Public Transportation Updates & New Information

ARDOT Public Transportation Section • ATA Conference 2026

Today's agenda

1

FTA & State Programs

Funding we administer for Arkansas transit

2

Fleet Management

Orders, deliveries, releases and spare ratios

3

FY2026 State Management Review

Findings, corrective actions and what agencies must do

4

FTA Guidance Updates

Funding outlook, updated circulars and new tools

The Public Transportation Section: three teams

Grants Management

- Manages FTA grant applications from start to closeout for subrecipients and ARDOT
- Reports FFR's and MPR's to FTA

Program Management

- Oversees the 5310, 5311 and 5339 programs
- Provides technical assistance and monitors FTA compliance

Safety & Asset Management

- Inspects federally funded vehicles and facilities statewide
- Drug & alcohol program reviews
- State Safety Oversight of the Rock Region METRO Streetcar

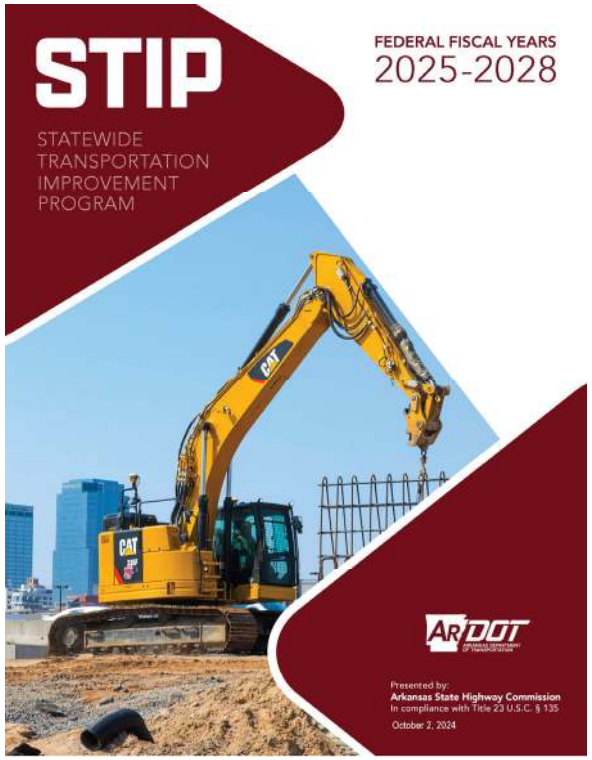
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FTA & State Programs

Five FTA programs plus state funding that supports local match

SECTION 5305

Consolidated Planning Program



Annual apportionment

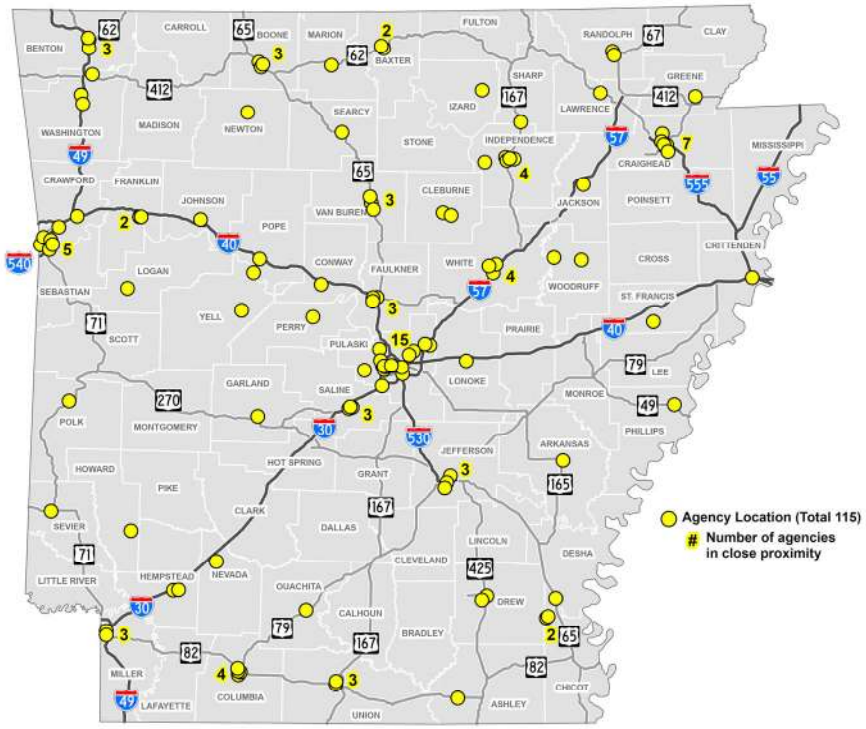
$3.00M	$3.06M	$3.12M
SFY 2025	SFY 2026	SFY 2027

