TRANSIT JOINT PARTICIPATION AGREEMENT
PART II.

1. ACKNOWLEDGMENT OF FUNDING AND AGREEMENT
   The AGENCY shall clearly set forth in any statement, press release, request for proposals, bid solicitations, or other documents describing projects or programs funded in whole or part with funds from this AGREEMENT:
   A. The percentage of the total cost of the project financed with Federal transit Administration (FTA) assistance and/or State Transit Assistance (STA)
   B. The dollar amount of FTA and/or STA assistance for the project, if over $500,000.00
   C. The fact that such funding has been obtained through an agreement with the Iowa Department of Transportation (the "DEPARTMENT")

2. PROVISION OF SERVICE OPEN TO THE PUBLIC
   A. All services funded under this agreement shall be open to the general public.

   B. The AGENCY shall advertise its public transit operations throughout its service area. This shall include advertisements published under "Bus Lines" in the yellow pages of each major telephone directory covering AGENCY's service area. The AGENCY shall, at a minimum, list ride request phone numbers for the phone book coverage area.

3. PURCHASE OF PROPERTY AND SERVICES
   A. All procurement(s) or construction(s) under this AGREEMENT shall be the responsibility of the AGENCY, subject to the following procedural guidance listed for each type of contract and subject to the oversight of the DEPARTMENT. Appendices listed in each item below can be found at http://www.iowadot.gov/transit/joint_participation.html.

      (1) FTA DISCRETIONARY CAPITAL ASSISTANCE AGREEMENT (Section 5309)
      Appendices A through W shall apply with the following exceptions:
      i. Appendices C and D do not apply
      ii. Chapters 920, 921, and 923 in Appendix E do not apply
      iii. Special Section 13(c) Warranty for Application to the Small Urban and Rural Program (5311) section of Appendix O does not apply

      (2) FTA SPECIAL NEEDS ASSISTANCE AGREEMENT (Section 5310)
      Appendices A through W shall apply with the following exceptions:
      i. Appendices B does not apply
      ii. Chapters 920, 921, and 923 in Appendix E do not apply

      (3) FTA NON-URBANIZED CAPITAL ASSISTANCE AGREEMENT (Section 5311)
      Appendices A through W shall apply with the following exceptions:
      i. Appendices B and C do not apply
      ii. Chapters 920, 921, and 923 in Appendix E do not apply
      iii. Arrangement Pursuant to Section 13(c) of the Federal Transit Act Protecting Workers Represented by the Amalgamated Transit Union for Statewide Capital Projects (5309) section of Appendix O does not apply.

      (4) FTA NON-URBANIZED OPERATING ASSISTANCE AGREEMENT (Section 5311)
      Same as FTA Non-Urban Capital Grant Agreement

      (5) FTA INTERCITY BUS ASSISTANCE AGREEMENT (Section 5311)
      Same as FTA Non-Urban Capital Grant Agreement with the exception that the word "CARRIER" replaces the word "AGENCY" throughout the exhibit.

      (6) FTA JOB ACCESS/REVERSE COMMUTE ASSISTANCE AGREEMENT (Section 5316)
      Appendices A through W and Appendix Y and Z apply with the following exceptions and additions:
      i. Appendices B, C, and D do not apply
      ii. Chapters 920, 921, and 923 in Appendix E do not apply
      iii. Special Section 13 (c) Warranty for Application to the Small Urban and Rural Program (5311)

section of Appendix O does not apply

iv. Department of Labor referral dated July 8, 1999, and Amalgamated Transit Union letter dated July 20, 1999 are added to Appendix O and shall apply

(7) FTA NEW FREEDOM ASSISTANCE AGREEMENT (Section 5317)
Appendices A through W and Appendix Y and AA apply with the following exceptions and additions:

i. Appendices B, C, and D do not apply
ii. Chapters 920, 921, and 923 in Appendix E do not apply
iii. Special Section 13 (c) Warranty for Application to the Small Urban and Rural Program (5311) section of Appendix O does not apply
iv. Department of Labor referral dated July 8, 1999, and Amalgamated Transit Union letter dated July 20, 1999 are added to Appendix O and shall apply

(8) IOWA STATE TRANSIT ASSISTANCE AGREEMENT
Only the following appendices shall apply:

i. Appendix E, chapters 910, 920, and 921
ii. Appendices F, N, S, T, U, and W

(9) IOWA PUBLIC TRANSIT INFRASTRUCTURE ASSISTANCE AGREEMENT
Only the following appendices shall apply:

i. Appendix E, chapter 924
ii. Appendices F, N, S, T, U, and W

(10) FTA URBANIZED ASSISTANCE AGREEMENT (Section 5307)
Appendices A through W shall apply with the following exceptions:

i. Appendices B and C do not apply
ii. Chapters 920, 921, and 923 in Appendix E do not apply
iii. Arrangement Pursuant to Section 13(c) of the Federal Transit Act Protecting Workers Represented by the Amalgamated Transit Union for Statewide Capital Projects (5309) section of Appendix O does not apply.

B. The AGENCY may conduct its own procurement of vehicles and equipment, or participate in a consortium procurement, or request that the DEPARTMENT administer a procurement for vehicles and equipment on behalf of the AGENCY. Acquisition or construction of real property may be conducted by the AGENCY or its agents. All references herein to procedural requirements for the AGENCY shall apply to the administrator of a consortium procurement or to any other agent acting on behalf of the AGENCY.

C. The AGENCY shall submit bid specifications for projects over $50,000 to the DEPARTMENT for approval by the DEPARTMENT prior to release of those specifications to possible bidders.

D. The AGENCY shall submit any requests for changes or clarifications in the bid specifications by the equipment/facility bidders, and any responses to such requests to the DEPARTMENT for their concurrence in such response on all projects over $50,000. The DEPARTMENT shall concur in the bid award prior to any agreement or contract being executed for the PROJECT property bid.

E. Any property purchased and/or any land on which facilities are to be constructed under this AGREEMENT shall be free of all legal encumbrance and a legal description of the designated tract of land shall be on file with the AGENCY.

F. The following required provision shall be included in any advertisement of invitation to bid for any procurement over $50,000 under this AGREEMENT.

Statement of Financial Assistance:
This procurement is subject to a financial assistance contract, and to the conditions and the terms of said contract, between the State and the Federal Transit Administration.

4. TITLE TO PROJECT PROPERTY
Title to all property purchased or constructed pursuant to this AGREEMENT shall rest with the AGENCY. However, the federal government retains a financial interest in any property purchased under this AGREEMENT which equals the original federal participation percentage times the current value.

5. USE AND MAINTENANCE OF PROJECT PROPERTY

A. The AGENCY agrees that all property purchased or constructed pursuant to this AGREEMENT shall be used for the provision of public passenger transportation service for the useful life of the property.

B. The AGENCY shall maintain all property purchased or constructed pursuant to this AGREEMENT, at a high level of cleanliness, safety and mechanical soundness, including the maintenance of all accessibility features as required under rules implementing the Americans with Disabilities Act. The cost of such maintenance shall be the full responsibility of the AGENCY. The DEPARTMENT and/or FTA shall have the right to conduct periodic inspection for the purpose of confirming proper maintenance pursuant to this paragraph.

C. The AGENCY shall develop, and update as necessary, a written maintenance plan addressing vehicles, facilities, equipment, and ADA accessibility features funded in whole or in part with state or federal transit assistance. The plan should address the goals and objectives of the maintenance program (extending useful life, reducing road calls, etc.), include a description of the strategies and actions used to accomplish the objectives, and have preventative maintenance schedules that meet or exceed manufacturer's requirements for warranty purposes. The AGENCY shall make available such plan upon request.

6. DISPOSITION OF PROJECT PROPERTY

A. If the property is not continuously used for public passenger transportation in a manner similar to that intended by the application, the AGENCY shall immediately notify the DEPARTMENT. This provision shall also be triggered upon receipt of replacement equipment or facilities. The DEPARTMENT shall then determine whether the property should be transferred to another duly designated public transit system for continued use in public transportation.

If the DEPARTMENT determines there is no need for the property, after making the equipment available for transfer, the DEPARTMENT may authorize local disposal. Upon receipt of such authorization, the AGENCY shall then dispose of such property, whether funded with state or federal assistance, in accordance with 49 CFR 18 (Appendix T). The following represents a summary of those provisions:

(1) If the property is "retained" by the AGENCY, the AGENCY shall reimburse the DEPARTMENT either an amount equal to the federal and or state financial interest in the fair market value of the property, based upon expert and objective appraisal, which value must be approved in writing by the DEPARTMENT, or, for federally funded projects, if required by FTA, an amount equal to the federal financial interest in the value of the property as determined through straight line depreciation from the original price.

(2) If the property is sold, it shall be sold by the AGENCY, at the highest price obtainable at public or private sale, subject to written approval of the sale price by the DEPARTMENT for capital items sold at greater than $5,000. The federal and or state financial interest in the net sale price (less expense of the sale) shall be paid to the DEPARTMENT, or, if required by FTA the amount paid to the DEPARTMENT shall be based on the federal financial interest in the value of the property as determined by straight line depreciation from the original price. Proceeds from disposal of capital property under $5,000 must be applied to the transit program.

B. If the property is not maintained in usable condition, it shall be considered to not be in continuous use for public transportation service under this paragraph.

7. NON-DISCRIMINATION

A. The AGENCY will comply with all the requirements imposed by FTA's circular implementing Title VI of the Civil Rights Act of 1964 found in Appendix N in the agreement binder and hereby made a part of this AGREEMENT. This shall include the requirement to develop and implement a language assistance plan for persons with limited English proficiency, as needed.

B. The AGENCY shall establish a process to receive and investigate complaints about discrimination on the basis of race, age, disability, religion, color, sex or national origin/English proficiency in the provision of services or other benefits of the project (including procurement and/or subcontracting).

(1) Complaints shall be accepted in writing, or in alternative formats allowing proper documentation, as necessary, any time within 180 days of the alleged discriminatory action.

(2) The DEPARTMENT shall be notified as complaints are received.

(3) Each complaint shall be investigated and result in a written report of the findings and proposed remedies, if appropriate, with copies provided to the complainant and the DEPARTMENT.

(4) The DEPARTMENT shall be informed of the final disposition/resolution of each complaint.

C. The AGENCY shall announce to the public, either through a posting to the AGENCY's public transit website and/or through the AGENCY's printed materials covering all parts of their service area, its obligation to not discriminate in the provision of services, as well as the availability of its complaint process, and the procedure for filing a complaint.

8. EQUAL EMPLOYMENT OPPORTUNITY

A. In connection with the execution of this agreement, the AGENCY shall comply with the requirements of FTA's Circular implementing EEO and not discriminate against any employee or applicant for employment because of race, age, disability, religion, color, sex, or national origin.

The AGENCY shall take affirmative action to insure that applicants are employed, and that employees are treated during their employment, without regard to their race, age, special needs, religion, color, sex, or national origin. Such actions shall include, but not limited to the following: employment, promotion, demotion, transfer, recruitment, recruitment advertising, layoff, termination, rates of pay or other forms of compensation, selection for training (including apprenticeship), procurement of materials, and leases of equipment.

The AGENCY shall not participate either directly or indirectly in prohibited discrimination.

B. In all solicitations either by competitive bidding or negotiation made by the AGENCY for work to be performed under a subcontract, including procurement of materials or leases of equipment, each potential subcontractor or supplier shall be notified by the AGENCY of the AGENCY's obligations under the AGREEMENT relative to non-discrimination on the grounds of race, age, disability, color, sex, national origin, or religion.

