



**Franklin Transit Authority  
Regular Meeting Agenda  
Thursday, September 20, 2012 3:30 pm**

1. Call to Order
2. Roll Call/Confirm Quorum
3. Public Comments

*This portion of the agenda is for members of the public to directly address the FTA on any items not on the agenda and within the jurisdiction of the Authority. Comments are limited to three minutes per speaker. The Authority will hear all communication but will not take any action on items that are not on the Agenda.*

**CONSENT CALENDAR**

4. Minutes of July 19, 2012 Regular Meeting Minutes (ITEM #4)

**OLD BUSINESS**

5. Year-to-Date Financial Statement and Summary (ITEM #5)
6. Transit Report (ITEM #6)
7. Community Outreach and Marketing Update Deb Varallo

**NEW BUSINESS**

8. Consideration of Approval of Consolidated Human Services Transportation BAI09-20-12-8  
Between Franklin Transit Authority and Nashville MTA for FY 2013
9. Contract for Consideration -TDOT Matching Contract for FY 2013 BAI09-20-12-9
10. Contract for Consideration – State Matching Contract for FY2012 5307 BAI09-20-12-10

**OTHER BUSINESS**

11. Report of Executive Director
12. Adjourn

**FRANKLIN TRANSIT AUTHORITY  
MINUTES OF BOARD MEETING  
Thursday, July 19, 2012 – 3:30 PM**

The Franklin Transit Authority met on Thursday, July 19, 2012 at 3:30 pm  
708 Columbia Ave. Franklin, TN

**Members present**

Preston Elliott, Chair  
Pearl Bransford  
Nancy Fletcher-Blume  
Bob Horner  
Dale Thomas  
Hays Waldrop

**Others Present**

Debbie Henry, The TMA Group  
Kristen Corn, City of Franklin  
Laing McCullough, The TMA Group  
Calveta Burger, The TMA Group  
Kevin Comstock, City of Franklin

## 1. Call to Order

Pearl Bransford called the meeting to order.

## 2. Roll Call/Confirm Quorum

Pearl Bransford confirmed that there was a quorum.

## 3. Public Comments

*This portion of the agenda is for members of the public to directly address the FTA on any items not on the agenda and within the jurisdiction of the Authority. Comments are limited to three minutes per speaker. The Authority will hear all communication but will not take any action on items that are not on the Agenda.*

**CONSENT CALENDAR**

## 4. Minutes of May 21, 2012 Regular Meeting Minutes (ITEM #4)

*Ms. Pearl Bransford motioned to approve the minutes of the May 21, 2012 regular meeting; Ms. Nancy Fletcher-Blume seconded the motion. Motion carried unanimously.*

## A. Recognition of 5 year service

Driver Jeanie Newcome was recognized for 5 years of service with The TMA Group and Franklin Transit Authority.

**OLD BUSINESS**

## 5. Year-to-Date Financial Statement and Summary (ITEM #5)

Ms. Henry presented the year to date June 30, 2012 financial statements to the Authority, noting that numbers are tracking well; 92% revenues, 92% expenses, with 100% of the year elapsed. Transit fares are tracking well having surpassed last year's number in fare box revenues. Contract fares are still well above projections. Ms. Henry informed the Authority due to additional contracts, cost effective efficiencies and not filling vacant staff positions, Franklin Transit returned \$110,274.40 back to the City of Franklin GL Fund. Chairman Preston Elliott called for acceptance of the financial report. *Mr. Dale Thomas motioned, Ms. Nancy Fletcher-Blume seconded and the motion passed unanimously.*

6. Transit Report

(ITEM #6)

Ms. Henry reported the ridership. As was previously discussed the new goal is: 4,000 a month. June 2012 total: 4,806 a record high. Chairman Preston Elliott called for acceptance of the transit report. *Mr. Bob Horner motioned, Ms. Hays Waldrop seconded and the motion passed unanimously.*

**NEW BUSINESS**

7. Consideration of DBE FFY 2012-15 Goal

(BAI 07-19-12-7)

Ms. Henry updated the Authority on the Disadvantages Business Enterprise (DBE) program, and goal. As Franklin Transit receives federal funds, there is a requirement to update and report usage of DBE businesses. Our current goal is 3%, based on calculations, 3% will be the goal for the next three years. *Mr. Dale Thomas motioned, Ms. Nancy Fletcher-Blume seconded and the motion passed unanimously.*

8. Community Outreach and Marketing Segmentation Update

Ms. Henry updated the Authority on marketing outreach performed to date, and the success of Mayor Moore and Dump the Pump Day, June 21, 2012. Mrs. Henry encourages the Authority to attend Adopt-A-Stop day to be held July 26, 2012, many businesses have signed on to participate.

**OTHER BUSINESS**

10. Report of Executive Director

Ms. Henry informed the Authority of upcoming changes in the McEwen/Carothers corridor and a change coming to Cool Springs in regard to Transit and the fixed Route.

11. Adjourn

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Preston Elliott, Chairman

**The TMA Group**  
**For The Month Ending August 31, 2012**

	<u>Month</u> <u>Actual</u>	<u>YTD Actual</u>	<u>Annual</u> <u>Budget</u>	
<b>REVENUES:</b>				
Revenue Grant - Transit	\$ 94,838.73	\$ 190,933.81	1,135,515.00	
Revenue - Contracts	1,600.00	2,200.00	7,500.00	
Revenue - Transit Fares	5,370.85	9,485.35	55,000.00	
Revenue - Transit Net/Other	0.00	0.00	0.00	
Revenue - Transit Fares; HT	0.00	0.00	12,000.00	
Revenue - Transit-Other	0.00	0.00	0.00	
<b>Total Revenues</b>	<b>101,809.58</b>	<b>202,619.16</b>	<b>1,210,015.00</b>	<b>17%</b>
<b>TRANSIT OPERATIONS COST:</b>				
Salaries - Transit Admin.	8,499.21	14,354.70	80,000.00	
Salaries - Transit Drivers	41,325.33	64,852.65	277,000.00	
Salaries - Contracts	567.32	631.76	5,500.00	
Salaries - Transit Operations	11,191.57	17,931.77	77,862.00	
Salaries - Cleaning	291.26	377.11	1,000.00	
Salaries - Holly Trolley	0.00	0.00	10,000.00	
Employer PR Tax	4,999.43	8,146.72	36,000.00	
Empl'ers WC/UC	2,451.39	3,904.88	18,210.00	
Empl'ee Benefits-Transit Admin	1,705.38	3,681.29	29,600.00	
Empl'ee Benefits-Transit Drivr	8,291.98	16,231.19	90,000.00	
Employee Benefits - Contracts	113.83	135.58	2,000.00	
Empl'ee Benefits-Transit Oper.	2,245.60	4,520.06	30,366.00	
Employee Benefits - Cleaning	58.44	87.41	40.00	
Bank/Credit Card Charges	0.00	0.00	0.00	
Meetings	116.07	116.07	2,000.00	
Memberships/Dues	3,770.00	5,409.00	8,650.00	
Subscriptions	0.00	0.00	200.00	
Education/Community Outreach	0.00	0.00	10,000.00	
Print Advertising	587.50	887.50	10,200.00	
TV Advertising	49.00	49.00	2,400.00	
Radio Advertising	350.00	783.33	9,000.00	
Printed Brochures & Pieces	0.00	0.00	7,000.00	
Promotional Products	0.00	788.00	5,000.00	
Transit Maintenance	4,293.14	8,960.37	75,000.00	
Transit Bldg/Oper. Maintenance	439.50	499.50	12,000.00	
Transit Maint. Facility-Rent	3,354.67	6,709.34	40,500.00	
Transit Maint. Fac - Utilities	1,184.29	1,546.25	24,000.00	
Trolley Cleaning & Supplies	0.00	0.00	1,000.00	
Transit Center Cleaning	305.00	610.00	4,800.00	
Equipment - Transit	0.00	203.78	5,000.00	
Postage	18.00	92.00	1,065.00	
Professional Services	0.00	0.00	5,100.00	
Supplies	529.74	634.57	9,800.00	
Uniforms	1,423.50	2,146.06	8,500.00	
Radio Communications	458.20	1,371.65	9,000.00	
Travel & Training	0.00	0.00	4,500.00	
Transit Fuel	11,542.25	21,062.29	100,000.00	
Automobile/Trolley Insurance	0.00	0.00	72,000.00	
Legal Fees	0.00	0.00	2,500.00	
Transit General Liability	57.69	115.38	42,000.00	
Errors & Omissions Liability	0.00	0.00	6,562.00	
Transit-DAM Compliance	442.00	556.50	2,500.00	
Planning/Transit	8,500.00	17,000.00	32,410.00	
Ind Chgs Reassign-Transit	5,283.67	8,583.21	39,000.00	
Ind Chgs Reassign-Contracts	48.90	54.75	750.00	
<b>Total Operations Cost</b>	<b>124,493.86</b>	<b>213,033.67</b>	<b>1,210,015.00</b>	<b>18%</b>
<b>Budget Year Elapsed</b>				<b>17%</b>

# CITY OF FRANKLIN TRANSIT FARES

BY MONTH COLLECTED IN EACH FISCAL YEAR

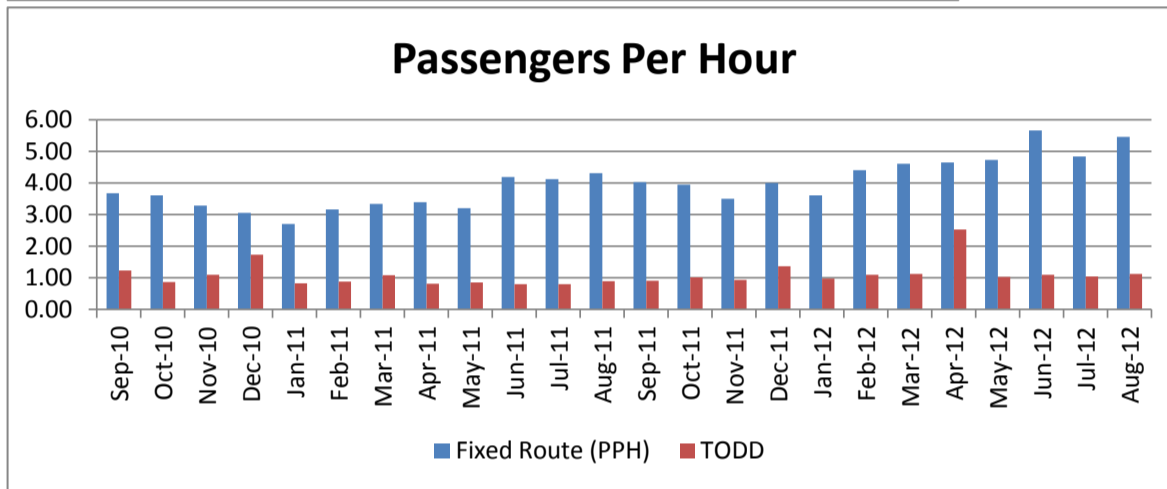
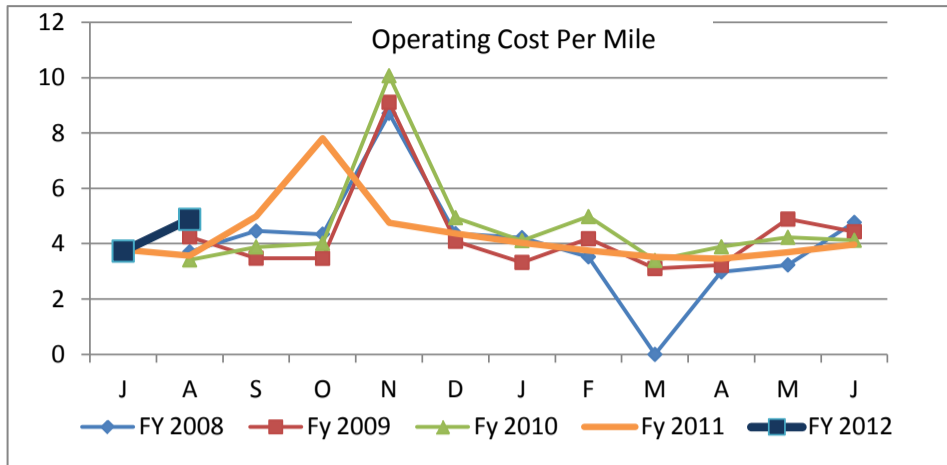
Month	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011		2011-2012			2012-2013		
July	\$2,414	\$3,573	\$3,789	\$3,858	\$3,784			\$3,807			\$4,115	
August	\$2,236	\$3,434	\$6,086	\$3,933	\$4,078			\$4,355			\$5,371	
September	\$2,427	\$3,506	\$3,869	\$3,451	\$4,423			\$5,420				
October	\$4,106	\$11,146	\$4,474	\$5,240	\$6,834	Fares Holly Trolley	\$5574.30 \$1260.00	\$4,249				
November	\$10,991	\$13,846	\$9,503	\$18,273	\$10,638	Fares Holly Trolley	\$4128.25 \$6510.00	\$18,909	Fares Holly Trolley	\$11,577.00 \$7,332.37		Fares Holly Trolley
December	\$2,848	\$4,878	\$11,182	\$6,100	\$12,833	Fares Holly Trolley	\$4008.20 \$8825.00	\$8,538	Fares Holly Trolley	\$4,208.85 \$4,328.73		Fares Holly Trolley
December					-\$1,200	Holly Trolley Refunds paid direct from TMA		\$0	-	-		-
January	\$2,771	\$3,784	\$3,925	\$2,983	\$3,556			\$3,562				
February	\$2,332	\$4,684	\$3,470	\$3,084	\$3,542			\$5,145				
March	\$3,471	\$3,231	\$4,009	\$4,434	\$4,589	Fares Beer Fest	\$3876.68 \$ 712.00	\$8,946	Fares FastPass Books Brewfest	\$4,021.00 \$3,625.00 \$1,299.50		Fares FastPass Books Brewfest
April	\$2,442	\$5,053	\$3,979	\$3,255	\$3,900			\$6,585	Fares Leadership Franklin Main Street Festival	\$3,834.00 \$ 600.00 \$2,151.00		Leadership Franklin Main Street Festival
May	\$3,390	\$3,364	\$5,081	\$2,850	\$2,965			\$4,658				
June	\$3,130	\$4,930	\$5,305	\$4,339	\$3,453			\$4,688				
<b>Total</b>	<b>\$42,558</b>	<b>\$65,429</b>	<b>\$64,672</b>	<b>\$61,799</b>	<b>\$63,394</b>			<b>\$78,861</b>			<b>\$9,485</b>	

**Ridership**

Ridership by Route for August 2012

Eastbound	Westbound	Southbound	TODD	OTHER	TOTAL	Sr./Dis
1243	1198	438	1688	74	4,641	1,372

Total service hours for the month: 1,051 Total vehicle miles for the month: 26,335 Operating cost for the month: \$124,494



**Service Delivery**

Operating Cost per vehicle Mile

	Local	State	Federal	Farebox	Other	Total
Aug-12	\$ 1.83	\$ 0.86	\$ 0.48	\$ 0.21	\$ 0.13	\$ 3.49
FY 2013	\$ 1.90	\$ 0.89	\$ 0.49	\$ 0.19	\$ 0.14	\$ 3.61
Fy 2012	\$ 1.17	\$ 0.55	\$ 0.31	\$ 0.22	\$ 0.09	\$ 2.23

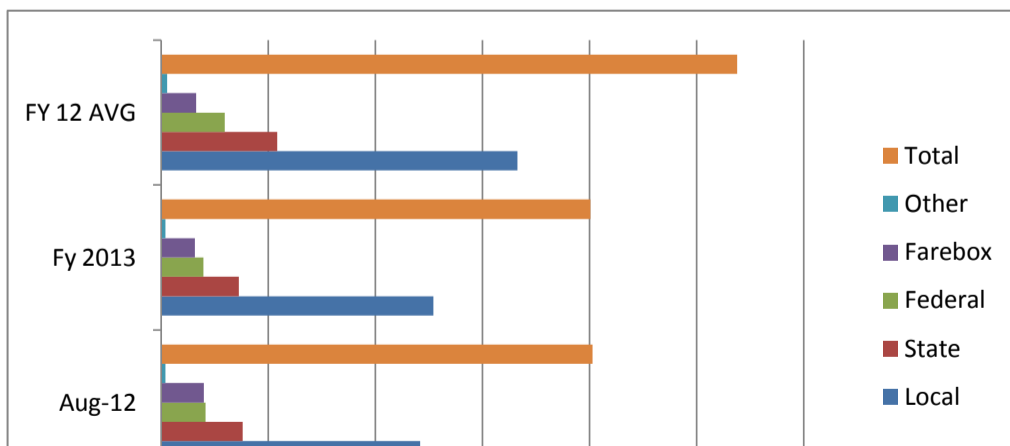
Average passengers per service hour 5.61. Miles since last incident: 49,023

**Funding Diversification**

Local	State	Federal	Farebox	Other	Total
\$89,840	\$18,648	\$9,735	\$5,371	\$900	\$124,494
65%	20%	11%	4%	1%	100%