How ARDOT administers it:

- Formula funds to states based on each state's share of the national urban population
- Jointly administered by FHWA and FTA
- ARDOT coordinates with MPOs and transit agencies to include transit projects in the TIP and STIP

SECTION 5310

Enhanced Mobility of Seniors & Individuals with Disabilities



Annual apportionment

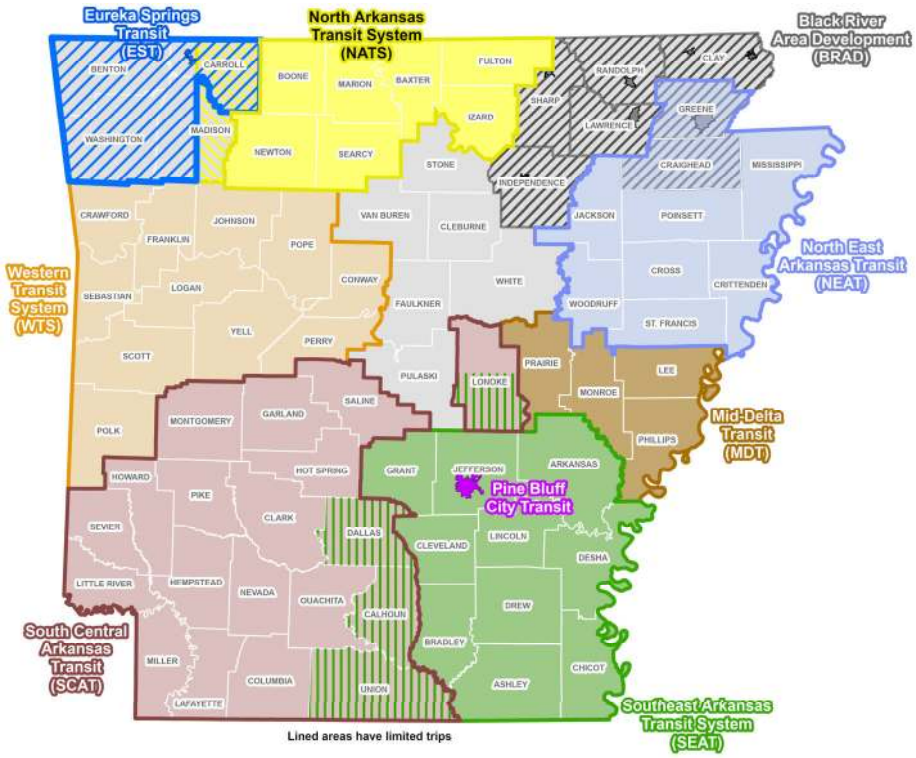
$3.96M	$4.01M	$4.22M
SFY 2025	SFY 2026	SFY 2027

How ARDOT administers it:

- About 115 nonprofit and municipal agencies statewide
- Annual applications with a risk assessment for each agency
- About 40 vehicles purchased each year
- Quarterly performance reports; Title VI plan every three years

SECTION 5311 & 5311(F)

Formula Grants for Rural Areas and Intercity



Annual apportionment

$18.02M	$18.36M	$18.81M
SFY 2025	SFY 2026	SFY 2027

How ARDOT administers it:

- 9 rural transit agencies statewide serving areas under 50,000 population
- Eligible for planning, administration, capital and operating
- About 40 vehicles purchased each year; monthly mileage and ridership reports
- Title VI plan every three years