9. DISADVANTAGED BUSINESS ENTERPRISES

A. ([Recipient] shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of any DOT assisted contract or in the administration of its DBE Program or the requirements of 49 CFR part 26. The recipient shall take all necessary and reasonable steps under 49 CFR part 26 to ensure nondiscrimination in the award and administration of DOT assisted contracts. The recipient's DBE Program, as required by 49 CFR part 26 and as approved by DOT, is incorporated by reference in this agreement. Implementation of this program is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the [Recipient] of its failure to carry out its approved program, the Department may impose sanction as provided for under part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801 et seq.).

B. The AGENCY or its subcontractors agrees to take all necessary and reasonable steps to help the DEPARTMENT to attain its required goal of federally funded outside contracting opportunities be awarded to DBE's certified by the DEPARTMENT. The AGENCY shall make a good faith effort to assist the DEPARTMENT in meeting this goal.

D. Failure to carry out the specified efforts for DBE goal attainments shall be treated as a violation of this AGREEMENT. Upon notification to the AGENCY of its failure to carry out the approved program, the DEPARTMENT and/or FTA shall impose such sanctions (including but not limited to the withholding of funds, repayment of funds already paid this AGREEMENT) as it deems necessary and appropriate. (Refer to Sections 19 and 21 of this EXHIBIT.)

10. NONDISCRIMINATION ON THE BASIS OF DISABILITY

A. The AGENCY agrees to comply with the provisions of The Americans with Disabilities Act, Section 504 of the Rehabilitation Act of 1973, P.L. 93-112, and applicable Federal regulations relating thereto, issued by the U.S. Department of Transportation (49 CFR 27 and 49 CFR 37), prohibiting discrimination against otherwise qualified individuals with disabilities under any program or activity receiving federal financial assistance covered by this Joint Participation AGREEMENT. (Appendices K, L, and O).

B. If the AGENCY is required to provide complimentary paratransit services, the AGENCY shall monitor and record the number of trips requested by persons meeting the ADA eligibility standards that are either "denied" or "missed" each month, based on FTA definitions. The DEPARTMENT and/or FTA, or their agents, shall have the right to examine such records at any time.

11. ELIGIBLE COSTS / DOCUMENTATION OF COSTS

A. Eligible costs are those costs attributable to the specific work covered by this AGREEMENT and allowable under the provisions of Office of Management and Budget, Circular A-87, Attachment B "Selected Items of Cost," and Uniform Administration Requirements "Common Rule" 49 CFR 18 (Appendices S and T).

B. No cost incurred by the AGENCY or any of its sub-contractors prior to the starting date or after the ending date of Joint Participation AGREEMENT will be eligible for reimbursement under this AGREEMENT.

C. All costs to be reimbursed under this AGREEMENT shall be supported by properly executed payrolls, time records, invoices, vouchers, warrants, contracts, and any other support evidencing that those costs were specifically incurred and paid. All documentation of reimbursable costs shall be clearly identified and readily accessible.

12. PAYMENT REQUESTS

A. The AGENCY may submit progressive requests for reimbursement to the DEPARTMENT covering those eligible costs which have been incurred by the AGENCY.

B. The AGENCY shall submit reimbursement requests to the DEPARTMENT no later than sixty (60) days after the expiration date of this agreement. (If possible, requests for reimbursement of expenditures through June 30th should be submitted prior to August 15th to facilitate the tracking of expenditures by fiscal year which is now required of state agencies.)

C. Reimbursement requests shall be itemized by PROJECT ELEMENT so as to allow the DEPARTMENT to verify that the costs conform to the AGREEMENT budget and are consistent with the bids approved by the DEPARTMENT.

D. All requests for reimbursement must be accompanied by appropriate invoice(s) from vendor(s) and /or timesheets and documentation of labor costs. If the AGENCY is proposing to retain any portion of the amount(s) documented in accompanying invoice(s), the AGENCY must clearly state in the request for reimbursement, the amount which already has been paid to the vendor (or will be within three calendar days of receiving payment from the DEPARTMENT), versus the amount which is proposed to be retained from the vendor(s) until satisfaction of specific identified delivery deficiencies.

E. The AGENCY agrees to submit any additional data and information as the DEPARTMENT may require to justify and support said PROJECT costs and payments.

13. PAYMENTS / WITHHOLDING PAYMENTS

A. The DEPARTMENT shall, after delivery of goods/services and full or partial acceptance of the same by the AGENCY**,** and upon receipt of a proper payment request with sufficient documentation, reimburse the AGENCY the lesser of:

(1) The ceiling amount for the PROJECT ELEMENT identified in the AGREEMENT. (If a PROJECT ELEMENT includes purchase of multiple units and not all have been purchased the PROJECT ELEMENT ceiling shall be prorated to reflect this.)

(2) The amount calculated by multiplying the federal participation percentage identified in the AGREEMENT by actual eligible costs attributed to the PROJECT ELEMENT. Adjustment(s) will be

made to reflect any retention amount.

B. The DEPARTMENT may deny part or all of any payment request from the AGENCY that the DEPARTMENT feels is not warranted or justified.

C. For any individual PROJECT ELEMENT not implemented by the AGENCY prior to the expiration date of this AGREEMENT, there will be no reimbursement by the DEPARTMENT.

D. If the AGENCY has received a loan from the DEPARTMENT, payments on the loan must be current, according to the payback plan on file with the DEPARTMENT. If loan payments are not current, the DEPARTMENT may, at its discretion, withhold payment(s) under this AGREEMENT until the loan payments are current.

E. The DEPARTMENT may, at its discretion, withhold payment(s) under this AGREEMENT if the AGENCY is not current in its submission of required reports to the DEPARTMENT.

F. The AGENCY shall pay vendor(s) within three (3) calendar days of receiving payment from the DEPARTMENT.

14. INTEREST EARNED ON ADVANCE PAYMENTS
Any revenue generated by interest payments on advance funds received by the AGENCY under this AGREEMENT shall be credited to the PROJECT or repaid to the DEPARTMENT.

15. PROPERTY INVENTORY
A. The AGENCY agrees, upon acceptance of vehicles, equipment, or facilities financed through this AGREEMENT, to submit an Add Inventory Report form supplied or approved by the DEPARTMENT.

B. The AGENCY agrees, until final disposition of vehicles, equipment, facilities financed through this AGREEMENT, to provide annual updates to the inventory reports, with the effective date of the update to be specified by the DEPARTMENT.

C. The AGENCY agrees, within 45 days after disposition of vehicles, equipment, or facilities financed through this AGREEMENT (consistent with Section 6), to submit a disposition report utilizing reporting forms supplied or approved by the DEPARTMENT.

16. AUDIT AND INSPECTION OF BOOKS
A. The AGENCY shall be responsible for seeing that a set of accounts is established to which all transportation related costs, revenues, and operating sources are recorded so that they may be clearly identified, easily traced, and substantially documented.

B. All accounting practices applied and all records maintained will be in accordance with generally accepted accounting principles and procedures.

C. The AGENCY shall secure an annual audit which shall include an identification of the fully-allocated costs of the AGENCY's public transit program and list all sources of funding which contributed to the support of these costs (State Transit Assistance and FTA funds received for transit operation, capital or planning activities by individual contract). The audit shall otherwise conform to all requirements of 2 CFR 200 Subpart F, as appropriate. The AGENCY is exempt from Federal audit requirements for any fiscal year in which the AGENCY expends less than $750,000 in Federal awards, except as noted in2 CFR 200.503, but records must be available for review or audit by appropriate officials of the DEPARTMENT, the FTA, or the U.S. General Accounting Office.

D. A copy of the audit prescribed in "C" above shall be sent electronically to the State of Iowa Auditor of State by the AGENCY. The required audit is to be submitted no later than one (1) year from the end of the fiscal year (the date of AGREEMENT termination as shown on the cover page of this AGREEMENT). The AGENCY shall send the DEPARTMENT email confirmation as soon as it has been submitted to the Auditor of State. (Refer to Section 18 for the DEPARTMENT address).

E. The AGENCY shall require its contractors to permit the DEPARTMENT's authorized representative to

inspect all work materials, records, and any other data with regard to the AGREEMENT.

F. All records applicable to the PROJECT must be retained and available to the DEPARTMENT and FTA for a period of three (3) years after DEPARTMENT Certificate of Completion and Final Acceptance is issued for a Joint Participation Agreement and after the Project Agreement is noted as being "closed out" in a subsequent Single Audit Report issued to the AGENCY. The AGENCY may, on a case-by-case basis, be required to keep the aforementioned material(s) for a period longer than three (3) years if deficiencies are found during a compliance or other review. The AGENCY shall provide copies of said records and documents to the DEPARTMENT and FTA upon request.

G. The AGENCY shall provide all information and reports required by the DEPARTMENT, and shall permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the DEPARTMENT to be pertinent to ascertain compliance. Whereas any information required of the AGENCY is in the exclusive possession of another who fails or refuses to furnish this information, the AGENCY shall so certify to the DEPARTMENT and shall set forth what efforts it has made to obtain the information.

17. PERIODIC AND ANNUAL REPORTS

A. The AGENCY agrees to supply such periodic reports as may be required by the DEPARTMENT, utilizing report forms supplied or approved by the DEPARTMENT. These reports include, but are not limited to:

(1) Quarterly Statistical Report (due within 45 days from the end of each quarter),

(2) Quarterly Fuel Tax Reports (filed within 30 calendar days of the end of the reporting quarter),

(3) [for Intercity Bus Assistance Agreements only] Quarterly report of number of Iowa passengers by origins and destinations and the location of ticket sales (due 45 days from end of quarter),

(4) [for JARC recipients only] Quarterly and annual report of JARC activity per FTA requirement),

(5) Semi-annual report of DBE activity (due 45 days following end of first and third calendar quarters),

(6) Annual MIS Report on drug and alcohol testing for Section 5310 and 5311 subrecipients and their contractors/subproviders (due February 15)

(7) Year-end Statistical Report (due 45 days from end of state fiscal year), and

(8) Year-end Odometer Readings (due 45 days from end of state fiscal year).

18. REPORT SUBMISSIONS

Quarterly Fuel Tax Report send to:

Office of Motor Carrier Services
Fuel Tax Section
Iowa Department of Transportation
P.O. Box 10382
Des Moines, IA 50306-0382

Physical Address: 6310 SE Convenience Blvd., Ankeny, IA 50021

Annual Audit electronic submittal to:

SubmitReports@auditor.state.ia.us

All other reports and submissions from the AGENCY concerning this AGREEMENT shall be sent to:

Office of Public Transit
Iowa Department of Transportation
800 Lincoln Way
Ames, Iowa 50010

19. CONTRACT NONPERFORMANCE

A. In the event of the AGENCY's noncompliance with the provisions of this contract, the DEPARTMENT shall impose such contract sanctions as it may determine to be appropriate, including, but not limited to:

(1) Withholding of payments to the AGENCY under the contract until the AGENCY complies, and/or

(2) Cancellation, termination, or suspension of the contract, in whole or in part.

B. If at any time it is determined by the DEPARTMENT that there is any outstanding right or claim of right in or to the PROJECT property, the existence of which creates an undue risk of interference with the operation of the PROJECT or the performance of the covenants of the AGENCY herein contained, the AGENCY will acquire, extinguish or modify said right of claim in a manner acceptable to the DEPARTMENT.

C. The AGENCY will promptly, upon written notification, reimburse the DEPARTMENT for any justified audit exceptions. If reimbursement of audit exceptions is not made to the DEPARTMENT within 30 days of said written notification, the DEPARTMENT may recover such reimbursements from subsequent public transit AGREEMENTS at the DEPARTMENT's discretion.

20. SETTLEMENT OF DISPUTES

The DEPARTMENT will, in all cases, decide any and all questions which may arise concerning a question of fact in connection with the items covered by AGREEMENT, or between the parties of this AGREEMENT.