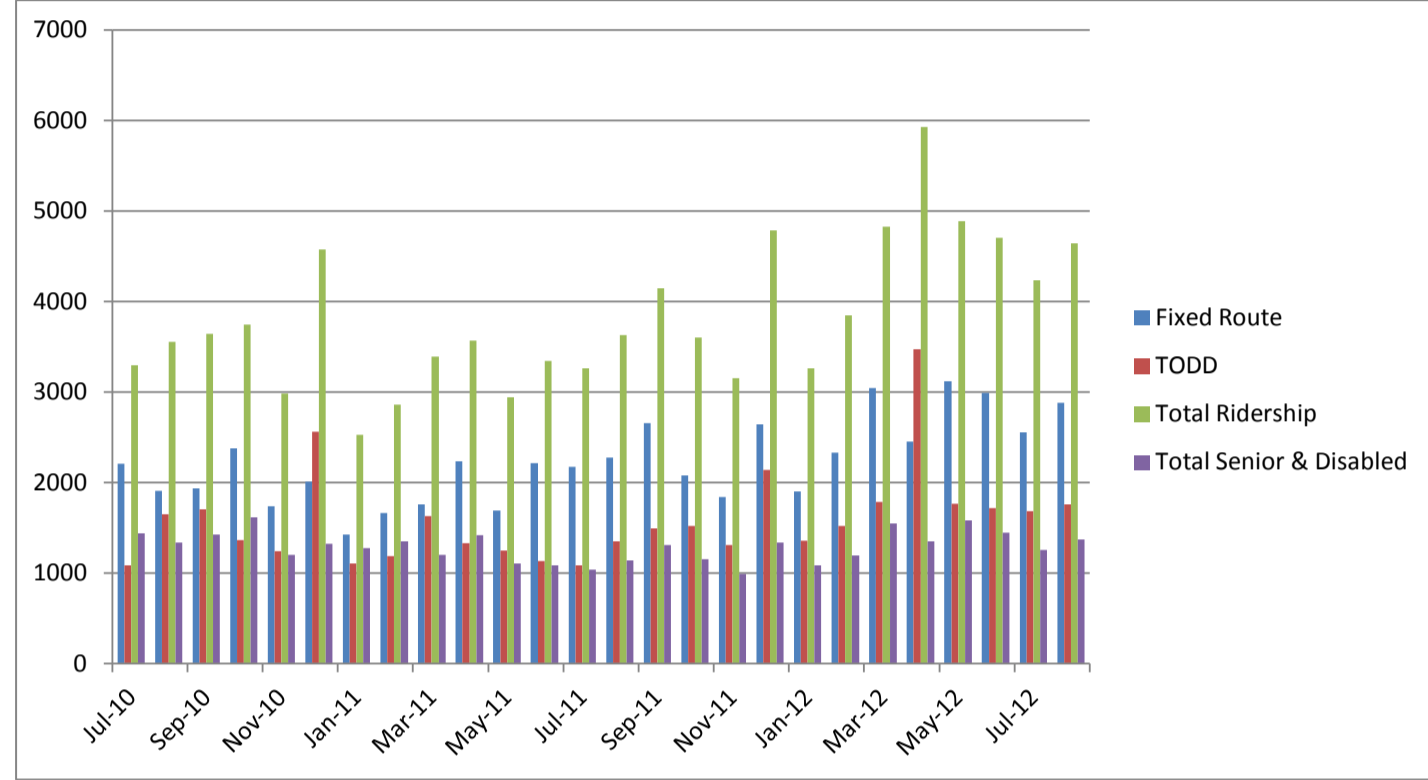
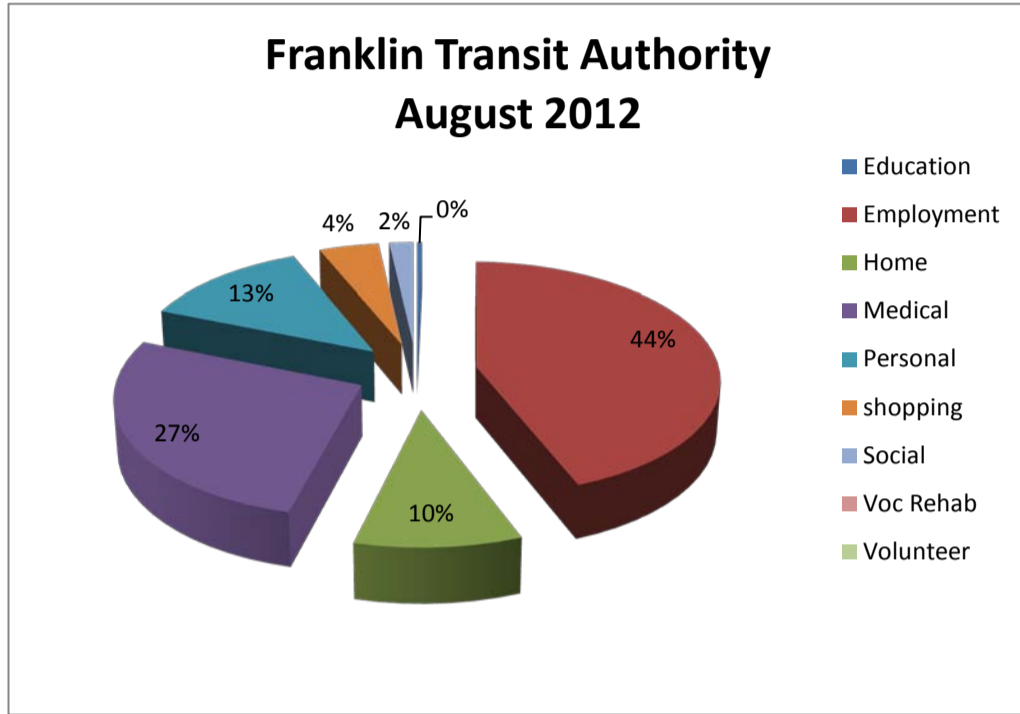
\*Operating Cost per passenger:

	Aug-12	Fy 2013	FY 12 AVG
Local	\$19.36	\$ 16.27	\$ 12.71
State	\$3.84	\$ 4.03	\$ 3.61
Federal	\$2.10	\$ 2.20	\$ 1.97
Farebox	\$1.16	\$ 1.06	\$ 1.56
Other	\$0.19	\$ 0.20	\$ 0.18
Total	\$26.65	\$ 23.76	\$ 20.04



**Franklin Transit Authority Ridership Report**

	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12
Fixed Route	2208	1907	1938	2380	1737	2013	1424	1667	1759	2238	1692	2213	2176	2278	2654	2080	1842	2642	1904	2329	3043	2455	3118	2989	2555	2879
TODD	1086	1649	1706	1362	1245	2562	1104	1191	1631	1330	1251	1131	1086	1354	1491	1520	1312	2142	1355	1520	1784	3469	1768	1717	1682	1762
<b>Total Ridership</b>	<b>3294</b>	<b>3556</b>	<b>3644</b>	<b>3742</b>	<b>2982</b>	<b>4575</b>	<b>2528</b>	<b>2858</b>	<b>3390</b>	<b>3568</b>	<b>2943</b>	<b>3344</b>	<b>3262</b>	<b>3632</b>	<b>4145</b>	<b>3600</b>	<b>3154</b>	<b>4784</b>	<b>3259</b>	<b>3849</b>	<b>4827</b>	<b>5924</b>	<b>4886</b>	<b>4706</b>	<b>4237</b>	<b>4641</b>
Total Senior & Disabled	1441	1339	1429	1617	1205	1327	1277	1351	1205	1422	1105	1088	1041	1138	1310	1151	991	1335	1087	1196	1547	1350	1582	1449	1258	1372



**FRANKLIN TRANSIT AUTHORITY**

ITEM BAI 9-20-12-8

**BOARD ACTION ITEM**

Item Number: BAI 9-20-12-8

Meeting Date: 9-20-12

Item Title: Consideration of Approval of Consolidated Human Services Transportation Plan between Franklin Transit Authority and Nashville MTA for FY 2013

**BACKGROUND**

Franklin Transit Authority submitted a proposal for New Freedom funding through the CHSTP process. Nashville MTA is the designated recipient for these funds. Franklin Transit Authority was awarded a contract in the amount of \$136,026.00 with Federal funds at \$68,013.00, State funds at \$34,006.50 and local at \$34,006.50.

New Freedom Funds are used to provide service for elderly, disabled and low income citizens.

**RECOMMENDATION**

Staff recommends that the Franklin Transit Authority approve the contract for New Freedom Funding between Franklin Transit Authority and Nashville MTA.

*Approved* \_\_\_\_\_

\_\_\_\_\_

*Board Officer*

*Date*



**CONTRACT NO 2011242-C**  
**BETWEEN**  
**NASHVILLE METROPOLITAN TRANSIT AUTHORITY**  
**AND**  
**FRANKLIN TRANSIT AUTHORITY**  
**FOR TRANSPORTATION SERVICES**

This Contract is entered into as of the 1<sup>st</sup> day of October, 2012, by and between Nashville Metropolitan Transit Authority (hereinafter referred to as “Nashville MTA”), having its principal office located at 430 Myatt Drive, Nashville, TN 37115, and Franklin Transit Authority (hereinafter referred to as “Contractor”), having its principal office located at 708 Columbia Avenue, Franklin, TN 37064, in which the parties agree as follows:

The following Documents constitute the Contract and Contract Documents

- Contract No 2011242-C
- Request for Proposal 2011271
- Contractor’s Proposal dated December 15, 2011

In the event of conflicting provisions, all documents shall be construed according to the following priorities:

- Any properly executed amendment to this Contract (most recent with first priority),
- Contract No 2011242-C
- Request for Proposal 2011271
- Contractor’s Proposal Dated December 15, 2011

**WHEREAS**, a Coordinated Human Services Transportation Plan, hereinafter “CHSTP”, is required by passage of the Safe Accountable Flexible Efficient Transportation Equity Act – A Legacy for Users, hereinafter “SAFETEA-LU”, for projects which are funded under the Elderly Individual and Individuals with Disabilities, Jobs Access Reverse Commute and New Freedom Programs, hereinafter referred to as JARC and New Freedom programs; and

**WHEREAS**, Nashville MTA has been named the Federal Transit Administration designated recipient for the JARC and New Freedom funding programs, and is therefore responsible for the implementation of projects developed under the Nashville Urbanized area CHSTP; and

**NOW, THEREFORE**, in consideration of the premises, the mutual covenants and promises herein set forth and other good and valuable considerations, receipt and legal sufficiency of which is hereby acknowledged, Nashville MTA and Contractor do mutually agree as follows:

**1. Scope of Services**

1.0 Nashville MTA agrees to purchase and Contractor agrees to provide Transportation Services (hereinafter “Services”):

1.1 Franklin Transit runs Transit On Demand (TODD) Service and will use the funds to expand and better service the increasing disabled and senior population of the City of Franklin with more curb to curb service transportation to places that may not be near routes, or at hours where there is not enough demand to justify fixed route service.

1.2 Contractor acknowledges and agrees to the reporting requirements for this Contract, Quarterly Information for New Freedom Services (hereinafter “Report”), Exhibit A. The Contractor MUST submit Report to Nashville MTA no later than the 10<sup>th</sup> day of each month, for the term of this Contract. Reports will be sent to Sharon Simmons, email: [sharon.simmons@nashville.gov](mailto:sharon.simmons@nashville.gov). In the event Contractor fails to comply with the terms of the reporting requirements Contractor acknowledges and agrees Nashville MTA shall have the right to the immediate termination of this Contract for

Contractor non-compliance. Nashville MTA, at its sole discretion, may grant Contractor an opportunity to cure Contractor's non-compliance.

1.3 Contractor acknowledges and agrees to comply with The Federal Fiscal Year 2012 Certifications and Assurances For Federal Transit Administration Assistance Programs, Exhibit B.

1.4 Nashville MTA will perform, a quarterly, Audit of Services. Contractor acknowledges and agrees to the Audit requirements as stated in Exhibit C and as communicated by Nashville MTA. Nashville MTA will contact Contractor to schedule the quarterly Audit. In the event Contractor fails to comply with the terms of the Audit, as communicated by Nashville MTA, Contractor acknowledges and agrees Nashville MTA shall have the right to the immediate termination of this Contract for Contractor non-compliance. Nashville MTA, at its sole discretion, may grant Contractor an opportunity to cure Contractor's non-compliance.

1.5 Contractor acknowledges and agrees to comply with the Nashville MTA Drug Policy attached as Exhibit D.

1.6 Nashville MTA shall incorporate into this Contract FTA 2 CFR 215, 2 CFR 230 (OMB Circular A-122) and OMB Circular A-133. Contractor acknowledges and agrees to the terms and conditions of the Circular's as part of this Contract. Please find circulars located at the following address: [http://www.whitehouse.gov/omb/grants\\_circulars/](http://www.whitehouse.gov/omb/grants_circulars/).

1.7 Contractor acknowledges and agrees that no driver, while providing Services, will utilize any personal electronic device(s), of any type and in any way while operating the vehicle.

**2. Term**

2.0 The term of the Contract shall be for 12 months. The Contract start date will be October 1, 2012, the Contract end date will be September 30, 2013.

2.1 This Contract may not be extended.

2.2 Nashville MTA Contract obligations shall automatically terminate at Contract End Date.

**3. Compensation**

3.0 This Contract shall have a not to exceed value of **\$68,013.00**.

NO 2011241-C	Federal Transit Administration (FTA)	Tennessee Department Of Transportation (TDOT)	Contractor Match	Total Project Cost
<b>SCOPE</b>				
Operating Assistance	<b>\$68,013.00</b>	<b>\$34,006.50</b>	\$34,006.50	\$136,026.00
<b>Total Cost:</b>				\$136,026.00

3.1 The Contractor invoice, when submitted, for the Services(s) shall include the required matching documentation and comply with the terms of this Contract. The invoice will be submitted to Nashville MTA, 430 Myatt Drive, Nashville, TN 37115.

3.2 There will be no other charges or fees for the performance of this Contract unless agreed to in writing by both parties. Nashville MTA shall make reasonable efforts to make payments within thirty (30) days of received and approved invoice.

#### **4. Taxes**

4.0 Nashville MTA shall not be responsible for any taxes that are imposed on Contractor. Contractor understands that it cannot claim exemption from taxes by virtue of any exemption that is provided to Nashville MTA.

#### **5. Copyright, Trademark, Service Mark, or Patent Infringement**

5.0 Contractor shall, at its own expense, be entitled to and shall have the duty to defend any suit which may be brought against Nashville MTA to the extent that it is based on a claim that the Service Work or other work products furnished infringe a copyright, Trademark, Service Mark, or patent. The Contractor shall have sole discretion in selecting counsel. Only to the extent provided by Tennessee Law and the Federal Transit Administration Guidelines and Requirements, Contractor shall further indemnify and hold harmless Nashville MTA against any award of damages and costs made against Nashville MTA by a final judgment of a court of last resort in any such suit. Nashville MTA shall provide Contractor immediate notice in writing of the existence of such claim and full right and opportunity to conduct the defense thereof, together with all available information and reasonable cooperation, assistance and authority to enable Contractor to do so. No costs or expenses shall be incurred for the account of Contractor without its written consent. Nashville MTA reserves the right to participate in the defense of any such action. Contractor shall have the right to enter into negotiations for and the right to effect settlement or compromise of any such action, but no such settlement or compromise shall be binding upon Nashville MTA unless approved by the Nashville MTA Board.

5.1 If the Service Work or other work products furnished under this contract are likely to, or do become, the subject of such a claim of infringement, then without diminishing Contractor's obligation to satisfy the final award, Contractor may at its option and expense:

1. Procure for Nashville MTA the right to continue using the products or services.
2. Replace or modify the alleged infringing products or services with other equally suitable products or services that are satisfactory to Nashville MTA, so that they become non-infringing.
3. Remove the products or discontinue the services and cancel any future charges pertaining thereto.
4. Provided, however, that Contractor will not exercise option b.iii. until Contractor and Nashville MTA have determined that options b.i. and b.ii. are impractical.

5.2 Contractor shall have no liability to Nashville MTA, however, if any such infringement or claim thereof is based upon or arises out of:

1. The use of the Service Work or other work products in combination with apparatus or devices not supplied or else approved by Contractor.
2. The use of the Service Work or other work products in a manner for which the Service Work or other work products were neither designated nor contemplated.
3. The claimed infringement in which Nashville MTA has any direct or indirect interest by license or otherwise, separate from that granted herein.

#### **6. Maintenance of Records**

6.0 Contractor shall maintain documentation for all charges against Nashville MTA. The books, records, and documents of Contractor, insofar as they relate to Services performed or money received under the Contract, shall be maintained for a period of three (3) full years from the date of final payment and will be subject to audit, at any reasonable time and upon reasonable notice by Nashville MTA or its duly appointed representatives. The records shall be maintained in accordance with generally accepted accounting principles.

#### **7. Monitoring**

7.0 The Contractor's activities conducted and records maintained pursuant to this Contract shall be subject to monitoring, auditing and evaluation by Nashville MTA, the Department of Finance, the Division of Internal Audit, or their duly appointed representatives.

#### **8. Nashville MTA Property**

8.0 Any Nashville MTA property, including but not limited to books, records and equipment that is in Contractor's possession shall be maintained by Contractor in good condition and repair, and shall be returned to Nashville MTA by Contractor upon termination of the Contract. All goods, documents, records, work and other work product and property produced during the performance of this Contract are deemed to be Nashville MTA property.

### **9. Modification of Contract**

9.0 This Contract may be modified only by written amendment executed by all parties and their signatories hereto. All change orders, where required, shall be executed by all parties and their signatories hereto.

### **10. Partnership/Joint Venture**

10.0 Nothing herein shall in any way be construed or intended to create a partnership or joint venture between the parties or to create the relationship of principal and agent between or among any of the parties. It is expressly agreed and understood between the parties that the Contractor is an independent Contractor to Nashville MTA and as such shall be viewed in law and equity as an independent contractor. No vicarious liability shall be imposed upon the Nashville MTA; Greater Nashville Regional Council, its employees, officers, Board members and member governments; Metropolitan Government of Nashville and Davidson County by any action of the Contractor in the performance of this Contract nor shall the doctrine of respondent superior be applicable to the Nashville MTA; Greater Nashville Regional Council, its employees, officers, Board members and member governments; Metropolitan Government of Nashville and Davidson County through this Contract. None of the parties hereto shall hold itself out in a manner contrary to the terms of this paragraph. No party shall become liable for any representation, act or omission of any other party contrary to the terms of this paragraph.

### **11. Waiver**

11.0 No waiver of any provision of this contract shall affect the right of any party thereafter to enforce such provision or to exercise any right or remedy available to it in the event of any other default.

### **12. Employment**

12.0 Contractor shall not subscribe to any personnel policy which permits or allows for the promotion, demotion, employment, dismissal or laying off of any individual due to race, creed, color, national origin, age, sex, or which is in violation of applicable laws concerning the employment of individuals with disabilities.

12.1 Contractor shall not knowingly employ, permit, dispatch, subcontract, or instruct any person who is an undocumented and/or unlawful worker to perform work in whole or part under the terms of Contract.

12.2 Violation of either of these contract provisions may result in suspension or debarment if not resolved in a timely manner, not to exceed ninety (90) days, to the satisfaction of Nashville MTA.