SECTION 5339

Bus and Bus Facilities Program

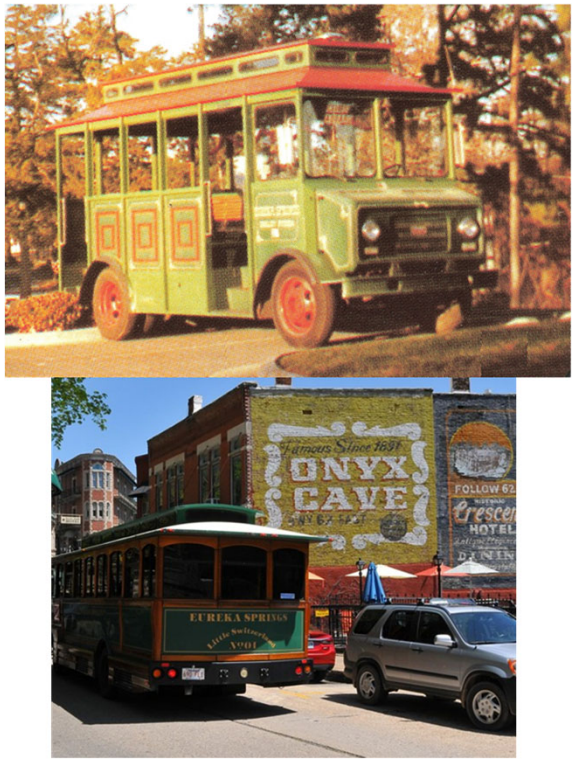


Photo courtesy of Eureka Springs Transit

Annual apportionment

$4.0M	$4.0M	$4.0M
SFY 2025	SFY 2026	SFY 2027

How ARDOT administers it:

- Capital to replace, rehabilitate and purchase buses and related equipment
- Construction of bus-related facilities
- Funds expansion and replacement vehicles and capital equipment for subrecipients

SECTION 5329

State Safety Oversight Program



Photo courtesy of Rock Region METRO

Annual apportionment

$488,857	$492,680	$541,220
SFY 2025	SFY 2026	SFY 2027

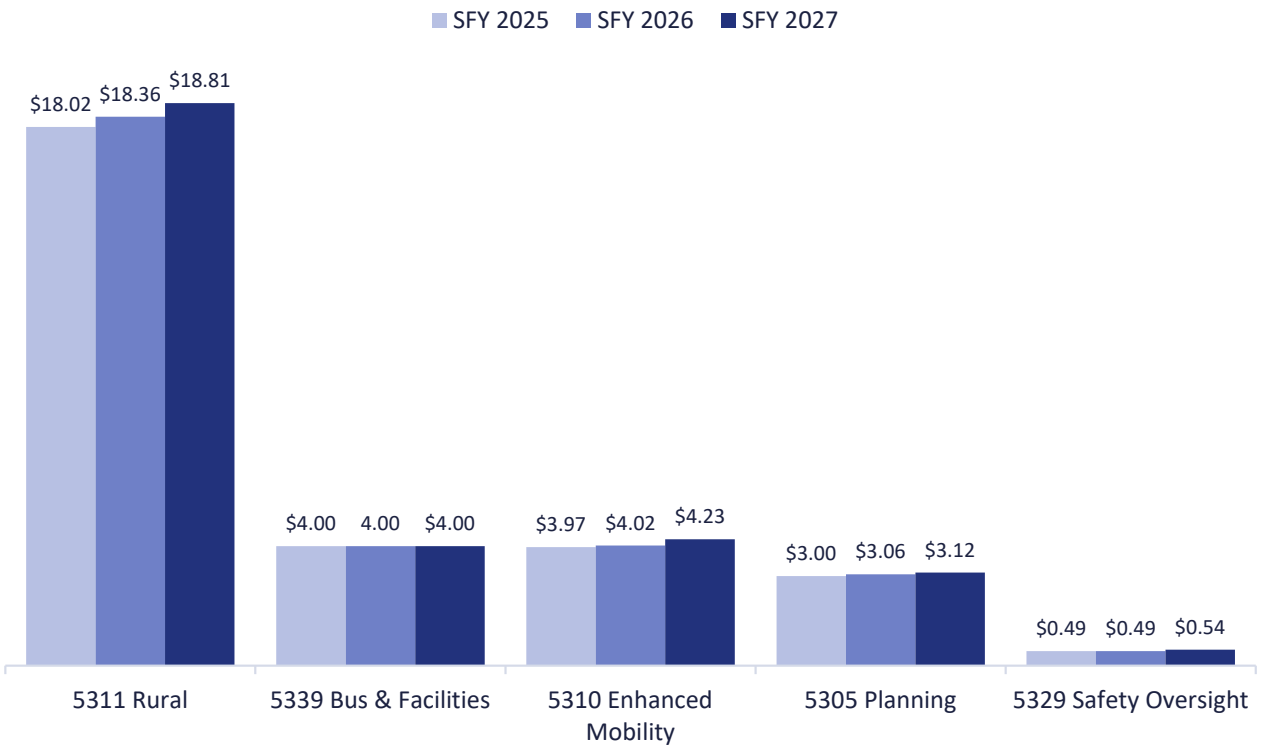
How ARDOT administers it:

- Federal mandate for state oversight of rail transit safety and security (49 CFR Part 674)
- Rock Region METRO Streetcar is Arkansas's only rail system subject to oversight: 3.2 miles serving Little Rock and North Little Rock
- ARDOT's State Safety Officer oversees compliance with Rock Region METRO and FTA

FUNDING AT A GLANCE

Annual FTA apportionment by program

Section 5311 is the largest program ARDOT administers.



*in millions

SFY 2027 total

$30.7M

across five FTA programs, up from $29.48M in SFY 2025

SFY 2027 figures are estimates. Final amounts depend on federal reauthorization.

STATE PROGRAMS

State funding that helps agencies meet local match

State Transit Trust Fund

- Helps provide local match for all agencies
- ARDOT is updating the STTF distribution formula for 5307 and 5311 agencies
- 5310 agencies may see a change in the local match due to ARDOT when receiving vehicles

Corporate Franchise Tax (HUA)

- Supplemental funding for rural and urban transit agencies
- Distributed based on population and need

TransLease Program

- State-funded vehicle leases at 100% for up to 48 months, interest-free
- Open to agencies eligible for 5307, 5310 or 5311
- Availability depends on DFA or ARDOT state contracts and dealer stock

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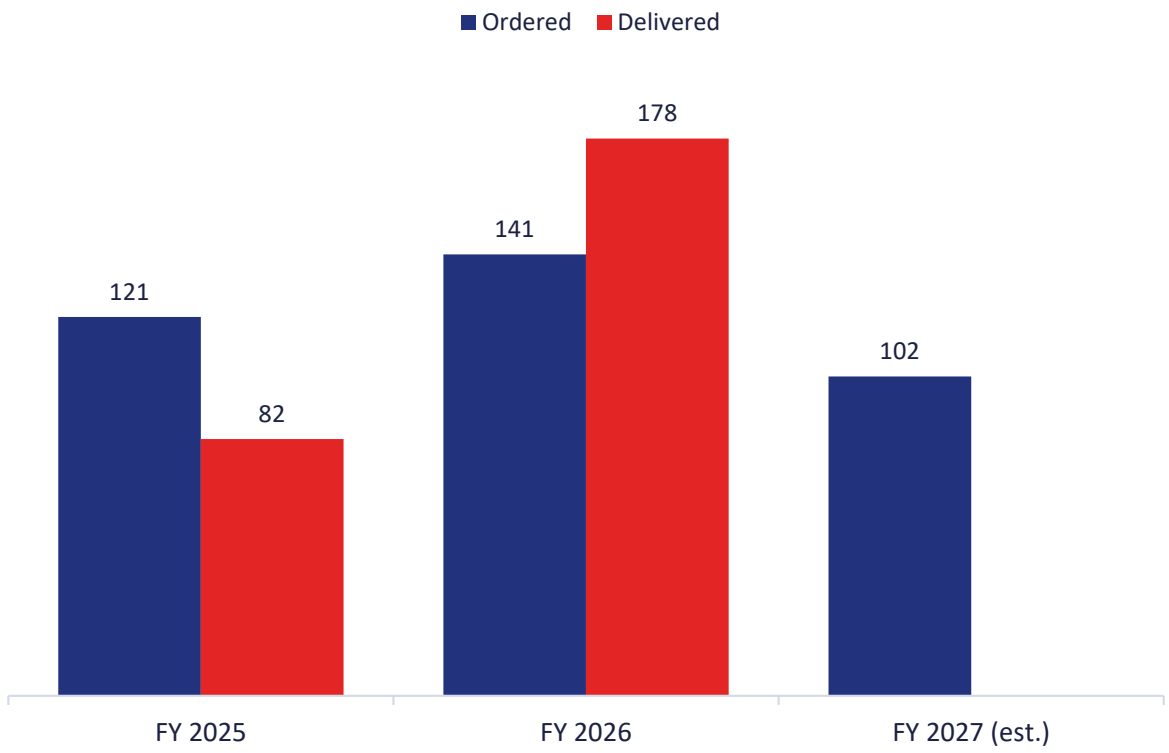
Fleet Management

Vehicle orders, deliveries, releases and spare ratios

VEHICLES ORDERED & DELIVERED

Deliveries caught up with orders in FY 2026

5310 and 5311 agency vehicles by state fiscal year



44

vehicles on order from ARDOT and awaiting delivery

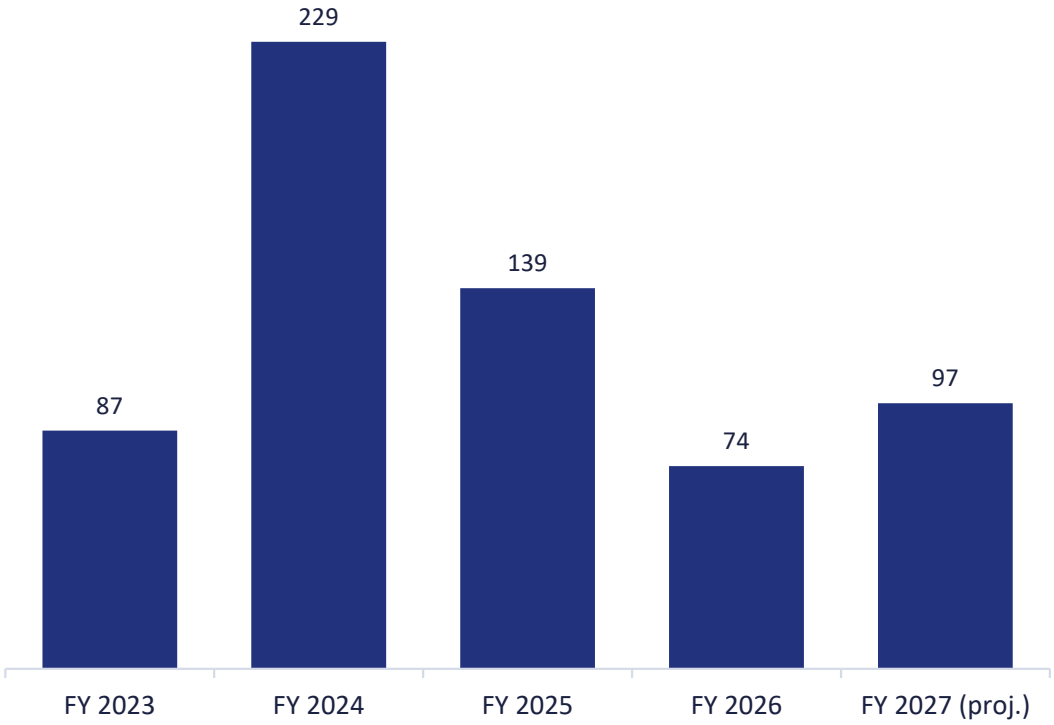
102

vehicles estimated for FY 2027 orders (Program of Projects)

VEHICLES RELEASED

97 vehicles projected to be release-eligible in FY 2027

Vehicles released from active federal oversight by state fiscal year



92 reach release eligibility during FY 2027

5 are already past eligibility and ready for release

Notify your Program Manager

- Immediately when a vehicle is totaled
- When an engine is replaced on a vehicle not yet released, so ARDOT can review its release date
- High-mileage vehicles may qualify for early release

SPARE RATIO & VEHICLE DISPOSAL

Right-size the fleet and retire vehicles the right way







Spare ratio

- FTA's 20% spare ratio guideline applies to fleets of 50 or more revenue vehicles
- Smaller fleets: keep spares in line with actual service needs, and maintain and report them like any active vehicle

When to retire a vehicle

- Repairs cost more than the vehicle is worth
- The vehicle is in the shop more than on the road
- Before minimum useful life: requires prior written approval and repayment of the remaining federal interest (C 5010.1F)

3

FY2026 State Management Review

FTA Region VI • Performed by RLS & Associates • Final report issued September 23, 2026

REVIEW AT A GLANCE

Deficiencies in 4 of 21 areas, one a repeat from FY2023

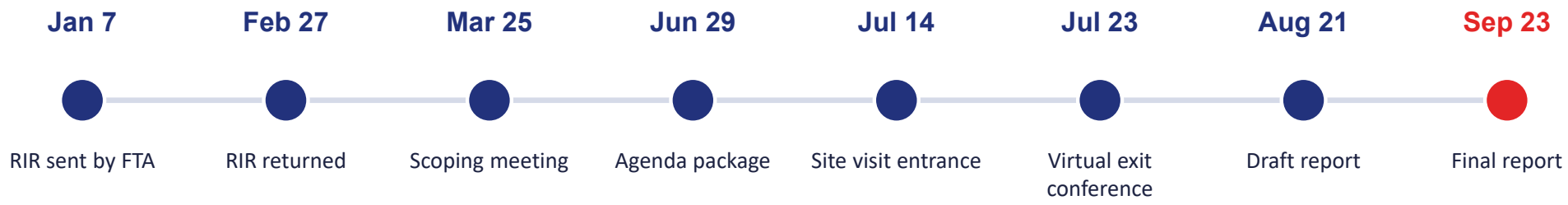
21	4	5	1
Review areas examined	Areas found deficient	Individual deficiency codes	Repeat finding (ADA – General)

Deficient areas: Technical Capacity – Program Management & Subrecipient Oversight; Maintenance; Procurement; ADA – General

Already closed: TC-PgM7-1 and the immediate PT24-05 actions under P7-2, both closed September 24, 2026

REVIEW PROCESS & TIMELINE

Desk review, site visit and three subrecipient visits



All dates 2026. RIR = Recipient Information Request.

Subrecipients visited

SECTION 5311

Central Arkansas Development Council
Benton

SECTION 5310

East Arkansas Area Agency on Aging
Jonesboro

SECTION 5310

Civitan Services, Inc.
Bryant

FINDINGS TRACKER

Where each finding stands today

Review area	Deficiency code	Issue	Status	Due
Technical Capacity – Program Mgmt. & Subrecipient Oversight	TC-PgM7-1	Program management and subrecipient oversight	**Closed 9/24/2026**	—
Procurement	P7-2	Immediate PT24-05 actions completed	**Immediate actions closed 9/24/2026**	—
Maintenance	M5-1 (+1 additional code)	Inadequate oversight of subrecipient maintenance	**Open**	Dec 23, 2026
ADA – General	ADA-GEN14-1	Insufficient subrecipient ADA oversight (repeat from FY2023)	**Open – repeat**	Nov 23, 2026

The next two slides cover the open findings that change what subrecipients do day to day.

MAINTENANCE • M5-1

Inadequate oversight of subrecipient maintenance

Open | Due Dec 23, 2026

What reviewers found

- Missing back-up preventive maintenance (PM) records and receipts
- ARDOT did not require reporting on vehicles older than five years, even while still in revenue service
- Asset Specialists did not inspect those vehicles or review PM timeliness

ARDOT's corrective action

- Revise oversight procedures and show evidence of implementation
- Amend subrecipient agreements to require a written maintenance plan with FTA-compatible standards
- Track timely-maintenance performance and warranty-claim procedures while vehicles remain in service

What your agency does

- Keep reporting vehicle activity on released vehicles: 5310 agencies quarterly, 5311 agencies monthly
- Adopt a written maintenance plan and keep every PM record and receipt
- Expect spot inspections of released vehicles

ADA – GENERAL • ADA-GEN14-1

Insufficient subrecipient ADA oversight

Open | Repeat (FY2023) | Due Nov 23, 2026

ARDOT's on-site visit and desk audit forms did not cover every ADA provision-of-service requirement. Reviewers found these issues at subrecipients:

1. Service animal definition taken from DOJ rules instead of DOT's (49 CFR 37.3)
2. Service animal documentation required before boarding
3. Outdated "common wheelchair" size and weight limit on lifts
4. Missing reasonable modification policies
5. No statement on availability of accessible formats
6. No documented stop-announcement oversight (Eureka Springs, Pine Bluff)
7. No public ADA complaint process (East Arkansas AAA)

Corrective action: revise oversight procedures so subrecipients comply with 49 CFR §§ 37.161–37.173 (Provision of Service).

ADA QUICK REFERENCE FOR YOUR STAFF

Getting ADA service right on every trip

Service animals

DOT definition (49 CFR 37.3): any animal individually trained to work or perform tasks for a person with a disability. Ask only (1) is it required because of a disability and (2) what task is it trained to do. Never require ID or paperwork.

Mobility devices

Carry any wheelchair or mobility device the lift and vehicle can physically accommodate, unless it poses a direct threat (49 CFR 37.165). Drop "common wheelchair" limits from policies.

Reasonable modification

Adopt a written policy and a public process for requesting modifications to policies and practices (49 CFR 37.5(i), 37.169).

Stop announcements

Fixed route: announce transfer points, major intersections and destination points, and any stop on request (49 CFR 37.167(b)). Document monitoring.

Accessible formats

Make service information available in accessible formats and say so in public materials (49 CFR 37.167(f)).

Complaint process

Designate a responsible employee and publish an ADA complaint process; keep complaint records (49 CFR 37.17, 27.13).

ACTION CHECKLIST

What every subrecipient should do now

Update ADA policies

By Nov 23

Service animals, mobility devices, reasonable modification, accessible formats statement and public complaint process

Document stop announcements

By Nov 23

Fixed-route agencies: log stop-announcement checks so they can be shown at reviews

Adopt a written maintenance plan

By Dec 23

Use manufacturer-recommended PM intervals; keep every record and receipt

Report on released vehicles

Ongoing

Vehicle activity reports continue: 5310 quarterly, 5311 monthly

Tell your Program Manager

Ongoing

Totaled vehicles immediately; engine replacements; any vehicle taken out of service

Keep Title VI plans current

Every 3 years

Required for all 5310 and 5311 subrecipients

4

FTA Guidance and ARDOT Updates

Funding outlook, updated circulars and new ARDOT tools

FEDERAL FUNDING OUTLOOK

Transit programs are running on a short-term extension

Current extension expires

Dec 11, 2026

H.R. 6500, the Continuing Appropriations and Extensions Act, 2027, signed Sept 2, 2026, extends surface transportation programs at FY 2026 levels.

Advance appropriations not continued

The IIJA's roughly $4.25B per year in advance transit appropriations is not included, affecting programs such as Bus & Bus Facilities and State of Good Repair grants.

Reauthorization pending

The House T&I Committee approved the BUILD America 250 Act (H.R. 8870), a five-year, ~$580B bill, on May 22, 2026. The Senate has not released its bill.

What it means for you

SFY 2027 apportionments are estimates. Plan capital requests conservatively; ARDOT will share final figures once FTA publishes full-year apportionments.

UPDATED CIRCULARS & FEDERAL RULES

Know which version of the rules you're following

Guidance	Current version	What changed or matters
Award Management Requirements	FTA C 5010.1F (published Sept 27, 2024)	Replaces 5010.1E; aligns with the 2024 revisions to 2 CFR 200
Rural Areas (5311)	FTA C 9040.1H (2024)	Updated program guidance for 5311 subrecipients
Enhanced Mobility (5310)	FTA C 9070.1H (2024)	Updated program guidance for 5310 subrecipients
Uniform Guidance	2 CFR 200 (rev. Oct 1, 2024)	$10,000 equipment & disposition threshold; 15% de minimis indirect rate; $1M single audit threshold
Drug & alcohol testing	49 CFR Part 655 – CY 2026 rates	Minimum random rates unchanged: 50% drug, 10% alcohol

Sources: FTA Dear Colleague Letter on 2 CFR 200 and FY24 circular updates (Sept 2024); FTA Federal Register notice 2026-00644.

Federal interest doesn't end at minimum useful life

Federal interest continues

Using an asset beyond its minimum useful life does not extinguish the federal interest. Use, maintenance and reporting rules still apply.

Useful life rules

Minimum useful life is years of revenue service or miles, whichever comes first. Time stockpiled or out of service doesn't count. Overhauls don't extend useful life.

Early disposal

Disposing of an asset before its useful life ends requires prior written approval, and FTA is entitled to its share of the remaining federal interest.

Sale proceeds

Sold for $10,000 or less: the agency keeps the proceeds. Over $10,000: the agency keeps $5,000 plus its local share of the rest; the federal share is returned.