21. TERMINATION OR SUSPENSION OF PROJECT

A. Termination or Suspension Generally--if the AGENCY abandons or before completion, finally discontinues the PROJECT; or if, by reason of any of the events or reasons, the commencement, prosecution or timely completion, of the PROJECT by the AGENCY is rendered improbable, infeasible, impossible, or illegal, the DEPARTMENT may, by written notice to the AGENCY suspend any or all of its obligations under this AGREEMENT until such time as the event or condition resulting in such suspension has ceased or been corrected, or the DEPARTMENT may terminate any of this obligation under this AGREEMENT.

B. Action Subsequent to Notice of Termination or Suspension --Upon receipt of any final termination or suspension notice under this Section, the AGENCY shall proceed promptly to carry out the actions required which may include any or all of the following:

(1) Taking any necessary action to terminate or suspend, as the case may be, PROJECT activities and contracts and,

(2) Furnishing a statement of the status of the PROJECT activities as well as a proposed schedule, plan and budget for terminating or suspending and closing-out PROJECT costs.

The closing out shall be carried out in conformity with the latest schedule, plan and budget within a reasonable time. Reimbursement to the AGENCY in the event of termination shall be for actual costs in accordance with Sections 11 and 13 of this AGREEMENT.

C. Other conditions--Not withstanding any other provisions of this AGREEMENT, the DEPARTMENT may elect by notice in writing not to make a payment to the AGENCY if any of the following conditions of termination or suspension exist, as determined by the DEPARTMENT.

(1) The AGENCY shall have made misrepresentation of a material nature in its application, or any supplement or amendment, or with respect to any document or data furnished.

(2) There is pending litigation with respect to the performance by the AGENCY of any of its duties or obligations which may jeopardize or adversely affect the PROJECT, the AGREEMENT, or payments to the PROJECT.

(3) The AGENCY shall have taken an action pertaining to the PROJECT which, under the established procedures required the prior approval of the DEPARTMENT, or shall have proceeded to make related expenditures or incur related obligations without having been advised by the DEPARTMENT that the same are satisfactory.

(4) There has been any violation of the conflict of interest provisions contained herein.

(5) The AGENCY shall be in default under any of the provisions contained herein.

22. RENEWAL, RENEGOTIATION AND MODIFICATION
The DEPARTMENT or AGENCY may, from time to time, request changes in the scope of services and/or the time of performance. Such changes, including any increase in the amount of compensation to the AGENCY which are mutually agreed upon by and between the DEPARTMENT and the AGENCY, shall be incorporated in written amendments to this AGREEMENT.

23. HOLD HARMLESS
A. RESPONSIBILITY FOR CLAIMS AND LIABILITY
The AGENCY shall be responsible for all damages to life, body, and property due to the activities of the AGENCY and its agents or employees, in connection with their services under this AGREEMENT, and agrees to pay costs, charges, expenses or incurred liabilities to said agents or employees arising hereunder. The AGENCY specifically agrees that its agents or employees shall possess the experience, knowledge, and character to qualify them individually for the particular duties they perform. Further, it is understood and agreed that the AGENCY shall indemnify and save and hold harmless the DEPARTMENT, its officers, employees, the State of Iowa, and the Federal Government for all claims, suits, actions, damages, and costs, whether real or asserted, arising out of any negligent act or omission, whether real or asserted, on the part of the AGENCY, its officers, agents and employees or subcontractors which may result from their operations in connection with the work to be performed or losses due to performance of equipment purchased under this project.

B. LIABILITY OF THE DEPARTMENT
The DEPARTMENT shall not be obligated or liable hereunder to any party other than the AGENCY.

24. ASSIGNABILITY AND SUBCONTRACTING
A. Subcontracting, assignment, or transfer of all or part of the duties, activities, and responsibilities the AGENCY is obligated to perform by the terms of this AGREEMENT are prohibited except with the prior written approval of the DEPARTMENT. Transit service contracts which provide another party any degree of control over transit service design, scheduling or rider selection are also prohibited without prior written approval of the DEPARTMENT.

(1) Before initially entering into, renegotiating or extending, any subcontract to purchase transit services from a non-governmental provider (including any leasing of a vehicle to a non-governmental entity), the AGENCY must solicit interest or proposals from minority organizations to do the same or similar services, and, if necessary, the AGENCY must provide such assistance in developing proposals as might be needed by these organizations.

(2) Documentation of the outreach and assistance performed under (1) above shall be provided to the DEPARTMENT when requesting approval of each subcontract with a non-governmental entity, along with information about the minority status of the entity that is to be a party to the proposed subcontract.

B. In the event the DEPARTMENT gives such approval, the party or parties to whom such work is subcontracted, assigned or transferred or which receives any degree of control over services shall be bound and obligated by the terms and conditions of this AGREEMENT as fully and completely as the AGENCY.

C. The AGENCY shall take such action with respect to any subcontract or procurement as the DEPARTMENT may direct as enforcing such provisions including sanctions for noncompliance; provided, however, that in the event the AGENCY becomes involved in or is threatened with litigation with a subcontractor or supplier as a result of such direction, the AGENCY may request the DEPARTMENT to enter into such litigation to protect the interests of the State.

25. INTEREST AND PROHIBITED INTEREST
A. The AGENCY shall insert in all contracts entered into in connection with the PROJECT or any property included in any PROJECT, and shall require its contractors to insert in each of their subcontracts, the following provisions:

"No member, officer or employee of the AGENCY during his tenure or for one year thereafter shall have any interest, direct or indirect, in this contract or the proceeds thereof."

The provisions of this subsection shall not be applicable to any agreement between the AGENCY and its fiscal depositories, or to any agreement for utility services the rates for which are fixed or controlled by a Government agency.

B. Neither the AGENCY nor any of its contractors or their subcontractors shall enter into any contract, subcontract, or arrangement, in connection with the PROJECT or any property included or planned to be included in the PROJECT in which any member, officer, or employee of the AGENCY during his tenure or for one year thereafter has any interest, and if such interest is immediately disclosed to the AGENCY, the AGENCY with the prior approval of the DEPARTMENT may waive the prohibition contained in this subsection; provided, that any such present member, office, or employee shall not participate in any action by the AGENCY relating to such contract, subcontract or arrangement.

C. No member or delegate to the Iowa State Legislature or to the Congress of the United States shall be admitted to any share or part of the AGREEMENT or any benefit arising there from.

26. ADDITIONAL AGREEMENT PROVISIONS
Some miscellaneous general provisions not included elsewhere in the AGREEMENT are as follows:

A. ENTIRE AGREEMENT
This AGREEMENT expresses the entire AGREEMENT between parties and no representations, promised or warranties have been made by either of the parties that are not fully expressed herein concerning this PROJECT(S).

B. SAVINGS CLAUSE
If any provision of this AGREEMENT is held invalid, the remainder of the AGREEMENT shall not be affected thereby if such remainder would then continue to conform to the terms and requirements of applicable law.

C. WORDING
All words used herein the singular form shall extend to and include the plural. All words used in the plural form shall extend to and include the singular, all words used in any gender shall extend to and include all genders.

D. BONUS AND COMMISSION PROHIBITION
By execution of the AGREEMENT, the AGENCY represents that it has not paid and, also agrees not to pay, any bonus or commission for the purpose of obtaining an approval of its application for financing hereunder.

E. SUCCESSORS AND ASSIGNS
It is further understood that this AGREEMENT and all contracts entered into under the provisions of this AGREEMENT shall be binding upon the DEPARTMENT and AGENCY and their successors and assigns.

F. COMPLIANCE WITH LAWS
(1) The AGENCY agrees to comply with all Federal, State and local laws, ordinances and resolutions applicable to the prosecution of the work covered by this AGREEMENT.

(2) It is specifically understood and agreed by the parties hereto that participation by the DEPARTMENT in this PROJECT requires compliance with the rules as defined under Iowa Administrative Code 761, which are herein incorporated by reference and made part of this EXHIBIT.

G. COPYRIGHT PROHIBITION
No reports, maps, or other documents produced in whole or in part under this AGREEMENT shall be the subject of an application for copyright by or on behalf of the AGENCY.

H. AGREEMENT EXECUTION
This agreement shall be simultaneously executed in no less than three (3) counterparts, each of which shall be deemed to be an original, and such counterparts together shall constitute one and the same instrument.

I. INSURANCE

The AGENCY shall obtain insurance adequate to protect the PROJECT property and equipment as well as public liability insurance with the following minimum coverages:

Commercial Automobile Liability - combined single limit $1,000,000.

27. LABOR PROTECTION PROVISIONS

A. (FOR FTA NON-URBANIZED ASSISTANCE AND INTERCITY BUS ASSISTANCE AGREEMENTS ONLY)

The AGENCY by becoming a signatory of this AGREEMENT, agrees to comply with the requirements of 49 U.S.C. 5333(b) (formerly known as Section 13(c) of the Federal Transit Act) as stipulated in the Special 13(c) Warranty developed by the U.S. Department of Labor (found in Appendix O of the Agreement Binder). The AGENCY also agrees to bear full financial responsibility, and hold the DEPARTMENT harmless, for any employee impacts as a result of this project.

B. (For FTA DISCRETIONARY CAPITAL ASSISTANCE AGREEMENTS, JARC CAPITAL ASSISTANCE AGREEMENTS and URBANIZED CAPITAL ASSISTANCE AGREEMENTS ONLY)

For AGENCIES without individual local "13(c)" agreements with the Amalgamated Transit Union or other unions:

The AGENCY by becoming a signatory of this AGREEMENT, agrees to comply with all requirements of 49 U.S.C. 5333(b) (formerly known as Section 13(c) of the Federal Transit Act) and the "13(c)" arrangement between the Amalgamated Transit Union and the DEPARTMENT (found in Appendix O of the Agreement Binder). The AGENCY also agrees to bear full financial responsibility, and hold the DEPARTMENT harmless, for any employee impacts as a result of this project.

For AGENCIES with individual local "13(c)" agreements with the Amalgamated Transit Union or other unions:

The AGENCY by becoming a signatory of this AGREEMENT, agrees to comply with all requirements of 49 U.S.C. 5333(b) (formerly known as Section 13(c) of the Federal Transit Act) and to apply and comply with the individual employee protection agreement (or agreements) previously entered into by the AGENCY (as referenced below). The AGENCY also agrees to bear full financial responsibility, and hold the DEPARTMENT harmless, for any employee impacts as a result of this project.