### **13. Warranty**

13.0 Contractor warrants the preparation of materials, the selection of personnel, the fitness and operation of its recommendations, and the performance of other services under this Contract, pursuant to a high standard of performance in the profession. Contractor warrants that it will exercise diligence and due care and perform in a good and workmanlike manner all of the Services pursuant to this Contract. Approval or acceptance by Nashville MTA of any of Contractor's Service, work or other work products under this Contract shall not constitute, or be deemed, a release of the responsibility and liability of Contractor, its employees, agents or associates for the exercise of skill and diligence necessary to fulfill Contractor's responsibilities under this Contract. Nor shall Nashville MTA's approval or acceptance be deemed to be the assumption of responsibility by Nashville MTA for any defect or error in the Service, work or other work products prepared by Contractor, its employees, associates, agents, or subcontractors.

13.1 In the event Services performed are not acceptable Nashville MTA will furnish a letter of non-acceptance detailing the deficiencies within thirty (30) days after delivery or Service performance. Acceptance of delivery of an item or Services performed shall not release the Contractor from liability for services not performed, faulty workmanship or materials appearing even after final payment have been made.

**14. Existing Nashville MTA Proprietary Rights**

14.0 Nashville MTA will retain existing ownership and all proprietary rights to its information. Some information may need to be disclosed to Contractor for purposes necessary for design and implementation. Contractor will treat Nashville MTA information as strictly confidential.

**15. Nashville MTA Owned Data**

15.0 Nashville MTA will own and retain rights to all of its data. Some data will need to be disclosed to Contractor for purposes necessary for design and implementation. Contractor will treat Nashville MTA information as strictly confidential

**16. Independent Contractor**

16.0 Contractor is offering its Services under this Contract as an independent contractor to Nashville MTA. In determining the existence of the Contractor, independent contractor status, the common law right to control shall apply. It is understood and agreed by Nashville MTA and Contractor that Contractor is and shall be viewed, treated and held out to be an independent contractor. Contractor and its employees are not employees or agents of Nashville MTA and are not eligible nor will receive any benefits through Nashville MTA, including but not limited to: federal social security, health, dental, or prescription of life insurance benefits, credit union or deferred compensation plans, and annual and sick leave benefits.

**17. Compensation of Contractor’s Personnel**

17.0 As neither Contractor or Contractor’s Personnel are Nashville MTA employees, Nashville MTA shall not take any action or provide Contractor’s Personnel with any benefits or commitments inconsistent with any of such undertakings by Contractor. Rather, Contractor shall bear sole responsibility for payment of compensation to it personnel. Contractor shall procure and maintain Worker’s Compensation Insurance as stated in Section 19 Insurance.

**18. Insurance**

18.0 During the term of this Contract, Contractor shall, at its sole expense, obtain and maintain in full force and effect for the duration of the Contract and any extension here of the types and amounts of insurance identified below by a check mark and in the proposal.

- a)  Products Liability Insurance in the amount of one million (\$1,000,000) dollars (If the Contractor will be shipping to a receiving department at Nashville MTA)
- b)  General Liability Insurance in the amount of one million (\$1,000,000) dollars
- c)  Professional Liability Insurance in the amount of one million (\$1,000,000) dollars
- d)  Automobile Liability Insurance in the amount of one million (\$1,000,000) dollars (if vendor will be making on-site deliveries)
- e)  Worker’s Compensation Insurance with statutory limits required by the State of Tennessee or other applicable laws and Employer’s Liability Insurance with limits of no less than one hundred thousand (\$100,000) dollars, as required by the laws of Tennessee. (Not required for companies with fewer than five (5) employees).
- f)  Other insurance
- g) Such insurance shall:
  1. Contain or be endorsed to contain a provision that includes Nashville MTA, its officials, officers, employees, and volunteers as additional insured’s with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts, or equipment furnished in connection with such work or operations. The coverage shall contain no special limitations on the scope of its protection afforded to the above-listed insured’s.

2. For an claims related to this Contract Contractor's insurance coverage shall be primary insurance as respects Nashville MTA, its officers, officials, employees, and volunteers. Any insurance or self-insurance programs covering Nashville MTA, its officials, officers, employees, and volunteers shall be excess of Contractor's insurance and shall not contribute with it.

3. Automotive Liability Insurance including vehicles owned, hired, and non-owned. Said insurance shall include coverage for loading and unloading hazards. Insurance shall contain or be endorsed to contain a provision that includes Nashville MTA, its officials, officers, employees, and volunteers as additional insured's with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of Contractor.

4. Worker's Compensation (if applicable), Contractor shall maintain workers' compensation insurance with statutory limits as required by the State of Tennessee or other applicable laws and liability insurance. Contractor shall require each of its subcontractors to provide Workers' Compensation for all of the latter's employees to be engaged in such work unless employees are covered by Contractor's workers' compensation insurance coverage.

5. Other Insurance Requirements. Contractor shall:

a) Prior to commencement of services, furnish Nashville MTA with original certificates and amendatory endorsements effecting coverage required by this section and provide that such insurance shall not be cancelled, allowed to expire, or be materially reduced in coverage except on 30 days' prior written notice to:

Nashville Metropolitan Transit Authority  
430 Myatt Drive  
Nashville, TN 37115  
Attn: Procurement Department

b) Provide certified copies of endorsements and policies if requested by Nashville MTA in lieu of or in addition to certificates of insurance.

c) Replace certificates, policies, and/or endorsements for any such insurance expiring prior to completion of services.

d) Maintain such insurance from the time services commence until services are completed and attach the certificates of insurance in Nashville MTA system. Failure to maintain or renew coverage or to provide evidence of renewal may be treated by Nashville MTA as a material breach of lease.

e) Place such insurance with insurer licensed to do business in Tennessee and having A.M. Best Company ratings of no less than A-. Modification of this standard may be considered upon appeal to the Nashville MTA Director of Risk Management Services.

f) Require all subcontractors to maintain during the term of the agreement Commercial General Liability insurance, Business Automobile Liability insurance, and Worker's Compensation/Employers Liability insurance (unless subcontractor's employees are covered by Contractor's insurance) in the same manner as specified for Contractor. Contractor shall file subcontractor's certificates of insurance in Nashville MTA's system.

g) Any deductibles and/or self-insured retentions greater than \$10,000 dollars must be disclosed to and approved by Nashville MTA prior to the commencement of services.

h) If the Contractor has or obtains primary and excess policy(ies), there shall be no gap between the limits of the primary policy and the deductible features of the excess policies.

## **19. Indemnification and Hold Harmless**

19.0 Contractor will indemnify, defend and hold harmless Nashville MTA, its officers, agents and employees from:

19.1 Any claims, damages, costs and attorney fees for injuries or damages arising, in part or in whole, from the negligent or intentional acts or omissions of Contractor, its officers, employees and/or agents, including its sub or independent contractors, in connection with the performance of the contract, and,

19.2 Any claims, damages, penalties, costs and attorney fees arising from any failure of Contractor, its officers, employees and/or agents, including its sub or independent contractors, to observe applicable laws, including, but not limited to, labor laws and minimum wage laws.

19.3 Nashville MTA will not indemnify defend or hold harmless in any fashion the Contractor from any claims arising from any failure, regardless of any language in any attachment or other document that the Contractor may provide.

## **20. Assignment**

20.0 Neither party may assign its rights or delegate its responsibilities under this Contract.

## **21. Governing Law**

21.0 The validity, construction and effect of this Contract and any and all extensions and/or modifications thereof shall be governed by the laws of the State of Tennessee. Tennessee law shall govern regardless of any language in any attachment or other document that the Contractor may provide.

## **22. Venue**

22.0 Any action between the parties arising from this Contract shall be maintained in the courts of Davidson County of the State of Tennessee.

## **23. Entire Agreement**

23.0 This Contract states the entire Contract between the parties. No alteration, modification, release, or waiver of this Contract or any of the provisions hereof shall be effective unless in writing, executed by the parties hereto.

## **24. Export**

24.0 Contractor represents and warrants that neither the Product, Documentation, Work nor the work product shall be disclosed to any foreign national, firm, or country, nor shall be exported from the United States without first complying with all the requirements of the International Traffic in Arms Regulations and the Export Administration Act, including the requirement for obtaining an export license, if applicable. Contractor shall fully indemnify Nashville MTA for any breach of this representation.

## **25. Force Majeure**

25.0 No party shall have any liability to the other hereunder by reason of any delay or failure to perform any obligation of covenant if the delay or failure to perform is occasioned by force majeure, meaning any act of God, storm, fire, casualty, unanticipated work stoppage, strike, lockout, labor dispute, civil disturbance, riot, war, national emergency, act of Government, act of public enemy, or other cause of similar or dissimilar nature beyond its control.

## **26. Severability**

26.0 If any provision of this Contract is held invalid under any applicable statute or rule of law, it is to that extent to be deemed omitted and the remainder of this Contract shall remain in full force and effect.

## **27. Contract Alterations**

27.0 No alterations or variables in the terms of this Contract and the RFP shall be valid or binding upon Nashville MTA unless agreed to and authorized in writing by Nashville MTA.

## **28. Counterpart**

28.0 It is agreed that this Contract may be signed either on a single document, or in counterpart, and when executed, such counterparts shall have the same force and effect as if originally executed on one document.

### **29. Attorney Fees**

29.0 If at any time it is necessary for either party to undertake any action to enforce the terms of this Contract the parties agree to pay all costs of the prevailing party, including reasonable attorney fees and court costs.

### **30. Disclosure**

**30.0 As a recipient of public funds the Contractor is obligated and shall agree to post the below notice so it is visible to the Public.** NOTICE: THIS AGENCY IS A RECIPIENT OF TAXPAYER FUNDING. IF YOU OBSERVE AN AGENCY DIRECTOR OR EMPLOYEE ENGAGING IN ANY ACTIVITY WHICH YOU CONSIDER TO BE ILLEGAL, IMPROPER, OR WASTEFUL, PLEASE CALL THE STATE COMPTROLLER'S TOLL-FREE HOTLINE: 1-800-232-5454.

### **31. Vehicle and Equipment – Useful Life Management**

31.0 The Contractor agrees to comply with the FTA Circular 5010.1D and the FTA Master Agreement in accordance with the terms as they apply to the management of federally funded vehicles and equipment. If Contractor requires additional information regarding the requirements please contact Nashville MTA.

### **32. Use of Nashville MTA's Name in Advertising of Public Relations**

32.0 Nashville MTA reserves the right to review and approve related copy prior to publication. The Contractor agrees not to allow Nashville MTA related copy to be published in Contractor's advertisements or public relations programs unless such copy has been submitted and received prior written approval from Nashville MTA. Such approval shall not be unreasonably withheld. The Contractor shall include this requirement in all subcontracts.

### **33. Termination**

33.0 Breach. Should Contractor or MTA fail to fulfill in a timely and proper manner its obligations under this Contract or if it should violate any of the terms of this Contract, either party shall have the right to terminate the Contract with a thirty (30) day notice and cure period. Such termination shall not relieve either party of any liability to the other for damages sustained by virtue of any breach by the other party.

33.1 Lack of Funding. Should funding for this Contract be discontinued, MTA shall have the right to terminate the Contract immediately, with no penalty, upon written notice to Contractor.

33.2 Either party may terminate this Contract at any time, with no penalty, upon thirty (30) day written notice to the other party. In the event of a termination under this section neither party will have further obligation to the other.

### **34. Gratuities and Kickbacks**

34.0 It shall be a breach of ethical standards for any person to offer, give or agree to give any employee or former employee, or for any employee or former employee to solicit, demand, accept or agree to accept from another person, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, preparation of any part of a program requirement or a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing or in any other advisory capacity in any proceeding or application, request for ruling, determination, claim or controversy or other particular matter, pertaining to any program requirement of a contract or subcontract or to any solicitation or proposal therefore. It shall be a breach of ethical standards for any payment, gratuity or offer of employment to be made by or on behalf of a subcontractor under a contract to the prime contractor or higher tier subcontractor or a person associated therewith, as an inducement for the award of a subcontract or order. Breach of the provisions of this paragraph is, in addition to a breach of this contract, a breach of ethical standards which may result in civil or criminal sanction and/or debarment or suspension from being a contractor or subcontractor under Nashville MTA contracts.

### **35. Notices**

35.0 Each person executing this Contract on behalf of an entity personally certifies and warrants to all other parties that this Contract has been duly authorized and approved by such entity, that such person is authorized to sign on behalf of such



entity, that no other signature is required to bind such entity, and that such entity shall be legally bound as set forth herein by such signature.

35.1 Any and all notices, requests, demands and other communications contemplated, called for, permitted or required to be given hereunder shall be in writing under this Contract and shall be sent to:

Nashville MTA: Nashville Metropolitan Transit Authority  
430 Myatt Drive  
Nashville, TN 37115  
Attn: Sharon Simmons, Grants and Projects Administrator, Finance Department  
Attn: Jim McAteer Director of Planning, Planning Department  
Attn: Edward W. Oliphant, Chief Financial Officer

Contractor: Franklin Transit Authority  
708 Columbia Ave  
Franklin, TN 37064  
Attn: Laing McCullough

IN WITNESS WHEREOF, NASHVILLE MTA AND CONTRACTOR HAVE EXECUTED THIS CONTRACT AS OF THE DATE FIRST ABOVE WRITTEN.

NASHVILLE METROPOLITAN TRANSIT AUTHORITY

FRANKLIN TRANSIT AUTHORITY

\_\_\_\_\_  
Paul J. Ballard, Chief Executive Officer

\_\_\_\_\_

\_\_\_\_\_  
Date

By: \_\_\_\_\_

Title: \_\_\_\_\_

Sworn to and subscribed to before me, a Notary Public,  
this \_\_\_\_\_ day of  
\_\_\_\_\_, 2012, by  
\_\_\_\_\_, the  
\_\_\_\_\_ of Contractor and duly  
authorized to execute this instrument on Contractor's  
behalf.

\_\_\_\_\_

Notary Public

My Commission Expires \_\_\_\_\_

**EXHIBIT A**

**Information for NEW FREEDOM and/or JARC-Funded Services**

1. Enter Service Name:

---

2. Sub Recipient Name:

---

Contact Name:

---

Contact Phone:

---

Contact Email:

---

3. Is the Sub Recipient also the service provider for this service?  YES  NO

If not, please fill in the following:

Agency Name:

---

Contact Name:

---

Contact Phone:

---

Contact Email:

---

4. How many months has the service been in operation? Indicated # of months.

---

**EXHIBIT A (continued)**

5. Select the category that best describes the geographic area where the service is provided. (place an X in the appropriate box)

Neighborhood

City or town

County

Region

State

Tribal land

Multiple jurisdictions (describe below)

Other (describe below)

6. In what type of area is the service provided?

---

7. Number of customer contacts (place a number or an X in the appropriate box)

Total

**EXHIBIT A (continued)**

Not Available

**8. Number of one-way trips (place a number or an X in the appropriate box)**

Total

Not Applicable

Not Available

**9. Service Description – Provide a detailed description (1-2 paragraphs) of the New Freedom or JARC-funded service provided. (Please type in the text box below. It will expand as you type)**

**10. Evaluation – Describe how you have evaluated your project within your agency or organization. Identify relevant performance measure and benchmarks. (Please type in the text box below. It will expand as you type)**

**11. Accomplishments – Highlight your greatest accomplishments. Describe any especially successful or innovative elements. (Please type in the text box below. It will expand as you type)**

**EXHIBIT A (continued)**

- 12.** Lessons learned – What advice would you give to someone else starting a service like yours? What do you wish you had known when you started the service? **(Please type in the text box below. It will expand as you type)**

- 13.** Quarterly Expenditure – Following the line items from your budget narrative that was presented in your RFP, please indicate your quarterly expenditures per service type using the chart below.

**QUARTERLY EXPENDITURE NARRATIVE**

Description	Amount
Operating -	
Operating -	
Operating -	
Operating -	
Operating -	
Operating -	
Operating -	
Operating -	
Capital -	
Capital -	
Capital -	
<b>TOTAL</b>	

**EXHIBIT A** (continued)

**Service Matrix for New Freedom or JARC -Funded Services**

<b>Primary Service goal and Output Measures</b>					
<b>(Select the one(s) applicable to you by placing an X in the appropriate box(es) per New Freedom or JARC-funded service)</b>					
<b>New Freedom or JARC-Funded Service</b>	<b>A. Expanded geographic coverage</b>	<b>B. Extended hours/days of service</b>	<b>C. Improved system capacity</b>	<b>D. Improved access / connections</b>	<b>E. Improved customer knowledge</b>
<b>I. Trip-Based</b>					
<b>1. Shuttle/feeder service</b>					
<b>2a. Expanded ADA paratransit</b>					
<b>2b. Same-day ADA paratransit service</b>					
<b>2c. Door-to-door or door-through-door</b>					
<b>2d. Volunteer driver program</b>					
<b>3. User-side subsidy/vouchers (e.g., taxis)</b>					
<b>4. Vanpool</b>					
<b>5. Aide/escort assistance</b>					
<b>II. Information-Based</b>					
<b>1. Mobility manager</b>					
<b>2. One-stop center/referral</b>					
<b>3. Trip/itinerary planning</b>					

<b>4a. One-on-one transit training (“travel training”)</b>					
<b>4b. Transportation resource training (“group training”)</b>					
<b>5. Internet-based information</b>					
<b>6. Information materials / marketing</b>					
<b>7. Driver training (for individuals)</b>					
<b>III. Capital Investment</b>					
<b>1. Vehicle for individual</b>					
<b>2a. Vehicle for transit agency</b>					
<b>2b. Vehicle for other agency</b>					
<b>2c. Accessible taxis</b>					
<b>3. Vanpool vehicles</b>					
<b>4. Car-sharing</b>					
<b>5. ITS-related hardware / software investments</b>					
<b>6a. Elevators</b>					
<b>6b. Large capacity wheelchair lifts added to vehicles</b>					
<b>6c. Wheelchair securement areas added to vehicles</b>					
<b>6d. Other infrastructure improvements</b>					



**EXHIBIT B**

**FEDERAL FISCAL YEAR 2012 CERTIFICATIONS AND ASSURANCES FOR FEDERAL TRANSIT ADMINISTRATION ASSISTANCE PROGRAMS**

*(Signature page alternative to providing Certifications and Assurances in TEAM-Web)*

**Name of Applicant:** \_\_\_\_\_

**The Applicant agrees to comply with applicable provisions of Groups 01 – 24.** \_\_\_\_\_

**OR**

<b>The Applicant agrees to comply with applicable provisions of the Groups it has selected: Group</b>	<b>Description</b>	
01.	Assurances Required For Each Applicant.	_____
02.	Lobbying.	_____
03.	Procurement Compliance.	_____
04.	Protections for Private Providers of Public Transportation.	_____
05.	Public Hearing.	_____
06.	Acquisition of Rolling Stock for Use in Revenue Service.	_____
07.	Acquisition of Capital Assets by Lease.	_____
08.	Bus Testing.	_____
09.	Charter Service Agreement.	_____
10.	School Transportation Agreement.	_____
11.	Demand Responsive Service.	_____
12.	Alcohol Misuse and Prohibited Drug Use.	_____
13.	Interest and Other Financing Costs.	_____
14.	Intelligent Transportation Systems.	_____
15.	Urbanized Area Formula Program.	_____
16.	Clean Fuels Grant Program.	_____
17.	Elderly Individuals and Individuals with Disabilities Formula Program and Pilot Program.	_____
18.	Non-urbanized Area Formula Program for States.	_____
19.	Job Access and Reverse Commute (JARC) Program.	_____
20.	New Freedom Program.	_____
21.	Paul S. Sarbanes Transit in Parks Program.	_____
22.	Tribal Transit Program.	_____
23.	TIFIA Projects	_____
24.	Deposits of Federal Financial Funding to a State Infrastructure Banks.	_____

**FEDERAL FISCAL YEAR 2012 FTA CERTIFICATIONS AND ASSURANCES SIGNATURE PAGE**

*(Required of all Applicants for FTA funding and all FTA Grantees with an active capital or formula project)*

**AFFIRMATION OF APPLICANT**

Name of Applicant: \_\_\_\_\_

Name and Relationship of Authorized Representative: \_\_\_\_\_

BY SIGNING BELOW, on behalf of the Applicant, I declare that the Applicant has duly authorized me to make these certifications and assurances and bind the Applicant's compliance. Thus, the Applicant agrees to comply with all Federal statutes and regulations, and follow applicable Federal directives, and comply with the certifications and assurances as indicated on the foregoing page applicable to each application it makes to the Federal Transit Administration (FTA) in Federal Fiscal Year 2012.

FTA intends that the certifications and assurances the Applicant selects on the other side of this document, as representative of the certifications and assurances, should apply, as provided, to each project for which the Applicant seeks now, or may later seek FTA funding during Federal Fiscal Year 2012.

The Applicant affirms the truthfulness and accuracy of the certifications and assurances it has made in the statements submitted with this document and any other submission made to FTA, and acknowledges that the Program Fraud Civil Remedies Act of 1986, 31 U.S.C. 3801 *et seq.*, and implementing U.S. DOT regulations, "Program Fraud Civil Remedies," 49 CFR part 31 apply to any certification, assurance or submission made to FTA. The criminal provisions of 18 U.S.C. 1001 apply to any certification, assurance, or submission made in connection with a Federal public transportation program authorized in 49 U.S.C. chapter 53 or any other statute

In signing this document, I declare under penalties of perjury that the foregoing certifications and assurances, and any other statements made by me on behalf of the Applicant are true and accurate.

Signature \_\_\_\_\_ Date: \_\_\_\_\_

Name \_\_\_\_\_

Authorized Representative of Applicant

**AFFIRMATION OF APPLICANT'S ATTORNEY**

For (Name of Applicant): \_\_\_\_\_

As the undersigned Attorney for the above named Applicant, I hereby affirm to the Applicant that it has authority under State, local, or tribal government law, as applicable, to make and comply with the certifications and assurances as indicated on the foregoing pages. I further affirm that, in my opinion, the certifications and assurances have been legally made and constitute legal and binding obligations on the Applicant.

I further affirm to the Applicant that, to the best of my knowledge, there is no legislation or litigation pending or imminent that might adversely affect the validity of these certifications and assurances, or of the performance of the project.

Signature \_\_\_\_\_ Date: \_\_\_\_\_

Name \_\_\_\_\_

Attorney for Applicant

Each Applicant for FTA funding and each FTA Grantee with an active capital or formula project must provide an Affirmation of Applicant's Attorney pertaining to the Applicant's legal capacity. The Applicant may enter its signature in lieu of the Attorney's signature, provided the Applicant has on file this Affirmation, signed by the attorney and dated this Federal fiscal year.

## EXHIBIT C

Coordinated Human Service Transportation Plan  
Nashville Metropolitan Transit Authority  
JARC & New Freedom Programs  
Site Visits  
FY2012

The Nashville Metropolitan Transit Authority (Nashville MTA) will conduct quarterly monitoring and site visits with sub-recipients that have received federal assistance funds through the Job Access and Reverse Commute (JARC) and New Freedom programs. The purpose of the monitoring and site visits is to ensure that sub-recipients conduct their programs in compliance with federal rules and regulations; the terms and conditions of subcontracts or agreements; and that costs incurred by sub-recipients are reasonable and allowable.

Site visits will consist of the following:

- Conduct interviews with project staff and others (e.g., administrative staff and project participants)
- Observe project activities
- Review management procedures and records (staffing, documentation/tracking of program activities, fiscal accounting system, time and attendance records).
- Share preliminary findings and recommendations,
- Provide sub-recipients management with an opportunity to react to those findings and provide clarifying information as warranted; and
- Discuss corrective actions and timetable for completing them.

All site visits will be scheduled by Sharon Simmons, Grants and Projects Administrator at least one (1) week prior to the site visit. This will also be an opportunity for sub-recipients to report and discuss any challenges or concerns that may be affecting your project outcomes.

## EXHIBIT C (continued)

Coordinated Human Service Transportation Plan  
Nashville Metropolitan Transit Authority  
JARC & New Freedom Programs  
Monitoring Plan  
FY2012

### JARC & New Freedom Programs Monitoring Plan

#### Introduction

The Nashville Metropolitan Transit Authority (Nashville MTA) Program Monitoring Plan is utilized in order for JARC & New Freedom Program sub-recipients to ensure compliance with the program requirements and other federal requirements. Governing regulations are at 2 CFR Part 25 (OMB Circular A-87) and OMB Circular A-102. The statutory changes found at Federal Transit Administration (FTA) FTA C 9045.1 (New Freedom) and FTA C 9050.1 (JARC) govern the program as well.

#### Monitoring Plan Objectives

The objectives are to ensure that Sub-recipients:

- Comply with the JARC & New Freedom requirements
- Gain capacity to manage the JARC & New Freedom funds they receive
- Utilize JARC & New Freedom funds effectively in assisting welfare recipients, low-income families, elderly individuals and individual with a disability

#### Monitoring Techniques and Strategy

Risk analysis is conducted by Nashville MTA staff to systematically analyze each JARC and New Freedom grant, its features, status, and progress. Each grant is ranked according to an assessment of how much risk of noncompliance it involves. This assessment is used to identify how frequently to review the various sub-recipients.

Various techniques are used to meet the goals of monitoring:

*Desk monitoring* using existing documentation will primarily be done. Communication by telephone and letters/reports are used to supplement or clarify documentation when necessary. Separate files for each sub-recipient are maintained in the Nashville MTA office. The Nashville MTA representative maintains a spreadsheet on expended funds and a matrix of accounting requirements for the JARC & New Freedom Program.

*On Site Monitoring:* New sub-recipients receive an on-site monitoring visit by both the Nashville MTA project coordinator and the Nashville MTA representative for the purpose of providing technical assistance. This initial visit is conducted prior to the sub-recipient's first request for reimbursement of JARC & New Freedom funds.

The purpose of this initial visit is to increase the sub-recipient's understanding of Program requirements and to discuss the following:

- Eligible activities/allowable costs
- Compliance with OMB circulars

- Maintenance of appropriate program documentation / reporting requirements
- Sub-recipient's financial standards and systems
- Procurement procedures
- Building standards requirements, if applicable
- Deadline for expenditure of funds

The sub-recipients are notified in advance of the time of the visit.

### **Grant Year Close Out**

All sub-recipients are required to submit a final report when the grant year funds have been fully expended. The report contains information on activities for which JARC & New Freedom funds are used, the number of people served, and the race and ethnicity of the people served.

Risk analysis is conducted by the JARC & New Freedom project coordinator and representative to determine whether the sub-recipients require a final on-site visit when funds have been fully expended.

If an on-site visit is deemed appropriate, the sub-recipient is informed in advance of the time of the monitoring visit, the purpose, and the general subject areas to be covered. An exit review of tentative conclusions is made and a formal written communication follows.

### **Areas of Monitoring**

Financial monitoring is conducted by the Nashville MTA representative. The areas of compliance monitoring include financial regulations and OMB circulars; program disbursements; equipment and records; financial management standards; procurement; conflict of interest; and audits. Records of financial monitoring are maintained in the Nashville MTA Office, 430 Myatt Drive, Nashville, TN, 37115.

Administrative and programmatic monitoring is conducted by the Nashville MTA project coordinator and representative. The areas of compliance monitoring include eligible activity requirements, environmental compliance, and additional requirements stated in the 2 CFR Part 225 and OMB Circular No. A-102, and elsewhere in the JARC & New Freedom Final Rule. Records of said monitoring are maintained in the Nashville MTA Office, 430 Myatt Drive, Nashville, TN, 37115.

## EXHIBIT C (continued)

NASHVILLE METROPOLITAN TRANSIT AUTHORITY  
Federal Cost Principles and Administrative Requirements  
for  
JARC & New Freedom Grant Recipients and Sub-recipients

For each kind of recipient, there is a set of Federal principles for determining allowable costs and administrative requirements. Allow ability of costs and administrative requirements shall be determined in accordance with the circulars applicable to the entity as the outline below illustrates.

### **Sub-recipient Type:**

#### ***State, Local, or Indian tribal government:***

- OMB Circular A-102, Uniform Administrative Requirement for Grants and Cooperative Agreements to State and Local Governments
- 2 CFR 225 (OMB Circular A-87), Cost Principles for State, Local, and Indian Tribal Governments
- OMB Circular A-133, Audits of States, Local Governments, and Nonprofit Organizations

#### ***Nonprofit organization:***

- 2 CFR 215, Uniform Administrative Requirement for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations
- 2 CFR 230 (OMB Circular A-122), Cost Principles for Nonprofit Organizations
- OMB Circular A-133, Audits of States, Local Governments, and Nonprofit Organizations

#### ***Educational institution:***

- 2 CFR 215, Uniform Administrative Requirement for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations
- 2 CFR 220 (OMB Circular A-21), Cost Principles for Educational Institutions
- OMB Circular A-133, Audits of States, Local Governments, and Nonprofit Organizations

#### ***Hospital:***

- 2 CFR 215, Uniform Administrative Requirement for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations
- 45 CFR 74, Appendix E, Principles for Determining Costs Applicable to Research and Development under Grants and Contracts with Hospitals, or other cost principles designated by the awarding agency
- OMB Circular A-133, Audits of States, Local Governments, and Nonprofit Organizations

EXHIBIT D

**Coordinated Human Service Transportation Plan**

**Drug Free Workplace & Substance Abuse Policy**

**Acknowledgement Agreement**

I have received a copy of \_\_\_\_\_'s (agency) Drug Free Workplace Program and Substance Abuse Policy Addendum to the Coordinated Human Services Transportation Plan contract with MTA. This policy contains guidelines and terms to assure \_\_\_\_\_ (agency) worker fitness for duty and to protect our employees/volunteers, passengers, and the public from the risks posed by the use or misuse of alcohol and prohibited drugs. I agree to consult with my direct supervisor or the Human Resources Department whenever I have specific questions concerning this policy.

I have received the Substance Abuse Policy and I understand that it is my responsibility to read and comply with the policies, rules and guidelines contained in this substance abuse policy, as well as any revisions made to it.

\_\_\_\_\_  
EMPLOYEE/VOLUNTEER SIGNATURE

\_\_\_\_\_  
DATE

\_\_\_\_\_  
EMPLOYEE/VOLUNTEER'S NAME (PRINTED)

**EXHIBIT D (continued)**

**DRUG-FREE WORKPLACE PROGRAM  
AND  
SUBSTANCE ABUSE POLICY**

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**Substance Abuse Policy**

**1.0 POLICY**

\_\_\_\_\_ is dedicated to providing a safe, dependable, and economical services to our clients. \_\_\_\_\_ employees/volunteers are our most valuable resource and it is our goal to provide a healthy, satisfying working environment that promotes personal opportunities for growth. In meeting these goals, it is our policy to: (1) assure that employees/volunteers are not impaired in their ability to perform assigned duties in a safe, productive, and healthy manner; (2) create a workplace environment free from the adverse effects of drug and alcohol substance abuse or misuse; (3) prohibit the unlawful manufacture, distribution, dispensing, possession, or use of controlled substances; and (4) to encourage employees/volunteers to seek professional assistance anytime personal problems, including alcohol or drug dependency, adversely affect their ability to perform their assigned duties.

**2.0 PURPOSE**

The purpose of this policy is to assure worker fitness for duty and to protect our employees/volunteers, passengers, and the public from the risks posed by the use of alcohol and prohibited drugs. This policy is also intended to comply with all applicable Federal regulations governing workplace anti-drug programs. The Federal Transit Administration (FTA) of the U.S. Department of Transportation has enacted 49 CFR Part 655 that mandates urine drug testing and breathalyzer alcohol testing for safety-sensitive positions and prevents performance of safety-sensitive functions when there is a positive test result. The U.S. Department of Transportation (DOT) has also enacted 49 CFR Part 40, as amended that sets standards for the collection and testing of urine and breath specimens. In addition, the DOT has enacted 49 CFR Part 29, "The Drug-Free Workplace Act of 1988", which requires the establishment of drug-free workplace policies and the reporting of certain drug-related offenses to the FTA.

**3.0 APPLICABILITY**

This policy applies to all safety-sensitive and non-safety-sensitive employees/volunteers, paid part-time employees/volunteers, and contractors performing any transit-related business and/or FTA funded services.



## **EXHIBIT D (continued)**

This policy applies to off-site lunch periods or breaks when an employee/volunteer is scheduled to return to work.

### **4.0 PROHIBITED SUBSTANCES**

"Prohibited substances" addressed by this policy include the following:

#### **4.1 Illegally Used Controlled Substances or Drugs**

Consumption of the following drugs and drug metabolites are strictly prohibited: marijuana, amphetamines, opiates, phencyclidine (PCP), and cocaine, as well as any drug not approved for medical use by the U.S. Drug Enforcement Administration or the U.S. Food and Drug Administration. Illegal use includes use of any illegal drug, misuse of legally prescribed drugs, and use of illegally obtained prescription drugs. Employees/volunteers may be randomly tested for prohibited drug use anytime while on duty.

#### **4.2 Legal Drugs**

The appropriate use of legally prescribed drugs and non-prescription medications is not prohibited. However, any individual using a substance which carries a warning label that indicates that mental functioning, motor skills, or judgment may be impaired must report the use to supervisory personnel and should also discuss the use with their appropriate health care provider before performing work related duties.

#### **4.3 Alcohol**

The use of beverages containing alcohol or substances including any medications such that alcohol is present in the body at a concentration level of 0.02 or above while performing transit business is prohibited. Over the counter medication such as cold medicines or cough syrups, or some mouthwashes also could cause a positive alcohol test.

### **5.0 PROHIBITED CONDUCT**

#### **5.1 Manufacture, Trafficking, Possession, and Use**

Any employee/volunteer engaging in the manufacture, distribution, dispensing, possession, or use of prohibited substances will be subject to disciplinary action up to and including termination. Law enforcement shall be notified, as appropriate, where criminal activity is suspected.

#### **5.2 Intoxication/Under the Influence**

Any safety-sensitive or non-safety sensitive employee/volunteer who is reasonably suspected of being intoxicated, impaired, under the influence of a prohibited substance, or not fit for duty shall be suspended from job duties pending an investigation and verification of condition. Employees/volunteers who fail to pass a drug

## **EXHIBIT D (continued)**

or alcohol test shall be removed from duty immediately and will be subject to disciplinary action, up to and including termination.

### **5.3 Alcohol Use**

No employee/volunteer shall use alcohol:

- while on duty or while performing safety-sensitive functions,
- within four hours of reporting for duty,
- during the hours that they are on call, or
- eight hours following an accident requiring a post-accident alcohol test, unless the test was completed within eight hours

An employee/volunteer who is called into work unexpectedly has a responsibility to inform his/her supervisor immediately if he/she is unfit for duty. Otherwise, he/she will be treated the same as any other regularly scheduled employee/volunteer.

Violation of these provisions is prohibited and punishable by disciplinary action up to and including termination.

### **5.4 Compliance with Testing Requirements**

All safety-sensitive and non-safety-sensitive employees/volunteers will be subject to urine drug testing and breath alcohol testing. Any employee/volunteer who refuses to comply with a request for testing, or who provides false information in connection with a test (as outlined in 49 CFR Part 40) shall not be permitted to perform or continue to perform safety-sensitive functions, their employment will be terminated, and they will be referred to a Substance Abuse Professional.

### **5.5 Treatment Requirements**

All employees/volunteers are encouraged to make use of the available resources for treatment for alcohol and substance abuse problems. Under certain circumstances, employees/volunteers may be required to undergo treatment for substance abuse. Any employee/volunteer who refuses or fails to comply with Agency requirements for treatment, after care, or return to duty shall be subject to disciplinary action, up to and including termination.

### **5.6 Notifying the Agency of Criminal Drug Conviction**

Employees/volunteers are required to notify the Agency within 5 days of any criminal drug statute conviction. Any employee/volunteer who fails to immediately notify the Agency of any criminal drug statute conviction shall be subject to disciplinary action, up to and including termination.

### **5.7 Proper Application of the Policy**

## EXHIBIT D (continued)

The Agency is dedicated to assuring fair and equitable application of this substance abuse policy. Therefore, supervisors/managers are required to use and apply all aspects of this policy in an unbiased and impartial manner. Any supervisor/manager who knowingly disregards the requirements of this policy, or who is found to deliberately misuse the policy in regard to subordinates, shall be subject to disciplinary action, up to and including termination.

### **6.0 TESTING FOR PROHIBITED SUBSTANCES**

#### **6.1 Pre-Employment Testing**

All safety-sensitive and non-safety-sensitive position applicants shall undergo urine drug testing, and a negative test result is required prior to performing a safety-sensitive function. All safety-sensitive and non-safety-sensitive position applicants shall also undergo a breath alcohol test using the alcohol testing procedures set forth in 49 CFR Part 40. The employee will not perform any safety-sensitive functions unless the result of the test indicates an alcohol concentration of less than 0.02. This test will be conducted after making a contingent offer of employment subject to the employee passing a pre-employment alcohol test. Failure of a drug or alcohol test will disqualify an applicant for employment for a period of 120 days. Evidence of the absence of drug or alcohol dependency from a Substance Abuse Professional and negative drug and alcohol tests will be required prior to further consideration for employment.

**The Agency will also check the drug and alcohol testing background of applicants of safety-sensitive work after obtaining the individual's written consent. If the individual refuses to provide the written consent, he or she will not be hired into the safety-sensitive position. Any individual who has previously failed or refused a DOT pre-employment drug or alcohol test will be required to provide proof of having successfully completed an SAP referral, evaluation and treatment plan as described in Section 655.62.**

If more than 90 days have elapsed between the time of successfully completing a pre-employment test and the assignment of safety-sensitive duties, another pre-employment test will be required prior to the individual being assigned safety-sensitive duties. Any employee who has not performed a safety-sensitive function for more than 90 consecutive calendar days, regardless of the reason, and who was removed from the random selection pool during that time must also receive a verified negative result before returning to duty.

**Any employee transferring from a non-safety-sensitive function to a safety-sensitive function must complete a pre-employment drug and alcohol test and a verified negative test result is required prior to performance of a safety-sensitive function.**

#### **6.2 Reasonable Suspicion Testing**

All safety-sensitive and non-safety-sensitive employees/volunteers may be subject to a fitness for duty evaluation, to include appropriate urine and /or breath testing in accordance with Section 655.43. A test will be conducted when a supervisor or other Agency official who is trained in detecting the signs and symptoms of drug use and alcohol misuse observes and determines that reasonable suspicion exists based on specific,

## EXHIBIT D (continued)

contemporaneous, articulable observations concerning the appearance, behavior, speech or body odors of the covered employee/volunteer.

Examples of actions which may lead to a reasonable suspicion test include, but are not limited to the following:

1. Adequate documentation of unsatisfactory work performance or on-the-job behavior.
2. Physical signs and symptoms consistent with prohibited substance use.
3. Evidence of the manufacture, distribution, dispensing, possession, or use of controlled substances, drugs, alcohol, or other prohibited substances.
4. Occurrence of a serious or potentially serious accident that may have been caused by human error.
5. Fights (to mean physical contact), assaults, and flagrant disregard or violations of established safety, security, or other operating procedures.
6. Arrest for drug-related offense.

A reasonable suspicion alcohol test will only be conducted just before an employee/volunteer performs safety-sensitive duties, during performance of safety-sensitive duties or just after the employee/volunteer has ceased performance of such functions.

### 6.3 Post-Accident Testing

Employees/volunteers will be required to undergo urine and breath testing in accordance with Section 655.44 if they are involved in an accident with a vehicle that results in a fatality. This includes all employees/volunteers that are on-duty in the vehicles and any other whose performance could have contributed to the accident. In addition, a post-accident test will be conducted if an accident results in injuries requiring transportation to a medical treatment facility (including incidents such as passenger or pedestrian injuries) or if one or more vehicles incurs disabling damage that requires towing from the site. Except for the case of a fatality when the employee/volunteer must be tested, a supervisor may decide, based on the best information available at the time, that testing is unnecessary only when an employee/volunteer's conduct can be completely discounted as a contributing factor to the accident.

Other employees/volunteers may also be tested if a supervisor concludes, based on the best information available at the time, that the employee/volunteer's performance could have contributed to the accident.

### 6.4 Random Testing

Employees/volunteers in safety-sensitive positions will be subjected to random, unannounced urine and breath testing in accordance with Section 655.45. The number of employees/volunteers randomly selected for drug and/or alcohol testing during the calendar year shall be in accordance with FTA regulations.

### 6.5 Return to Duty Testing

## **EXHIBIT D (continued)**

All safety-sensitive and non-safety-sensitive employees/volunteers who previously tested positive on a drug or alcohol test must test negative and be evaluated and released to duty by the Substance Abuse Professional before returning to work in accordance with Section 655.46.

### **6.6 Follow-up Testing**

In accordance with Section 655.47, all safety-sensitive (and non-safety sensitive) employees/volunteers who return to duty after a substance-related leave or after an evaluation made by a Substance Abuse Professional is subject to unannounced follow-up drug and/or alcohol testing. The frequency and duration of such testing will be solely determined by the Substance Abuse Professional, but the Agency will determine the actual days for follow-up testing. The duration could extend up to 60 months with a minimum requirement of at least 6 tests in the first 12 months.

### **7.0 EMPLOYMENT ASSESSMENT AND REHABILITATION**

Any employee/volunteer who refuses to submit to a drug or alcohol test, or who tests positive for the presence of illegal drugs or alcohol above the minimum thresholds set forth in 49 CFR Part 40, as amended will be immediately removed from their safety sensitive or non-safety sensitive function and will be referred to a Substance Abuse Professional (SAP). Assessment by a SAP does not shield an employee/volunteer from disciplinary up to and including termination.

### **8.0 CONFIDENTIALITY AND COMPENSATION**

The Agency affirms the need to protect individual dignity, privacy, and confidentiality throughout the testing process. The test result of an individual may only be released in the following circumstances:

- a. in cases required by law or expressly authorized by DOT/FTA regulations;
- b. if directed by the specific, written consent of a safety-sensitive employee/volunteer authorizing release of the information to an identified person;
- c. upon written request, a safety-sensitive employee/volunteer may obtain copies of their own alcohol or controlled substances tests;
- d. when requested by authorized personnel of the DOT, or any State or local officials with regulatory authority;
- e. to a subsequent employer upon receipt of a written request from the safety-sensitive employee/volunteer;
- f. to a decision-maker in the case of a grievance, hearing, lawsuit or other action involving the employee/volunteer.

Anyone with questions regarding this policy or any other aspect of the drug-free and alcohol-free should contact the following Agency representative:

**EXHIBIT D (continued)**

Name:

Title:

Address:

Telephone Number:

Fax Number:

Signed this \_\_\_\_\_ day of October 2012

\_\_\_\_\_  
Executive Director

**EXHIBIT D (continued)**

APPENDIX I

DEFINITIONS

Accident: An occurrence associated with the operation of a vehicle, if –

- a. there is a fatality; or,
- b. an individual suffers a bodily injury and immediately receives medical treatment away from the scene of an accident and the safety sensitive employee/volunteer's performance cannot be completely discounted as a contributing factor; or
- c. a vehicle receives disabling damage as a result of the occurrence and the safety sensitive employee/volunteer's performance cannot be completely discounted as a contributing factor.

Controlled Substances: Any drug classified by the U.S. Drug Enforcement Agency (DEA) into the five schedules or classes on the basis of their potential for abuse, accepted medical use, and accepted safety for use under medical supervision.

Department of Transportation (DOT): An agency of the United States Department of Transportation administering regulations related to drug or alcohol testing.

Positive Alcohol Test: The presence of alcohol in the body at a concentration of 0.04 or greater as measured by an EBT device.

Positive Drug Test: Any urine that is chemically tested (screened and confirmed), shows the presence of controlled substances, and is verified by the MRO.

Substance Abuse Professional: A licensed physician (medical doctor or doctor of osteopathy), or a licensed or certified psychologist, social worker, employee assistance professional or addiction counselor with knowledge of and clinical experience in the diagnosis and treatment of drug/alcohol related disorders.

Safety-Sensitive Employees/volunteers: As defined by the FTA, it includes any employee/volunteer who performs or may be called upon to perform the following safety-sensitive functions:

- a. operation of a revenue service vehicle, whether or not such vehicle is in revenue service;
- b. operation of a non-revenue service vehicle when required to be operated by a Commercial Driver's License (CDL) holder;
- c. controlling dispatch or movement of a revenue service vehicle
- d. maintaining (including repairs, overhaul and rebuilding) a revenue service vehicle or equipment used in revenue service, and
- e. carrying a firearm for security purposes.

**FRANKLIN TRANSIT AUTHORITY  
BOARD ACTION ITEM**

Item Number: 09-20-12-9

Meeting Date: 9/20/12

Item Title: Contract for Consideration - State Matching Contract for  
FY 2013 5307 Funds

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**BACKGROUND**

The TN Department of Transportation matches the federal funds allocated to the Franklin Transportation Authority for annual operating support. This year the amount for operating support is \$214,524.00. These funds are to match the annual 5307 allocation.

**STAFF RECOMMENDATION**

Staff recommends the approval of this contract for annual operating support for Franklin Transit Authority.

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*Approved* \_\_\_\_\_  
*Board Officer*

\_\_\_\_\_  
*Date*



**GRANT CONTRACT  
BETWEEN THE STATE OF TENNESSEE,  
DEPARTMENT OF TRANSPORTATION  
AND  
FRANKLIN TRANSIT AUTHORITY**

This Grant Contract, by and between the State of Tennessee, Department of Transportation, hereinafter referred to as the "State" and Franklin Transit Authority, hereinafter referred to as the "Grantee," is for the provision of operating assistance, as further defined in the "SCOPE OF SERVICES."

Grantee Edison Vendor ID # 8432

**A. SCOPE OF SERVICES:**

- A.1. The Grantee shall provide all service and deliverables as required, described, and detailed herein and shall meet all service and delivery timelines as specified by this Grant Contract.
- A.2. The Grantee shall utilize these funds for operating assistance to meet transit needs in urban areas.

**B. CONTRACT PERIOD:**

This Grant Contract shall be effective for the period beginning July 1, 2012, and ending on June 30, 2013. The Grantee hereby acknowledges and affirms that the State shall have no obligation for Grantee services or expenditures that were not completed within this specified contract period.

**C. PAYMENT TERMS AND CONDITIONS:**

- C.1. Maximum Liability. In no event shall the maximum liability of the State under this Grant Contract exceed Two Hundred Fourteen Thousand, Five Hundred Twenty-Four Dollars and No Cents. (\$214,524.00). The Grant Budget, attached and incorporated hereto as Attachment One, shall constitute the maximum amount due the Grantee for all service and Grantee obligations hereunder. The Grant Budget line-items include, but are not limited to, all applicable taxes, fees, overhead, and all other direct and indirect costs incurred or to be incurred by the Grantee.
- C.2. Compensation Firm. The maximum liability of the State is not subject to escalation for any reason unless amended. The Grant Budget amounts are firm for the duration of the Grant Contract and are not subject to escalation for any reason unless amended, except as provided in section C.6.
- C.3. Payment Methodology. The Grantee shall be reimbursed for actual, reasonable, and necessary costs based upon the Grant Budget, not to exceed the maximum liability established in section C.1. Upon progress toward the completion of the work, as described in section A of this Grant Contract, the Grantee shall submit invoices prior to any reimbursement of allowable costs.
- C.4. Travel Compensation. Reimbursement to the Grantee for travel, meals, or lodging shall be subject to amounts and limitations specified in the "State Comprehensive Travel Regulations," as they are amended from time to time, and shall be contingent upon and limited by the Grant Budget funding for said reimbursement.
- C.5. Invoice Requirements. The Grantee shall invoice the State no more often than monthly, with all necessary supporting documentation, and present such to:

Department of Transportation  
Division of Multimodal Transportation Resources  
505 Deaderick Street, Suite 1800

Nashville, Tennessee 37243

- a. Each invoice shall clearly and accurately detail all of the following required information (calculations must be extended and totaled correctly).
- (1) Invoice/Reference Number (assigned by the Grantee).
  - (2) Invoice Date.
  - (3) Invoice Period (to which the reimbursement request is applicable).
  - (4) Grant Contract Number (assigned by the State).
  - (5) Grantor: Department of Transportation, Division of Multimodal Transportation Resources.
  - (6) Grantor Number (assigned by the Grantee to the above-referenced Grantor).
  - (7) Grantee Name.
  - (8) Grantee Tennessee Edison Registration ID Number Referenced in Preamble of this Grant Contract.
  - (9) Grantee Remittance Address.
  - (10) Grantee Contact for Invoice Questions (name, phone, and/or fax).
  - (11) Itemization of Reimbursement Requested for the Invoice Period— it must detail, at minimum, all of the following:
    - i. The amount requested by Grant Budget line-item (including any travel expenditure reimbursement requested and for which documentation and receipts, as required by "State Comprehensive Travel Regulations," are attached to the invoice).
    - ii. The amount reimbursed by Grant Budget line-item to date.
    - iii. The total amount reimbursed under the Grant Contract to date.
    - iv. The total amount requested (all line-items) for the Invoice Period.
- b. The Grantee understands and agrees to all of the following.
- (1) An invoice under this Grant Contract shall include only reimbursement requests for actual, reasonable, and necessary expenditures required in the delivery of service described by this Grant Contract and shall be subject to the Grant Budget and any other provision of this Grant Contract relating to allowable reimbursements.
  - (2) An invoice under this Grant Contract shall not include any reimbursement request for future expenditures.
  - (3) An invoice under this Grant Contract shall initiate the timeframe for reimbursement only when the State is in receipt of the invoice, and the invoice meets the minimum requirements of this section C.5.
- C.6. Budget Line-items. Expenditures, reimbursements, and payments under this Grant Contract shall adhere to the Grant Budget. The Grantee may vary from a Grant Budget line-item amount by up to one percent (1%) of the line-item amount, provided that any increase is off-set by an equal reduction of other line-item amount(s) such that the net result of variances shall not increase the total Grant Contract amount detailed by the Grant Budget. Any increase in the Grant Budget, grand total amounts shall require an amendment of this Grant Contract.
- C.7. Disbursement Reconciliation and Close Out. The Grantee shall submit any final invoice and a grant disbursement reconciliation report within sixty (60) days of the Grant Contract end date and in form and substance acceptable to the State.
- a. If total disbursements by the State pursuant to this Grant Contract exceed the amounts permitted by the section C, payment terms and conditions of this Grant Contract, the Grantee shall refund the difference to the State. The Grantee shall submit said refund with the final grant disbursement reconciliation report.

- b. The State shall not be responsible for the payment of any invoice submitted to the state after the grant disbursement reconciliation report. The State will not deem any Grantee costs submitted for reimbursement after the grant disbursement reconciliation report to be allowable and reimbursable by the State, and such invoices will NOT be paid.
  - c. The Grantee's failure to provide a final grant disbursement reconciliation report to the state as required shall result in the Grantee being deemed ineligible for reimbursement under this Grant Contract, and the Grantee shall be required to refund any and all payments by the state pursuant to this Grant Contract.
  - d. The Grantee must close out its accounting records at the end of the contract period in such a way that reimbursable expenditures and revenue collections are NOT carried forward.
- C.8. Indirect Cost. Should the Grantee request reimbursement for indirect cost, the Grantee must submit to the State a copy of the indirect cost rate approved by the cognizant federal agency and the State. The Grantee will be reimbursed for indirect cost in accordance with the approved indirect cost rate and amounts and limitations specified in the attached Grant Budget. Once the Grantee makes an election and treats a given cost as direct or indirect, it must apply that treatment consistently and may not change during the contract period. Any changes in the approved indirect cost rate must have prior approval of the cognizant federal agency and the State. If the indirect cost rate is provisional during the period of this agreement, once the rate becomes final, the Grantee agrees to remit any overpayment of funds to the State, and subject to the availability of funds the State agrees to remit any underpayment to the Grantee.
- C.9. Cost Allocation. If any part of the costs to be reimbursed under this Grant Contract are joint costs involving allocation to more than one program or activity, such costs shall be allocated and reported in accordance with the provisions of Department of Finance and Administration Policy Statement 03 or any amendments or revisions made to this policy statement during the contract period.
- C.10. Payment of Invoice. A payment by the State shall not prejudice the State's right to object to or question any reimbursement, invoice, or matter in relation thereto. A payment by the State shall not be construed as acceptance of any part of the work or service provided or as approval of any amount as an allowable cost.
- C.11. Unallowable Costs. Any amounts payable to the Grantee shall be subject to reduction for amounts included in any invoice or payment theretofore made, which are determined by the State, on the basis of audits or monitoring conducted in accordance with the terms of this Grant Contract, not to constitute allowable costs.
- C.12. Deductions. The State reserves the right to deduct from amounts, which are or shall become due and payable to the Grantee under this or any contract between the Grantee and the State of Tennessee any amounts, which are or shall become due and payable to the State of Tennessee by the Grantee.
- C.13. Prerequisite Documentation. The Grantee shall not invoice the State under this Grant Contract until the State has received the following documentation properly completed.
- a. The Grantee shall complete, sign, and present to the State an "Authorization Agreement for Automatic Deposit (ACH Credits) Form" provided by the State. By doing so, the Grantee acknowledges and agrees that, once said form is received by the State, all payments to the Grantee, under this or any other contract the Grantee has with the State of Tennessee shall be made by Automated Clearing House (ACH).

- b. The Grantee shall complete, sign, and present to the State a "Substitute W-9 Form" provided by the State. The taxpayer identification number detailed by said form must agree with the Federal Employer Identification Number or Social Security Number referenced in this Grant Contract or the Grantee's Tennessee Edison Registration.

**D. STANDARD TERMS AND CONDITIONS:**

- D.1. Required Approvals. The State is not bound by this Grant Contract until it is signed by the contract parties and approved by appropriate officials in accordance with applicable Tennessee laws and regulations (depending upon the specifics of this contract, said officials may include, but are not limited to, the Commissioner of Finance and Administration, the Commissioner of Human Resources, and the Comptroller of the Treasury).
- D.2. Modification and Amendment. Except as specifically provided herein, this Grant Contract may be modified only by a written amendment signed by all parties hereto and approved by both the officials who approved the base contract and, depending upon the specifics of the contract as amended, any additional officials required by Tennessee laws and regulations (said officials may include, but are not limited to, the Commissioner of Finance and Administration, the Commissioner of Human Resources, and the Comptroller of the Treasury).
- D.3. Termination for Convenience. The State may terminate this Grant Contract without cause for any reason. Said termination shall not be deemed a breach of contract by the State. The State shall give the Grantee at least thirty (30) days written notice before the effective termination date. The Grantee shall be entitled to compensation for authorized expenditures and satisfactory services completed as of the termination date, but in no event shall the State be liable to the Grantee for compensation for any service which has not been rendered. The final decision as to the amount, for which the State is liable, shall be determined by the State. Should the State exercise this provision, the Grantee shall not have any right to any actual general, special, incidental, consequential, or any other damages whatsoever of any description or amount.
- D.4. Termination for Cause. If the Grantee fails to properly perform its obligations under this Grant Contract in a timely or proper manner, or if the Grantee violates any terms of this Grant Contract, the State shall have the right to immediately terminate the Grant Contract and withhold payments in excess of fair compensation for completed services. Notwithstanding the above, the Grantee shall not be relieved of liability to the State for damages sustained by virtue of any breach of this Grant Contract by the Grantee.
- D.5. Subcontracting. The Grantee shall not assign this Grant Contract or enter into a subcontract for any of the services performed under this Grant Contract without obtaining the prior written approval of the State. If such subcontracts are approved by the State, each shall contain, at a minimum, sections of this contract pertaining to "Conflicts of Interest," "Lobbying," "Nondiscrimination," "Public Accountability," "Public Notice," and "Records" (as identified by the section headings). Notwithstanding any use of approved subcontractors, the Grantee shall be the prime contractor and shall be responsible for all work performed.
- D.6. Conflicts of Interest. The Grantee warrants that no part of the total Grant Amount shall be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subcontractor, or consultant to the Grantee in connection with any work contemplated or performed relative to this Grant Contract.
- D.7. Lobbying. The Grantee certifies, to the best of its knowledge and belief, that:
  - a. No federally 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 an agency, a Member of Congress, an 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.

- b. If any funds other than federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this contract, grant, loan, or cooperative agreement, the Grantee shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- c. The Grantee shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients 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 and is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, *U.S. Code*.

- D.8. Nondiscrimination. The Grantee hereby agrees, warrants, and assures that no person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of this Grant Contract or in the employment practices of the Grantee on the grounds of handicap or disability, age, race, color, religion, sex, national origin, or any other classification protected by Federal, Tennessee State constitutional, or statutory law. The Grantee shall, upon request, show proof of such nondiscrimination and shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.
- D.9. Public Accountability. If the Grantee is subject to *Tennessee Code Annotated*, Title 8, Chapter 4, Part 4, or if this Grant Contract involves the provision of services to citizens by the Grantee on behalf of the State, the Grantee agrees to establish a system through which recipients of services may present grievances about the operation of the service program, and the Grantee shall display in a prominent place, located near the passageway through which the public enters in order to receive Grant supported services, a sign at least twelve inches (12") in height and eighteen inches (18") in width stating:  
  
NOTICE: THIS AGENCY IS A RECIPIENT OF TAXPAYER FUNDING. IF YOU OBSERVE AN AGENCY DIRECTOR OR EMPLOYEE ENGAGING IN ANY ACTIVITY WHICH YOU CONSIDER TO BE ILLEGAL, IMPROPER, OR WASTEFUL, PLEASE CALL THE STATE COMPTROLLER'S TOLL-FREE HOTLINE: 1-800-232-5454
- D.10. Public Notice. All notices, informational pamphlets, press releases, research reports, signs, and similar public notices prepared and released by the Grantee shall include the statement, "This project is funded under an agreement with the State of Tennessee." Any such notices by the Grantee shall be approved by the State.
- D.11. Licensure. The Grantee and its employees and all sub-grantees shall be licensed pursuant to all applicable federal, state, and local laws, ordinances, rules, and regulations and shall upon request provide proof of all licenses.
- D.12. Records. The Grantee (and any approved subcontractor) shall maintain documentation for all charges under this Contract. The books, records, and documents of the Grantee (and any approved subcontractor), insofar as they relate to work performed or money received under this Contract, shall be maintained for a period of three (3) full years from the date of the final payment

and shall be subject to audit at any reasonable time and upon reasonable notice by the state agency, the Comptroller of the Treasury, or duly appointed representatives. The records of not-for-profit entities shall be maintained in accordance with the *Accounting and Financial Reporting for Not-for-Profit Recipients of Grant Funds in Tennessee*, published by the Tennessee Comptroller of the Treasury and found at <http://www.comptroller1.state.tn.us/ma/finreptmanual.asp>. The records for local governments shall be maintained in accordance with the *Internal Control and Compliance Manual for Tennessee Municipalities*, published by the Tennessee Comptroller of the Treasury and found at <http://www.comptroller1.state.tn.us/ma/citymanual.asp> and in accordance with GFOA's publication, *Governmental Accounting, Auditing and Financial Reporting*.

- D.13. Prevailing Wage Rates. All grants and contracts for construction, erection, or demolition or to install goods or materials that involve the expenditure of any funds derived from the State require compliance with the prevailing wage laws as provided in *Tennessee Code Annotated*, Section 12-4-401 *et seq.*.
- D.14. Monitoring. The Grantee's activities conducted and records maintained pursuant to this Grant Contract shall be subject to monitoring and evaluation by the State, the Comptroller of the Treasury, or their duly appointed representatives.
- D.15. Progress Reports. The Grantee shall submit brief, periodic, progress reports to the State as requested.
- D.16. Annual Report and Audit. The Grantee shall prepare and submit, within nine (9) months after the close of the reporting period, an annual report of its activities funded under this Grant Contract to the commissioner or head of the Granting agency, the Tennessee Comptroller of the Treasury, and the Commissioner of Finance and Administration. The annual report for any Grantee that receives five hundred thousand dollars (\$500,000) or more in aggregate federal and state funding for all its programs shall include audited financial statements. All books of account and financial records shall be subject to annual audit by the Tennessee Comptroller of the Treasury or the Comptroller's duly appointed representative. When an audit is required, the Grantee may, with the prior approval of the Comptroller, engage a licensed independent public accountant to perform the audit. The audit contract between the Grantee and the licensed independent public accountant shall be on a contract form prescribed by the Tennessee Comptroller of the Treasury. Any such audit shall be performed in accordance with generally accepted government auditing standards, the provisions of OMB Circular A-133, if applicable, and the *Audit Manual for Governmental Units and Recipients of Grant Funds* published by the Tennessee Comptroller of the Treasury. The Grantee shall be responsible for reimbursement of the cost of the audit prepared by the Tennessee Comptroller of the Treasury, and payment of fees for the audit prepared by the licensed independent public accountant. Payment of the audit fees of the licensed independent public accountant by the Grantee shall be subject to the provisions relating to such fees contained in the prescribed contract form noted above. Copies of such audits shall be provided to the designated cognizant state agency, the State Granting Department, the Tennessee Comptroller of the Treasury, and the Department of Finance and Administration and shall be made available to the public.
- D.17. Procurement. If other terms of this Grant Contract allow reimbursement for the cost of goods, materials, supplies, equipment, and/or contracted services, such procurement(s) shall be made on a competitive basis, including the use of competitive bidding procedures, where practical. The Grantee shall maintain documentation for the basis of each procurement for which reimbursement is paid pursuant to this Grant Contract. In each instance where it is determined that use of a competitive procurement method is not practical, supporting documentation shall include a written justification for such decision and non-competitive procurement. Further, and notwithstanding the foregoing, if such reimbursement is to be made with funds derived wholly or partially from federal sources, the determination of cost shall be governed by and reimbursement shall be subject to the Grantee's compliance with applicable federal procurement requirements.

The Grantee shall obtain prior approval from the State before purchasing any equipment under this Grant Contract.

D.18. Strict Performance. Failure by any party to this Grant Contract to insist in any one or more cases upon the strict performance of any of the terms, covenants, conditions, or provisions of this agreement shall not be construed as a waiver or relinquishment of any such term, covenant, condition, or provision. No term or condition of this Grant Contract shall be held to be waived, modified, or deleted except by a written amendment signed by the parties hereto.

D.19. Independent Contractor. The parties hereto, in the performance of this Grant Contract, shall not act as employees, partners, joint venturers, or associates of one another. It is expressly acknowledged by the parties hereto that such parties are independent contracting entities and that nothing in this Grant Contract shall be construed to create a principal/agent relationship or to allow either to exercise control or direction over the manner or method by which the other transacts its business affairs or provides its usual services. The employees or agents of one party shall not be deemed or construed to be the employees or agents of the other party for any purpose whatsoever.

The Grantee, being a political subdivision of the State, is governed by the provisions of the Tennessee Government Tort Liability Act, *Tennessee Code Annotated*, Sections 29-20-101 *et seq.*, for causes of action sounding in tort. Further, no contract provision requiring a Tennessee political entity to indemnify or hold harmless the State beyond the liability imposed by law is enforceable because it appropriates public money and nullifies governmental immunity without the authorization of the General Assembly.

D.20. State Liability. The State shall have no liability except as specifically provided in this Grant Contract.

D.21. Force Majeure. The obligations of the parties to this Grant Contract are subject to prevention by causes beyond the parties' control that could not be avoided by the exercise of due care including, but not limited to, natural disasters, riots, wars, epidemics, or any other similar cause.

D.22. State and Federal Compliance. The Grantee shall comply with all applicable state and federal laws and regulations in the performance of this Grant Contract.

D.23. Governing Law. This Grant Contract shall be governed by and construed in accordance with the laws of the State of Tennessee. The Grantee agrees that it will be subject to the exclusive jurisdiction of the courts of the State of Tennessee in actions that may arise under this Grant Contract. The Grantee acknowledges and agrees that any rights or claims against the State of Tennessee or its employees hereunder, and any remedies arising there from, shall be subject to and limited to those rights and remedies, if any, available under *Tennessee Code Annotated*, Sections 9-8-101 through 9-8-407.

D.24. Completeness. This Grant Contract is complete and contains the entire understanding between the parties relating to the subject matter contained herein, including all the terms and conditions of the parties' agreement. This Grant Contract supersedes any and all prior understandings, representations, negotiations, and agreements between the parties relating hereto, whether written or oral.

D.25. Severability. If any terms and conditions of this Grant Contract are held to be invalid or unenforceable as a matter of law, the other terms and conditions hereof shall not be affected thereby and shall remain in full force and effect. To this end, the terms and conditions of this Grant Contract are declared severable.

- D.26. Headings. Section headings are for reference purposes only and shall not be construed as part of this Grant Contract.

**E. SPECIAL TERMS AND CONDITIONS:**

- E.1. Conflicting Terms and Conditions. Should any of these special terms and conditions conflict with any other terms and conditions of this Grant Contract, these special terms and conditions shall control.
- E.2. Communications and Contacts. All instructions, notices, consents, demands, or other communications required or contemplated by this Grant Contract shall be in writing and shall be made by certified, first class mail, return receipt requested and postage prepaid, by overnight courier service with an asset tracking system, or by EMAIL or facsimile transmission with recipient confirmation. Any such communications, regardless of method of transmission, shall be addressed to the respective party at the appropriate mailing address, facsimile number, or EMAIL address as set forth below or to that of such other party or address, as may be hereafter specified by written notice.

The State:

Bennie Nicholson, Transportation Specialist 1  
Division of Multimodal Transportation Resources  
505 Deaderick Street, Suite 1800  
Nashville, Tennessee 37243  
[Bennie.Nicholson@tn.gov](mailto:Bennie.Nicholson@tn.gov)  
Telephone # (615) 253-1044  
FAX # (615) 253-1482

The Grantee:

Debbie Henry, Executive Director  
Franklin Transit Authority  
708 Columbia Avenue  
Franklin, Tennessee 37064  
[DHenry@tmagroup.org](mailto:DHenry@tmagroup.org)  
Telephone # (615) 628-0264  
FAX # (615) 682-0264

All instructions, notices, consents, demands, or other communications shall be considered effectively given upon receipt or recipient confirmation as may be required.

- E.3. Subject to Funds Availability. The Grant Contract is subject to the appropriation and availability of State and/or Federal funds. In the event that the funds are not appropriated or are otherwise unavailable, the State reserves the right to terminate the Grant Contract upon written notice to the Grantee. Said termination shall not be deemed a breach of contract by the State. Upon receipt of the written notice, the Grantee shall cease all work associated with the Grant Contract. Should such an event occur, the Grantee shall be entitled to compensation for all satisfactory and authorized services completed as of the termination date. Upon such termination, the Grantee shall have no right to recover from the State any actual, general, special, incidental, consequential, or any other damages whatsoever of any description or amount.
- E.4. No Equipment Acquisition. This Grant Contract does not involve the acquisition and disposition of equipment acquired with funds provided under this Grant Contract.
- E.5. Environmental Tobacco Smoke. Pursuant to the provisions of the federal "Pro-Children Act of 1994" and the Tennessee "Children's Act for Clean Indoor Air of 1995," the Grantee shall prohibit



- E.5. Environmental Tobacco Smoke. Pursuant to the provisions of the federal “Pro-Children Act of 1994” and the Tennessee “Children’s Act for Clean Indoor Air of 1995,” the Grantee shall prohibit smoking of tobacco products within any indoor premises in which services are provided to individuals under the age of eighteen (18) years. The Grantee shall post “no smoking” signs in appropriate, permanent sites within such premises. This prohibition shall be applicable during all hours, not just the hours in which children are present. Violators of the prohibition may be subject to civil penalties and fines. This prohibition shall apply to and be made part of any subcontract related to this Grant Contract.
- E.6. Debarment and Suspension. The Grantee certifies, to the best of its knowledge and belief, that it, its current and future principals, its current and future subcontractors and their principals:
- a. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal or state department or agency;
  - b. have not within a three (3) year period preceding this Grant Contract been convicted of, or had a civil judgment rendered against them from commission of fraud, or a criminal offence in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or grant under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statements, or receiving stolen property;
  - c. are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses detailed in section b. of this certification; and
  - d. have not within a three (3) year period preceding this Grant Contract had one or more public transactions (federal, state, or local) terminated for cause or default.

The Grantee shall provide immediate written notice to the State if at any time it learns that there was an earlier failure to disclose information or that due to changed circumstances, its principals or the principals of its subcontractors are excluded or disqualified.

- E.7. T.C.A. Section 13-10-107 Compliance.
- 1) Grantee agrees to proceed expeditiously with and complete the project in accordance with plans approved by the Commissioner of TDOT (“Commissioner”);
  - 2) Grantee agrees to commence and continue operation of the project on completion of the project and not to discontinue operations or dispose of all or part of the project without Commissioner’s prior written approval;
  - 3) Grantee agrees to apply for and make reasonable efforts to secure federal assistance for the project, subject to any conditions the Commissioner may require in order to maximize the amounts of such assistance received or to be received for all projects in the State; and
  - 4) Grantee agrees to provide Grantee’s share of the cost of the project and comply with T.C.A. § 13-10-107(c)(4).

**IN WITNESS WHEREOF,**

**FRANKLIN TRANSIT AUTHORITY:**

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**GRANTEE SIGNATURE**

**DATE**

**PRESTON ELLIOTT, CHAIRMAN**

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**PRINTED NAME AND TITLE OF GRANTEE SIGNATORY (above)**

**DEPARTMENT OF TRANSPORTATION:**

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**JOHN C. SCHROER, COMMISSIONER**

**DATE**

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**JOHN REINBOLD, GENERAL COUNSEL  
APPROVED AS TO FORM AND LEGALITY**

**DATE**

**Attachment One  
 UNIVERSAL PUBLIC TRANSPORTATION BUDGET**

	STATE SHARE	*FEDERAL SHARE	GRANT CONTRACT	GRANTEE SHARE	TOTAL
<b>SCOPE—CAPITAL</b>					
11.1x.xx Revenue Rolling Stock					
11.2x.xx Transitways / Line					
11.3x.xx Station Stops & Terminals					
11.4x.xx Support Equip / Facilities					
11.5x.xx Electrification / Power Dist.					
11.6x.xx Signal & Communication Equip					
11.7x.xx Other Capital Items					
11.8x.xx State / Programs Administration					
11.9x.xx Transit Enhancements					
12.xx.xx Fixed Guideway					
14.xx.xx New Start					
<b>SCOPE—OPERATING</b>					
30.00.00 Operating Assistance -TDOT	\$214,524.00	\$0.00	\$214,524.00	\$0.00	\$214,524.00
30.09.01 Operating Assistance -50% Federal Share					
30.09.02 Operating Assistance - Sliding Scale					
30.80.01 Operating Assistance - 80% CMAQ					
<b>SCOPE—RURAL TRANSIT ASST PROGRAM</b>					
43.5x.xx Rural Transit Assistance Program					
<b>SCOPE—PLANNING</b>					
44.00.00 Commuter Trans. Asst Program					
44.1x.xx State Planning & Research					
44.2x.xx Metropolitan Planning					
44.3x.00 Consolidated Planning Grants					
<b>SCOPE—MANAGEMENT TRAINING</b>					
50.xx.xx Management Training					
<b>SCOPE—OVERSIGHT REVIEWS</b>					
51.xx.xx Oversight Review					
<b>SCOPE—RESEARCH PROJECTS</b>					
55.xx.xx Research Projects					
<b>SCOPE—SAFETY &amp; SECURITY</b>					
57.xx.xx Safety and Security					
<b>SCOPE—UNIVERSITY RESEARCH</b>					
70.xx.xx					
<b>SCOPE—Non-Add Scope Codes</b>					
99x-nn					
<b>SCOPE—OTHER</b>					
xx.xx.xx					
<b>GRAND TOTAL</b>	\$214,524.00	\$0.00	\$214,524.00	\$0.00	\$214,524.00

\*Federal funds not included in this grant.

**GRANT BUDGET LINE-ITEM DETAIL INFORMATION**

Line Item Detail For: OPERATING	State	Federal	Grant Contract	Grantee	Total Project
30.00.00 Operating Assistance	\$214,524.00	\$0.00	\$214,524.00	\$0.00	\$214,524.00
<b>TOTAL</b>	\$214,524.00	\$0.00	\$214,524.00	\$0.00	\$214,524.00

**FRANKLIN TRANSIT AUTHORITY**  
**BOARD ACTION ITEM**

Item Number: BAI 9-20-12-10

Meeting Date: 9/20/12

Item Title: Approve TDOT Matching Contracts

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**BACKGROUND**

TDOT state matching contract for FY 2011 annual 5307 allocation. Contract value is:

TN-90-X339 Fed: \$663,515 State: \$82,939 Local: \$82,939 Total \$829,394


**STAFF RECOMMENDATION**

Staff recommends that the Franklin Transit Authority approve the above matching contracts for the Franklin Transit Service.

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*Approved* \_\_\_\_\_  
*Board Officer*

\_\_\_\_\_ *Date*

 <b>GRANT CONTRACT</b> (cost reimbursement grant contract with a federal or Tennessee local or quasi-governmental entity)					
<b>Begin Date</b> October 1, 2010		<b>End Date</b> September 30, 2015		<b>Agency Tracking #</b> 40100-02113	
<b>Contractor Legal Entity Name</b> Franklin Transit Authority					<b>Edison ID</b> 68432
<b>Subrecipient or Vendor</b> <input checked="" type="checkbox"/> Subrecipient <input type="checkbox"/> Vendor			<b>CFDA #</b> N/A		
<b>Service Caption</b> (one line only) FY 11 5307 capital assistance					
<b>Funding —</b>					
<b>FY</b>	<b>State</b>	<b>Federal</b>	<b>Interdepartmental</b>	<b>Other</b>	<b>TOTAL Contract Amount</b>
13	\$82,939.00				\$82,939.00
<b>TOTAL:</b>	\$82,939.00				\$82,939.00
<b>American Recovery and Reinvestment Act (ARRA) Funding:</b> <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO					
<b>Budget Officer Confirmation:</b> There is a balance in the appropriation from which obligations hereunder are required to be paid that is not already encumbered to pay other obligations.				<i>OCR USE - GG</i>	
<b>Speed Chart</b> (optional) TX00		<b>Account Code</b> (optional) 71304000			

Edison Address #1

**GRANT CONTRACT  
BETWEEN THE STATE OF TENNESSEE,  
DEPARTMENT OF TRANSPORTATION  
AND  
FRANKLIN TRANSIT AUTHORITY**

This Grant Contract, by and between the State of Tennessee, Department of Transportation, hereinafter referred to as the "State" and Franklin Transit Authority, hereinafter referred to as the "Grantee," is for the provision of capital assistance, as further defined in the "SCOPE OF SERVICES."

Grantee Edison Vendor ID # 68432

**A. SCOPE OF SERVICES:**

- A.1. The Grantee shall provide all service and deliverables as required, described, and detailed herein and shall meet all service and delivery timelines as specified by this Grant Contract.
- A.2. The Grantee shall abide by the provisions of the Federal Transit Administration (FTA) Section 5307 Program, codified by U.S.C. 5307 to provide funds to urbanized areas for transit operating and capital assistance and for transportation-related planning. Specifically, the funds will be used for capital assistance.

**B. CONTRACT PERIOD:**

This Grant Contract shall be effective for the period beginning October 1, 2010, and ending on September 30, 2015. The Grantee hereby acknowledges and affirms that the State shall have no obligation for Grantee services or expenditures that were not completed within this specified contract period.

**C. PAYMENT TERMS AND CONDITIONS:**

- C.1. Maximum Liability. In no event shall the maximum liability of the State under this Grant Contract exceed Eighty-two Thousand, Nine Hundred Thirty-nine Dollars and No Cents (\$82,939.00). The Grant Budget, attached and incorporated hereto as Attachment One, shall constitute the maximum amount due the Grantee for all service and Grantee obligations hereunder. The Grant Budget line-items include, but are not limited to, all applicable taxes, fees, overhead, and all other direct and indirect costs incurred or to be incurred by the Grantee.
- C.2. Compensation Firm. The maximum liability of the State is not subject to escalation for any reason unless amended. The Grant Budget amounts are firm for the duration of the Grant Contract and are not subject to escalation for any reason unless amended, except as provided in section C.6.
- C.3. Payment Methodology. The Grantee shall be reimbursed for actual, reasonable, and necessary costs based upon the Grant Budget, not to exceed the maximum liability established in section C.1. Upon progress toward the completion of the work, as described in section A of this Grant Contract, the Grantee shall submit invoices prior to any reimbursement of allowable costs.
- C.4. Travel Compensation. Reimbursement to the Grantee for travel, meals, or lodging shall be subject to amounts and limitations specified in the "State Comprehensive Travel Regulations," as they are amended from time to time, and shall be contingent upon and limited by the Grant Budget funding for said reimbursement.
- C.5. Invoice Requirements. The Grantee shall invoice the State no more often than monthly, with all necessary supporting documentation, and present such to:

Department of Transportation

Division of Multimodal Transportation Resources  
505 Deaderick Street  
Suite 1800, James K. Polk Building  
Nashville, Tennessee 37243

- a. Each invoice shall clearly and accurately detail all of the following required information (calculations must be extended and totaled correctly).
- (1) Invoice/Reference Number (assigned by the Grantee).
  - (2) Invoice Date.
  - (3) Invoice Period (to which the reimbursement request is applicable).
  - (4) Grant Contract Number (assigned by the State).
  - (5) Grantor: Department of Transportation, Division of Multimodal Transportation Resources.
  - (6) Grantor Number (assigned by the Grantee to the above-referenced Grantor).
  - (7) Grantee Name.
  - (8) Grantee Tennessee Edison Registration ID Number Referenced in Preamble of this Grant Contract.
  - (9) Grantee Remittance Address.
  - (10) Grantee Contact for Invoice Questions (name, phone, and/or fax).
  - (11) Itemization of Reimbursement Requested for the Invoice Period— it must detail, at minimum, all of the following:
    - i. The amount requested by Grant Budget line-item (including any travel expenditure reimbursement requested and for which documentation and receipts, as required by "State Comprehensive Travel Regulations," are attached to the invoice).
    - ii. The amount reimbursed by Grant Budget line-item to date.
    - iii. The total amount reimbursed under the Grant Contract to date.
    - iv. The total amount requested (all line-items) for the Invoice Period.
- b. The Grantee understands and agrees to all of the following.
- (1) An invoice under this Grant Contract shall include only reimbursement requests for actual, reasonable, and necessary expenditures required in the delivery of service described by this Grant Contract and shall be subject to the Grant Budget and any other provision of this Grant Contract relating to allowable reimbursements.
  - (2) An invoice under this Grant Contract shall not include any reimbursement request for future expenditures.
  - (3) An invoice under this Grant Contract shall initiate the timeframe for reimbursement only when the State is in receipt of the invoice, and the invoice meets the minimum requirements of this section C.5.
- C.6. Budget Line-items. Expenditures, reimbursements, and payments under this Grant Contract shall adhere to the Grant Budget. The Grantee may vary from a Grant Budget line-item amount by up to twenty percent (20%) of the line-item amount, provided that any increase is off-set by an equal reduction of other line-item amount(s) such that the net result of variances shall not increase the total Grant Contract amount detailed by the Grant Budget. Any increase in the Grant Budget, grand total amounts shall require an amendment of this Grant Contract.
- C.7. Disbursement Reconciliation and Close Out. The Grantee shall submit any final invoice and a grant disbursement reconciliation report within sixty (60) days of the Grant Contract end date and in form and substance acceptable to the State.



- a. The Grant Budget specifies a Grantee Match Requirement and the final grant disbursement reconciliation report shall detail all Grantee expenditures recorded to meet said requirement.
    - i. No Grantee expenditure shall be recorded and reported toward meeting a Grantee Match Requirement of more than one grant contract with the state of Tennessee.
    - ii. The final grant disbursement reconciliation report shall specifically detail the exact amount of any Grantee failure to meet a Match Requirement, and the maximum total amount reimbursable by the State pursuant to this Grant Contract, as detailed by the Grant Budget column "Grant Contract," shall be reduced by the amount that the Grantee failed to contribute to the Total Project as budgeted.
  - b. If total disbursements by the State pursuant to this Grant Contract exceed the amounts permitted by the section C, payment terms and conditions of this Grant Contract (including any adjustment pursuant to subsection a.ii. above), the Grantee shall refund the difference to the State. The Grantee shall submit said refund with the final grant disbursement reconciliation report.
  - c. The State shall not be responsible for the payment of any invoice submitted to the state after the grant disbursement reconciliation report. The State will not deem any Grantee costs submitted for reimbursement after the grant disbursement reconciliation report to be allowable and reimbursable by the State, and such invoices will NOT be paid.
  - d. The Grantee's failure to provide a final grant disbursement reconciliation report to the state as required shall result in the Grantee being deemed ineligible for reimbursement under this Grant Contract, and the Grantee shall be required to refund any and all payments by the state pursuant to this Grant Contract.
  - e. The Grantee must close out its accounting records at the end of the contract period in such a way that reimbursable expenditures and revenue collections are NOT carried forward.
- C.8. Indirect Cost. Should the Grantee request reimbursement for indirect cost, the Grantee must submit to the State a copy of the indirect cost rate approved by the cognizant federal agency and the State. The Grantee will be reimbursed for indirect cost in accordance with the approved indirect cost rate and amounts and limitations specified in the attached Grant Budget. Once the Grantee makes an election and treats a given cost as direct or indirect, it must apply that treatment consistently and may not change during the contract period. Any changes in the approved indirect cost rate must have prior approval of the cognizant federal agency and the State. If the indirect cost rate is provisional during the period of this agreement, once the rate becomes final, the Grantee agrees to remit any overpayment of funds to the State, and subject to the availability of funds the State agrees to remit any underpayment to the Grantee.
- C.9. Cost Allocation. If any part of the costs to be reimbursed under this Grant Contract are joint costs involving allocation to more than one program or activity, such costs shall be allocated and reported in accordance with the provisions of Department of Finance and Administration Policy Statement 03 or any amendments or revisions made to this policy statement during the contract period.
- C.10. Payment of Invoice. A payment by the State shall not prejudice the State's right to object to or question any reimbursement, invoice, or matter in relation thereto. A payment by the State shall not be construed as acceptance of any part of the work or service provided or as approval of any amount as an allowable cost.

- C.11. Unallowable Costs. Any amounts payable to the Grantee shall be subject to reduction for amounts included in any invoice or payment theretofore made, which are determined by the State, on the basis of audits or monitoring conducted in accordance with the terms of this Grant Contract, not to constitute allowable costs.
- C.12. Deductions. The State reserves the right to deduct from amounts, which are or shall become due and payable to the Grantee under this or any contract between the Grantee and the State of Tennessee any amounts, which are or shall become due and payable to the State of Tennessee by the Grantee.
- C.13. Prerequisite Documentation. The Grantee shall not invoice the State under this Grant Contract until the State has received the following documentation properly completed.
- a. The Grantee shall complete, sign, and present to the State an "Authorization Agreement for Automatic Deposit (ACH Credits) Form" provided by the State. By doing so, the Grantee acknowledges and agrees that, once said form is received by the State, all payments to the Grantee, under this or any other contract the Grantee has with the State of Tennessee shall be made by Automated Clearing House (ACH).
  - b. The Grantee shall complete, sign, and present to the State a "Substitute W-9 Form" provided by the State. The taxpayer identification number detailed by said form must agree with the Federal Employer Identification Number or Social Security Number referenced in this Grant Contract or the Grantee's Tennessee Edison Registration.

**D. STANDARD TERMS AND CONDITIONS:**

- D.1. Required Approvals. The State is not bound by this Grant Contract until it is signed by the contract parties and approved by appropriate officials in accordance with applicable Tennessee laws and regulations (depending upon the specifics of this contract, said officials may include, but are not limited to, the Commissioner of Finance and Administration, the Commissioner of Human Resources, and the Comptroller of the Treasury).
- D.2. Modification and Amendment. Except as specifically provided herein, this Grant Contract may be modified only by a written amendment signed by all parties hereto and approved by both the officials who approved the base contract and, depending upon the specifics of the contract as amended, any additional officials required by Tennessee laws and regulations (said officials may include, but are not limited to, the Commissioner of Finance and Administration, the Commissioner of Human Resources, and the Comptroller of the Treasury).
- D.3. Termination for Convenience. The State may terminate this Grant Contract without cause for any reason. Said termination shall not be deemed a breach of contract by the State. The State shall give the Grantee at least thirty (30) days written notice before the effective termination date. The Grantee shall be entitled to compensation for authorized expenditures and satisfactory services completed as of the termination date, but in no event shall the State be liable to the Grantee for compensation for any service which has not been rendered. The final decision as to the amount, for which the State is liable, shall be determined by the State. Should the State exercise this provision, the Grantee shall not have any right to any actual general, special, incidental, consequential, or any other damages whatsoever of any description or amount.
- D.4. Termination for Cause. If the Grantee fails to properly perform its obligations under this Grant Contract in a timely or proper manner, or if the Grantee violates any terms of this Grant Contract, the State shall have the right to immediately terminate the Grant Contract and withhold payments in excess of fair compensation for completed services. Notwithstanding the above, the Grantee shall not be relieved of liability to the State for damages sustained by virtue of any breach of this Grant Contract by the Grantee.

- D.5. Subcontracting. The Grantee shall not assign this Grant Contract or enter into a subcontract for any of the services performed under this Grant Contract without obtaining the prior written approval of the State. If such subcontracts are approved by the State, each shall contain, at a minimum, sections of this contract pertaining to "Conflicts of Interest," "Lobbying," "Nondiscrimination," "Public Accountability," "Public Notice," and "Records" (as identified by the section headings). Notwithstanding any use of approved subcontractors, the Grantee shall be the prime contractor and shall be responsible for all work performed.
- D.6. Conflicts of Interest. The Grantee warrants that no part of the total Grant Amount shall be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subcontractor, or consultant to the Grantee in connection with any work contemplated or performed relative to this Grant Contract.
- D.7. Lobbying. The Grantee certifies, to the best of its knowledge and belief, that:
- a. No federally 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 an agency, a Member of Congress, an 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.
  - b. If any funds other than federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this contract, grant, loan, or cooperative agreement, the Grantee shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
  - c. The Grantee shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients 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 and is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, *U.S. Code*.
- D.8. Nondiscrimination. The Grantee hereby agrees, warrants, and assures that no person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of this Grant Contract or in the employment practices of the Grantee on the grounds of handicap or disability, age, race, color, religion, sex, national origin, or any other classification protected by Federal, Tennessee State constitutional, or statutory law. The Grantee shall, upon request, show proof of such nondiscrimination and shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.
- D.9. Public Accountability. If the Grantee is subject to *Tennessee Code Annotated*, Title 8, Chapter 4, Part 4, or if this Grant Contract involves the provision of services to citizens by the Grantee on behalf of the State, the Grantee agrees to establish a system through which recipients of services may present grievances about the operation of the service program, and the Grantee shall display in a prominent place, located near the passageway through which the public enters in order to receive Grant supported services, a sign at least twelve inches (12") in height and eighteen inches (18") in width stating:

NOTICE: THIS AGENCY IS A RECIPIENT OF TAXPAYER FUNDING. IF YOU OBSERVE AN AGENCY DIRECTOR OR EMPLOYEE ENGAGING IN ANY ACTIVITY WHICH YOU CONSIDER TO BE ILLEGAL, IMPROPER, OR WASTEFUL, PLEASE CALL THE STATE COMPTROLLER'S TOLL-FREE HOTLINE: 1-800-232-5454

- D.10. Public Notice. All notices, informational pamphlets, press releases, research reports, signs, and similar public notices prepared and released by the Grantee shall include the statement, "This project is funded under an agreement with the State of Tennessee." Any such notices by the Grantee shall be approved by the State.
- D.11. Licensure. The Grantee and its employees and all sub-grantees shall be licensed pursuant to all applicable federal, state, and local laws, ordinances, rules, and regulations and shall upon request provide proof of all licenses.
- D.12. Records. The Grantee (and any approved subcontractor) shall maintain documentation for all charges under this Contract. The books, records, and documents of the Grantee (and any approved subcontractor), insofar as they relate to work performed or money received under this Contract, shall be maintained for a period of three (3) full years from the date of the final payment and shall be subject to audit at any reasonable time and upon reasonable notice by the state agency, the Comptroller of the Treasury, or duly appointed representatives. The records of not-for-profit entities shall be maintained in accordance with the *Accounting and Financial Reporting for Not-for-Profit Recipients of Grant Funds in Tennessee*, published by the Tennessee Comptroller of the Treasury and found at <http://www.comptroller1.state.tn.us/ma/finreptmanual.asp>. The records for local governments shall be maintained in accordance with the *Internal Control and Compliance Manual for Tennessee Municipalities*, published by the Tennessee Comptroller of the Treasury and found at <http://www.comptroller1.state.tn.us/ma/citymanual.asp> and in accordance with GFOA's publication, *Governmental Accounting, Auditing and Financial Reporting*.
- D.13. Prevailing Wage Rates. All grants and contracts for construction, erection, or demolition or to install goods or materials that involve the expenditure of any funds derived from the State require compliance with the prevailing wage laws as provided in *Tennessee Code Annotated*, Section 12-4-401 *et seq.*.
- D.14. Monitoring. The Grantee's activities conducted and records maintained pursuant to this Grant Contract shall be subject to monitoring and evaluation by the State, the Comptroller of the Treasury, or their duly appointed representatives.
- D.15. Progress Reports. The Grantee shall submit brief, periodic, progress reports to the State as requested.
- D.16. Annual Report and Audit. The Grantee shall prepare and submit, within nine (9) months after the close of the reporting period, an annual report of its activities funded under this Grant Contract to the commissioner or head of the Granting agency, the Tennessee Comptroller of the Treasury, and the Commissioner of Finance and Administration. The annual report for any Grantee that receives five hundred thousand dollars (\$500,000) or more in aggregate federal and state funding for all its programs shall include audited financial statements. All books of account and financial records shall be subject to annual audit by the Tennessee Comptroller of the Treasury or the Comptroller's duly appointed representative. When an audit is required, the Grantee may, with the prior approval of the Comptroller, engage a licensed independent public accountant to perform the audit. The audit contract between the Grantee and the licensed independent public accountant shall be on a contract form prescribed by the Tennessee Comptroller of the Treasury. Any such audit shall be performed in accordance with generally accepted government auditing standards, the provisions of OMB Circular A-133, if applicable, and the *Audit Manual for Governmental Units and Recipients of Grant Funds* published by the Tennessee Comptroller of the Treasury. The Grantee shall be responsible for reimbursement of the cost of the audit prepared by the Tennessee Comptroller of the Treasury, and payment of fees for the audit

prepared by the licensed independent public accountant. Payment of the audit fees of the licensed independent public accountant by the Grantee shall be subject to the provisions relating to such fees contained in the prescribed contract form noted above. Copies of such audits shall be provided to the designated cognizant state agency, the State Granting Department, the Tennessee Comptroller of the Treasury, and the Department of Finance and Administration and shall be made available to the public.