COMING SOON FROM ARDOT

A new Transit Tracking & Reporting System

ARDOT is purchasing cloud-based software so agencies can work with Program Management, Grants, and Procurement in one place!



Applications



Budgets



Reimbursement requests



Procurement

Report directly to ARDOT
Submit online instead of by email and paper

Faster turnaround
Improved workflow between your agency and ARDOT teams

User-friendly
A simpler interface for staff of every experience level

TRANSIT ASSET MANAGEMENT

TAM Plan update: final plan by the end of December



What the plan covers

- Updated inventory (current as of July 1, 2026)
- Vehicle and equipment condition assessments
- Decision support tools
- Investment prioritization
- Performance targets (2026–2030)
- NTD reporting

Timeline

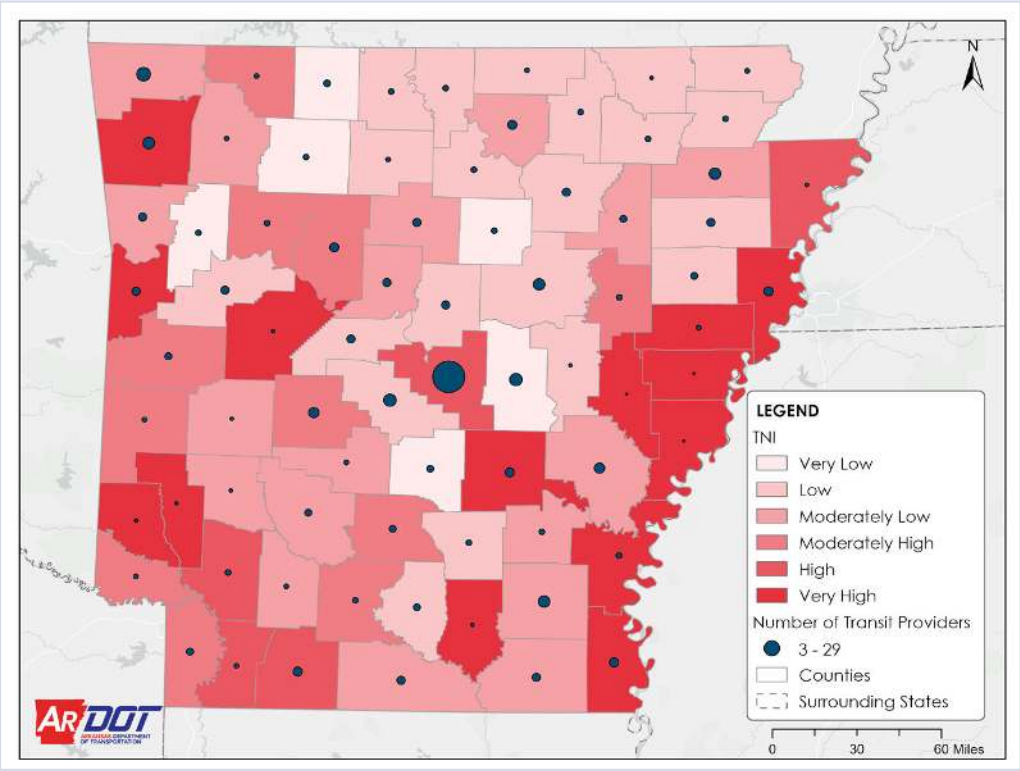
End of Oct
ARDOT begins review of the final report

End of Nov
Final report sent to providers for review

End of Dec
Plan finalized with stakeholder feedback incorporated

STATEWIDE TRANSIT COORDINATED PLAN

Coordinating limited resources across the state



Transit Needs Index (TNI) by county, with number of transit providers

What is coordination?

Ongoing communication and collaboration between transit providers and human services agencies to manage limited resources more efficiently. This plan covers coordination at the state level.

1 **Public & stakeholder outreach**
Meetings statewide with MPOs, providers, agencies and the public

2 **Transit needs**
Index of disability, senior, vehicle access and poverty needs

3 **Gap analysis**
Service gaps across the state, compared against TNI findings

4 **Opportunities & action items**
Recommendations for the future use of Section 5310 funding

Digital Public Transportation Directory

Thank you

For everything you do to keep Arkansans moving. Questions?