The Iowa DOT and the ATU have agreed that the references to be inserted in the above language are as set forth below:

(1) For the contract with the Iowa Northland Regional Transit Commission:
   i. "Agreement Pursuant to Section 13(c) of the Urban Mass Transportation Act of 1964, as amended"
   ii. Local Division 1623, Amalgamated Transit Union, AFL-CIO
   iii. April 10, 1991

(2) For the contract with the City of Burlington:
   i. "Agreement Pursuant to Section 13(c) of the Urban Mass Transportation Act of 1964, as amended"
   ii. Local Division 212, Amalgamated Transit Union, AFL-CIO
   iii. January 15, 1974

(3) For the contract with the City of Cedar Rapids:
   i. "Agreement Pursuant to Section 13(c) of the Urban Mass Transportation Act of 1964, as amended"
   ii. Local Division 638, Amalgamated Transit Union, AFL-CIO
   iii. May 12, 1976

(4) For the contract with the City of Davenport:
   i. "Agreement Pursuant to Section 13(c) of the Urban Mass Transportation Act of 1964, as amended"
   ii. Local Division 312, Amalgamated Transit Union, AFL-CIO
   iii. May 7, 1976

(5) For the contract with the Des Moines Metropolitan Transit Authority:
   i. "Agreement Pursuant to Section 13(c) of the Urban Mass Transportation Act of 1964, as amended"
   ii. Local Division 441, Amalgamated Transit Union, AFL-CIO, and International Association of Machinists and Aerospace Workers, Local Lodge 479
   iii. October 30, 1973

(6) For the contract with the City of Dubuque:
   i. "Agreement Pursuant to Section 13(c) of the Urban Mass Transportation Act of 1964, as amended"
   ii. Local Division 329, Amalgamated Transit Union, ALF-CIO, and International Brotherhood of Teamsters, Local 421
   iii. March 3, 1975

(7) For the contract with the City of Sioux City:
   i. "Agreement Pursuant to Section 13(c) of the Urban Mass Transportation Act of 1964, as amended"
   ii. Local Division 779, Amalgamated Transit Union, AFL-CIO
   iii. June 10, 1976

(8) For the contract with the Metropolitan Transit Authority of Black Hawk County:
   i. "Agreement Pursuant to Section 13(c) of the Urban Mass Transportation Act of 1964, as amended"
   ii. Local Division 1192, Amalgamated Transit Union, AFL-CIO
   iii. March 23, 1977

The list of AGENCIES with individual local 13(c) agreements other than with the ATU are as follows:

(1) City of Ames
Local 2340, International Union of Operating Engineers, April 8, 1983

(2) University of Iowa - Cambus
Iowa Council 61, American Federation of State, County and Municipal Employees, Local 12, July 1, 1977

(3) City of Clinton
Iowa Council 61, American Federation of State, County, and Municipal Employees, Local 888, February 6, 1976

(4) City of Coralville
Iowa Council 61, American Federation of State, County and Municipal Employees, Local 183, August 15, 1979

(5) City of Iowa City
Iowa Council 61, American Federation of State, County and Municipal Employees, Local 183, August 15, 1979

(6) City of Muscatine
Local 238, International Brotherhood of Teamsters, August 4, 1983

C. (For FTA JARC OPERATING ASSISTANCE AGREEMENTS ONLY)

For AGENCIES without individual local "13(c)" agreements with the Amalgamated Transit Union or other unions:

The AGENCY by becoming a signatory of this AGREEMENT, agrees to comply with all requirements of 49 U.S.C. 5333(b) (formerly known as Section 13(c) of the Federal Transit Act) and the "13(c)" arrangement between the Amalgamated Transit Union and the DEPARTMENT (found in Appendix O of the Agreement Binder). The AGENCY also agrees to bear full financial responsibility, and hold the DEPARTMENT harmless, for any employee impacts as a result of this project.

For AGENCIES with individual local "13(c)" agreements with the Amalgamated Transit Union or other unions:

The AGENCY by becoming a signatory of this AGREEMENT, agrees to comply with all requirements of 49 U.S.C. 5333(b) (formerly known as Section 13(c) of the Federal Transit Act) and to apply and comply with the individual employee protection agreement (or agreements) previously entered into by the AGENCY (as referenced below). The AGENCY also agrees to bear full financial responsibility, and hold the DEPARTMENT harmless, for any employee impacts as a result of this project.

The Iowa DOT and the ATU have agreed that the references to be inserted in the above language are as set forth below:

(1) For the contract with the City of Cedar Rapids:
   i. "Agreement Pursuant to Section 13(c) of the Urban Mass Transportation Act of 1964, as amended"
   ii. Local Division 638, Amalgamated Transit Union, AFL-CIO
   iii. July 23, 1975

(2) For the contract with the Des Moines Metropolitan Transit Authority:
   i. "Agreement Pursuant to Section 13(c) of the Urban Mass Transportation Act of 1964, as amended"
   ii. Local Division 441, Amalgamated Transit Union, AFL-CIO, and International Association of Machinists and Aerospace Workers, Local Lodge 479
   iii. July 23, 1975

(3) For the contract with the City of Dubuque:
   i. "Agreement Pursuant to Section 13(c) of the Urban Mass Transportation Act of 1964, as amended"
   ii. Local Division 329, Amalgamated Transit Union, ALF-CIO, and International Brotherhood of Teamsters, Local 421
   iii. July 23, 1975

(4) For the contract with the City of Sioux City:
   i. "Agreement Pursuant to Section 13(c) of the Urban Mass Transportation Act of 1964, as amended"
   ii. Local Division 779, Amalgamated Transit Union, AFL-CIO
   iii. July 23, 1975

(5) For the contract with the Metropolitan Transit Authority of Black Hawk County:
   i. "Agreement Pursuant to Section 13(c) of the Urban Mass Transportation Act of 1964, as amended"
   ii. Local Division 1192, Amalgamated Transit Union, AFL-CIO
   iii. July 23, 1975

28. <u>CHARTER AND SCHOOL BUS SERVICE</u>

A. Public transit agencies are not allowed to provide private charter services, except under a few select circumstances. All Charter rules can be found in 49 CFR 604.
B. Charter service is defined as:
   (1) Transportation provided by a FTA recipient or subrecipient at the request of a third party for the exclusive use of a bus or van for a negotiated price where:
      i. A third party pays the transit provider a negotiated price for the group;
      ii. Any fares charged to individual members of the group are collected by a third party;

iii. The service is not part of the transit provider's regularly scheduled service, or is offered for a limited period of time; or

iv. A third party determines the origin and destination of the trip as well as scheduling.

(2) Transportation provided by a recipient to the public for events or functions that occur on an irregular basis or for a limited duration and:

i. A premium fare is charged that is greater than the usual or customary fare; or

ii. The service is paid for in whole or in part by a third party.

(3) The Charter definition does not include demand response service to individuals.

(4) If your transit system has subcontractors operating FTA-funded vehicles as part of your transit service, the subcontractor is covered by the FTA Charter rule in the same manner as your transit system. If the subcontractor has non-FTA-funded vehicles, those vehicles may be used for charter work, but all costs must be segregated so the statistics are not counted as public transit. If the subcontractor does perform charter work using non-FTA-funded vehicles, you may want to consider whether such action will generate complaints if those vehicles are signed as part of your public transit system fleet.

(5) The Charter rules apply to recipients and subrecipients of FTA financial assistance, except for:

i. A public transit system transporting its employees, other transit system employees, transit management officials, transit contractors and bidders, government officials and their contractors and official guests, to or from transit facilities or projects within its geographic service area or proposed geographic service area for the purpose of conducting oversight functions such as inspection, evaluation, or review.

ii. Private charter operators that receive, directly or indirectly, Federal financial assistance under section 3038 or to the non-FTA funded activities of private charter operators that receive, directly or indirectly, FTA financial assistance under any of the following programs: 5307, 5339, 5310, or 5311.

iii. A public transit system transporting its employees, other transit system employees, transit management officials, transit contractors and bidders, government officials and their contractors and official guests, for emergency preparedness planning and operations.

iv. Transit services performed specifically under the program purposes of 5310 or 5311.

v. A public transit system, for actions directly responding to an emergency declared by the President, governor, or mayor or in an emergency requiring immediate action prior to a formal declaration. If the emergency lasts more than 45 days, the recipient shall follow procedures set out in the rules.

vi. A public transit system in a non-urbanized area transporting its employees, other transit system employees, transit management officials, and transit contractors and bidders to or from transit training outside its geographic service area.

C. Charter Service Agreement

(1) A recipient or subrecipient must enter into a Charter Service Agreement in order to receive FTA funds for equipment or facilities. The terms of the Charter Service Agreement are as follows: "The recipient/subrecipient agrees that it, and each of its subrecipients, and third party contractors at any level who use FTA-funded vehicles, may provide charter service using equipment or facilities acquired with Federal assistance authorized under the Federal Transit Laws only in compliance with the regulations set out in 49 CFR 604, the terms and conditions of which are incorporated herein by reference."

(2) The Charter Service Agreement is contained in the Certifications and Assurances published annually by FTA for applicants for Federal financial assistance, which each direct recipient submits electronically to FTA and which Iowa subrecipients sign as part of the annual Consolidated Transit Funding Application. Once a recipient or subrecipient receives federal funds, the Certifications and Assurances become part of its Grant Agreement or Joint Participation Agreement for Federal financial assistance.

D. Exceptions

(1) A recipient or subrecipient may provide charter service to the following groups, under certain circumstances:

i. A recipient/subrecipient may provide charter service, on its own initiative or at the request of a third party, if no registered charter provider responds to the notice issued (per 49 CFR Part 604.14): Within 72 hours for charter service requested to be provided in less than 30 days, or Within 14 calendar days for charter service requested to be provided in 30 days or more. A recipient/subrecipient shall not provide charter service under this section if a registered charter provider indicates an interest in providing the

charter service set out in the notice issued pursuant to 49 CFR Part 604.14 and the registered charter provider has informed the recipient of its interest in providing the service.

ii. To government officials (Federal, State, and local) for official government business, which can include non-transit related purposes, if the recipient/subrecipient provides the service in its geographic service area and does not generate revenue from the charter service, except as required by law. Maximum 80 charter service hours annually.

iii. To qualified human service organization (QHSO) for the purpose of serving persons with mobility limitations related to advanced age, with disabilities, or with low-income. If the QHSO is receiving funding, directly or indirectly, from the programs listed in Appendix A of 49 CFR Part 604, the QHSO shall not be required to register on the FTA charter registration website. If a QHSO does not receive funding from any of the programs listed in Appendix A of 49 CFR Part 604, but provides services to individuals with advanced age, with disabilities, or with low-income, the QHSO shall register on the FTA charter registration website.

iv. A recipient/subrecipient may lease its FTA-funded equipment and drivers to registered charter providers for charter service only if:

a) the private charter operator is registered on the FTA Charter Registration Website,

b) the registered charter provider owns and operates buses or vans in a charter service

c) the registered charter provider received a request for charter service that exceeds its available capacity either of the number of vehicles operated by the registered charter provider or the number of accessible vehicles operated by the registered charter provider

d) the registered charter provider has exhausted all of the available vehicles of all charter providers registered for the recipient's/subrecipient's geographic service area.

v. A recipient/subrecipient may provide charter service to a customer consistent with an agreement entered into with all charter providers registered for the recipient's/subrecipient's geographic service area.

vi. A petition to the FTA Administrator for an exception to the charter service regulations to provide charter service directly to a customer for events of regional or national significance, hardship (only for non-urbanized areas under 50,000 in population or small urbanized areas under 200,000 in population), or unique and time sensitive events (e.g. funerals of local, regional, or national significance) that are in the public's interest. Any exception granted by the Administrator under this section shall be effective only for the event identified by the date and description submitted to the Administrator.

E. Required Reporting on Any Charters Performed

(1) If charter service is provided by a recipient/subrecipient under any of the above exceptions, the records should include the following for each trip:

i. The group/organization's name, address, telephone number, and e-mail address;

ii. The date and time of service

iii. The number of passengers (if provided under the government official exception, please note the number of government officials on the trip)

iv. The origin, destination, and trip length (miles and hours)

v. The fee collected, if any

vi. The vehicle number for the vehicle used to provide the service

vii. A clear statement identifying which exception the recipient/subrecipient relied upon when it provided the charter service.

(2) A recipient/subrecipient that provides charter service in accordance with one or more of the exceptions contained above shall maintain the required notice and records in an electronic format for a period of at least three years from the date of the service or lease. A recipient/subrecipient may maintain the required records in other formats in addition to the electronic format.

(3) A recipient/subrecipient providing charter service under these exceptions shall post the records required under this rule on the FTA Charter Registration Website (large urban areas) 30-days after the end of each calendar quarter or to the Iowa DOT (small urban and regional systems) 25-days after each calendar quarter. A single document or charter log may include all charter service trips provided during the quarter.

(4) Charter trips are considered "incidental service" and must be separately reported on Quarterly/Year End statistical reports; the miles and rides will not count toward STA and FTA operating funds distribution.

F. Fuel used in providing charter services, as well as in other nonpublic or non-passenger services, is taxable under state law and must be so identified in quarterly fuel tax reports.