- D.17. Procurement. If other terms of this Grant Contract allow reimbursement for the cost of goods, materials, supplies, equipment, and/or contracted services, such procurement(s) shall be made on a competitive basis, including the use of competitive bidding procedures, where practical. The Grantee shall maintain documentation for the basis of each procurement for which reimbursement is paid pursuant to this Grant Contract. In each instance where it is determined that use of a competitive procurement method is not practical, supporting documentation shall include a written justification for such decision and non-competitive procurement. Further, and notwithstanding the foregoing, if such reimbursement is to be made with funds derived wholly or partially from federal sources, the determination of cost shall be governed by and reimbursement shall be subject to the Grantee's compliance with applicable federal procurement requirements.

The Grantee shall obtain prior approval from the State before purchasing any equipment under this Grant Contract.

- D.18. Strict Performance. Failure by any party to this Grant Contract to insist in any one or more cases upon the strict performance of any of the terms, covenants, conditions, or provisions of this agreement shall not be construed as a waiver or relinquishment of any such term, covenant, condition, or provision. No term or condition of this Grant Contract shall be held to be waived, modified, or deleted except by a written amendment signed by the parties hereto.

- D.19. Independent Contractor. The parties hereto, in the performance of this Grant Contract, shall not act as employees, partners, joint venturers, or associates of one another. It is expressly acknowledged by the parties hereto that such parties are independent contracting entities and that nothing in this Grant Contract shall be construed to create a principal/agent relationship or to allow either to exercise control or direction over the manner or method by which the other transacts its business affairs or provides its usual services. The employees or agents of one party shall not be deemed or construed to be the employees or agents of the other party for any purpose whatsoever.

The Grantee, being a political subdivision of the State, is governed by the provisions of the Tennessee Government Tort Liability Act, *Tennessee Code Annotated*, Sections 29-20-101 *et seq.*, for causes of action sounding in tort. Further, no contract provision requiring a Tennessee political entity to indemnify or hold harmless the State beyond the liability imposed by law is enforceable because it appropriates public money and nullifies governmental immunity without the authorization of the General Assembly.

- D.20. State Liability. The State shall have no liability except as specifically provided in this Grant Contract.
- D.21. Force Majeure. The obligations of the parties to this Grant Contract are subject to prevention by causes beyond the parties' control that could not be avoided by the exercise of due care including, but not limited to, natural disasters, riots, wars, epidemics, or any other similar cause.
- D.22. State and Federal Compliance. The Grantee shall comply with all applicable state and federal laws and regulations in the performance of this Grant Contract.
- D.23. Governing Law. This Grant Contract shall be governed by and construed in accordance with the laws of the State of Tennessee. The Grantee agrees that it will be subject to the exclusive jurisdiction of the courts of the State of Tennessee in actions that may arise under this Grant Contract. The Grantee acknowledges and agrees that any rights or claims against the State of

Tennessee or its employees hereunder, and any remedies arising there from, shall be subject to and limited to those rights and remedies, if any, available under *Tennessee Code Annotated*, Sections 9-8-101 through 9-8-407.

- D.24. Completeness. This Grant Contract is complete and contains the entire understanding between the parties relating to the subject matter contained herein, including all the terms and conditions of the parties' agreement. This Grant Contract supersedes any and all prior understandings, representations, negotiations, and agreements between the parties relating hereto, whether written or oral.
- D.25. Severability. If any terms and conditions of this Grant Contract are held to be invalid or unenforceable as a matter of law, the other terms and conditions hereof shall not be affected thereby and shall remain in full force and effect. To this end, the terms and conditions of this Grant Contract are declared severable.
- D.26. Headings. Section headings are for reference purposes only and shall not be construed as part of this Grant Contract.

**E. SPECIAL TERMS AND CONDITIONS:**

- E.1. Conflicting Terms and Conditions. Should any of these special terms and conditions conflict with any other terms and conditions of this Grant Contract, these special terms and conditions shall control.
- E.2. Communications and Contacts. All instructions, notices, consents, demands, or other communications required or contemplated by this Grant Contract shall be in writing and shall be made by certified, first class mail, return receipt requested and postage prepaid, by overnight courier service with an asset tracking system, or by EMAIL or facsimile transmission with recipient confirmation. Any such communications, regardless of method of transmission, shall be addressed to the respective party at the appropriate mailing address, facsimile number, or EMAIL address as set forth below or to that of such other party or address, as may be hereafter specified by written notice.

The State:

Bennie Nicholson, Transportation Specialist  
Division of Multimodal Transportation Resources  
505 Deaderick Street, Suite 1800  
James K. Polk Building  
Nashville, Tennessee 37243  
[bennie.nicholson@tn.gov](mailto:bennie.nicholson@tn.gov)  
Telephone Number: (615) 253-1044  
FAX Number: (615) 253-1482

The Grantee:

Debbie Henry, Executive Director  
Franklin Transit Authority  
708 Columbia Avenue  
Franklin, Tennessee 37064  
[dhenry@tmagroup.org](mailto:dhenry@tmagroup.org)  
Telephone Number: (615) 790-0604  
FAX Number: (615) 790-4091

All instructions, notices, consents, demands, or other communications shall be considered effectively given upon receipt or recipient confirmation as may be required.

- E.3. Subject to Funds Availability. The Grant Contract is subject to the appropriation and availability of State and/or Federal funds. In the event that the funds are not appropriated or are otherwise unavailable, the State reserves the right to terminate the Grant Contract upon written notice to the Grantee. Said termination shall not be deemed a breach of contract by the State. Upon receipt of the written notice, the Grantee shall cease all work associated with the Grant Contract. Should such an event occur, the Grantee shall be entitled to compensation for all satisfactory and authorized services completed as of the termination date. Upon such termination, the Grantee shall have no right to recover from the State any actual, general, special, incidental, consequential, or any other damages whatsoever of any description or amount.
- E.5. State Interest in Equipment. The Grantee shall take legal title to all equipment and to all motor vehicles, hereinafter referred to as "equipment," purchased totally or in part with funds provided under this Grant Contract, subject to the State's equitable interest therein, to the extent of its *pro rata* share, based upon the State's contribution to the purchase price. "Equipment" shall be defined as an article of nonexpendable, tangible, personal property having a useful life of more than one year and an acquisition cost which equals or exceeds \$5,000.00.

As authorized by the provisions of the terms of the Tennessee Uniform Commercial Code — Secured Transaction, found at Title 47, Chapter 9 of the *Tennessee Code Annotated*, and the provisions of the Tennessee Motor Vehicle Title and Registration Law, found at Title 55, Chapter 1 of the *Tennessee Code Annotated*, an intent of this Grant document and the parties hereto is to create and acknowledge a security interest in favor of the State in the equipment and/or motor vehicles acquired by the Grantee pursuant to the provisions of this Grant document. A further intent of this Grant document is to acknowledge and continue the security interest in favor of the State in the equipment or motor vehicles acquired by the Grantee pursuant to the provisions of this program's prior year Grants between the State and the Grantee.

The Grantee hereto grants the State a security interest in said equipment. This agreement is intended to be a security agreement pursuant to the Uniform Commercial Code for any of the equipment herein specified which, under applicable law, may be subject to a security interest pursuant to the Uniform Commercial Code, and the Grantee hereby grants the State a security interest in said equipment. The Grantee agrees that the State may file this Grant Contract or a reproduction thereof, in any appropriate office, as a financing statement for any of the equipment herein specified. Any reproduction of this or any other security agreement or financing statement shall be sufficient as a financing statement. In addition, the Grantee agrees to execute and deliver to the State, upon the State's request, any financing statements, as well as extensions, renewals, and amendments thereof, and reproduction of this Grant Contract in such form as the State may require to perfect a security interest with respect to said equipment. The Grantee shall pay all costs of filing such financing statements and any extensions, renewals, amendments and releases thereof, and shall pay all reasonable costs and expenses of any record searches for financing statements the State may reasonably require. Without the prior written consent of the State, the Grantee shall not create or suffer to be created pursuant to the Uniform Commercial Code any other security interest in said equipment, including replacements and additions thereto. Upon the Grantee's breach of any covenant or agreement contained in this Grant Contract, including the covenants to pay when due all sums secured by this Grant Contract, the State shall have the remedies of a secured party under the Uniform Commercial Code and, at the State's option, may also invoke the remedies herein provided.

The Grantee agrees to be responsible for the accountability, maintenance, management, and inventory of all property purchased totally or in part with funds provided under this Grant Contract. The Grantee shall maintain a perpetual inventory system for all equipment purchased with funds provided under this Grant Contract and shall submit an inventory control report which must include, at a minimum, the following:

- a. Description of the equipment;
- b. Manufacturer's serial number or other identification number, when applicable;
- c. Consecutive inventory equipment tag identification;

- d. Acquisition date, cost, and check number;
- e. Fund source, State grant number, or other applicable fund source identification;
- f. Percentage of state funds applied to the purchase;
- g. Location within the Grantee's operations where the equipment is used;
- h. Condition of the property or disposition date if Grantee no longer has possession;
- i. Depreciation method, if applicable; and
- j. Monthly depreciation amount, if applicable.

The Grantee shall tag equipment with an identification number which is cross referenced to the equipment item on the inventory control report. The Grantee shall inventory equipment annually. The Grantee must compare the results of the inventory with the inventory control report and investigate any differences. The Grantee must then adjust the inventory control report to reflect the results of the physical inventory and subsequent investigation.

The Grantee shall submit its inventory control report of all equipment purchased with funding through this contract within thirty (30) days of the Grant Contract end date and in form and substance acceptable to the State. This inventory control report shall contain, at a minimum, the requirements specified above for inventory control. The Grantee shall notify the State, in writing, of any equipment loss describing reason(s) for the loss. Should the equipment be destroyed, lost, or stolen, the Grantee shall be responsible to the State for the *pro rata* amount of the residual value at the time of loss based upon the State's original contribution to the purchase price.

Upon termination of the Grant Contract, where a further contractual relationship is not entered into, or at another time during the term of the Grant Contract, the Grantee shall request written approval from the State for any proposed disposition of equipment purchased with Grant funds. All equipment shall be disposed of in such a manner as parties may agree from among alternatives approved by Tennessee Department of General Services as appropriate and in accordance with any applicable federal laws or regulations.

- E.6 Environmental Tobacco Smoke. Pursuant to the provisions of the federal "Pro-Children Act of 1994" and the Tennessee "Children's Act for Clean Indoor Air of 1995," the Grantee shall prohibit smoking of tobacco products within any indoor premises in which services are provided to individuals under the age of eighteen (18) years. The Grantee shall post "no smoking" signs in appropriate, permanent sites within such premises. This prohibition shall be applicable during all hours, not just the hours in which children are present. Violators of the prohibition may be subject to civil penalties and fines. This prohibition shall apply to and be made part of any subcontract related to this Grant Contract.
- E.7. Debarment and Suspension. The Grantee certifies, to the best of its knowledge and belief, that it, its current and future principals, its current and future subcontractors and their principals:
- a. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal or state department or agency;
  - b. have not within a three (3) year period preceding this Grant Contract been convicted of, or had a civil judgment rendered against them from commission of fraud, or a criminal offence in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or grant under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statements, or receiving stolen property;
  - c. are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses detailed in section b. of this certification; and



- d. have not within a three (3) year period preceding this Grant Contract had one or more public transactions (federal, state, or local) terminated for cause or default.

The Grantee shall provide immediate written notice to the State if at any time it learns that there was an earlier failure to disclose information or that due to changed circumstances, its principals or the principals of its subcontractors are excluded or disqualified.

- E.8. Federal Funding Accountability and Transparency Act (FFATA). This Grant requires the Grantee to provide supplies and/or services that are funded in whole or in part by federal funds that are subject to FFATA. The Grantee is responsible for ensuring that all applicable requirements, including but not limited to those set forth herein, of FFATA are met and that the Grantee provides information to the State as required.

The Grantee shall comply with the following:

- a. Reporting of Total Compensation of the Grantee's Executives.
- (1) The Grantee shall report the names and total compensation of each of its five most highly compensated executives for the Grantee's preceding completed fiscal year, if in the Grantee's preceding fiscal year it received:
- i. 80 percent or more of the Grantee's annual gross revenues from Federal procurement contracts and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and sub awards); and
  - ii. \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts), and Federal financial assistance subject to the Transparency Act (and sub awards); and
  - iii. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm>).

Executive means officers, managing partners, or any other employees in management positions.

- (2) Total compensation means the cash and noncash dollar value earned by the executive during the Grantee's preceding fiscal year and includes the following (for more information see 17 CFR 229.402(c)(2)):
- i. Salary and bonus.
  - ii. Awards of stock, stock options, and stock appreciation rights. Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2004) (FAS 123R), Shared Based Payments.
  - iii. Earnings for services under non-equity incentive plans. This does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives, and are available generally to all salaried employees.
  - iv. Change in pension value. This is the change in present value of defined benefit and actuarial pension plans.
  - v. Above-market earnings on deferred compensation which is not tax qualified.

- vi. Other compensation, if the aggregate value of all such other compensation (e.g. severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the executive exceeds \$10,000.
- b. The Grantee must report executive total compensation described above to the State by the end of the month during which this Grant is awarded.
- c. If this Grant is amended to extend its term, the Grantee must submit an executive total compensation report to the State by the end of the month in which the amendment to this Grant becomes effective.
- d. The Grantee will obtain a Data Universal Numbering System (DUNS) number and maintain its DUNS number for the term of this Grant. More information about obtaining a DUNS Number can be found at: <http://fedgov.dnb.com/webform/>

The Grantee's failure to comply with the above requirements is a material breach of this Grant for which the State may terminate this Grant for cause. The State will not be obligated to pay any outstanding invoice received from the Grantee unless and until the Grantee is in full compliance with the above requirements.

- E.9. FTA Compliance. All applicable terms of FTA Master Agreement, dated October 1, 2011 is incorporated herein by reference.
- E.10. T.C.A. Section 13-10-107 Compliance.
  - 1) Grantee agrees to proceed expeditiously with and complete the project in accordance with plans approved by the Commissioner of TDOT ("Commissioner");
  - 2) Grantee agrees to commence and continue operation of the project on completion of the project and not to discontinue operations or dispose of all or part of the project without Commissioner's prior written approval;
  - 3) Grantee agrees to apply for and make reasonable efforts to secure federal assistance for the project, subject to any conditions the Commissioner may require in order to maximize the amounts of such assistance received or to be received for all projects in the State; and
  - 4) Grantee agrees to provide Grantee's share of the cost of the project and comply with T.C.A. § 13-10-107(c)(4).

**IN WITNESS WHEREOF,**

**FRANKLIN TRANSIT AUTHORITY:**

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**GRANTEE SIGNATURE**

**DATE**

**PRESTON ELLIOTT, CHAIRMAN**

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**PRINTED NAME AND TITLE OF GRANTEE SIGNATORY (above)**

**DEPARTMENT OF TRANSPORTATION:**

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**JOHN C. SCHROER, COMMISSIONER**

**DATE**

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**JOHN REINBOLD, GENERAL COUNSEL  
APPROVED AS TO FORM AND LEGALITY**

**DATE**

**Attachment One**

**UNIVERSAL PUBLIC TRANSPORTATION BUDGET**

	STATE SHARE	FEDERAL SHARE*	GRANT CONTRACT	GRANTEE SHARE	TOTAL
<b>SCOPE—CAPITAL</b>					
11.1x.xx Revenue Rolling Stock	\$48,000.00	\$384,000.00	\$48,000.00	\$48,000.00	\$480,000.00
11.2x.xx Transitways / Line					
11.3x.xx Station Stops & Terminals					
11.4x.xx Support Equip / Facilities					
11.5x.xx Electrification / Power Dist.					
11.6x.xx Signal & Communication Equip					
11.7x.xx Other Capital Items	\$34,939.00	\$279,515.00	\$34,939.00	\$34,939.00	\$349,393.00
11.8x.xx State / Programs Administration					
11.9x.xx Transit Enhancements					
12.xx.xx Fixed Guideway					
14.xx.xx New Start					
<b>SCOPE—OPERATING</b>					
30.00.00 Operating Assistance -TDOT					
30.09.01 Operating Assistance -50% Federal Share					
30.09.02 Operating Assistance - Sliding Scale					
30.80.01 Operating Assistance - 80% CMAQ					
<b>SCOPE—RURAL TRANSIT ASST PROGRAM</b>					
43.5x.xx Rural Transit Assistance Program					
<b>SCOPE—PLANNING</b>					
44.00.00 Commuter Trans. Asst Program					
44.1x.xx State Planning & Research					
44.2x.xx Metropolitan Planning					
44.3x.00 Consolidated Planning Grants					
<b>SCOPE—MANAGEMENT TRAINING</b>					
50.xx.xx Management Training					
<b>SCOPE—OVERSIGHT REVIEWS</b>					
51.xx.xx Oversight Review					
<b>SCOPE—RESEARCH PROJECTS</b>					
55.xx.xx Research Projects					
<b>SCOPE—SAFETY &amp; SECURITY</b>					
57.xx.xx Safety and Security					
<b>SCOPE—UNIVERSITY RESEARCH</b>					
70.xx.xx					
<b>SCOPE—Non-Add Scope Codes</b>					
<b>99x-nn</b>					
<b>SCOPE—OTHER</b>					
xx.xx.xx					
<b>GRAND TOTAL</b>	\$82,939.00	\$663,515.00	\$82,939.00	\$82,939.00	\$829,393.00

\*Federal share not distributed in this grant contract.

## GRANT BUDGET LINE-ITEM DETAIL INFORMATION

Line Item Detail For: CAPITAL	State	Federal	Grant Contract	Grantee	Total Project
11.12.15 Acquire replacement vans	\$48,000.00	\$384,000.00	\$48,000.00	\$48,000.00	\$480,000.00
11.71.12 Contract with TMA Group for operations and maintenance	\$34,939.00	\$279,515.00	\$34,939.00	\$34,939.00	\$349,393.00
TOTAL	\$82,939.00	\$663,515.00	\$82,939.00	\$82,939.00	\$829,393.00