Forms
  - ➢ Attach support documents
  - ➢ Submit and PIN Application

***Note**: Not applicable if you are not requesting vehicles, equipment, or facilities funded with federal and/or state funds.

b. Required TA Forms

- Specialized Services Budget Data
- Coordination Plan Update
- Service Description

c. Local Coordination Committee

Act 51 requires proposals for coordinated Specialized Services assistance funding be developed jointly between existing eligible authorities or eligible governmental agencies that provide public transportation services and the area agencies on aging or any other organization representing specialized services interests. Local participants may include:

- Community Aging Organizations [Area Agency on Aging (AAA), Council on Aging, etc.]
- Community Disability Organizations (Community Mental Health, the Association for Retarded Citizens, Department of Career Development - Rehabilitation Services, Michigan Commission for the Blind/Michigan Department of Health and Human Services, etc.)
- Community Action Agencies
- Intermediate School Districts
- Labor Community
- LAC
- Local Governments
- Michigan Works! Agency
- Regional Interagency Coordination Committees
- Private Transportation Companies
- Public Transit Providers
- RPA
- Transit Users

At a minimum, seniors and individuals with disabilities, public transit, and the LAC must be represented. When transportation to work issues are discussed, the Michigan Department of Human Services and the Michigan Works! Agency must be represented where applicable. Each individual can represent only one agency.

d. Other Requirement

- **Published** Public Notice (attach in PTMS the affidavit provided by the newspaper or a PDF of the actual published notice from the newspaper). A sample public notice is provided in both PTMS and on OPT's website. Please reference the website for the published public notice requirements: Michigan Legislature - Section 691.1051.

- A signed or stamped copy of your agency's PTMS equipment inventory (attach in PTMS).
- Proof of facility insurance (attach in PTMS).

2. Eligible/Ineligible Applications

Eligible - Transit services primarily for seniors and individuals with disabilities within the applicant's service area. **Local coordination committee and local TA must support the proposed service**. Service must be available to all seniors and individuals with disabilities in the service area.

Volunteer drivers are also eligible if the following requirements are met:

a. Rides are provided for nonemergency medical trips and are available to any seniors or individuals with disabilities.

b. The applicant must ensure that the private car is in safe, operating condition and is owned by the volunteer driver.

c. The driver has had a valid driver's license for the past five consecutive years with no moving violations within the last two years.

d. The driver has notified their insurance company that their vehicle will be used for this service.

Ineligible - The following will cause an application or segment of an application to be ineligible:

a. Required complementary paratransit service

b. Service or method of providing service is not identified.

c. Using personal cars (except for volunteer drivers).

d. Service is primarily for "Meals-on-Wheels."

e. Requesting funds to purchase capital equipment.

f. Replacing existing services funded from other sources.

C. Enhanced Mobility of Seniors and Individuals with Disabilities Program (Section 5310)

C-I. Section 5310 Program (Not Including New Freedom Activities)

Although NF activities are funded with Section 5310 funds, MDOT is requiring separate 5310 and NF applications.

MDOT is the designated recipient for rural and small urban Section 5310 funds. Agencies that provide service in rural and small urban areas or the Grand Rapids urbanized area need to apply for Section 5310 capital funds through MDOT using PTMS in accordance to the following application requirements. If you are not sure whether your service is within a rural or small urban area, please contact the OPT project manager for your area.

Funds are apportioned to designated recipients for urbanized areas with a population of 200,000 or more. Therefore, if you provide service in one of these urbanized areas (except for the Grand Rapids urbanized area), you will need to contact the designated recipient and submit your projects through the local process. The designated recipient will then include these submitted projects in their MDOT application via PTMS to apply for the state match. **The designated recipient will need to identify the Section 5310 agency(ies) in the Capital Requests – Justification field in PTMS, along with any other required information.** If the projects are selected, the designated recipient will submit the application directly to FTA.

1. Application Requirements

a. Required Actions in PTMS

- Update Profile Screen
- Update Vehicle, Facility, and Equipment Inventories*
- Create and Complete the FY 2026 Application Module
  - ➢ Complete and **Save** Capital Request(s)
  - ➢ Complete and **Save** TA Forms
  - ➢ Attach support documents, signed LAC minutes, and signed Contract Clauses Certification
  - ➢ Submit and PIN Application

***Note:** You should update the "VRR" field only for the vehicles in the current year's application (not the three future years in your capital request). If the "VRR" field is already populated with the previous application year, it should remain unchanged.

b. Required TA Forms

- ADA Complaint Information
- Budget Data (not including NF)
- Contract Clauses Certification (attach a signed copy in PTMS)
- FTA Certifications and Assurances (attach a completed copy in PTMS)
- Section 5310/New Freedom General Information
- Section 5310 Coordinated Public Transit-Human Services Transportation Plan Information
- State Certifications and Assurances
- Title VI Information
- Vehicle Accessibility Plan Update

c. Other Requirements

- Coordinated Public Transit-Human Services Transportation Plan and Updates
- Signed LAC Minutes (attach in PTMS). Comments via emails are acceptable.

- Sign-offs/Published Public Notice (attach in PTMS the affidavit provided by the newspaper or a PDF of the actual published notice from the newspaper). Please reference the website for the published public notice requirements: Michigan Legislature - Section 691.1051.

  Obtain individual sign-offs from each public and private transit and paratransit operator in your service area stating that the services they are providing or are prepared to provide are not designed to meet the special needs of seniors and individuals with disabilities within your service area, or proof of a good faith effort made in obtaining letters of support if an operator will not respond.

  OR

  Issue a public notice describing the capital equipment you are applying for and the services you intend to offer in meeting the special needs of seniors and individuals with disabilities within the area. This notice must be shown in major newspapers within your service area and must invite any interested public or private transit or paratransit operators within the service area to comment on the proposed service by sending a written response to your agency. A minimum of 30 days response time must be provided. See a sample public notice.

- Include in PTMS any flex capital projects and the projects must be consistent with the RTF, Small Urban, and CMAQ list.
- A signed or stamped copy of your agency's PTMS equipment inventory (attach in PTMS).
- Proof of facility insurance (including flood insurance if the facility is in a designated flood plain) (attach in PTMS).

2. Eligible/Ineligible Use of Vehicles

Eligible - Vehicles acquired under the Section 5310 program must be used primarily for seniors and individuals with disabilities **and be accessible. Services are to be provided only within the legal jurisdiction of the applicant.** Revenue vehicles are only to be used to provide services to transit passengers and **such services must be open to the general public.**

When vehicles or other equipment are operated by any agency other than the private, nonprofit organization/public agency in the grant application, control and responsibility for the operation of the vehicles or other equipment must remain with the private, nonprofit organization/public agency that was the original recipient unless transfer of the control and responsibility is to another eligible private, nonprofit organization/public agency and is authorized by the state.

Ineligible - Section 5310 funds may not be used to purchase special vehicles to be used solely for meal delivery or to purchase specialized equipment such as racks, heating, or refrigeration units related to meal delivery.

Section 5310 vehicles cannot be used to provide services that are required to meet the paratransit requirements of the ADA of 1990. Specifically, ADA requires that public entities that operate non-commuter fixed-route transportation services also provide complementary paratransit service for individuals unable to use the fixed-route system.

3. Review Criteria

MDOT will review and evaluate all applications utilizing the following criteria:

a. Vehicles and equipment must meet the replacement schedule in Appendix C by Oct. 1, 2026.

b. Financial commitments to assure operating funds are available.

c. The degree to which the organization is meeting the transportation needs of seniors and individuals with disabilities.

d. Appropriateness of the quantity and type of vehicles for meeting the special transportation needs of the client population.

e. Projected 5310 ridership for the application year.

f. Number of trips provided with each 5310 vehicle. **An agency is expected to provide a minimum of 520 trips per vehicle per year. If an agency provides less than 520 trips per vehicle per year, the vehicle may not be eligible for replacement.**

g. Endorsements provided by local units of government, transit operators, and

social service agencies.

h. The degree to which the applicant documents their coordination of present and long-range plans for public transportation and other social services in the service area. This should be presented in the applicant's locally developed Coordinated Public Transit-Human Service Transportation Plan.

i. Documentation of local initiative, organization, fiscal resources and management capability, equipment inventory, and overall technical capacity.

j Any capital projects less than $300 are not eligible.

k. Vehicles should be budgeted at anticipated market prices as of Oct. 1, 2025 (Appendix D).

l. All other state and federal funding sources must be exhausted before a Section 5310 request is considered. Priority shall be placed on the funding of replacement vehicles prior to expansion vehicles. If funding is not available for all statewide requests, vehicles[1] shall be funded in the FTA Section 5310 program in the following order of priority:

MDOT will use at least 55 percent of Section 5310 funds for traditional 5310 projects. After 55 percent of funds have been used for traditional 5310 projects and all of the Priority 1 projects have been funded (see below), MDOT will fund continuation of NF activities. If funds are remaining, MDOT will fund additional 5310 projects, such as replacement of vehicles purchased with funds other than FTA or state funds, expansion vehicles, other capital and expansion NF activities. See link for the criteria for 5310 funding listed in order of priority.

4. **Matching Requirements**

Submit all your capital requests under this application using 80 percent federal funds and 20 percent state match. **However, we do not know if MDOT's FY 2026 budget will support 20 percent match for all projects. If there is a need for you to provide a portion of the match, you will be notified as soon as possible.**

Federal, state or local funding are not committed during this annual application process. Therefore, you should include all your capital needs for four years.

Funds provided under other federal programs (other than those of the U.S. Department of Transportation, with the exception of the Federal Lands Transportation Program and Tribal Transportation Program established by Sections 202 and 203 of Title 23 U.S.C.), may be used for local match for funds

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[1] Includes communication equipment, decals up to $3,000, camera, or bike rack necessary to operate the vehicle.

provided under Section 5310, and revenue from service contracts may be used as local match.

C-II. New Freedom (NF) Program

Section 5310 funds existing NF activities. Please refer to [FY 2026 Section 5310 and Section 5311 Mobility Management Application Guidelines](#) for funding for new/expansion projects. NF activities are intended to reduce barriers to transportation services and expand the transportation mobility options available to individuals with disabilities beyond the requirements of the ADA of 1990, as amended.

MDOT is the designated recipient for rural, small urban, and the Grand Rapids urbanized area 5310 funds (which fund NF activities) allocated to Michigan. Agencies that wish to apply for rural and small urban NF funds must apply through MDOT using PTMS in accordance with the following application requirements. To ensure equitable distribution, an agency cannot receive more than 50 percent of the federal funds in the rural or small urban allocation.

Agencies in large urban areas that are interested in applying for large urban Section 5310 funds for NF activities must contact their designated funding recipients and submit their projects through the local process. If the projects are selected, the designated recipient will submit the application directly to the FTA.

Designated recipients in large urban agencies (except for agencies in the Grand Rapids urbanized area) must include their NF capital projects in PTMS in accordance to the following application requirements, in addition to applying directly to FTA.

Note: New applicants who do not have access to PTMS should contact the OPT project manager for instructions regarding the submittal of this application. Transit agencies in the urbanized areas with a population of 200,000 or more that apply for Section 5310/NF operating assistance should enter the federal funding into their regular service OAR and back it out as ineligible**.**

1. Application Requirements

a. Required Actions in PTMS

- Update Profile Screen
- Update Vehicle, Facility, and Equipment Inventories*
- Create and Complete the FY 2026 Application Module
  - ➢ Submit Annual Budgeted OAR(s) – for agencies applying for small urban and rural NF funds for operating assistance only**
  - ➢ Complete and **Save** Capital Request(s)
  - ➢ Complete and **Save** TA Forms
  - ➢ Attach support documents and signed Contract Clauses Certification

➤ Submit and PIN Application

*Note: You should update the "VRR" field only for the vehicles in the current year's application (not the three future years in your capital request). If the "VRR" field is already populated **with** the previous application year, it should remain unchanged.

**Note: Agencies applying for large urban NF funds for operating assistance do not need to submit budgets in PTMS. They should enter the federal funding into their regular service OAR and backed out as ineligible.

b. Required TA Forms

- ADA Complaint Information
- Certification of Local Match – operating assistance only
- Contract Clauses Certification (attach a signed copy in PTMS)
- FTA Certifications and Assurances (attach a completed copy in PTMS)
- General Information
- Project Summary for Each Project Funding Request
- State Certifications and Assurances
- Title VI Information
- Vehicle Accessibility Plan Update

c. Other Requirements

- Coordinated Public Transit-Human Services Transportation Plan and Updates
- **Published** Public Notice (attach in PTMS the affidavit provided by the newspaper or a PDF of the actual published notice from the newspaper). A sample public notice is provided in PTMS on OPT's website. Please reference the website for the published public notice requirements: Michigan Legislature - Section 691.1051.
- A signed or stamped copy of your agency's PTMS equipment inventory (attach in PTMS).
- Proof of facility insurance (including flood insurance if the facility is in a designated flood plain) (attach in PTMS).

2. Eligible Use of Program Funds

See Appendix E for examples of eligible projects.

3. Application Review

OPT will review applications for rural and small urban NF funds individually to ensure the applicant has met all application criteria, including the completion of all required forms.

4. Project Selection

Projects applied for through rural and small urban NF will be selected through a statewide competitive review process. If there are insufficient funds in FY 2026 for all eligible projects, contracts will be awarded based on the review and ranking by OPT staff.

Please refer to [FY 2026 Section 5310 and Section 5311 Mobility Management Application Guidelines](#) for details.

Projects will be funded starting with the highest-ranking project. Although each applicant may apply for funding in more than one category, it is possible an award could be made for one proposed activity and not another. Projects may not be fully funded up to the dollar amount requested in the application.

Projects will be ranked based on:

- Priority of the project category (see above).
- Thoroughness of the application and how well each given topic in the application is addressed.
- How well the project meets the needs identified in the Coordinated Plan.

5. Matching Requirements

Submit all your capital requests under this application using 80 percent federal funds and 20 percent state match. **However, we do not know if MDOT's FY 2026 budget will support 20 percent match for all projects. If there is a need for you to provide a portion of the match, you will be notified as soon as possible.**

Federal, state or local funding are not committed during this annual application process. Therefore, you should include all your capital needs.

MDOT does not plan to provide match for operating requests. The 50 percent match for all operating requests must be provided locally and a Certification of Local Match must be included with annual application in PTMS. Acceptable sources of local matching funds are local appropriations, other non-U.S. Department of Transportation federal funds, dedicated tax revenues, private donations, revenue from human service contracts, and net income generated from advertising and concessions. Non-cash local share, such as donations, volunteer services, or in-kind contributions, is eligible to be counted toward the local match as long as the value of each is documented, supported, represents a cost which would otherwise be eligible under the program, is included in the net project costs in the project budget, and is approved by OPT.

Farebox revenue cannot be used as local match and must be backed out as ineligible under expense code 55000 Ineligible JARC and NF Fares in your OAR.

Farebox revenue refers to Passenger Fares collected from transportation service.

If local service contract(s) as reported in codes 40930 Local Service Contract/Federal Source, 40940 Local Service Contract/State Source, or 40950 Local Service Contract/Local Source, and 40980 Local Service Contract/Competitive Bid fares are not used to provide the local match, these contract fares also must be backed out as ineligible under expense code 55000 in your OAR.

For details regarding contributed services, refer to the FY 2026 R&E Manual, under "Other Revenue," "43000 Contributed Services," and under "Ineligible Expenses," "55008 Other Ineligible Expenses." For details regarding revenue from human service agencies, refer to Appendix F of the FY 2026 R&E Manual at Audit & accounting information (michigan.gov).

D. Metropolitan & Statewide Planning and NonMetropolitan Transportation Planning Program (Section 5304)

1. Application Requirements

a. Required Actions in PTMS

- Update Profile Screen
- Update Vehicle, Facility, and Equipment Inventories*
- Create and Complete the FY 2026 Application Module
  - ➢ Complete and **Save** TA Forms
  - ➢ Attach support documents and Contract Clauses Certification
  - ➢ Submit and PIN Application

*Note: Not applicable if you are not a public TA and do not have vehicles, equipment, or facilities funded with federal and/or state funds.

New applicants who do not have access to PTMS should contact the OPT project manager for instructions regarding the submittal of this application. Forms can be found at: Annual Application for Funding (michigan.gov).

b. Required TA Forms

- ADA Complaint Information
- Contract Clauses Certification (attach a signed copy in PTMS)
- FTA Certifications and Assurances (attach a completed copy in PTMS)
- Section 5304 Application
- Title VI Information

c. Other Requirements

- **Published** Public Notice (attach in PTMS the affidavit provided by the newspaper or a PDF of the actual published notice from the newspaper). A sample public notice is provided in both PTMS and on OPT's website. Please reference the website for the published public notice requirements: Michigan Legislature - Section 691.1051.

- Unified Planning Work Program (UPWP) (for both urban and rural agencies in UAs only). All federally funded planning projects under this application must be included in both your local UPWP and PTMS, as appropriate. **A copy of the UPWP page(s) in which the requested projects are listed must be attached in PTMS.** You need to ensure that the dollar amount and project description are consistent between PTMS and your UPWP. Contact your local MPO (Appendix B) for UPWP requirements.

- Written Verifications of Support (attach in PTMS).

Written verifications, such as letters or committee/board meeting minutes supporting the requested project, should be provided. **Support from local TAs and local coordination committees within the geographical area affected is required.**

- When a project is selected and funded, a final report summarizing the project must be submitted to OPT prior to final payment being made. The report should include the project title, project objectives, methodology, and results, including potential statewide application. The report will be posted on the OPT's "Section 5304 Program Reports" page. The final report will need to meet the following ADA-compliant requirements:

  - Use Arial font, size 11-12
  - Left justified except for titles and headings
  - Underline should be reserved for URLs
  - Minimize text with bold and italic
  - Refrain from using all caps or highlighting text
  - If using text boxes, tables and graphics, they must have descriptions so the optical character reader (OCR) can understand it
  - No scanned documents

  Before the final payment can be made, you are required to submit the final report that has passed the accessibility check using the accessibility check feature in Word, Adobe, or the software from which the report is originated. You may also have the final, ADA compliant report posted at your agency's website and send the link to your OPT project manager to be posted at MDOTs website. If you hire a consultant to do this report, you should include this requirement in your scope of work in your RFP.

2. **Eligible Projects**

   Examples of eligible Section 5304 Program planning activities/projects:

   - Studies relating to management, planning, operations, capital requirements, and economic feasibility
   - Development of transportation plans and programs
   - Planning, design, and evaluation of public transportation projects
   - Technical studies related to public transportation
   - Safety, security, and emergency transportation and evacuation planning
   - Coordinated public transit human services transportation planning
   - Development of transportation plans, short-range transportation improvement programs (TIPs), and Unified Planning Work Program (UPWP)/Unified Work Program (UWP)
   - Systems planning and corridor-level alternative analysis
   - Research
   - Feasibility Studies (example: facility construction)

Eligible projects include activities/items that support the following program goals:

- Support the economic vitality of the metropolitan area, especially by enabling global competitiveness, productivity, and efficiency;
- Increase the safety of the transportation system for motorized and nonmotorized users;
- Increase the security of the transportation system for motorized and nonmotorized users;
- Increase the accessibility and mobility of people and for freight;
- Protect and enhance the environment, promote energy conservation, improve the quality of life, and promote consistency between transportation improvements and state and locally planned growth and economic development patterns;
- Enhance the integration and connectivity of the transportation system, across and between modes, for people and freight;
- Promote efficient system management and operation, including training;
- Emphasize the preservation of the existing transportation system;
- Provide evidence of local support, which may include local funding.

3. Selection Criteria

Grants will be awarded based on the criteria above and on available funding.

4. Matching Requirements

Up to 80 percent of federal funding assistance is provided with the balance coming from state, local, and/or private sources unless state matching funds are available. A letter of financial commitment must be provided if local/private funding sources are used.

E. Marine Passenger Program and Ferry Boat Formula Program

Service eligible under the Marine Passenger Program must be the primary means of transportation for passengers and vehicles for employment, medical, school, shopping, food, and fuel supplies. While the eligible agencies receive state operating assistance to reimburse 50 percent of their eligible expenses, their capital assistance is provided by the Marine Passenger Program and/or Ferry Boat Formula Program.

1. Application Requirements

a. Required Actions in PTMS

- Update Profile Screen
- Update Facility and Equipment Inventories*
- Create and Complete the FY 2026 Application Module
  - ➢ Submit Annual Budgeted OAR(s)
  - ➢ Complete and Save Capital Request(s)
  - ➢ Complete and **Save** TA Forms
  - ➢ Attach support documents and a signed copy of the Resolution of Intent form.
  - ➢ Submit and PIN Application

*Note: You should update the "VRR" field only for the vessels in the current year's application (not the three future years in your capital request). If the "VRR" field is already populated with the previous application year, it should remain unchanged.

b. Required TA Forms

- Resolution of Intent (attach a signed copy in PTMS)

If applying for Section 5339 or eligible for FHWA Ferry Boat Formula Program funds, the following TA forms will also be required:

- ADA Complaint Information
- 5333(b) Labor Warranty
- Contract Clauses Certification (attach a signed copy in PTMS)
- FTA Certifications and Assurances (attach a completed copy in PTMS)
- Title VI Information

For more information regarding the application instructions for the Ferry Boat Formula Program, see link.

c. Other Requirement

- **Published** Public Notice (attach in PTMS the affidavit provided by the

newspaper or a PDF of the actual published notice from the newspaper).
See sample public notice. Please reference the website for the published
public notice requirements: Michigan Legislature - Section 691.1051.

- A signed or stamped copy of your agency's PTMS equipment inventory
  (attach in PTMS).

- Proof of facility insurance (including flood insurance if the facility is in a
  designated flood plain) (attach in PTMS

2. Review Criteria

Capital requests will be reviewed using the following criteria:

a. As appropriate, all requests for replacement items must meet the replacement
   criteria identified on the "Replacement Schedule for Capital Items" (Appendix C)
   by Oct.1, 2026.

b. The item is needed to maintain or improve the efficiency, effectiveness, and/or
   safety of the transit service provided to the general public.

c. Facility requests must be commensurate with the current level of service plus a
   reasonable factor for future expansion. Portions of the project not related to
   public transit services cannot be funded with CTF funds.

d. Any capital projects less than $300 are not eligible.

3. Matching Requirements

Under Act 51, marine capital is funded based on a line-item legislative
appropriation. **Capital projects are funded with 90 percent state funds and 10
percent local funds.**

For Federal Ferry Boat Program funds, capital projects are funded with 80
percent federal funds and 20 percent state match. **However, we do not know if
MDOT's FY 2026 budget will support 20 percent match for all projects. If
there is a need for transit agencies to provide a portion of the match,
agencies will be notified as soon as possible.**

F. Service Initiatives Program

This is state funding that provides funds to advance and improve mobility such as demonstration and implementation of new technology, innovative service models, regional services, research, training, planning and coordination.

Ad hoc applications may be submitted at any time during the year. MDOT may also issue calls for proposals or challenge grants seeking applications for projects to address specific state goals and objectives; those solicitations may have different requirements than what is outlined in these instructions.

1. Application Requirements

a. All applicants with access to PTMS are required to complete the Service Initiatives Application form in PTMS and submit the application via PTMS. Applicants without access to PTMS should use the Service Initiatives Application form link at Annual Application for Funding (michigan.gov) to complete the application.

b. Required TA Form

-   Service Initiatives Application

c. Other Requirements

-   **Published** Public Notice (attach in PTMS the affidavit provided by the newspaper or a PDF of the actual published notice from the newspaper). A sample public notice is provided in both PTMS and on OPT's website. Please reference the website for the published public notice requirements: Michigan Legislature - Section 691.1051.

    *Note: Only entities eligible for funding under Act 51 are required to publish a public notice. If you are applying funds under multiple programs, you may combine them in one public notice.

-   Written Verifications of Commitment (attach in PTMS)

    Letters of commitment from each project partner should be included, demonstrating their understanding of their project roles and responsibilities. Documentation, such as letters, meeting minutes, financial statements, etc., to demonstrate sustainability of a successful project must be provided. Letters of support from other area stakeholders may also be included.

-   When a project is selected and funded, an independent evaluation and final report summarizing the project and recommending future activities must be submitted to OPT prior to the final payment being made. The report should include the project title, project objectives, methodology, and results, including

potential statewide application. The final report will need to meet the following ADA-compliant requirements when it is posted on the OPT's website:

➢ Use Arial font, size 11-12
➢ Left justified except for titles and headings
➢ Underline should be reserved for URLs
➢ Minimize text with bold and italic
➢ Refrain from using all caps or highlighting text
➢ If using text boxes, tables, and graphics, they must have descriptions so the optical character reader (OCR) can understand it
➢ No scanned documents

Before the final payment can be made, you are required to submit the final report that has passed the accessibility check using the accessibility check feature in Word, Adobe, or the software from which the report is originated. You may also have the final, ADA compliant report posted at your agency's website and send the link to your OPT project manager to be posted at MDOTs website.

An independent evaluation will be required. You may identify the evaluator as a partner in your application, or you may do a competitive procurement to hire an evaluator after your project is funded. Ensure that the evaluator is aware of the ADA compliance requirements for the final report; include the requirement in the scope of work if you issue an RFP. Be sure to include the cost for the independent evaluation in your funding request.

2. Eligible Projects

Examples of eligible Service Initiatives projects include but are not limited to:

- Technology-enabled services and features to improve operating efficiency and transit access and equity. For example: computer-aided dispatch systems; automatic vehicle location software; on-demand microtransit service; online trip planning software; contactless or mobile fare payment systems; vehicle diagnostic tools.
- Technology-related solutions to improve safety. For example: collision-avoidance technology; Advanced Driver Assistance Systems (ADAS) systems; facility security features; cybersecurity assessments
- Research
- Regional service planning and demonstration

3. Selection Criteria

Awards will be based on strength of the application, how well it addresses state goals as indicated in the state long range plan: MM2045 and on available funding. If MDOT issues a call for projects, selection criteria will be outlined in the call for projects.

4. Matching Requirements

a. No match will be required for capital projects.
b. Demonstration projects for new operations, such as on-demand microtransit, may request funding for a three-year pilot. No match would be required for the first year of operating expenses; 15 percent local match of operating expenses would be required for the second year; 30 percent local match of operating expenses would be required for the third year. After three years, if deemed successful, the new service would become part of an agency's regular transit operations and receive no additional state funding beyond regular operating assistance (e.g., local bus operating, 5311 operating, as applicable).

IV. **Instructions for TA Forms and Related Requirements**

V. Appendixes

A. Michigan's Regional Planning Agencies (RPAs)/Rural Task Forces (RTFs) Contacts
B. Metropolitan Planning Organizations (MPO) and Contacts
C. Replacement Schedule for Capital Items (Effective Oct. 1, 2025)
D. Estimated Vehicle Prices (Effective Oct. 1, 2025)
E. Eligible Projects Under the Section 5310/New Freedom Program
F. Frequently Asked Questions