G. Upon receiving a request for charter service, a recipient/subrecipient may
   (1) Decline to provide the service with or without referring the requestor to FTA's Charter Registration
   (2) Provide the service under an exception noted above, or
   (3) Provide notice to registered charter providers as provided in this rule, and provide the service if no Registered Charter Provider responds to notice from a recipient/subrecipient

H. If a transit system is interested in providing charter service that does not qualify for an exception, then upon receipt of a request for charter service, the recipient shall provide e-mail notice to registered charter providers in the recipient's geographic service area in the following manner:
   (1) E-mail notice of the request shall be sent by the close of business on the day the recipient receives the request unless the recipient received the request after 2 p.m., in which case the recipient shall send the notice by the close of business the next business day
   (2) E-mail notice sent to the list of registered charter providers shall include:
      i. Customer name, address, phone number, and e-mail address (if available)
      ii. Requested date of service
      iii. Approximate number of passengers
      iv. Whether the type of equipment requested is (are) bus(es) or van(s)
      v. Trip itinerary and approximate duration
   (3) If the recipient intends to provide the service that meets the definition of charter service, the e-mail notice must include the fare the recipient intends to charge for the service.

I. The transit system needs to retain an electronic copy of the e-mail notice and the list of registered charter providers that were sent e-mail notice of the requested charter service for a period of at least three years from the date the e-mail notice was sent. If a transit system receives an "undeliverable" notice in response to its e-mail notice, the transit system shall send the notice via fax. The transit system shall maintain the record of the undeliverable e-mail notice and the fax sent confirmation for a period of three years.

J. Qualified human service organizations (QHSO) that seek services from recipients/subrecipients and do not receive funds from Federal programs but do serve individuals with low-income, with advanced age, or with disabilities) may register on the FTA's Charter Registration website. Once a QHSO has properly registered, a recipient/subrecipient may provide charter service, complying with the requirements under the QHSO exception.

K. FTA funded vehicles may not be used for exclusive school services. FTA allows transportation of students in open-to-the-public service. Fixed-route systems can provide 'tripper service.' Tripper service is ''regularly scheduled mass transportation service which is open to the public, and which is designed or modified to accommodate the needs of school students and personnel, using various fare collections or subsidy systems.'' (See 49 CFR 605.3(b).)

   The modifications to accommodate students and school personnel are not open-ended; they are limited to using different fare collections and subsidy systems and minor modifications in route or frequency of scheduling to accommodate the extra passengers that may be expected to use particular routes at particular times of day. (See 73 Fed. Reg. at 53385.) Examples of modification: add more buses along routes in morning when school begins, offer fare cards to students at subsidized rates, make short route deviations up to several blocks in length to drop off and pickup students in front of a school.

   In contrast to tripper service, FTA interprets the definition of ''school bus operations'' to include service that a reasonable person would conclude was primarily designed to accommodate students and school personnel and only incidentally to serve the nonstudent general public. (See 73 Fed. Reg. at 53385.) Students may also be served as part of a demand-responsive general public service. Qualified students with disabilities can be served as part of ADA paratransit service. As long as the students pay their own fares, they are treated the same as any other rider.

   Iowa law allows regional transit systems to contract with schools, day care centers, and other institutions for non-exclusive subscription transportation of students. Specific standards are established for vehicles to be used for such services, as well as for drivers, and for operating practices.

   Regional transit vehicles used for non-exclusive student transportation contracts must meet specific federal motor vehicle safety standards, over and above those established for commercial buses, and must be inspected each semester by the Iowa Department of Education. The drivers driving vehicles used in student transportation must meet specific standards, including passing criminal records reviews, and must receive

school bus driver training or equivalent. Students must be picked up or dropped off on the same side of the street as their ultimate origin or destination. Students may not be released except to parents, guardians, school personnel, or social service or law enforcement personnel.

29. FTA CLAUSES

A. Buy America Requirements (Rolling Stock)
Construction Contracts and Acquisition of Goods or Rolling Stock (valued at more than $150,000) Contractor shall comply with 49 USC 5323(j) and 49 CFR 661, stating that Federal funds may not be obligated unless steel, iron and manufactured products used in FTA-funded projects are produced in the United States, unless a waiver has been granted by FTA or the product is subject to a general waiver. General waivers are listed in 49 CFR 661.7, and include software, microcomputer equipment and small purchases (currently less than $100,000) made with capital, operating or planning funds. Separate requirements for rolling stock are stated at 5323(j)(2)(C) and 49 CFR661.11. In Fiscal Years 2016 and 2017, rolling stock must be manufactured in the US and have a minimum 60% domestic content. In Fiscal Years 2018 and 2019, rolling stock must be manufactured in the US and have a minimum 65% domestic content. The minimum domestic content of rolling stock from Fiscal Year 2020 and beyond is 70%. A bidder or offer or shall submit appropriate Buy America certification to the recipient with all bids on FTA-funded contracts, except those subject to a general waiver. Proposals not accompanied by a completed Buy America certification shall be rejected as nonresponsive. This requirement does not apply to lower tier subcontractors.

B. Energy Conservation
All Contracts except micro-purchases ($3,000 or less, except for construction contracts over $2,000) Contractor shall comply with mandatory standards and policies relating to energy efficiency, stated in the state energy conservation plan issued in compliance with the Energy Policy & Conservation Act.

C. Clean Water
All Contracts and Subcontracts over $100,000 Contractor shall comply with all applicable standards, orders or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 USC 1251 et seq. Contractor shall report each violation to the recipient and understands and agrees that the recipient shall, in turn, report each violation as required to FTA and the appropriate EPA Regional Office. Contractor shall include these requirements in each subcontract exceeding $100,000 financed in whole or in part with FTA assistance.

D. Bus Testing
Contractor [manufacturer] shall comply with 49 USC A5323(c) and FTA's implementing regulation 49 CFR 665 and shall perform the following:

(1) A manufacturer of a new bus model or a bus produced with a major change in components or configuration shall provide a copy of the final test report to the recipient prior to the recipient's final acceptance of the first vehicle.
(2) A manufacturer who releases a report under para. 1 above shall provide notice to the operator of the testing facility that the report is available to the public.
(3) If the manufacturer represents that the vehicle was previously tested, the vehicle being sold should have the identical configuration and major components as the vehicle in the test report, which must be provided to the recipient prior to the recipient's final acceptance of the first vehicle. If configuration or components are not identical, the manufacturer shall provide a description of the change and the manufacturer's basis for concluding that it is not major change requiring additional testing.
(4) If the manufacturer represents that the vehicle is "grandfathered" (has been used in mass transit service in the US before Oct. 1, 1988, and is currently being produced without a major change in configuration or components), the manufacturer shall provide the name and address of the recipient of such a vehicle and the details of that vehicle's configuration and major components.

E. Pre-Award and Post-Deliver Audit Requirements
Pre-Award & Post-Delivery Audit Requirements - Applicability – Rolling Stock/Turnkey
Contractor shall comply with 49 USC 5323(l) and FTA's implementing regulation 49 CFR 663 and submit

the following certifications:

(1) Buy America Requirements: Contractor shall complete and submit a declaration certifying either compliance or noncompliance with Buy America. If contractor certifies compliance with Buy America, it shall submit documentation listing: A manufacturer who releases a report under para. 1 above shall provide notice to the operator of the testing facility that the report is available to the public.
(2) Component and subcomponent parts of the rolling stock to be purchased identified by manufacturer of the parts, their country of origin and costs; and
(3) The location of the final assembly point for the rolling stock, including a description of the activities that will take place at the final assembly point and the cost of final assembly.
(4) Solicitation Specification Requirements: Contractor shall submit evidence that it will be capable of meeting the bid specifications.
(5) Federal Motor Vehicle Safety Standards (FMVSS): Contractor shall submit 1) manufacturer's FMVSS self-certification sticker information that the vehicle complies with relevant FMVSS or 2) manufacturer's certified statement that the buses will not be subject to FMVSS regulations.

F. Lobbying

Construction/Architectural and Engineering/Acquisition of Rolling Stock/Professional Service Contract/Operational Service Contract/Turnkey contracts over $100,000, Byrd Anti-Lobbying Amendment, 31 U.S.C. 1352, as amended by the Lobbying Disclosure Act of 1995, P.L. 104-65 [to be codified at 2 U.S.C. § 1601, et seq.] - Contractors who apply or bid for an award of $100,000 or more shall file the certification required by 49 CFR part 20, "New Restrictions on Lobbying." Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier shall also disclose the name of any registrant under the Lobbying Disclosure Act of 1995 who has made lobbying contacts on its behalf with non-Federal funds with respect to that Federal contract, grant or award covered by 31 U.S.C. 1352. Such disclosures are forwarded from tier to tier up to the recipient.

G. Access to Records and Reports

Applicability – As shown below. These requirements do not apply to micro-purchases ($3,000 or less, except for construction contracts over $2,000) the following access to records requirements apply to this Contract:

(1) Where the purchaser is not a State but a local government and is an FTA recipient or a sub grantee of FTA recipient in accordance with 49 CFR 18.36(i), contractor shall provide the purchaser, the FTA, the US Comptroller General or their authorized representatives access to any books, documents, papers and contractor records which are pertinent to this contract for the purposes of making audits, examinations, excerpts and transcriptions. Contractor shall also, pursuant to 49 CFR 633.17, provide authorized FTA representatives, including any PMO contractor, access to contractor's records and construction sites pertaining to a capital project, defined at 49 USC 5302(a)1, which is receiving FTA assistance through the programs described at 49 USC 5307, 5309 or 5311.
(2) Where the purchaser is a State and is an FTA recipient or a sub grantee of FTA recipient in accordance with 49CFR 633.17, contractor shall provide the purchaser, authorized FTA representatives, including any PMO Contractor, access to contractor's records and construction sites pertaining to a capital project, defined at 49 USC 5302(a) which receives FTA assistance through the programs described at 49 USC 5307, 5309 or 5311. By definition, a capital project excludes contracts of less than the simplified acquisition threshold currently set at $100,000.
(3) Where the purchaser enters into a negotiated contract for other than a small purchase or under the simplified acquisition threshold and is an institution of higher education, a hospital or other non-profit organization and is an FTA recipient or a sub grantee of FTA recipient in accordance with 49 CFR 19.48, contractor shall provide the purchaser, the FTA, the US Comptroller General or their authorized representatives, access to any books, documents, papers and record of the contractor which are directly pertinent to this contract for the purposes of making audits, examinations, excerpts and transcriptions.
(4) Where a purchaser which is an FTA recipient or a sub grantee of FTA recipient in accordance with 49 USC 5325(a) enters into a contract for a capital project or improvement (defined at 49 USC

5302(a)1) through other than competitive bidding, contractor shall make available records related to the contract to the purchaser, the Secretary of USDOT and the US Comptroller General or any authorized officer or employee of any of them for the purposes of conducting an audit and inspection.

(5) Contractor shall permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed.

(6) Contractor shall maintain all books, records, accounts and reports required under this contract for a period of not less than three (3) years after the date of termination or expiration of this contract, except in the event of litigation or settlement of claims arising from the performance of this contract, in which case contractor agrees to maintain same until the recipient, FTA Administrator, US Comptroller General, or any of their authorized representatives, have disposed of all such litigation, appeals, claims or exceptions related thereto. Re: 49 CFR 18.39(i) (11). FTA does not require the inclusion of these requirements in subcontracts.

H. Federal Changes

All Contracts except micro-purchases ($3,000 or less, except for construction contracts over $2,000) Contractor shall comply with all applicable FTA regulations, policies, procedures and directives, including without limitation those listed directly or by reference in the Master Agreement between the purchaser and FTA, as they may be amended or promulgated from time to time during the term of the contract. Contractor's failure to comply shall constitute a material breach of the contract.

I. Clean Air

(1) Contractor shall comply with all applicable standards, orders or regulations pursuant to the Clean Air Act, 42 USC 7401 et seq. Contractor shall report each violation to the recipient and understands and agrees that the recipient will, in turn, report each violation as required to FTA and the appropriate EPA Regional Office.

(2) Contractor shall include these requirements in each subcontract exceeding $100,000 financed in whole or in part with FTA assistance.

J. Contract Work Hours and Safety Standards Act -Applicability – Contracts over $100,000

(1) Overtime requirements - No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of 40 hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of 40 hours in such workweek.

(2) Violation; liability for unpaid wages; liquidated damages - In the event of any violation of the clause set forth in paragraph (1) Of this section, contractor and any subcontractor responsible therefore shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in para. (1) of this section, in the sum of $10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of 40 hours without payment of the overtime wages required by the clause set forth in paragraph (1) of this section.

(3) Withholding for unpaid wages and liquidated damages - the recipient shall upon its own action or upon written request of USDOL withhold or cause to be withheld, from any moneys payable on account of work performed by contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours & Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in para. (2) of this section.

(4) Subcontracts - Contractor or subcontractor shall insert in any subcontracts the clauses set forth in this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. Prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in this section.

K. No Government Obligation to Third Parties Applicability – All contracts except micro-purchases ($3,000 or less, except for construction contracts over $2,000)

(1) The recipient and contractor acknowledge and agree that, notwithstanding any concurrence by the US Government in or approval of the solicitation or award of the underlying contract, absent the express written consent by the US Government, the US Government is not a party to this contract and shall not be subject to any obligations or liabilities to the recipient, the contractor, or any other party (whether or not a party to that contract) pertaining to any matter resulting from the underlying contract.

(2) Contractor agrees to include the above clause in each subcontract financed in whole or in part with FTA assistance. It is further agreed that the clause shall not be modified, except to identify the subcontractor who will be subject to its provisions.

L. Program Fraud and False or Fraudulent Statements or Related Acts Applicability – All contracts except micro-purchases ($3,000 or less, except for construction contracts over $2,000)

(1) Contractor acknowledges that the provisions of the Program Fraud Civil Remedies Act of 1986, as amended, 31 USC 3801 et seq. and USDOT regulations, "Program Fraud Civil Remedies," 49 CFR 31, apply to its actions pertaining to this project. Upon execution of the underlying contract, contractor certifies or affirms the truthfulness and accuracy of any statement it has made, it makes, it may make, or causes to be made, pertaining to the underlying contract or FTA assisted project for which this contract work is being performed. In addition to other penalties that may be applicable, contractor further acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submittal, or certification, the US Government reserves the right to impose the penalties of the Program Fraud Civil Remedies Act (1986) on contractor to the extent the US Government deems appropriate.

(2) If contractor makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submittal, or certification to the US Government under a contract connected with a project that is financed in whole or in part with FTA assistance under the authority of 49 USC 5307, the Government reserves the right to impose the penalties of 18 USC 1001 and 49 USC 5307(n)(1) on contractor, to the extent the US Government deems appropriate.

(3) Contractor shall include the above two clauses in each subcontract financed in whole or in part with FTA assistance. The clauses shall not be modified, except to identify the subcontractor who will be subject to the provisions.

M. Termination Applicability – All Contracts over $10,000, except contracts with nonprofit organizations and institutions of higher learning, where the threshold is $100,000

(1) Termination for Convenience (General Provision) the recipient may terminate this contract, in whole or in part, at any time by written notice to contractor when it is in the recipient's best interest. Contractor shall be paid its costs, including contract close-out costs, and profit on work performed up to the time of termination. Contractor shall promptly submit its termination claim to the recipient. If contractor is in possession of any of the recipient's property, contractor shall account for same, and dispose of it as the recipient directs.

(2) Termination for Default [Breach or Cause] (General Provision) If contractor does not deliver items in accordance with the contract delivery schedule, or, if the contract is for services, and contractor fails to perform in the manner called for in the contract, or if contractor fails to comply with any other provisions of the contract, the recipient may terminate this contract for default. Termination shall be effected by serving a notice of termination to contractor setting forth the manner in which contractor is in default. Contractor shall only be paid the contract price for supplies delivered and accepted, or for services performed in accordance with the manner of performance set forth in the contract. If it is later determined by the recipient that contractor had an excusable reason for not performing, such as a strike, fire, or flood, events which are not the fault of or are beyond the control of contractor, the recipient, after setting up a new delivery or performance schedule, may allow contractor to continue work, or treat the termination as a termination for convenience.

(3) Opportunity to Cure (General Provision) the recipient in its sole discretion may, in the case of a termination for breach or default, allow contractor an appropriately short period of time in which to cure the defect. In such case, the notice of termination shall state the time period in which cure is permitted and other appropriate conditions If contractor fails to remedy to the recipient's satisfaction the breach or default or any of the terms, covenants, or conditions of this Contract within ten (10) days after receipt by contractor or written notice from the recipient setting forth the nature of said breach or default, the recipient shall have the right to terminate the Contract without

any further obligation to contractor. Any such termination for default shall not in any way operate to preclude the recipient from also pursuing all available remedies against contractor and its sureties for said breach or default.

(4) Waiver of Remedies for any Breach In the event that the recipient elects to waive its remedies for any breach by contractor of any covenant, term or condition of this Contract, such waiver by the recipient shall not limit its remedies for any succeeding breach of that or of any other term, covenant, or condition of this Contract.

(5) Termination for Convenience (Professional or Transit Service Contracts) the recipient, by written notice, may terminate this contract, in whole or in part, when it is in the recipient's interest. If the contract is terminated, the recipient shall be liable only for payment under the payment provisions of this contract for services rendered before the effective date of termination.

(6) Termination for Default (Supplies and Service) If contractor fails to deliver supplies or to perform the services within the time specified in this contract or any extension, the recipient may terminate this contract for default. The recipient shall terminate by delivering to contractor a notice of termination specifying the nature of default. Contractor shall only be paid the contract price for supplies delivered and accepted, or services performed in accordance with the manner or performance set forth in this contract. If, after termination for failure to fulfill contract obligations, it is determined that contractor was not in default, the rights and obligations of the parties shall be the same as if termination had been issued for the recipient's convenience.

(7) Termination for Default (Transportation Services) If contractor fails to pick up the commodities or to perform the services, including delivery services, within the time specified in this contract or any extension or if contractor fails to comply with any other provisions of this contract, the recipient may terminate this contract for default. The recipient shall terminate by delivering to contractor a notice of termination specifying the nature of default. Contractor shall only be paid the contract price for services performed in accordance with the manner of performance set forth in this contract. If this contract is terminated while contractor has possession of the recipient goods, contractor shall, as directed by the recipient, protect and preserve the goods until surrendered to the recipient or its agent. Contractor and the recipient shall agree on payment for the preservation and protection of goods. Failure to agree on an amount shall be resolved under the Dispute clause. If, after termination for failure to fulfill contract obligations, it is determined that contractor was not in default, the rights and obligations of the parties shall be the same as if termination had been issued for the recipient's convenience.

(8) Termination for Default (Construction) If contractor refuses or fails to prosecute the work or any separable part, with the diligence that will insure its completion within the time specified, or any extension, or fails to complete the work within this time, or if contractor fails to comply with any other provisions of this contract, the recipient may terminate this contract for default. The recipient shall terminate by delivering to contractor a notice of termination specifying the nature of default. In this event, the recipient may take over the work and compete it by contract or otherwise, and may take possession of and use any materials, appliances, and plant on the work site necessary for completing the work. Contractor and its sureties shall be liable for any damage to the recipient resulting from contractor's refusal or failure to complete the work within specified time, whether or not contractor's right to proceed with the work is terminated. This liability includes any increased costs incurred by the recipient in completing the work. Contractor's right to proceed shall not be terminated nor shall contractor be charged with damages under this clause if:

   i. Delay in completing the work arises from unforeseeable causes beyond the control and without the fault or negligence of contractor. Examples of such causes include: acts of God, acts of the recipient, acts of another contractor in the performance of a contract with the recipient, epidemics, quarantine restrictions, strikes, freight embargoes; and

   ii. Contractor, within 10 days from the beginning of any delay, notifies the recipient in writing of the causes of delay. If in the recipient's judgment, delay is excusable, the time for completing the work shall be extended. The recipient's judgment shall be final and conclusive on the parties, but subject to appeal under the Disputes clauses. If, after termination of contractor's right to proceed, it is determined that contractor was not in default, or that the delay was excusable, the rights and obligations of the parties will be the same as if termination had been issued for the recipient's convenience.

(9) Termination for Convenience or Default (Architect & Engineering) the recipient may terminate this contract in whole or in part, for the recipient's convenience or because of contractor's failure to fulfill contract obligations. Recipient shall terminate by delivering to contractor a notice of termination specifying the nature, extent, and effective date of termination. Upon receipt of the

notice, contractor shall (1) immediately discontinue all services affected (unless the notice directs otherwise), and (2) deliver to the recipient all data, drawings, specifications, reports, estimates, summaries, and other information and materials accumulated in performing this contract, whether completed or in process. If termination is for the recipient's convenience, it shall make an equitable adjustment in the contract price but shall allow no anticipated profit on unperformed services. If termination is for contractor's failure to fulfill contract obligations, the recipient may complete the work by contact or otherwise and contractor shall be liable for any additional cost incurred by the recipient. If, after termination for failure to fulfill contract obligations, it is determined that contractor was not in default, the rights and obligations of the parties shall be the same as if termination had been issued for the recipient's convenience.

(10) Termination for Convenience or Default (Cost-Type Contracts) the recipient may terminate this contract, or any portion of it, by serving a notice or termination on contractor. The notice shall state whether termination is for convenience of the recipient or for default of contractor. If termination is for default, the notice shall state the manner in which contractor has failed to perform the requirements of the contract. Contractor shall account for any property in its possession paid for from funds received from the recipient, or property supplied to contractor by the recipient. If termination is for default, the recipient may fix the fee, if the contract provides for a fee, to be paid to contractor in proportion to the value, if any, of work performed up to the time of termination. Contractor shall promptly submit its termination claim to the recipient and the parties shall negotiate the termination settlement to be paid to contractor. If termination is for the recipient's convenience, contractor shall be paid its contract close-out costs, and a fee, if the contract provided for payment of a fee, in proportion to the work performed up to the time of termination. If, after serving a notice of termination for default, the recipient determines that contractor has an excusable reason for not performing, such as strike, fire, flood, events which are not the fault of and are beyond the control of contractor, the recipient, after setting up a new work schedule, may allow contractor to continue work, or treat the termination as a termination for convenience.

N. <u>Government Wide Debarment and Suspension (Non Procurement)</u> Applicability – Contracts over $25,000

(1) This contract is a covered transaction for purposes of 49 CFR Part 29. As such, the contractor is required to verify that none of the contractors, its principals, as defined at 49 CFR 29.995, or affiliates, as defined at 49 CFR 29.905, are excluded or disqualified as defined at 49 CFR 29.940 and 29.945. The contractor is required to comply with 49 CFR 29, Subpart C and must include the requirement to comply with 49 CFR 29, Subpart C in any lower tier covered transaction it enters into. By signing and submitting its bid or proposal, the bidder or proposer certifies as follows: The certification in this clause is a material representation of fact relied upon by the recipient. If it is later determined that the bidder or proposer knowingly rendered an erroneous certification, in addition to remedies available to the recipient, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment. The bidder or proposer agrees to comply with the requirements of 49 CFR 29, Subpart C while this offer is valid and throughout the period of any contract that may arise from this offer. The bidder or proposer further agrees to include a provision requiring such compliance in its lower tier covered transactions.

O. <u>Contracts Involving Federal Privacy Act Requirements</u>

(1) When a grantee maintains files on drug and alcohol enforcement activities for FTA, and those files are organized so that information could be retrieved by personal identifier, the Privacy Act requirements apply to all contracts except micro-purchases ($3,000 or less, except for construction contracts over $2,000). The following requirements apply to the Contractor and its employees that administer any system of records on behalf of the Federal Government under any contract:

i. The Contractor agrees to comply with, and assures the compliance of its employees with, the information restrictions and other applicable requirements of the Privacy Act of 1974, 5 U.S.C. § 552a. Among other things, the Contractor agrees to obtain the express consent of the Federal Government before the Contractor or its employees operate a system of records on behalf of the Federal Government. The Contractor understands that the requirements of the Privacy Act, including the civil and criminal penalties for violation of that Act, apply to those individuals involved, and that failure to comply with the terms of the Privacy Act may result in termination of the underlying contract.

ii. The Contractor also agrees to include these requirements in each subcontract to administer any system of records on behalf of the Federal Government financed in whole or in part with Federal assistance provided by FTA.

P. Civil Rights Requirements All contracts except micro-purchases ($3,000 or less, except for construction contracts over $2,000). The following requirements apply to the underlying contract:

(1) Nondiscrimination - In accordance with Title VI of the Civil Rights Act, as amended, 42 USC 2000d, Sec. 303 of the Age Discrimination Act (1975), as amended, 42 USC 6102, Sec. 202 of the Americans with Disabilities Act (1990), 42 USC 12132, and 49 USC 5332, contractor shall not discriminate against any employee or applicant for employment because of race, color, creed, national origin, sex, age or disability. Contractor shall also comply with applicable Federal implementing regulations and other requirements FTA may issue.

(2) Equal Employment Opportunity - The following equal employment opportunity requirements apply to the underlying contract:

i. Race, Color, Creed, National Origin, Sex - In accordance with Title VII of the Civil Rights Act, as amended, 42 USC 2000e, and 49 USC 5332, contractor shall comply with all applicable equal employment opportunity requirements of USDOL, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, USDOL," 41 CFR 60 et seq., (implementing Executive Order No. 11246, "Equal Employment Opportunity," as amended by Executive Order No. 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," 42 USC 2000e), and any applicable Federal statutes, executive orders, regulations, and policies that may in the future affect construction activities undertaken in the course of the project. Contractor shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, creed, national origin, sex or age. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. In addition, contractor shall comply with any implementing requirements FTA may issue.

ii. Age - In accordance with Sec. 4 of the Age Discrimination in Employment Act (1967), as amended, 29 USC 623 and 49 USC 5332, contractor shall refrain from discrimination against present and prospective employees for reason of age. Contractor shall also comply with any implementing requirements FTA may issue.

iii. Disabilities - In accordance with Sec. 102 of the Americans with Disabilities Act (ADA), as amended, 42 USC 12112, contractor shall comply with the requirements of US Equal Employment Opportunity Commission (EEOC), Regulations to Implement Equal Employment Provisions of the Americans with Disabilities Act, 29 CFR 1630, pertaining to employment of persons with disabilities. Contractor shall also comply with any implementing requirements FTA may issue.

(3) Contractor shall include these requirements in each subcontract financed in whole or in part with FTA assistance, modified only if necessary to identify the affected parties.

Q. Breaches and Dispute Resolution All Contracts over $100,000

(1) Disputes arising in the performance of this contract which are not resolved by agreement of the parties shall be decided in writing by the recipient's authorized representative. This decision shall be final and conclusive unless within ten (10) days from the date of receipt of its copy, contractor mails or otherwise furnishes a written appeal to the recipient's CEO. In connection with such appeal, contractor shall be afforded an opportunity to be heard and to offer evidence in support of its position. The decision of the recipient's CEO shall be binding upon contractor and contractor shall abide by the decision. Performance During Dispute - Unless otherwise directed by the recipient, contractor shall continue performance under this contract while matters in dispute are being resolved. Claims for Damages - Should either party to the contract suffer injury or damage to person or property because of any act or omission of the party or of any of his employees, agents or others for whose acts he is legally liable, a claim for damages therefore shall be made in writing to such other party within ten days after the first observance of such injury or damage. Remedies - Unless this contract provides otherwise, all claims, counterclaims, disputes and other matters in question between the recipient and contractor arising out of or relating to this agreement or its breach will be decided by arbitration if the parties mutually agree, or in a court of competent

jurisdiction within the residing State. Rights and Remedies - Duties and obligations imposed by the contract documents and the rights and remedies available there under shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law. No action or failure to act by the recipient or contractor shall constitute a waiver of any right or duty afforded any of them under the contract, nor shall any such action or failure to act constitute an approval of or acquiescence in any breach there under, except as may be specifically agreed in writing.

R. Disadvantaged Business Enterprise Contracts over $3,000 awarded on the basis of a bid or proposal offering to use DBEs

(1) This contract is subject to the requirements of Title 49, Code of Federal Regulations, Part 26, and Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs. The national goal for participation of Disadvantaged Business Enterprises (DBE) is 10%. The recipient's overall goal for DBE participation is listed elsewhere. If a separate contract goal for DBE participation has been established for this procurement, it is listed elsewhere.

(2) The contractor shall not discriminate on the basis of race, color, national origin or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of this contract. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the municipal corporation deems appropriate. Each subcontract the contractor signs with a subcontractor must include the assurance in this paragraph (see 49 CFR 26.13(b)).

(3) If a separate contract goal has been established, Bidders/offerors are required to document sufficient DBE participation to meet these goals or, alternatively, document adequate good faith efforts to do so, as provided for in 49 CFR 26.53.

(4) If no separate contract goal has been established, the successful bidder/offer or will be required to report its DBE participation obtained through race-neutral means throughout the period of performance.

(5) The contractor is required to pay its subcontractors performing work related to this contract for satisfactory performance of that work no later than 30 days after the contractor's receipt of payment for that work from the recipient. In addition, the contractor may not hold retainage from its subcontractors or must return any retainage payments to those subcontractors within 30 days after the subcontractor's work related to this contract is satisfactorily completed or must return any retainage payments to those subcontractors within 30 days after incremental acceptance of the subcontractor's work by the recipient and contractor's receipt of the partial retainage payment related to the subcontractor's work.

(6) The contractor must promptly notify the recipient whenever a DBE subcontractor performing work related to this contract is terminated or fails to complete its work, and must make good faith efforts to engage another DBE subcontractor to perform at least the same amount of work. The contractor may not terminate any DBE subcontractor and perform that work through its own forces or those of an affiliate without prior written consent of the recipient.

S. Incorporation of Federal Transit Administration (FTA) Terms All contracts except micro-purchases ($3,000 or less, except for construction contracts over $2,000)

(1) The preceding provisions include, in part, certain Standard Terms & Conditions required by USDOT, whether or not expressly stated in the preceding contract provisions. All USDOT-required contractual provisions, as stated in FTA Circular 4220.1F, are hereby incorporated by reference. Anything to the contrary herein notwithstanding, all FTA mandated terms shall be deemed to control in the event of a conflict with other provisions contained in this Agreement. The contractor shall not perform any act, fail to perform any act, or refuse to comply with any request that would cause the recipient to be in violation of FTA terms and conditions.

T. Full and Open Competition

(1) In accordance with 49 U.S.C. § 5325(a) all procurement transactions shall be conducted in a manner that provides full and open competition.

U. Prohibition Against Exclusionary or Discriminatory Specifications

(1) Apart from inconsistent requirements imposed by Federal statute or regulations, the contractor shall comply with the requirements of 49 USC 5323(h)(2) by refraining from using any FTA assistance to support procurements using exclusionary or discriminatory specifications.

V. Conformance with ITS National Architecture

(1) Contractor shall conform, to the extent applicable, to the National Intelligent Transportation Standards architecture as required by SAFETEA-LU Section 5307(c), 23 U.S.C. Section 512 note and follow the provisions of FTA Notice, "FTA National Architecture Policy on Transit Projects," 66 Fed. Reg.1455 etseq., January 8, 2001, and any other implementing directives FTA may issue at a later date, except to the extent FTA determines otherwise in writing.

W. Access Requirements for Persons with Disabilities

(1) Contractor shall comply with 49 USC 5301(d), stating Federal policy that the elderly and persons with disabilities have the same rights as other persons to use mass transportation services and facilities and that special efforts shall be made in planning and designing those services and facilities to implement that policy. Contractor shall also comply with all applicable requirements of Sec. 504 of the Rehabilitation Act (1973), as amended, 29 USC 794, which prohibits discrimination on the basis of handicaps, and the Americans with Disabilities Act of 1990 (ADA), as amended, 42 USC 12101 et seq., which requires that accessible facilities and services be made available to persons with disabilities, including any subsequent amendments thereto.

X. Notification of Federal Participation

(1) To the extent required by law, in the announcement of any third party contract award for goods and services (including construction services) having an aggregate value of $500,000 or more, contractor shall specify the amount of Federal assistance to be used in financing that acquisition of goods and services and to express that amount of Federal assistance as a percentage of the total cost of the third party contract.

Y. Interest of Members or Delegates to Congress

(1) No members of, or delegates to, the US Congress shall be admitted to any share or part of this contract nor to any benefit arising therefrom.

Z. Ineligible Contractors and Subcontractors

(1) Any name appearing upon the Comptroller General's list of ineligible contractors for federally-assisted contracts shall be ineligible to act as a subcontractor for contractor pursuant to this contract. If contractor is on the Comptroller General's list of ineligible contractors for federally financed or assisted construction, the recipient shall cancel, terminate or suspend this contract.

AA. Other Contract Requirements

(1) To the extent not inconsistent with foregoing Federal requirements, this contract shall also include those standard clauses attached hereto, and shall comply with the recipient's Procurement Guidelines, available upon request from the recipient.

BB. Compliance with Federal Regulations

(1) Any contract entered pursuant to this solicitation shall contain the following provisions: All USDOT-required contractual provisions, as set forth in FTA Circular 4220.1F, are incorporated by reference. Anything to the contrary herein notwithstanding, FTA mandated terms shall control in the event of a conflict with other provisions contained in this Agreement. Contractor shall not perform any act, fail to perform any act, or refuse to comply with any grantee request that would cause the recipient to be in violation of FTA terms and conditions. Contractor shall comply with all applicable FTA regulations, policies, procedures and directives, including, without limitation, those listed directly or incorporated by reference in the Master Agreement between the recipient and FTA, as may be amended or promulgated from time to time during the term of this contract. Contractor's failure to so comply shall constitute a material breach of this contract.

CC. Real Property

(1) Any contract entered into shall contain the following provisions: Contractor shall at all times comply with all applicable statutes and USDOT regulations, policies, procedures and directives governing the acquisition, use and disposal of real property, including, but not limited to, 29 CFR

18.31, 49 CFR 24 Subpart B, FTA Circular 5010.1D, and FTA Master Agreement, as they may be amended or promulgated during the term of this contract. Contractor's failure to so comply shall constitute a material breach of this contract.

DD. Access to Services for Persons with Limited English Proficiency

(1) To the extent applicable and except to the extent that FTA determines otherwise in writing, the Recipient agrees to comply with the policies of Executive Order No. 13166, "Improving Access to Services for Persons with Limited English Proficiency," 42 U.S.C. § 2000d 1 note, and with the provisions of U.S. DOT Notice, "DOT Guidance to Recipients on Special Language Services to Limited English Proficient (LEP) Beneficiaries," 70 Fed. Reg. 74087, December 14, 2005.

EE. Environmental Justice

(1) The Recipient agrees to comply with the policies of Executive Order No. 12898, "Federal Actions to Address Environmental Justice in Minority Populations and Low Income Populations," 42 U.S.C. § 4321 note, except to the extent that the Federal Government determines otherwise in writing.

FF. Environmental Protections

(1) Compliance is required with any applicable Federal laws imposing environmental and resource conservation requirements for the project. Some, but not all, of the major Federal laws that may affect the project include: the National Environmental Policy Act of 1969; the Clean Air Act; the Resource Conservation and Recovery Act; the comprehensive Environmental response, Compensation and Liability Act; as well as environmental provisions with Title 23 U.S.C., and 49 U.C. chapter 53. The U.S. EPA, FHWA and other federal agencies may issue other federal regulations and directives that may affect the project. Compliance is required with any applicable Federal laws and regulations in effect now or that become effective in the future.

GG. Geographic Information and Related Spatial Data

(1) Any project activities involving spatial data or geographic information systems activities financed with Federal assistance are required to be consistent with the National Spatial Data Infrastructure promulgated by the Federal Geographic Data Committee, except to the extent that FTA determines otherwise in writing.

HH. Federal Single Audit Requirements for State Administered Federally Aid Funded Projects Only

(1) Non Federal entities that expend $750,000 or more in a year in Federal awards from all sources are required to comply with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards outlined in 2 CFR Part 200 Subpart F. Non Federal entities that expend Federal awards from a single source may provide a program specific audit, as defined in the Code. Non Federal entities that expend less than $750,000 in a year in Federal awards from all sources are exempt from Federal audit requirements for that year, except as noted in 2 CFR 200.503, but records must be available for review or audit by appropriate officials of the Federal and State agencies.

II. Catalog of Federal Domestic Assistance (CFDA) Identification Number

(1) The municipal project sponsor is required to identify in its accounts all Federal awards received and expended, and the Federal programs under which they were received. Federal program and award identification shall include, as applicable, the CFDA title and number, award number and year, name of the Federal agency, and name of the pass through entity.

30. FTA CERTIFICATIONS

A. CERTIFICATION AND RESTRICTIONS ON LOBBYING

I, _____, hereby certify (Name and title of official) On behalf of _____ that: (Name of Bidder/Company Name) No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, and officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation,

renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement. If any funds other than federal appropriated funds have been paid or will be paid to any person influencing or attempting to influence an officer or employee of any agency, a Member of Congress, and officer or employee of Congress, or an employee of a Member of Congress in connection with the federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form – LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions. The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including sub-contracts, subgrants and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. § 1352 (as amended by the Lobbying Disclosure Act of 1995). Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure. The undersigned certifies or affirms the truthfulness and accuracy of the contents of the statements submitted on or with this certification and understands that the provisions of 31 U.S.C. Section 3801, et seq., are applicable thereto.

Name of Bidder/Company Name _____

Type or print name_____

Signature of authorized representative _____ Date __/__/__

Signature of notary and SEAL _____

B. GOVERNMENT-WIDE DEBARMENT AND SUSPENSION (NONPROCUREMENT) 49 CFR Part 29, Executive Orders 12549, 12689, and 31 U.S.C.6101 (Contracts over $25,000)

Background and Applicability:

In conjunction with the Office of Management and Budget and other affected Federal agencies, DOT published an update to 49 CFR Part 29 on November 26, 2003. This government-wide regulation implements Executive Order 12549, Debarment and Suspension, Executive Order 12689, Debarment and Suspension, and 31 U.S.C. 6101 note (Section 2455, Public Law 103-355, 108 Stat. 3327). The provisions of Part 29 apply to all grantee contracts and subcontracts at any level expected to equal or exceed $25,000 as well as any contract or subcontract (at any level) for Federally required auditing services. 49 CFR 29.220(b). This represents a change from prior practice in that the dollar threshold for application of these rules has been lowered from $100,000 to $25,000. These are contracts and subcontracts referred to in the regulation as "covered transactions." Grantees, contractors, and subcontractors (at any level) that enter into covered transactions are required to verify that the entity (as well as its principals and affiliates) they propose to contract or subcontract with is not excluded or disqualified. They do this by (a) Checking the Excluded Parties List System, (b) Collecting a certification from that person, or (c) Adding a clause or condition to the contract or subcontract. This represents a change from prior practice in that certification is still acceptable but is no longer required. 49 CFR 29.300. Grantees, contractors, and subcontractors who enter into covered transactions also must require the entities they contract with to comply with 49 CFR 29, subpart C and include this requirement in their own subsequent covered transactions (i.e., the requirement flows down to subcontracts at all levels). Instructions for Certification: By signing and submitting this bid or proposal, the prospective lower tier participant is providing the signed certification set out below Suspension and Debarment: This contract is a covered transaction for purposes of 49 CFR Part 29. As such, the contractor is required to verify that none of the contractor, its principals, as defined at 49 CFR 29.995, or affiliates, as defined at 49 CFR 29.905, are excluded or disqualified as defined at 49 CFR 29.940 and 29.945. The contractor is required to comply with 49 CFR 29, Subpart C and must include the requirement to comply with 49 CFR 29, Subpart C in any lower tier covered transaction it enters into. By signing and submitting its bid or proposal, the bidder or proposer certifies as follows: The certification in this clause is a material representation of fact relied upon by the recipient. If it is later determined that the bidder or proposer knowingly rendered an erroneous certification, in addition to remedies available to the recipient, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment. The bidder or proposer agrees to comply with the requirements of 49 CFR 29, Subpart C while this offer is valid and throughout the period of any contract that may arise from this offer. The bidder or proposer further agrees to include a provision requiring such compliance in its lower tier covered transactions.

Contractor _____

Signature of Authorized Official _____ Date ___/___/___

Name and Title of Contractor's Authorized Official_____

C. BUS TESTING CERTIFICATION

The undersigned bidder [Contractor/Manufacturer] certifies that the vehicle model or vehicle models offered in this bid submission complies with 49 CFR Part 665. A copy of the test report (for each bid ITEM) prepared by the Federal Transit Administration's (FTA) Altoona, Pennsylvania Bus Testing Center is attached to this certification and is a true and correct copy of the test report as prepared by the facility. The undersigned understands that misrepresenting the testing status of a vehicle acquired with Federal financial assistance may subject the undersigned to civil penalties as outlined in the U.S. Department of Transportation's regulation on Program Fraud Civil Remedies, 49 CFR Part 31. In addition, the undersigned understands that FTA may suspend or debar a manufacturer under the procedures in 49 CFR Part 29.

_____

Name of Bidder/Company Name

_____

Type or print name

_____

Signature of authorized representative

_____

Signature of notary and SEAL

Date of Signature: _____/_____/_____

D. PRE-AWARD CERTIFICATION REQUIREMENT FOR PROCUREMENT OF ROLLING STOCK (RECIPIENT)

Buy America Requirements:

Contractor shall complete and submit a declaration certifying either compliance or noncompliance with Buy America. If contractor certifies compliance with Buy America, it shall submit documentation listing:

1. Component and subcomponent parts of the rolling stock to be purchased identified by manufacturer of the parts, their country of origin and costs; and

2. The location of the final assembly point for the rolling stock, including a description of the activities that will take place at the final assembly point and the cost of final assembly.

3. Solicitation Specification Requirements: Contractor shall submit evidence that it will be capable of meeting the bid specifications.

4. D. Federal Motor Vehicle Safety Standards (FMVSS): Contractor shall submit

(a) manufacturer's FMVSS self-certification sticker information that the vehicle complies with relevant FMVSS or

(b) manufacturer's certified statement that the buses will not be subject to FMVSS regulations. As required by Title 49 of the CFR, Part 663 – Subpart B, _____ _____ (the recipient) is satisfied that the buses to be purchased, _____ (number and description of buses) from _____ _____ (the manufacturer), meet the requirements of Section 165(b)(3) of the Surface Transportation Assistance Act of 1982, as amended. The recipient or its appointed analyst_____ (the analyst – not the manufacturer or its agent), has reviewed documentation provided by the manufacturer, which lists (1) the proposed component and subcomponent parts of the buses identified by manufacturer, country of origin, and cost; and (2) the proposed location of the final assembly point for the buses, including a description of the activities that will take place at the final assembly point and the cost of final assembly.

E. PRE-AWARD PURCHASER'S REQUIREMENTS CERTIFICATION

As required by Title 49 of the CFR, Part 663 – Subpart B, _____ _____ (the recipient) certifies that the buses to be purchased, _____ (number and description of buses) from _____ (the manufacturer), are the same product described in the recipient's solicitation specification and that the proposed manufacturer is a responsible manufacturer with the capability to produce a bus that meets the specifications

F. PRE-AWARD FMVSS COMPLIANCE CERTIFICATION

As required by Title 49 of the CFR, Part 663 – Subpart D, _____ _____(the recipient) certifies that it received, at the pre-award

stage, a copy of _____'s (the manufacturer) self-certification information stating that the buses, _____ (number and description of buses), will comply with the relevant Federal Motor Vehicle Safety Standards issued by the National Highway Traffic Safety Administration in Title 49 of the Code of Federal Regulations, Part 571.
Date: _____
Signature: _____
Title: _____

G. COMPLIANCE with Buy America and FMVSS Rolling Stock Requirements

The bidder or offeror hereby certifies that it will comply with the requirements of 49 U.S.C. 5323(j), and the applicable regulations of 49 CFR 661.11.
Company_____
Name_____Title_____
Signature _____Date _____

H. NON-COMPLIANCE with Buy America and FMVSS Rolling Stock Requirements
The bidder or offeror hereby certifies that it cannot comply with the requirements of 49 U.S.C. 5323(j), but may qualify for an exception to the requirement consistent with 49 U.S.C. 5323(j)(2)(C), and the applicable regulations in 49 CFR 661.7.
Company_____
Name_____Title_____
Signature _____Date _____

I. ON-SITE MANUFACTURER INSPECTION COMPLIANCE CERTIFICATION (Post-Delivery purchaser's requirement, in compliance with the federal requirements of 49 U.S.C. Section 5323(m)) ON-SITE MANUFACTURER INSPECTION COMPLIANCE CERTIFICATION (Rolling Stock Procurements for more than 10 vehicles for areas >200,000 in population) As required by 49 CFR Part 663-Subpart C, the
_____
(Recipient's name) Certifies that a resident inspector,
_____ (Name of inspector) Was at _____ (the manufacturer's) manufacturing site during the period of manufacture of the buses, _____
_____ (description of buses). The inspector visually inspecting the buses, the _____ (the recipient) has reviewed the inspection documentation, maintains a copy of this report, and certifies that the buses meet the contract specifications. ON-SITE MANUFACTURER INSPECTION COMPLIANCE CERTIFICATION (Rolling Stock Procurements for more than 20 vehicles for areas <200,000 in population) As required by 49 CFR Part 663-Subpart C, the
_____
(Recipient's name) Certifies that a resident inspector,
_____ (Name of inspector) Was at _____ (the manufacturer's) manufacturing site during the period of manufacture of the buses, _____
_____ (description of buses). The inspector visually inspecting the buses, the _____ (the recipient) has reviewed the inspection documentation, maintains a copy of this report, and certifies that the buses meet the contract specifications.
Signature: _____ Date ___/___/___
Title: _____

J. TRANSIT VEHICLE MANUFACTURER (TVM) CERTIFICATION
Pursuant to the provisions of Section 105(f) of the Surface Transportation Assistance Act of 1982, each bidder for this contract must certify that it has complied with the requirements of 49 CFR Part 26.49, regarding the participation of Disadvantaged Business Enterprises (DBE) in FTA assisted procurements of transit vehicles. Absent this certification, properly completed and signed, a bid shall be deemed non-responsive.

Certification: I hereby certify, for the bidder named below, that it has complied with the provisions of 49 CFR Part 26.49 and that I am duly authorized by said bidder to make this certification.

BIDDER/COMPANY

Name of Bidder/Company _____

Signature of Representative _____

Type or Print Name _____

Title _____

Date ___/___/___

NOTARY

Type or Print Name _____

Signature of Notary _____

Place Notary SEAL Here: