

March 10, 2026

**SHELBY COUNTY BOARD MEETING AGENDA**  
**March 12, 2026- 7:00 P. M.**  
**Courtroom A - Shelby County Courthouse - Shelbyville, IL**

1. Call to Order – Prayer – Pledge of Allegiance
2. Roll Call
3. Discussion and vote to approve the minutes from the February 11, 2026, regular meeting and March 3, 2026, special meeting
4. Public Body Comment
5. Discussion and vote to approve special use siting on Shelby County parcel #1812-23-00-200-005 (AKA old Atteberry Salvage Yard) for use as a junkyard
6. Discussion and vote to approve the appointment of a Zoning administrator
7. Crystal Watkins, Shelby County PCOM- Discussion and vote to approve:
  - A. FY 27 Section 5311/DOAP Publication Transportation Ordinance
  - B. Resolution authorizing Board Chair to apply for 5311 Grant funds (\$453,953)/DOAP Grant funds (\$2,239,263)
  - C. Acceptance of Intergovernmental Agreements with Moultrie, Christian, Clay, Montgomery, and Fayette Counties
  - D. Purchase of Service Agreement between CEFS Economic Opportunity Corporation and Shelby County with FTA clauses
  - E. Vehicle Lease Agreement between CEFS and Shelby County
  - F. Acceptance of FY 27 Special Warranty
8. Michael Tappendorf, County Highway Engineer – Engineers report; Discussion and vote to approve the following items:
  - A. Resolution to award low bid for Removal and Replacement of a bridge over TR 271A (Section#18-01127-00-BR) over Drake Creek Branch in Ash Grove and Big Spring Townships to C-Hill Civil Contractors, Inc. with a bid of \$479,888 (To be paid with LPF Grant Funds and Township Bridge funds). SCHD recommends approval of the low bidder.
  - B. Discussion and Approval of Resolution to enter into a Joint Agreement with IDOT for use of grant funds for performing the reconstruction of Structure 087-3198 a bridge over Richland Creek 2.5 miles Southeast of Clarksburg for an estimated cost of \$1,005,000 of which \$900,000 will be paid through the LPF Grant and remainder from Township Bridge Program.
  - C. Discussion and Approval of Joint Funding Agreement for 087-3198 (Section # 20-03118-00-BR) in Clarksburg Township. An estimated cost of \$1,005,000 of which \$900,000 will be paid through the LPF Grant and \$105,000.00 from Township Bridge Program.
  - D. Discussion and Approval of Resolution to enter into a Joint Agreement with IDOT for use of STR funds for performing an A2 Bituminous Surface on County Highway 15 from Herrick to Tower Hill for an estimated cost of \$800,000 of which \$640,000 will be paid through the STR and \$160,000 will be paid from State Matching Assistance.
9. Discussion and vote to approve contracting with Consociate Health to complete the Federally mandated Drug Cost Reporting for \$1,750
10. Committee Reports
11. Chairman Appointments
  - John Helton – Trustee for Strasburg Fire Protection District (3-year term)
  - Larry Minott – Trustee for Moweaqua Fire Protection District (3-year term)
12. Chairman Updates & Correspondence
13. Old Business
14. Approval of Claims
15. Public Body Comment
16. Adjournment

**Prayer today is given by Board member Teresa Boehm**  
**\*\* Please silence cell phones during the Board meeting\*\***

**SHELBY COUNTY BOARD MEETING**  
**March 12, 2026 - 7:00 P.M.**

Video archive of meeting can be found at shelbycounty-il.gov under You Tube

The Shelby County Board met on Thursday, March 12, 2026, at 7:00 P.M. in Courtroom A of the Shelby County Courthouse in Shelbyville, Illinois.

Vice Chairman Teresa Boehm called the meeting to order. The Pledge of Allegiance was said by those in attendance and Boehm gave the prayer.

County Clerk Jessica Fox called the roll. Grant, McCormick, Mayhall, Mitchell, and Syfert were absent.

Minutes for February 11, 2026, board meeting were presented for approval. Miller made motion to approve the minutes. Pritchard seconded said motion, which passed by voice vote (16 yes, 0 no).

Minutes from March 3, 2026, special board meeting were presented for approval. Cole made motion to approve the minutes. Wood seconded said motion, which passed by voice vote (16 yes, 0 no).

Boehm called for Public Body comment.

Public comments/opinions expressed dealt with the following:

Several members in attendance, spoke against the issuance of a special use permit for the operation of a salvage yard in Rose Township. These were neighboring residents of the site of the proposed salvage yard. They cited a potential decrease in property values, increase in semi traffic in a residential neighborhood where children are present, dumping of garbage, potential water contamination to a nearby creek, and noxious fumes from burning.

Hardy spoke about socialism, and how it isn't something we think a lot about in Shelby County, but how it is promoted, and becoming more popular.

Edwards made motion to approve the special use permit on Shelby County parcel 1812-23-00-200-005 for use as a salvage/junkyard. Cole seconded said motion, discussion followed.

Zoning Board of Appeals member Scott McKee informed the board that the ZBA denied this permit, but the decision is ultimately in the county board's hands. Former owner James Atteberry was grandfathered when the new ordinance was approved in 2005 as non-conforming use. Once the junkyard was inoperable, the new Zoning Ordinance applies, which clearly states that this type of operation can't be within 300 feet of a residential neighborhood. The last time this was assessed as a salvage yard and deemed "active" was in 2018. It has not been operational as a salvage/junkyard in the last year and a sale to a new owner doesn't impact the Zoning Ordinance. The parcel is currently zoned agricultural. New owner Daryl Bloxom spoke to the board and told them he didn't spend the kind of money he had spent to get denied. Bloxom asked what the difference would be between a hog lot and a salvage yard. Bloxom said there would probably be a semi-truck a day in and out of the facility, and farmers also haul grain on these roads during farming season. Bloxom said he thought he would be grandfathered when he purchased the property and hadn't really done any research. Bloxom said he had recently been burning brush in an effort to clean up the area that he plans to use as a salvage yard and an impound lot, since he also owns a towing business. Former owner James Atteberry spoke and said when he purchased this land in 1968 it was zoned agriculture and had been a junkyard for 10 years at that time. Atteberry said as long as Bloxom was paying road use tax, semi traffic couldn't be stopped on the road. Boehm clarified that a yes vote would be to approve the permit, a no vote would be to stand with the Zoning board of appeals and deny the permit.

The county board denied a special use permit for Bloxom on this parcel, by a roll call vote. (1 yes, 15 nays). Aye: Brown. Nays: Boehm, Cole, Edwards, Gregg, Hardy, Matlock, Miller, Morse, Price, Pritchard, Strohl, Tate, Wafford, Wallace, and Wood.

Morse made motion to approve John Herron as the new Shelby County Zoning Administrator. Gregg seconded said motion which passed by voice vote (16 yes, 0 no). Boehm said 3 good candidates had been interviewed recently, and Herron was offered the position, which he accepted, she introduced Herron to the board and stated he is from Windsor.

Crystal Watkins, Shelby County PCOM, presented for approval the FY 2027 Purchase of Service agreement with CEFS Economic Opportunity Corporation and Shelby County with FTA clauses, the vehicle lease agreement between Shelby County and CEFS, and the intergovernmental agreements with Moultrie, Christian, Clay, Montgomery, and Fayette counties.

**Shelby County Board Meeting**  
**March 12, 2026**

Morse made motion to approve the rural transportation agreements that were presented. Pritchard seconded said motion, which passed by roll call vote (16 yes, 0 no) Ayes: Boehm, Brown, Cole, Edwards, Gregg, Hardy, Matlock, Miller, Morse, Price, Pritchard, Strohl, Tate, Wafford, Wallace, and Wood. Nay: none.

At this time, Boehm called for the County Engineer's report.

In Michael Tappendorf's absence, Engineer Assistants Reed Best and Cameron Spesard gave the engineer's report and presented the following items for approval:

- A. Resolution to award low bid for Removal and Replacement of a bridge over TR 271A (Section#18-01127-00-BR) over Drake Creek Branch in Ash Grove and Big Spring Townships to C-Hill Civil Contractors, Inc. with a bid of \$479,888 (To be paid with LPF Grant Funds and Township Bridge funds). SCHD recommends approval of the low bidder.
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Pritchard made motion to approve the highway items as presented. Wallace seconded said motion which passed by roll call vote (16 yes, 0 no). Ayes: Boehm, Brown, Cole, Edwards, Gregg, Hardy, Matlock, Miller, Morse, Price, Pritchard, Strohl, Tate, Wafford, Wallace, and Wood. Nay: none.

Price made motion to approve contracting with Consociate Health to complete the required federally mandated drug costs reporting for \$1,750. Tate seconded said motion, which passed by voice vote (16 yes, 0 no). Ayes: Boehm, Brown, Cole, Edwards, Gregg, Hardy, Matlock, Miller, Morse, Price, Pritchard, Strohl, Tate, Wafford, Wallace, and Wood. Nay: none.

Vice- Chairman Boehm called for committee reports. (Committee reports are attached to these minutes).

Edwards reported Health Department Administrator Steve Melega has received approval for re-validating their Medicare PPO for the new 5 years from the Federal government.

Edwards also reminded those in attendance that the Probation would be hosting the Drug Court graduation ceremony to take place in Courtroom A on Friday, March 20 at 1:00 PM.

Boehm requested the following appointments:

John Helton – trustee for the Strasburg Fire Protection District for a 3-year term.  
Larry Minott – trustee for the Moweaqua Fire Protection District for a 3-year term.

Brown made motion to approve the appointments. Woods seconded said motion, which passed by voice vote (16 yes, 0 no).

There was no correspondence.

Under old business, Hardy addressed the county farm and made comparisons to how the poor farm could be considered a socialist program.

Price made motion to approve the claims for payment. Gregg seconded said motion, which passed by roll call vote (16yes, 0 no). Ayes: Boehm, Brown, Cole, Edwards, Gregg, Hardy, Matlock, Miller, Morse, Price, Pritchard, Strohl, Tate, Wafford, Wallace, and Wood. Nay: none.

Boehm again called for Public Body comment.

There were no comments at this time.

There was no further business to come before the Shelby County board.

**Shelby County Board Meeting**  
**March 12, 2026**

Cole made a motion to adjourn until the next regularly scheduled meeting to be held on April 9, 2026. Gregg seconded said motion, which passed by voice vote (16 yes, 0 no). The meeting was adjourned at 7:49 P.M.

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Jessica Fox  
Shelby County Clerk and Recorder

STATE OF ILLINOIS

ROLL CALL VOTES IN COUNTY BOARD

SHELBY COUNTY

March 12, 2026 REGULAR MEETING

		ROLL CALL			QUESTIONS									
		MILEAGE	3/12/2026 P.M.	1/2026 P.M.	Special Use ON MOTIONS TO permit	Junkyard	CEFS ON MOTIONS TO IGA, Pur Ser, Veh Lease Ag's	Road + ON MOTIONS TO Bridge/Item	Conscience ON MOTIONS TO Drug	Payment ON MOTIONS TO of claims	AYE	NAY	AYE	NAY
COUNTY BOARD MEMBERS					AYE	NAY	AYE	NAY	AYE	NAY	AYE	NAY	AYE	NAY
	BOEHM, TERESA		✓			1	✓		✓		✓		✓	
	BROWN, TIM	41	✓		1		✓		✓		✓		✓	
	COLE, CAROL	0	✓			2	✓		✓		✓		✓	
	EDWARDS, JULIE		✓			3	✓		✓		✓		✓	
	GRANT, CHRISSY		A											
	GREGG JEFF	0	✓			4	✓		✓		✓		✓	
	HARDY, CLAY	20	✓			5	✓		✓		✓		✓	
	MCCORMICK, HEATH		A											
	MATLOCK, CHRISTINE		✓			6	✓		✓		✓		✓	
	MAYHALL, TAD	14	A											
	MILLER, TRICIA		✓			7	✓		✓		✓		✓	
	MITCHELL, JAMES		A											
	MORSE, TIM		✓			8	✓		✓		✓		✓	
	PRICE, GENE	0	✓			9	✓		✓		✓		✓	
	PRITCHARD, AUSTIN		✓			10	✓		✓		✓		✓	
	STROHL, JOHN		✓			11	✓		✓		✓		✓	
	SYFERT, LARRY		A											
	TATE, DON	40	✓			12	✓		✓		✓		✓	
	WAFFORD, CHRISTY		✓			13	✓		✓		✓		✓	
	WALLACE, BRENT	50	✓			14	✓		✓		✓		✓	
	WOOD, JUDY		✓			15	✓		✓		✓		✓	



## Shelby County Public Transportation

Address: 301 E Main St (PO Box 62), Shelbyville, IL 62565  
Phone: (217) 273-8986 | Email: [pcom@shelbycounty-il.gov](mailto:pcom@shelbycounty-il.gov)

# Intergovernmental Agreement

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This Agreement is entered into by and between the County of Shelby and the counties of Fayette, Clay, Moultrie, Montgomery, and Christian, (hereinafter referred to as the "Participants") for the provision of public transportation in said counties. (...with the County of Shelby designated herein as the Primary Participant")

WHEREAS, Participants have applied for a grant pursuant to (49 U.S.C. § 5311) and the Downstate Public Transportation Act (30ILCS 740/2-1 et seq.)... in order for financial assistance to be made available for public transportation programs in rural and small urban areas within Shelby, Fayette, Clay, Moultrie, Montgomery, and Christian Counties; and

WHEREAS, it is the mutual desire of the Participants that the County of Shelby be designated as the "Primary Participant" pursuant to Section 601.105(b) of the Illinois Department of Transportation Regulations for Public Transportation Assistance to Programs in Non-Urbanized Areas for the administration and distribution of Federal Section 5311 and Downstate Public Transportation funds.

And WHEREAS, Illinois Compiled Statutes 740/2-1 et seq. authorizes a county to provide for public transportation within the county limits;

### WITNESSETH:

1. The County of Shelby shall be designated as the "Primary Participant" pursuant to Section 601.105(b) of the Illinois Department of Transportation Regulations for Public Transportation Assistance to Programs in Non-Urbanized Areas providing for the administration and distribution of Federal Section 5311 of the Downstate Public Transportation Act funds.
2. It shall be the responsibility of the Primary Participant to receive all Section 5311 Funds from the Illinois Department of Transportation pursuant to said Department's agreements with the Participants.
3. The Primary Participant shall disburse said funds to "C.E.F.S. Economic Opportunity Corporation, a not-for-profit corporation," the service provider under the terms and conditions of said agreements.
4. Delivery of services by Service Provider shall be made in accordance with agreements entered into by Service Provider with the Primary Participant.
5. Participants are not responsible to the service provider for any local matching funds but may provide match as desired; therefore increased opportunity of community Transit.
6. Any revision of this Agreement must be agreed to by the Participants as evidenced by an addendum signed by the authorized representative of each.



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7. This Agreement or any part thereof may be renegotiated where changes are required by State or Federal law, rules, regulations, or court action, or when Participants agree that a new intergovernmental agreement would meet their particular needs.
8. This intergovernmental agreement is binding upon the Participants, their successors and assigns.
9. If any section, sentence, clause, phrase or portion of this Intergovernmental Agreement is, for any reason, held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portion of the Agreement. It is hereby declared the intent of the Participants that this Agreement shall remain valid and enforceable, notwithstanding the invalidity of any part hereof.
10. That only one original copy of this Intergovernmental Agreement shall be signed and executed by Participants and that any photocopies of the executed Intergovernmental Agreement shall be deemed to be duplicate originals.
11. The term of this agreement shall be for the Grant Fiscal year of July 1, 2026, to June 30, 2027, and will be submitted for approval annually, including counterparts executed electronically, each of which shall be deemed original.

COUNTY OF SHELBY, a body politic and corporate

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

Chairperson, Shelby County Board

ATTEST:

\_\_\_\_\_  
Shelby County Clerk

COUNTY OF Clay, a body politic and corporate

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

Chairperson, Clay County Board

ATTEST:

\_\_\_\_\_  
Clay County Clerk



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COUNTY OF SHELBY, a body politic and corporate

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

Chairperson, Shelby County Board

\_\_\_\_\_  
Shelby County Clerk

COUNTY OF Christian, a body politic and corporate

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

Chairperson, Christian County Board

ATTEST: \_\_\_\_\_

Christian County Clerk



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COUNTY OF SHELBY, a body politic and corporate

By:


  
Chairperson, Shelby County Board

ATTEST:


  
Shelby County Clerk

COUNTY OF Montgomery, a body politic and corporate

By:

  
Chairperson, Montgomery County Board

ATTEST:

  
Montgomery County Clerk



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ORDINANCE 26-O-01  
BOOK 2; PAGE 165

Shelby County | IDOT/5311Transit Grantee/FTA | [www.shelbycounty-il.gov](http://www.shelbycounty-il.gov)



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COUNTY OF SHELBY, a body politic and corporate

By:   
Chairperson, Shelby County Board

ATTEST  
  
Shelby County Clerk

COUNTY OF MOULTRIE, a body politic and corporate

By:   
Chairperson, Moultrie County Board

ATTEST  
  
Moultrie County Clerk



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And WHEREAS, Illinois Compiled Statutes 740/2-1 et seq. authorizes a county to provide for public transportation within the county limits;

WITNESSETH:

1. The County of Shelby shall be designated as the "Primary Participant" pursuant to Section 601.105(b) of the Illinois Department of Transportation Regulations for Public Transportation Assistance to Programs in Non-Urbanized Areas providing for the administration and distribution of Federal Section 5311 of the Downstate Public Transportation Act funds.
2. It shall be the responsibility of the Primary Participant to receive all Section 5311 Funds from the Illinois Department of Transportation pursuant to said Department's agreements with the Participants.
3. The Primary Participant shall disburse said funds to "C.E.F.S. Economic Opportunity Corporation, a not-for-profit corporation," the service provider under the terms and conditions of said agreements.
4. Delivery of services by Service Provider shall be made in accordance with agreements entered into by Service Provider with the Primary Participant.
5. Participants are not responsible to the service provider for any local matching funds but may provide match as desired; therefore increased opportunity of community Transit.
6. Any revision of this Agreement must be agreed to by the Participants as evidenced by an addendum signed by the authorized representative of each.




Shelby County Public Transportation


Address: 301 E Main St (PO Box 62), Shelbyville, IL 62565  
Phone: (217) 273-8986 | Email: [pcom@shelbycounty-il.gov](mailto:pcom@shelbycounty-il.gov)

7. This Agreement or any part thereof may be renegotiated where changes are required by State or Federal law, rules, regulations, or court action, or when Participants agree that a new intergovernmental agreement would meet their particular needs.
8. This intergovernmental agreement is binding upon the Participants, their successors and assigns.
9. If any section, sentence, clause, phrase or portion of this Intergovernmental Agreement is, for any reason, held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portion of the Agreement. It is hereby declared the intent of the Participants that this Agreement shall remain valid and enforceable, notwithstanding the invalidity of any part hereof.
10. That only one original copy of this Intergovernmental Agreement shall be signed and executed by Participants and that any photocopies of the executed Intergovernmental Agreement shall be deemed to be duplicate originals.
11. The term of this agreement shall be for the Grant Fiscal year of July 1, 2026, to June 30, 2027, and will be submitted for approval annually, including counterparts executed electronically, each of which shall be deemed original.

COUNTY OF SHELBY, a body politic and corporate


By:

  
Chairperson, Shelby County Board


  
Shelby County Clerk

COUNTY OF Fayette, a body politic and corporate

By:

  
Chairperson, Fayette County Board

ATTEST:

  
Fayette County Clerk

**PURCHASE OF SERVICE AGREEMENT**

FOR THE RURAL PUBLIC TRANSPORTATION

UNDER THE

SECTION 5311 NON-METRO OPERATING ASSISTANCE AND DOWNSTATE OPERATING  
ASSISTANCE PROGRAM (DOAP)

BETWEEN

**SHELBY COUNTY, ILLINOIS**

AND

**C.E.F.S. ECONOMIC OPPORTUNITY CORPORATION  
(CENTRAL ILLINOIS PUBLIC TRANSIT)**

CONTRACT NUMBER \_\_\_\_\_

**STATE FISCAL YEAR 2027**

**July 1, 2026 to June 30, 2027**

## PURCHASE OF SERVICE AGREEMENT

This Agreement is made by and between SHELBY COUNTY, ILLINOIS (hereinafter referred to as "Grantee") and C.E.F.S. ECONOMIC OPPORTUNITY CORPORATION (CENTRAL ILLINOIS PUBLIC TRANSIT) (hereinafter referred to as the "Provider" which term shall include its successors and/or assigns).

Grantee certifies that 968785704 is Grantee's correct DUNS Number, that NYEYTR5V94K1 is Grantee's correct UEI, if applicable, that 376002119 is Grantee's correct FEIN. The Federal Award Identification Number (FAIN) is IL-2023-043, the federal awarding agency is Federal Transit Administration, and the Federal Award date is 7/1/2026. The Assistance (CFDA) Name is Formula Grants for Rural Areas and Tribal Transit Program and Assistance Listing Number is 20.509. The Catalog of State Financial Assistance (CSFA) Number is 494-80-0338.

WHEREAS, the Grantee proposes to provide rural public transportation services to the non-urbanized area of Shelby County, Illinois (herein referred to as the "Project");

WHEREAS, the Grantee has applied under the provisions of a combined application for Section 5311 Non-Metro Operating Assistance of the Federal Transit Act, as amended and for Downstate Operating Assistance Program (DOAP), under the provisions of the Illinois Downstate Public Transportation Act, as amended, to the Illinois Department of Transportation/Division of Public and Intermodal Transportation (hereinafter "IDOT") for operating and administrative assistance for this Project;

WHEREAS, the Grantee's application has been approved and/or pending approval by IDOT/DPIT;

WHEREAS, the Provider has been selected by the Grantee to be the Shelby County Public Transit Administrator to include scheduling and dispatch and to be the Transit Operator to provide public transportation services in the designated service area; and

NOW THEREFORE, in consideration of the mutual covenants hereinafter set forth, the Agreement is made to provide for the provision of service, to set forth the terms and conditions upon which the financial assistance will be made available, and to set forth the Agreement of the Parties as to the manner to which the Project will be undertaken, completed and used.

### ITEM 1 - DEFINITIONS

As used in the Agreement:

1. "Grantee" means the County of Shelby, Illinois.
2. "IDOT/DPIT" means the State of Illinois Department of Transportation, Division of Public and Intermodal Transportation.
3. "FTA" means the Federal Transit Administration of the United States' Department of Transportation.
4. "Government" means the government of the United States of America.
5. "Provider" means C.E.F.S. Economic Opportunity Corporation
6. "Project Costs" means the sum of *eligible* costs incurred by the Provider and/or its Operator(s) in performing the Project.
7. "USDOT" means the United States Department of Transportation.

#### ITEM 2 - PROJECT SCOPE

The Provider agrees to provide the public transportation services described in the Grantee's final approved Application and Service Plan on file at the IDOT/DPIT and Grantee offices. Provider's Service Plan will be incorporated into this Agreement as Exhibit A and made a part hereof. Provider shall not reduce, terminate, or substantially change such public transportation without the prior written approval of IDOT/DPIT or the Grantee.

#### ITEM 3 - AMOUNT OF CONTRACT

In as much as the Provider has satisfied all conditions precedent to the award of a grant under the State of Illinois, Department of Transportation, Division of Public and Intermodal Transportation, Non-Metro Public Transportation Project, the Grantee, as the designated grant recipient will by the authority of the Illinois Department of Transportation/Division of Public and Intermodal Transportation make funds available to the Provider in accordance with the attached budget as Exhibit B, entitled "Approved Project Budget". These Project funds are for the purpose of undertaking activated in accordance with the requirements of the Illinois Department of Transportation administered by the Division of Public and Intermodal Transportation, Non-Metro Transportation funding prerequisite and to prepare all necessary information for the Non-Metro Public Transportation Project.

Under the Section 5311 program administered by IDOT/DPIT, the Grantee may make payments for up to 50% of the Provider's eligible operating deficit and up to 80% of the eligible administrative expenses incurred by the Provider during the fiscal year in the provision of the public transportation services approved by the Grantee. In addition, under the Downstate Public Transportation Operating Assistance, the Grantee may make payments for up to 80% of eligible operating costs. In no event shall the Provider's payment under this Agreement exceed the total federal funding and state funding available for the Project costs.

Total FY 2027 Federal 5311 Non-Metro Operating Assistance funding for the Project costs will be four hundred fifty-three thousand nine hundred fifty-three dollars AND 00/100 (\$453,953) DOLLARS. In addition, FY 2027 total State Downstate Operating Assistance funding is estimated to be two million two hundred thirty-nine thousand two hundred sixty-three dollars AND 00/100 (\$2,239,263) DOLLARS. The Provider is herein authorized to incur eligible costs against these funds from the beginning of July 1, 2026, through the ending date of June 30, 2027.

The Provider agrees that it will assist the Grantee's efforts to provide, from sources other than funds provided under Section 5311 of the Federal Transit Act, as amended, and the Downstate Public Transportation Act, as amended, sufficient funds to meet the non-IDOT/DPIT portion of the operating deficit and administrative costs.

#### ITEM 4 - DOCUMENTS FORMING THIS AGREEMENT

The parties agree that this constitutes the entire Agreement between the parties hereto, that there are no agreements or understandings, implied or expressed, except as specifically set forth in the Agreement and that all prior agreements and understandings in the connection are merged into and contained in this Agreement.

The Parties hereto further agree that this Agreement consists of this part entitled "Purchase of Service Agreement for Rural General Public Transportation", together with Exhibit A, entitled "Provider's Application/Service Plan", Exhibit B, entitled "Approved Project Budget", Exhibit C, entitled "State of Illinois Drug Free Workplace Certification", Exhibit D, entitled "Terms, Assurances, Certifications and Conditions Governing the Service Provider Contract", and Exhibit E, entitled "Vehicle Lease Agreement", all of which are by this reference specifically incorporated herein.

#### ITEM 5 - ILLINOIS GRANT FUNDS RECOVERY ACT

This grant is subject to the Illinois Grant Funds Recovery Act, as amended. This Agreement is valid until June 30, 2026, and grant funds are available to the Provider and may be expended by the Provider until said date unless the Grantee, at its discretion, grants an extension of time. Any funds which are not expended or legally obligated by the Provider at the end of the Agreement or by the expiration of the period of time funds are available to expenditure or obligation, whichever is earlier, shall be returned to the Grantee within 45 days. Project close-out shall be in accordance with ITEM 15 of this Agreement.

This ITEM is subject to further revision at the sole determination and discretion of the Grantee.

#### ITEM 6 - ACCOMPLISHMENT OF THE PROJECT

##### Grantee's Responsibilities:

The Grantee will be directly involved in the Project oversight and administration. The Grantee as the recipient of Section 5311 and DOAP funds will be directly involved in the Project public transportation programs for which Federal and State funds are distributed. Irrespective of the participation of other parties or third-party contractors in the connection with the Project, the Grantee shall continue to have the primary responsibility to FTA and IDOT/DPIT for compliance with all applicable Federal and State requirements as may be set forth in statutes, regulations, executive orders and the master agreement between the IDOT/DPIT and FTA, and the Agreement for this Project.

To ensure the Grantee meets this requirement, the Grantee shall designate a Program Compliance Oversight Monitor (PCOM), who will be an employee of the Grantee, with no real or apparent conflict of interest, and be approved by IDOT/DPIT. All direct Grantee PCOM related expenses must be commensurate with the level of public transportation service being provided by the Grantee in order to be considered eligible administrative costs.

The Grantee's PCOM will coordinate with the Provider to monitor its activities to ensure compliance with applicable state and federal programmatic rules, regulations and guidelines requirements and assure performance expectations are achieved.

##### Provider's Responsibilities:

*General Requirements* - The Provider shall commence, carry on, and complete the Project with all practicable dispatch, in a sound economical, and efficient manner, and in accordance with the provisions hereof, of the Provider's Application and Service Plan, all applicable Federal and State laws, Grantee guidelines and IDOT/DPIT rules and regulations

*Program Monitoring Reports* - The Provider will actively monitor the project for compliance in accordance with the terms and conditions of the Agreement, together with appropriate rules and regulations, and/or guidelines that the Grantee or IDOT/DPIT may promulgate or implement. The Grantee must permit any agent authorized by the IDOT/DPIT, upon presentation of credentials, in accordance by all methods available by law, including full access to and to the right to examine any document, papers, and records either in hard copy or electronic, of the Grantee or Subgrantee involving transactions to this Agreement.

*Vehicle Reports* - At the onset of the Project, the Provider shall provide the Grantee a report on the conditions of the vehicles to be used for the Project. The Provider shall keep maintenance logs for all of the vehicles and maintain said reports for the life of each vehicle. The Provider shall make the logs available for inspection and review by the Grantee and/or IDOT/DPIT. The Provider shall make recommendations to the Grantee when the Provider deems that a vehicle should be replaced. The Provider may complete a capital grant application if Grantee gives express permission for the Provider to do so, and all such grant applications must be approved by the Grantee prior to submission.

*Allocation Plans and Reports* - The Provider shall maintain a time and cost allocation plans for goods, services, and personnel which are not used or funded solely for or by Project funds. These plans shall be subject to audit and inspection pursuant to criteria enumerated in ITEM 14 herein.

*Pursuant to Federal, State, and Local Law* - In performance of its obligations pursuant to this Agreement, the Provider and its contractors shall comply with all applicable provisions of Federal, State and local law. All limits and standards set forth in this Agreement to be observed in the performance of the Project are minimum requirements and shall not affect the application of more restrictive local standards to the performance of the Project.

The Provider agrees that the most recent of such Federal and State requirements will govern the administration of this Agreement at any particular time, except if there is sufficient evidence in the Agreement of a contrary intent. Such contrary intent might be evidenced by a letter signed either by IDOT/DPIT or FTA, the language of which either

modifies or otherwise conditions the text of a particular provision of this Agreement. Likewise, new Federal and State laws, regulations, policies and administrative practices may be established after the date the Agreement has been executed and may apply to this Agreement. To achieve compliance with changing Federal and State requirements, the Provider agrees to include in all third-party contracts financed with Government (FTA and/or IDOT/DPIT) assistance, specific notice that Federal and State requirements may change and the changed requirements or amendments will apply to the Project as required.

*Changed Conditions Affecting Performance* - The Provider shall immediately notify the Grantee of any change in conditions of local law, or of any other event which may significantly affect its ability to perform the Project in accordance with the provisions of this contract.

*No Government Obligations to Third Parties* - The Grantee shall not be subject to any obligations or liabilities by contractors of the Provider or their subcontractors or any other person not a party to this contract in connection with the performance of this Project pursuant to the provisions of this Agreement without its specific written consent and notwithstanding its concurrence in or approval of the award of any contract or subcontract or solicitation thereof.

#### ITEM 7 - CONTINUANCE OF SERVICE

The Provider agrees to use its best efforts to continue to provide, either directly or by contract, as the case may be, the service described in the Provider's Service Plan. All contracts related to services will be provided at the request of the Grantee. If any proposed contract would be deemed potentially burdensome to the service plan, prior approval from the Grantee would be obtained. At least thirty (30) days prior to (a) any reduction or termination of such service or (b) the filing of a request for such reduction or termination with the appropriate regulatory agency, whichever comes first, the Provider shall give written notice of the proposed action to the Grantee and all units of local government within the Provider's service area.

#### ITEM 8 - USE OF FACILITIES

The Provider agrees that the Project facilities will be used for the provision of transportation service within the Grantee's service area substantially as described in the Provider's final approved Service Plan. Such facilities shall be used in the provision of said service during the effective period of this Agreement in accordance with Generally Accepted Accounting Principles (GMP), IDOT/DPIT, FTA, and Grantee guidelines. If, during such period, such facilities are not used for transportation service at the initiative of the Provider, the Provider shall immediately notify the Grantee.

The Provider shall keep satisfactory records with regard to the use of the facilities and submit to the Grantee upon request such information as is required in order to assure compliance with this Section and shall immediately notify the Grantee in all cases where Project facilities are used in a manner substantially different from that described in the final approved Service Plan. The Provider shall maintain in amount and form satisfactory to the Grantee such insurance or self-insurance as will be adequate to Project facilities through the period of required use. The Provider shall also submit at the request of the Grantee, upon the forms provided by IDOT/DPIT, a certification that the Project facilities are being used in accordance with the terms of this ITEM.

1. Encumbrance of Private Property. Unless expressly authorized in writing by IDOT, the Provider agrees to refrain from:
  - a. Executing any transfer of title, lease, lien, pledge, mortgage, encumbrance, contract, grant anticipation note, alienation, or other obligation that in any way would affect the Grantee interest in any Project real property or equipment; or
  - b. Obligate itself in any manner to any third party with respect to Project real property or equipment.
2. The Provider agrees to refrain from taking any action or acting in a manner that would adversely affect the Grantee interest or impair the Provider's continuing control over the use of the Project real property or equipment.

#### ITEM 9 - ETHICS

1. The Provider shall maintain a written code or standard of conduct which shall govern the performance of its employees, officers, board members or agents engaged in the award and administration of contracts supported by federal or state funds. Such code shall provide that no employee, officer, board member or agent of the Provider may participate in the selection, award, or administration of a contract supported by federal or state funds if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when any of the parties set forth below has a financial or other interest in the firm selected for award:

- (a) The employee, officer, board member, or agent; Any member of his or her immediate family; His or her partner; or Any organization that employs, or is about to employ, any of the above.

The conflict-of-interest requirement for former employees, officers, board members and agents shall apply for one (1) year.

The code shall also provide that the Provider's employees, officers, board members or agents shall neither solicit nor accept gratuities, favors, or anything of monetary value from contractors, potential contractors, or parties to sub-agreements.

*Interest of Members of or Delegated to Congress.* No member of or delegate to the Congress of the United States shall be admitted to any share or part of this Project or derive any benefit therefrom.

*Bonus or Commission.* The Provider acknowledges that if it makes a false, fictitious, or fraudulent claim, statement, submission, or certification to Grantee in connection with this Project, the Grantee reserves the right to impose on the Provider the penalties of 18 U.S.C. Section 1001, 31 U.S.C. Sections 3801, *et seq.*, and 49 U.S.C. app. Section 1607 a (h), as IDOT or the Grantee deems appropriate. The terms of the U.S. DOT regulations, "Program Fraud Civil Remedies", 49 C.F.R. Part 31, apply to this Project

#### ITEM 10 - THE PROJECT BUDGET

Project Budget shall be prepared by the Grantee and approved by the Grantee, Provider, and IDOT/DPIT. The Provider shall carry out the Project and shall incur obligations against and make disbursements from project funds only in conformity with the latest approved Project Budget listed as Exhibit B and entitled "Approved Project Budget". The Project Budget may be revised from time to time, but no Budget or revision thereof shall be effective unless and until the Grantee and IDOT/DPIT shall have approved the same.

#### ITEM 11 - ACCOUNTING, RECORDS, AND ACCESS

Grantee Responsibilities:

*Public Transportation Account* - The Grantee shall establish and maintain a separate account(s) for the Project (hereinafter referred to as a Public Transportation Account or PTA) in conformity with requirements established by the IDOT/DPIT. The account(s) shall be in federally insured bank or trust company.

*Funds Available for the Project* - The Grantee agrees to allowing the provider three (3) months advancement toward expenses to ensure uninterrupted services.

Combined Responsibilities:

The Grantee and Provider's financial management system shall be structured to provide for accurate, current, and complete disclosure of the financial results of the Project funded under this Agreement. The Parties shall maintain

effective control and accountability overall Project Funds, equipment, property, and other assets under the Agreement as required by the IDOT/DPIT. The Parties shall keep records sufficient to permit the tracing of Project Funds to a level of expenditure adequate to ensure that the Project Funds have not been inappropriately expended and must have internal controls consistent with generally accepted accounting practice.

The Parties shall ensure that the Project Funds are expended in accordance with the following principles: 1) grant expenditures should be made in accordance with generally accepted sound, business practices, arms-length bargaining, applicable federal and state laws and regulations, 2) grant expenditures should conform to the terms and conditions of this Agreement, 3) grant expenditures should not exceed the amount that would be incurred by a prudent person under the circumstances prevailing at the time the decision is made to incur the cost, and 4) accounting should be consistent with generally accepted accounting principles.

The Parties agree to complete and submit financial reports to the Grantee monthly by the thirtieth (30th) day of the month following the reported month, and at such other times as the Grantee may prescribe, the amounts recorded in the Project Account.

**1. Eligible Costs** - Expenditures made by the Parties shall be reimbursable as eligible costs to the extent they meet all of the requirements set forth below. They must:

- a.) be made in conformance with the final approved Service Plan and the approved Project Budget and all other provisions of this contract.
- b.) be necessary in order to accomplish the Project;
- c.) be reasonable in amount for the goods and services purchased;
- d.) be actual net costs to the Parties (i.e., the price paid minus any refunds, rebates, or other items of value received by either Party that have the effect of reducing the cost actually incurred) except as otherwise authorized by IDOT in writing.
- e.) be incurred (and be for work performed) after the date of this Agreement, unless *specific* authorization from the IDOT to the contrary is received;
- f.) be in conformance with the standards for allowability of costs established by the Grantee, IDOT/DPIT and FTA, unless *specific* authorization to the contrary is received from the Grantee, IDOT/DPIT, and/or the FTA;
- g.) be satisfactorily documented; and
- h.) be treated uniformly and consistently under accounting principles and procedures approved or prescribed by the IDOT

However, in the event that it may be impractical to determine exact costs of indirect or service functions, eligible **costs** will include such allowances for these costs as may be approved by IDOT/DPIT.

**4. Documentation of Project Costs** - All costs charged to the Project, including any approved services contributed by either Party, shall be supported by properly executed payrolls, time records, invoices, allocation plans, contracts and/or vouchers evidencing in detail the nature and property of the charges.

**5. Checks, Orders and Vouchers** - Any check or order drawn by either Party with respect to any item which is or will be chargeable against the Project Account will be drawn only in accordance with a properly signed voucher then on file in the office of the Grantee or Provider stating in proper detail the purpose of which such check or order is drawn. All checks, payrolls, invoices, contracts, vouchers, orders, allocation plans or other accounting documents pertaining in whole or in part to the Project shall be clearly identified, readily accessible, and to the extent feasible, kept separate and apart from all other such documents.

**6. Audit and Inspection Records –**

**Audit Requirements:** An annual financial and compliance audit will be procured by both Parties as required by the Illinois Department of Transportation, except in the case where an organization-wide audit is conducted. An organization-wide audit (or A-110 or A-128 audit if applicable) may be used by the Grantee to satisfy the audit requirements under this Agreement, where the Provider activities are included in such audits.

All audits of appropriate records must be performed by a certified public accountant of a licensed firm. The audit must be conducted in accordance with the Comptroller General's Standards for Audits of Governmental Organization, Programs, Activities, or Functions, and the General Accounting Office's Guidelines for Financial and Compliance Audits of Federally Assisted Programs.

IDOT reserves the right to conduct special audits, at any time during normal working hours, of funds expended under this Agreement.

The independent audit reports that are submitted to Illinois Department of Transportation, Division of Public and Intermodal Transportation should include the following information:

1. The Grantee's name;
2. The Grantee's fiscal year;
3. The type of Section 5311 program and Downstate Operating funds received (Operating or Capital Assistance);
4. The amount of funds received by type;
5. A statement that the audit was made in accordance with OMB Circular A-128;
6. The auditor's report on the financial statements and on the schedule(s) of federal assistance;
7. The financial statement and schedule(s) of Federal assistance, showing the total expenditures for the federal Section 5311 program including the Downstate Operating Assistance funds.
8. The auditor's report on the study and evaluation of internal control systems which must identify the Grantee's significant internal accounting controls, and those controls designed to provide reasonable assurance that Federal Section 5311 program including Downstate Operating Assistance funds is being managed in compliance with laws and regulations. The report must also identify the controls that were evaluated, the controls that were not evaluated and the material weakness identified as a result of the evaluation.
9. The auditor's report on compliance containing:
  - a.) A statement of positive assurance with respect to those tested for compliance, including compliance with laws and regulations pertaining to financial reports and claims for advances and reimbursements;
  - b.) A statement of negative assurance on those items not tested;
  - c.) An identification of total amounts questioned, if any, for each financial assistance award, as result of non-compliance.

The Parties (and its subcontractors, if any) certify that it shall retain, for a minimum of seven (7) years after the completion of the Agreement, adequate books, records, and supporting documents to verify the amounts, recipients, and uses of all disbursements of funds passing in conjunction with the Agreement; the Agreement and all books, records and supporting documents related to the Agreement shall be available for review and audit by the Auditor General, the Grantee (in the case of the Provider), IDOT/DPIT and its agents, or the Federal Transit Administration (hereinafter "Auditing Parties"); and the Parties agree to cooperate fully with any audit conducted by the Auditing Parties and to provide full access to all relevant materials. Failure to maintain the books, records, records and supporting documents required by this section shall establish a presumption in favor of the State and against the one or more Parties for the recovery of any funds paid by the State under the Agreement for which adequate books, records, and supporting documentation are not available to support their purported disbursement.

ITEM 12 - REQUISITIONS, PAYMENTS AND COMPENSATION OF THE PROVIDER

Grantee's Responsibilities:

1. Compensation of the Provider: Payments pursuant to this Agreement are subject to the availability of Federal Transit Administration funds, State of Illinois Department of Transportation/Division Public and Intermodal Transportation funds, State of Illinois appropriations, Public Transportation Account (PTA) funds, and authorized expenditures under federal and state law.

For carrying out the program objectives as described in the grant application and this Agreement for this Project, the total compensation and reimbursement payable by the Grantee to the Provider shall not exceed the amounts as outlined in the attached budget under Exhibit B, entitled "Approved Project Budget".

All payment requests by the Provider will be reviewed by the Grantee to ensure such requests are in accordance with the approved budget. The Provider agrees to submit payment requests that are:

- a) Only for costs necessary to complete Project program objectives.
- b) Eligible for payment under the State of Illinois cost principles for under 56 Illinois Administrative Code 2630; and
- c) In conformance with the State of Illinois administrative requirements for under 56 Illinois Administrative Code 2610.

2. Method of Compensation: Payments to the Provider are subject to the initiation of a requisition form.

The Service Provider will maintain appropriate financial records of actual costs incurred and will submit this information to the Grantee as requested. Any over expenditure of an amount budgeted for a line item requires a commensurate under expenditure of another line item.

If the Provider expends funds contrary to the provisions of this Agreement or the approved program budget, the Grantee may require the repayment of those funds if the expenditure violated the Provider assurances or the statutory provision of this Agreement. Other expenditures that do not confirm to the scope of work may be improper only because the Provider has failed to obtain approval of a revised work program. In such cases, the Grantee may withhold funds until the revision is approved by IDOT.

An overpayment of grant funds (un-liquidated balance) shall promptly be refunded to the Grantee accompanied by either a final expenditure report or the audit report. In addition, the Provider agrees to repay the Grantee for any funds that are determined by the Grantee, through monitoring activities or audit reports, to have been spent improperly.

Provider's Responsibilities:

1. *Requests for Payment by the Provider.* The Provider may make requests for payment of eligible costs, and the Grantee shall honor such requests in the manner set forth in this ITEM. In order to receive payments, the Provider must:
2.
  - (a) submit to the Grantee an invoice and/or explanation of the purposes for which costs have been incurred to date or are reasonably expected to be incurred within the requisition period (not more than thirty (30) days after the date of submission); and vouchers, invoices or documentation to substantiate these costs;
  - (b) where local funds are required, demonstrate or certify that it has supplied local funds adequate, when combined with the State payments, to cover all costs to be incurred to the end of the requisition period; and
3. *Payment by the Grantee* - Upon receipt of the requisition form and the accompanying information in satisfactory form, the Grantee shall process the requisition. If the Provider is complying with its obligations pursuant to the contract, has satisfied the Grantee of its need for the funds requested during the requisition period, and is making adequate progress toward timely completion of the project; and if all of these circumstances are

found to exist, the Grantee shall reimburse apparent allowable costs incurred (or to be incurred during the requisition period) by the Provider up to the maximum amount payable. However, reimbursement of any cost pursuant to this ITEM shall not constitute a final determination by the Grantee of the allowability of such cost and shall not constitute a waiver of any violation of the terms of this contract committed by the Provider. The Grantee will make a final determination as to allowability only after a final audit of the project has been conducted.

In the event that the Grantee determines that the Provider is not currently eligible to receive any or all of the funds requested, it shall promptly notify the Provider stating the reasons for such determination.

If the Provider disagrees with the determination of the Grantee, it may make a written request to the Grantee, within ten (10) days of notice that the requested requisition has been deemed ineligible for reimbursement, to forward the requisition to IDOT/DPIT for its determination. If after review IDOT deems that the requisition is an eligible expense and so notifies the Grantee in writing of its decision within 14 days, the requisition shall be reimbursed by Grant funds.

4. *Disallowed Costs* - In determining the amount payable, the Grantee will exclude costs incurred by the Provider which are not provided for in the latest approved Project Budget for the Project; and costs attributable to goods or services received under a contract or other arrangement which has not been concurred in or approved in writing by the Grantee.

#### ITEM 13 - RIGHT OF GRANTEE/DEPARTMENT TO TERMINATE

Upon written notice to the Provider, the Grantee reserves the right to suspend or terminate all or part of the financial assistance herein provided for when the Provider is or has been in violation of the terms of this Agreement or when the State determines that the purpose of the Acts would not be adequately served by the continuation of State financial assistance to the project. Any failure to make progress which significantly endangers substantial performance of the Project within a reasonable time shall be deemed to be a violation of the terms of this Agreement. Termination of any part of the grant will not invalidate obligations properly incurred by the Provider and concurred in by the Grantee prior to the date of termination, to the extent that they are non-cancelable. The acceptance of a remittance of any or all Project payments previously received by the Provider or the closing out of State financial participation in the Project shall not constitute a waiver of any claim which the State may otherwise have arising out of this Agreement.

#### ITEM 14 - PROJECT AUDIT

Upon receipt of notice of successful completion of the project or upon termination of the Grantee, the Grantee shall perform a final audit of the Project to determine the allowability of costs incurred and shall make settlement of the State grant described in this Agreement. If the Grantee has made payment to the Provider in excess of the total amount of such grant, the Grantee shall promptly remit such excess to the State. Close-out shall be subject to any continuing obligations imposed on the Provider by this Agreement or contained in the final notification or acknowledgment from the Grantee.

#### ITEM 15- PROJECT SETTLEMENT AND CLOSE-OUT

Provider agrees to initiate and consummate all actions necessary to enable it to enter into this Agreement. Provider warrants that there is no provision of its charter, by-laws or any rules, regulations, or legislation which prohibits, voids, or otherwise renders unenforceable against Provider any provision or clause of this Agreement. Provider warrants further that it has paid all Federal, State and local taxes levied or imposed and will continue to do so, excepting only those which may be contested in good faith, that Provider has or will obtain all licenses, permits or other authorizations required to meet the obligations assumed hereunder and that Provider will comply with all lawful statutes, ordinances, rules, and regulations as may apply to the obligations assumed hereunder.

#### ITEM 16 - CONTRACT OF THE PROVIDER AND SUBCONTRACTS

The Provider shall not execute any subcontract for transportation services without approval of the Grantee and IDOT/DPIT. The Provider may only subcontract transportation services with the prior written approval of the Grantee and IDOT/DPIT. Any subcontracts for transportation services shall be subject to and conform with all applicable State and Federal laws and shall specifically provide that the transportation subcontractor is subject to all the terms and conditions of this agreement.

#### ITEM 17-COMPETITIVE BIDDING

Provider agrees to give full opportunity for free, open and competitive bidding for each contract to be let by the Provider calling for construction or furnishing of any materials, supplies, or equipment to be paid for with Project Funds and Provider shall give such publicity in its advertisements or calls for bids for each contract as will provide adequate competition.

The award of each such contract shall be made by Provider as soon as practical to the lowest responsible bidder except as otherwise provided in Grantee, IDOT/DPIT and FTA guidelines.

#### ITEM 18-THIRD PARTY CONTRACT CHANGES

No change or modification of the scope or cost shall be made to any contract and no work shall commence and no costs or obligations incurred in consequence of such change or modification except as otherwise approved by the Grantee, and where required, until the approved Project Budget has been amended by the Grantee as may be necessary to provide for such change or modification.

#### ITEM 19 - PRE-BID REVIEW

Except as otherwise provided in Grantee guidelines or as otherwise specifically approved by the Grantee, the Provider agrees that, prior to advertising for any bids for any work to be performed under ITEM 17 - COMPETITIVE BIDDING, the Provider shall submit one (1) copy of each of the proposed contract, plans, specifications, proposed advertisement for bids, and all related bidding documents, to the Grantee for approval. The bid invitation or advertisement shall include a statement that the contract to be let is subject to this contract between the Provider and the Grantee.

#### ITEM 20 - ASSIGNMENT OF AGREEMENT

The Provider agrees that no contract for construction work or professional or consulting services of any kind in connection with the Project shall be assigned, transferred, conveyed, sublet or otherwise disposed of without the prior written consent of the Grantee. The Provider agrees that this Agreement shall not be assigned, transferred, conveyed, sublet or otherwise disposed of without the prior written consent of the Grantee.

#### ITEM 21 - INDEMNIFICATION AND INSURANCE

The Provider agrees to save harmless and indemnify the Grantee from any and all losses, expenses, damages (including loss of use), demands and claims and shall defend any suit or action, whether at law or inequity, brought against it based on any such alleged injury (including death) or damage and shall pay all damages judgments, costs, and expenses, including attorney's fees, in connection with said demands and claims resulting therefrom.

The Provider agrees that it will maintain or cause to be maintained, for the duration of the Project, such self-insurance or policies of insurance with limits and upon terms satisfactory to the Grantee as will protect the Provider from any other claims for damages to property or for bodily injury including death, which may arise from or in connection with the operations hereunder by the Provider, or by anyone directly or indirectly employed by or associated with it, and the Provider shall furnish the Grantee with certificate(s) evidencing all such required insurance.

#### ITEM 22 - NON-WAIVER

The Provider agrees that in no event shall any action, including the making by the Grantee of any payment under this Agreement, constitute or be construed as a waiver by the Grantee of any breach of covenant or default on the part of the Provider which may then exist; and any action, including the making of such payment by the Grantee, while any such breach or default shall exist, shall in no way prejudice or impair any right or remedy available to the Grantee in respect to such breach or default. The remedies available to the Grantee under this Agreement are cumulative and not exclusive. The waiver or exercise of any remedy hereunder or under general principles of law or equity.

#### ITEM 23 - NON-COLLUSION

The Provider warrants that it has not paid and agrees not to pay any bonus, commission, fee, or gratuity for the purpose of obtaining any approval of its application for any grant pursuant to this Agreement. No State officer or employee, or member of the State General Assembly or of any unity of local government which contributes to the Project Funds shall be admitted to any share or part of this Agreement or to any benefits arising therefrom.

#### ITEM 24 - INDEPENDENCE OF GRANTEE

In no event shall the Provider or any of its employees, agents, contractors or subcontractors be considered agents or employees of either the Grantee or the State. Furthermore, the Provider agrees that none of its employees, agents, contractors, or subcontractors will hold themselves out as, or claim to be, agents, officers, or employees of the Grantee or the State, and will not by reason of any relationship with the Agreement make any claim, demand, or application to or for any right or privilege applicable to an agent, officer, employee of the Grantee or State including but not limited to, rights and privileges concerning workmen's compensation and occupational diseases coverage, unemployment compensation benefits, Social Security coverage or retirement membership or credit.

#### ITEM 25 - LABOR LAW COMPLIANCE

The Provider agrees to comply with the Labor Law Compliance provisions of the Federal Capital Grant Contract pertaining to the Project, if any, and all applicable State and Federal laws and regulations including, but not limited to, the following: laws and regulations relating to minimum wages to be paid to employees, limitations upon the employment of minors, and health and safety of employees.

The Provider also agrees to require any contractor doing construction work or performing professional or consulting service in connection with the project to agree to such compliance.

#### ITEM 26 - EQUAL OPPORTUNITY AND FAIR EMPLOYMENT PRACTICES

In addition to compliance with the Federal Equal Employment Opportunity provisions outlined in 49 CFR 23 and 49 CFR 21 and the applicable federal disability requirements, the Provider shall comply with the "Equal Employment Opportunity Clause" required by the Illinois Human Rights Commission. It is understood that the term "Contractor" as used in this clause shall also mean "Provider".

"EQUAL EMPLOYMENT OPPORTUNITY CLAUSE" required by the Illinois Human Rights Commission's Rules and Regulations as a material term of all public contracts (Section 6.1):

In the event of the Contractor's non-compliance with any provisions of this Equal Employment Opportunity Clause, the Illinois Human Rights Act Rules and regulations of the Illinois Department of Human Rights ("Department"), the Contractor may be declared ineligible for future contracts or subcontracts with the Grantee, the State of Illinois or any of its political subdivisions or municipal corporations, and the Agreement may be canceled or voided in whole or in part, and such other sanctions or penalties may be imposed or remedies invoked as provided by statute or regulation. During the performance of this contract, the Provider agrees as follows:

That it will not discriminate against any employee or applicant for employment because of races, color, religion, sex, national origin, ancestry, age, physical or mental handicap unrelated to ability, or an unfavorable discharge from military service; and further that it will examine all job classifications to determine if minority persons or women are under-utilized and will take appropriate affirmative action to rectify any such under-utilization.

That, if it hires additional employees in order to perform this contract or any portion thereof, it will determine the availability (in accordance with the Department's Rules and Regulations) of minorities and women in the area(s) from which it may reasonably recruit and it will hire for each job classification for which employees are hired in such a way that minorities and women are not underutilized.

That, in all solicitations or advertisements for employees placed by it or on its behalf, it will state that all applicants will be afforded equal opportunity without discrimination because of race, color, religion, sex, national origin or ancestry, physical or mental handicap unrelated to ability, or an unfavorable discharge from military service.

That it will send to each labor organization or representative of workers with which it has or is bound by a collective bargaining or other agreement or understanding, a notice advising such labor organizations or representative of the contractor's obligations under the Illinois Human Rights Act and the Department's Rules and Regulations. If any such labor organization or representative fails or refuses to cooperate with the contractor in its efforts to comply with such Act and Rules and Regulations, the contractor will promptly notify the Department and the contracting agency will recruit employees from other sources when necessary to fulfill its obligations thereunder.

That it will submit reports as required by the Department's Rules and Regulations, furnish all relevant information as may from time to time be requested by the Department or the contracting agency, and in all respects comply with the Illinois Human Rights Act and the Department's rules and regulations.

That it will permit access to all relevant books, records, accounts, and work sites by personnel of the contracting agency and the Department for purposes of investigation to ascertain compliance with the Illinois Human Rights Act and the Department's rules and regulations.

That it will include verbatim or by reference the provisions of this clause in every subcontract it awards under which any portion of the contract obligations are undertaken or assumed, so that such provisions will be binding upon such subcontractor. In the same manner as with other provisions of this Agreement, the contractor will be liable for compliance with applicable provisions of this clause by such subcontractors; and further it will promptly notify the contracting agency and the Department in the event any subcontractor fails or refused to comply therewith. In addition, the contractor will not be ineligible for contracts or subcontracts with the State of Illinois or any of its political subdivisions or municipal corporations.

As of July 1, 1993, the Provider shall have written sexual harassment policies that shall include, at a minimum, the following information:

The illegality of sexual harassment

The definition of sexual harassment;

A description of sexual harassment, utilizing examples;

The Provider's internal complaint process including penalties;

The legal recourse, investigative, and complaint process available through the Department of Human Rights and the Human Rights Commission;

Directions on how to contact the Department and Commission; and

Protection against retaliation as provided by Section 6-101 of the Illinois Human Rights Act. A copy of the policies shall be provided to the Department upon request.

With respect to the two (2) types of subcontracts referred under paragraph 7 of the Equal Employment Opportunity clause above, following is an excerpt of Section 1.1 of the Illinois Human Rights Commission's rules and regulations for Public Contracts:

Section 1.1 (17): the term "Subcontract" means any agreement, arrangement or understanding, written or otherwise

between a contractor and any person (in which the parties do not stand in the relationship of any employer and an employee):

For the furnishing of supplies or services or for the use of real or personal property, including lease arrangements, which, in whole or in part, is utilized in the performance or anyone or more contracts; or,

Under which any portion of the contractor's obligation under anyone or more contracts is performed, undertaken, or assumed.

#### ITEM 27 - PAYMENT WITHHOLDING, DELAY, TERMINATION AND RECALL

Upon the occurrence of any condition or conditions listed in this ITEM, the parties agree that the Grantee, by written notice to the Provider, may in elect to withhold or delay payment as provided in the approved Project Budget, or any portion thereof; or, if payment or payments have already been made pursuant hereto, to recall such payment or payments or any portion thereof. The Provider agrees that upon receipt of such notice of recall the Provider shall immediately return such Agreement payment or payments, or any portion thereof, which the Provider has received pursuant hereto.

The forgoing remedies shall become available to the Grantee if:

There is any misrepresentation of a material nature in the Provider's Application, or amendment thereof, or in respect to this Agreement or any document or data furnished pursuant hereto, or any other submission of the Provider required by the Grantee in connection with the Agreement;

There is pending litigation which, in the opinion of the Grantee, may jeopardize the Grant of this Agreement;

There has been, in connection with the Contract, any violation of State or Federal regulations, ordinances or statutes applicable to the Provider, its officers or employees which, in the opinion of the Grantee, affects this Agreement;

Any contributions provided by the State pursuant to the Agreement are used for an ineligible purpose;

The Provider is unable to substantiate the proper use of Project funds, facilities, and equipment provided pursuant to the Agreement; or

The Provider shall be in default with any of the provisions of this Agreement.

#### ITEM 28 - SEVERABILITY

The parties agree that if any provision of this Agreement is held invalid for any reason whatsoever, the remaining provisions shall not be affected thereby if such remainder would then continue to conform to the purposes, terms and requirements of applicable law.

#### ITEM 29 - PATENT RIGHTS

Any patentable results arising out of this Agreement, as well as all information, design, specifications, know-how data, and findings shall be made available to the United States of America and to the State for public use, unless the Parties shall determine, in a specific case where it is legally permissible, that it is in the public interest that it not be so made available.

#### ITEM 30 - AMENDMENT

This Agreement may be amended at any time by written amendment. The parties agree that no change or modification to this Agreement, or any Exhibits or Attachments hereto, shall be of any force or effect unless the Amendment is dated, reduced to writing, executed by both parties, and attached to and made part of this Agreement. No work shall be commenced, and no costs or obligations incurred in consequence of any Amendment to this Agreement or any attachments hereto unless and until such Amendment has been executed and made a part of this Agreement and the Approved Project Budget has been amended to confirm thereto.

#### ITEM 31 - TITLES

The parties agree that the titles of the items of this Agreement, hereinabove set forth, are inserted for convenience of identification only and shall not be considered for any other purpose.

#### ITEM 32-SCHOOL BUS OPERATIONS

Provider agrees not to engage in school bus operations exclusively for the transportation of students and school personnel in competition with private school bus operators where such private school bus operators are able to provide adequate transportation at reasonable rates, in conformance with applicable safety standards; provided that this requirement shall not apply to a grantee which operates a school system in the area to be served and operates a separate and exclusive school bus program for the school system (see Section 49.19(13), Civil Admin. Code of Illinois).

#### ITEM 33 - NON-CONSTRUCTION CONTRACTS

Pursuant to Department of Labor regulations, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction (also Labor Standards Provisions Applicable to Non-Construction Contracts Subject to the Contract Work Hours and Safety Standards Act)", 29 CFR Part 5, the following provisions shall be incorporated in all non-construction contracts of \$2,500 let by the Provider for the Project:

1. *Non-Construction Contracts* - The requirements of the clauses contained in 29 CFR, Sec. 5.S(b) are applicable to any contract subject to the Overtime Provisions of the Contract Work Hours and Safety Standards Act and not to any of the other statutes cited in 29 CFR Section 5.1 The Provider's contractor or subcontractor shall maintain basic payroll records during the course of the work and shall preserve them for a period of three (3) years from the completion of the contract for all laborers and mechanics, including guards and watchman, working on the contract. Such records shall contain the name and address of each such employee, social security number, correct classification, hourly rates of wages paid, daily and weekly number of hours worked, deductions made, and actual wages paid. The records to be maintained under this clause shall be made available by the contractor or subcontractor for inspection, copying, or transcription by authorized representatives of IDOT/DPIT, FTA, U.S. DOT, or the Department of Labor, and the contractor or subcontractor will permit such representatives to interview employees during work hours on the job.

The provisions of the Fair Labor Standards Act, as amended, apply to State and local government employees participating in the FTA assisted project with the Provider.

#### ITEM 34 - SUBSTANCE ABUSE

The Provider agrees to comply with the Illinois (30 ILCS 580/1 *et seq.*) and U.S. DOT Drug Free Workplace Acts, and U.S. DOT regulations, "Drug Free Workplace Requirements (Grants)", 49 C.F.R. Part 29, Sub-Part F, and other U.S. DOT and FTA regulations and guidance pertaining to substance abuse (drugs and alcohol) that may be promulgated, and has signed the Drug Free Workplace Certification attached to this Agreement as Exhibit C.

#### ITEM 35 - PREFERENCE FOR RECYCLED PRODUCTS

The Provider agrees to give preference to the purchase of recycled products for use in this Project pursuant to the various Environmental Protection Agency (EPA) guidelines contained in 40 C.F.R. Parts 247-254.

#### ITEM 36 - DEBARMENT AND SUSPENSION

The Provider agrees to obtain certifications on debarment and suspension from its third-party contractors and sub-recipients and otherwise comply with governmental regulations. The Provider certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in the Agreement by any Federal or State department or agency.

#### ITEM 37 -ENVIRONMENTAL, RESOURCE CONSERVATIONS, AND ENERGY REQUIREMENTS

The Provider recognizes that many Federal and State statutes imposing environmental, resource conservation and energy requirements may apply to the Project. Accordingly, the Provider agrees to adhere to, and impose on its sub-recipients, any such Federal and State requirements, as the government may now or in the future promulgate. The Provider expressly understands that this list does not constitute the Provider's entire obligation to meet Federal requirements.

*Environmental Protection* - To the extent applicable, the Provider agrees to comply with the requirements of the National Environmental Policy Act of 1969, as amended, 42 U.S.C. Section 4321 *et seq.*; Section 1610; the Council on Environmental Quality regulations, 40 C.F.R. Part 1500 *et seq.*; and the joining FHWA/FTA regulations, "Environmental Impact and Related Procedures", at 23 C.F.R Part 771.

*Air Quality* - The Provider agrees to comply with applicable requirements of Environmental Protection Agency (EPA) regulations, "Conformity to State or Federal Implementation Plans of Transportation Plans, Programs, and Projects Developed, Funded or Approved Under Title 23 U.S.C. or the Federal Transit Act," 40 GFR Part 51, Sub-Part T; and Determining Conformity of Federal Actions to State and Federal Implementation Plans, 40 GFR Part 93. To support the requisite air quality conformity finding for the project, the Provider agrees to implement each air quality mitigation and control measure incorporated in the project.

The Provider agrees that any project identified in an applicable State Implementation Plan (SIP) as a Transportation Control Measure, will be wholly consistent with the description of the design and scope of the project set forth in the SIP.

EPA also imposes requirements pertaining to the Clean Air Act, as amended, that may apply to transit operators, particularly operators of large transit fleet buses, thus, the Provider should be aware that the following EPA regulations, among others, may apply to its project: "Control of Air Pollution from Motor Vehicles and Motor Vehicle Engines," 40 CFR Part 85; "Control of Air Pollution from New and In-Use Motor Vehicles and New and In-Use Motor Vehicles Engines: Certification and Test Procedures," 40 CFR Part 86, and "Fuel Economy of Motor Vehicles," 40 CFR Part 600.

*Use of Public Lands* - No publicly owned land from a park, recreation area, or wildlife or water fowl refuge of national, State, or local significance as determined by the Federal, State, or local officials having jurisdiction thereof, or any land from an historical site of national, State, or local significance may be used for the project unless specific findings required by 49 U.S.C Section 303 are made by the USDOT.

*Historic Preservation* - The Provider agrees to assist the Government to comply with Section 106 of the National Historic Preservation Act, 16 U.S.C Section 470 (f).

*Mitigation of Adverse Environmental Effects* - Should the proposed project cause adverse environmental effects, the Provider agrees to take all reasonable steps to minimize such effects pursuant to 49 U.S.C app. Section 1610, all other applicable statutes and procedures set forth in 23 C.F.R Part 771 and 49 C.F.R Part 622.

#### ITEM 38- CHARTER SERVICE OPERATIONS

The provider may not engage in charter service operations except as provided under Section 3(f) of the Federal Transit Act, as amended, 49 U.S.C. app Section 1602(f), and FTA regulations "Charter Service," 49 C.F.R. Part 604. Any charter service agreement entered into under these regulations is incorporated into this Agreement by reference.

#### ITEM 39 - PRIVACY

Should the Provider, or any of its subcontractors, or their employees, administer any system of records on behalf of the Federal Government, the Privacy Act of 1974 (the Act), 5 U.S.C., Section 552a, imposes information restrictions on the party managing the system of records.

**ITEM 40-MATCHING FUNDS**

It is expressly agreed by the Provider that it will assist the Grantee in fund-raising efforts to raise matching funds required of the Grantee in the Grantee's "Non-Urbanized Area Transportation Project Agreement for Operating Assistance." entered into with the State of Illinois.

**ITEM 41 - COMPLAINT AND RESOLUTION PROCESS**

The Grantee's PCOM agrees to report to Provider any direct complaints received for quality control purposes. The Provider will comply with the approved complaint resolution process and report complaints to the Grantee's PCOM in the monthly PCOM report and forward any unresolved complaints directly to the PCOM.

**ITEM 42 - OFFICE, VEHICLE STORAGE**

The Provider agrees to maintain an office and vehicle parking and/or storage for this Project within the service territory.

**ITEM 43- ACCESS TO RECORDS**

The Provider will make available to federal, state and to the Grantee (and/or their authorized representatives), upon reasonable request, all financial and participant records necessary for conducting audits, investigations, and reviews authorized by the Illinois Department of Transportation. The Provider will maintain all financial records, as previously outlined, and make them available for review for a period of time of not less than three (3) years past the end of any fiscal year.

**ITEM 44- FTA-FUNDED PROJECT EQUIPMENT**

Pursuant to FTA circular 9040. 1F, Chapter VI-4, this Agreement includes the expressed use by the Provider of FTA-funded project equipment owned by the Grantee. The use of FTA-funded Project equipment will be done in compliance with all applicable federal statutory and regulatory requirements.

**ITEM 45- VEHICLE USAGE AND LEASE AGREEMENT**

The Grantee has entered into a Vehicle Lease Agreement with the Provider listed as Exhibit E, and entitled "Vehicle Lease Agreement", which is by this reference specifically incorporated herein to this Agreement.

**Provider's Name and Address**

C.E.F.S. ECONOMIC OPPORTUNITY CORPORATION  
1805 South Banker Street  
Effingham, IL 62401

**Grantee's Name and Address**

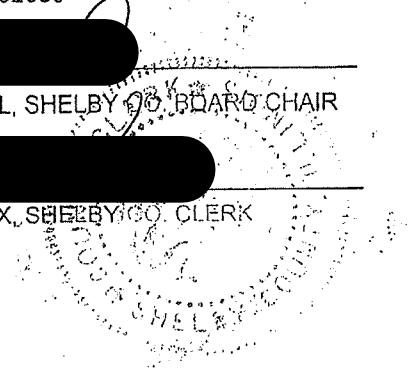
SHELBY COUNTY, ILLINOIS  
County Courthouse  
301 E. Main St.  
Shelbyville, IL 62665

By: \_\_\_\_\_  
KEVIN M. BUSHUR, CHIEF EXECUTIVE OFFICER

By: \_\_\_\_\_  
TAD MAYHALL, SHELBY CO. BOARD CHAIR

Attest: \_\_\_\_\_  
BETH BECK-MARTS, PROGRAM DIRECTOR

Attest: \_\_\_\_\_  
JESSICA FOX, SHELBY CO. CLERK



## U.S. Government Required Clauses

**Fly America Requirements** – Applicability – all contracts involving transportation of persons or property, by air between the U.S. and/or places outside the U.S. These requirements do not apply to micro-purchases (\$10,000 or less, except for construction contracts over \$2,000).

Contractor shall comply with 49 USC 40118 (the “Fly America” Act) in accordance with General Services Administration regulations 41 CFR 301-10, stating that recipients and subrecipients of Federal funds and their contractors are required to use US Flag air carriers for US Government-financed international air travel and transportation of their personal effects or property, to the extent such service is available, unless travel by foreign air carrier is a matter of necessity, as defined by the Fly America Act. Contractor shall submit, if a foreign air carrier was used, an appropriate certification or memorandum adequately explaining why service by a US flag air carrier was not available or why it was necessary to use a foreign air carrier and shall, in any event, provide a certificate of compliance with the Fly America requirements. Contractor shall include the requirements of this section in all subcontracts that may involve international air transportation.

**Buy America Requirements** – Applicability – Construction Contracts and Acquisition of Goods or Rolling Stock (valued at more than \$150,000)

Contractor shall comply with 49 USC 5323(j) and 49 CFR 661, stating that Federal funds may not be obligated unless steel, iron, and manufactured products used in FTA-funded projects are produced in the United States, unless a waiver has been granted by FTA or the product is subject to a general waiver. General waivers are listed in 49 CFR 661.7, and include software, microcomputer equipment and small purchases (currently less than \$150,000) made with capital, operating, or planning funds. Separate requirements for rolling stock are stated at 5323(j)(2)(C) and 49 CFR 661.11. Rolling stock must be manufactured in the US and have a minimum 60% domestic content for FY2016 and FY2017, a minimum 65% domestic content for FY2018 and FY2019 and a minimum 70% domestic content for FY2020 and beyond. A bidder or offeror shall submit appropriate Buy America certification to the recipient with all bids on FTA-funded contracts, except those subject to a general waiver. Proposals not accompanied by a completed Buy America certification shall be rejected as nonresponsive. This requirement does not apply to lower tier subcontractors.

**Charter Bus Requirements** – Applicability – Operational Service Contracts. These requirements do not apply to micro-purchases (\$10,000 or less, except for construction contracts over \$2,000).

Contractor shall comply with 49 USC 5323(d) and (g) and 49 CFR 604, which state that recipients and subrecipients of FTA assistance may provide charter service for transportation projects that uses equipment or facilities acquired with Federal assistance authorized under the Federal transit laws (except as permitted by 49 CFR 604.2), or under 23 U.S.C. 133 or 142, only in compliance with those laws and FTA regulations, “Charter Service,” 49 CFR part 604, the terms and conditions of which are incorporated herein by reference.

**School Bus Requirements** – School Bus Requirements – Applicability – Operational Service

Contracts. These requirements do not apply to micro-purchases (\$10,000 or less, except for construction contracts over \$2,000). Pursuant to 69 USC 5323(f) or (g) as amended by MAP-21, 23 USC 133, 23 USC 142, and 49 CFR 605, recipients and subrecipients of FTA assistance shall not engage in school bus operations exclusively for transportation of students and school personnel in competition with private school bus operators unless qualified under specified exemptions. When operating exclusive school bus service under an allowable exemption, recipients and subrecipients shall not use federally funded equipment, vehicles, or facilities. Violations. If a Recipient or any Third-Party Participant that has operated school bus service in violation of FTA's School Bus laws and regulations, FTA may: (1) Require the Recipient or Third-Party Participant to take such remedial measures as FTA considers appropriate, or (2) Bar the Recipient or Third Party Participant from receiving Federal transit funds.

**Cargo Preference** - Use of US-Flag Vessels – Applicability – Contracts involving equipment, materials or commodities which may be transported by ocean vessels. These requirements do not apply to micro-purchases (\$10,000 or less, except for construction contracts over \$2,000). Contractor shall: a. use privately owned US-Flag commercial vessels to ship at least 50% of the gross tonnage (computed separately for dry bulk carriers, dry cargo liners, and tankers) involved, whenever shipping any equipment, material, or commodities pursuant to the underlying contract to the extent such vessels are available at fair and reasonable rates for US flag commercial vessels; b. furnish within 20 working days following the loading date of shipments originating within the US or within 30 working days following the loading date of shipments originating outside the US, a legible copy of a rated, "on-board" commercial bill-of-lading in English for each shipment of cargo described herein to the Division of National Cargo, Office of Market Development, Maritime Administration, Washington, DC 20590 and to the recipient (through contractor in the case of a subcontractor's bill-of-lading.) c. include these requirements in all subcontracts issued pursuant to this contract when the subcontract involves the transport of equipment, material, or commodities by ocean vessel.

**Seismic Safety** – Applicability – Construction of new buildings or additions to existing buildings. These requirements do not apply to micro-purchases (\$10,000 or less, except for construction contracts over \$2,000). Contractor agrees that any new building or addition to an existing building shall be designed and constructed in accordance with the standards required in USDOT Seismic Safety Regulations 49 CFR 41 and shall certify compliance to the extent required by the regulation. Contractor shall also ensure that all work performed under this contract, including work performed by subcontractors, complies with the standards required by 49 CFR 41 and the certification of compliance issued on the project.

**Energy Conservation** – Applicability – All Contracts except micro-purchases (\$10,000 or less, except for construction contracts over \$2,000) Contractor shall comply with mandatory standards and policies relating to energy efficiency, stated in the state energy conservation plan issued in compliance with the Energy Policy & Conservation Act.

**Clean Water** – Applicability – All Contracts and Subcontracts over \$250,000. Contractor shall comply with all applicable standards, orders or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 USC 1251 et seq. Contractor shall report each violation to

the recipient and understands and agrees that the recipient shall, in turn, report each violation as required to FTA and the appropriate EPA Regional Office. Contractor shall include these requirements in each subcontract exceeding \$250,000 financed in whole or in part with FTA assistance.

**Bus Testing** – Applicability – Rolling Stock/Turnkey

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

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

**Pre-Award & Post-Delivery Audit Requirements** - Applicability – Rolling Stock/Turnkey

Contractor shall comply with 49 USC 5323(l) and FTA's implementing regulation 49 CFR 663 and submit the following certifications:

- 1) Buy America Requirements: Contractor shall complete and submit a declaration certifying either compliance or noncompliance with Buy America. If contractor certifies compliance with Buy America, it shall submit documentation listing:
  - A. Component and subcomponent parts of the rolling stock to be purchased identified by manufacturer of the parts, their country of origin and costs; and
  - B. The location of the final assembly point for the rolling stock, including a description of the activities that will take place at the final assembly point and the cost of final assembly.
  - C. Solicitation Specification Requirements: Contractor shall submit evidence that it will be capable of meeting the bid specifications.

- D. Federal Motor Vehicle Safety Standards (FMVSS): Contractor shall submit 1) manufacturer's FMVSS self-certification sticker information that the vehicle complies with relevant FMVSS or 2) manufacturer's certified statement that the buses will not be subject to FMVSS regulations.

**Lobbying** – Applicability - Construction/Architectural and Engineering/Acquisition of Rolling Stock/Professional Service Contract/Operational Service Contract/Turnkey contracts over \$100,000

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

**Access to Records and Reports**– Applicability – As shown below. These requirements do not apply to micro-purchases (\$10,000 or less, except for construction contracts over \$2,000)  
The following access to records requirements apply to this Contract:

1. Where the purchaser is not a State but a local government and is an FTA recipient or a subgrantee of FTA recipient in accordance with 49 CFR 18.36(i), contractor shall provide the purchaser, the FTA, the US Comptroller General or their authorized representatives access to any books, documents, papers and contractor records which are pertinent to this contract for the purposes of making audits, examinations, excerpts and transcriptions. Contractor shall also, pursuant to 49 CFR 633.17, provide authorized FTA representatives, including any PMO contractor, access to contractor's records and construction sites pertaining to a capital project, defined at 49 USC 5302(a)1, which is receiving FTA assistance through the programs described at 49 USC 5307, 5309 or 5311.
2. Where the purchaser is a State and is an FTA recipient or a subgrantee of FTA recipient in accordance with 49 CFR 633.17, contractor shall provide the purchaser, authorized FTA representatives, including any PMO Contractor, access to contractor's records and construction sites pertaining to a capital project, defined at 49 USC 5302(a)1, which receives FTA assistance through the programs described at 49 USC 5307, 5309 or 5311. By definition, a capital project excludes contracts of less than the simplified acquisition threshold currently set at \$250,000.
3. Where the purchaser enters into a negotiated contract for other than a small purchase or under the simplified acquisition threshold and is an institution of higher education, a hospital or other non-profit organization and is an FTA recipient or a subgrantee of FTA recipient in accordance with 49 CFR 19.48, contractor shall provide the purchaser, the FTA, the US Comptroller General

or their authorized representatives, access to any books, documents, papers and record of the contractor which are directly pertinent to this contract for the purposes of making audits, examinations, excerpts and transcriptions.

4. Where a purchaser which is an FTA recipient or a subgrantee of FTA recipient in accordance with 49 USC 5325(a) enters into a contract for a capital project or improvement (defined at 49 USC 5302(a)1) through other than competitive bidding, contractor shall make available records related to the contract to the purchaser, the Secretary of USDOT and the US Comptroller General or any authorized officer or employee of any of them for the purposes of conducting an audit and inspection.

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

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

FTA does not require the inclusion of these requirements in subcontracts.

**Federal Changes** – Applicability – All Contracts except micro-purchases (\$10,000 or less, except for construction contracts over \$2,000)

Contractor shall comply with all applicable FTA regulations, policies, procedures and directives, including without limitation those listed directly or by reference in the Master Agreement between the recipient and FTA, as they may be amended or promulgated from time to time during the term of the contract. Contractor's failure to comply shall constitute a material breach of the contract.

**Bonding Requirements** – Applicability – For those construction or facility improvement contracts or subcontracts exceeding \$250,000, FTA may accept the bonding policy and requirements of the recipient, provided that they meet the minimum requirements for construction contracts as follows:

a. A bid guarantee from each bidder equivalent to five (5) percent of the bid price. The "bid guarantees" shall consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of his bid, execute such contractual documents as may be required within the time specified.

b. A performance bond on the part of the Contractor for 100 percent of the contract price. A "performance bond" is one executed in connection with a contract to secure fulfillment of all the contractor's obligations under such contract.

c. A payment bond on the part of the contractor for 100 percent of the contract price. A

"payment bond" is one executed in connection with a contract to assure payment, as required by law, of all persons supplying labor and material in the execution of the work provided for in the contract. Payment bond amounts required from Contractors are as follows:

- (1) 50% of the contract price if the contract price is not more than \$1 million;
- (2) 40% of the contract price if the contract price is more than \$1 million but not more than \$5 million; or
- (3) \$2.5 million if the contract price is more than \$5 million.

d. A cash deposit, certified check or other negotiable instrument may be accepted by a grantee in lieu of performance and payment bonds, provided the grantee has established a procedure to assure that the interest of FTA is adequately protected. An irrevocable letter of credit would also satisfy the requirement for a bond.

#### Bid Bond Requirements (Construction)

(a) Bid Security - A Bid Bond must be issued by a fully qualified surety company acceptable to (Recipient) and listed as a company currently authorized under 31 CFR, Part 223 as possessing a Certificate of Authority as described thereunder.

(b) Rights Reserved - In submitting this Bid, it is understood and agreed by bidder that the right is reserved by (Recipient) to reject any and all bids, or part of any bid, and it is agreed that the Bid may not be withdrawn for a period of [ninety (90)] days subsequent to the opening of bids, without the written consent of (Recipient).

It is also understood and agreed that if the undersigned bidder should withdraw any part or all of his bid within [ninety (90)] days after the bid opening without the written consent of (Recipient), shall refuse or be unable to enter into this Contract, as provided above, or refuse or be unable to furnish adequate and acceptable Performance Bonds and Labor and Material Payments Bonds, as provided above, or refuse or be unable to furnish adequate and acceptable insurance, as provided above, he shall forfeit his bid security to the extent of (Recipient's) damages occasioned by such withdrawal, or refusal, or inability to enter into an agreement, or provide adequate security therefor.

It is further understood and agreed that to the extent the defaulting bidder's Bid Bond, Certified Check, Cashier's Check, Treasurer's Check, and/or Official Bank Check (excluding any income generated thereby which has been retained by (Recipient) as provided in [Item x "Bid Security" of the Instructions to Bidders]) shall prove inadequate to fully recompense (Recipient) for the damages occasioned by default, then the undersigned bidder agrees to indemnify (Recipient) and pay over to (Recipient) the difference between the bid security and (Recipient's) total damages, so as to make (Recipient) whole.

The undersigned understands that any material alteration of any of the above or any of the material contained on this form, other than that requested, will render the bid unresponsive.  
Performance and Payment Bonding Requirements (Construction)

#### The Contractor shall be required to obtain performance and payment bonds as follows:

- (a) Performance bonds

1. The penal amount of performance bonds shall be 100 percent of the original contract price, unless the (Recipient) determines that a lesser amount would be adequate for the protection of the (Recipient).

2. The (Recipient) may require additional performance bond protection when a contract price is increased. The increase in protection shall generally equal 100 percent of the increase in contract price. The (Recipient) may secure additional protection by directing the Contractor to increase the penal amount of the existing bond or to obtain an additional bond.

(b) Payment bonds

1. The penal amount of the payment bonds shall equal:

(i) Fifty percent of the contract price if the contract price is not more than \$1 million.

(ii) Forty percent of the contract price if the contract price is more than \$1 million but not more than \$5 million; or

(iii) Two and one half million if the contract price is more than \$5 million.

2. If the original contract price is \$5 million or less, the (Recipient) may require additional protection as required by subparagraph 1 if the contract price is increased.

Performance and Payment Bonding Requirements (Non-Construction)

The Contractor may be required to obtain performance and payment bonds when necessary to protect the (Recipient's) interest.

(a) The following situations may warrant a performance bond:

1. (Recipient) property or funds are to be provided to the contractor for use in performing the contract or as partial compensation (as in retention of salvaged material).

2. A contractor sells assets to or merges with another concern, and the (Recipient), after recognizing the latter concern as the successor in interest, desires assurance that it is financially capable.

3. Substantial progress payments are made before delivery of end items starts.

4. Contracts are for dismantling, demolition, or removal of improvements.

(b) When it is determined that a performance bond is required, the Contractor shall be required to obtain performance bonds as follows:

1. The penal amount of performance bonds shall be 100 percent of the original contract price, unless the (Recipient) determines that a lesser amount would be adequate for the protection of the (Recipient).

2. The (Recipient) may require additional performance bond protection when a contract price is

increased. The increase in protection shall generally equal 100 percent of the increase in contract price.

The (Recipient) may secure additional protection by directing the Contractor to increase the penal amount of the existing bond or to obtain an additional bond.

(c) A payment bond is required only when a performance bond is required, and if the use of payment bond is in the (Recipient's) interest.

(d) When it is determined that a payment bond is required, the Contractor shall be required to obtain payment bonds as follows:

1. The penal amount of payment bonds shall equal:

- (i) Fifty percent of the contract price if the contract price is not more than \$1 million;
- (ii) Forty percent of the contract price if the contract price is more than \$1 million but not more than \$5 million; or
- (iii) Two and one half million if the contract price is increased.

#### Advance Payment Bonding Requirements

The Contractor may be required to obtain an advance payment bond if the contract contains an advance payment provision and a performance bond is not furnished. The (recipient) shall determine the amount of the advance payment bond necessary to protect the (Recipient).

#### Patent Infringement Bonding Requirements (Patent Indemnity)

The Contractor may be required to obtain a patent indemnity bond if a performance bond is not furnished and the financial responsibility of the Contractor is unknown or doubtful. The (recipient) shall determine the amount of the patent indemnity to protect the (Recipient).

#### Warranty of the Work and Maintenance Bonds

1. The Contractor warrants to (Recipient), the Architect and/or Engineer that all materials and equipment furnished under this Contract will be of highest quality and new unless otherwise specified by (Recipient), free from faults and defects and in conformance with the Contract Documents. All work not so conforming to these standards shall be considered defective. If required by the [Project Manager], the Contractor shall furnish satisfactory evidence as to the kind and quality of materials and equipment.

2. The Work furnished must be of first quality and the workmanship must be the best obtainable in the various trades. The Work must be of safe, substantial and durable construction in all respects. The Contractor hereby guarantees the Work against defective materials or faulty workmanship for a minimum period of one (1) year after Final Payment by (Recipient) and shall replace or repair any defective materials or equipment or faulty workmanship during the period of the guarantee at no cost to (Recipient). As additional security for these guarantees, the Contractor shall, prior to the release of Final Payment [as provided in Item X below], furnish separate Maintenance (or Guarantee) Bonds in form acceptable to (Recipient) written by the same corporate surety that provides the Performance Bond and Labor and Material Payment Bond for this Contract. These bonds shall secure the Contractor's obligation to replace or repair defective materials and faulty workmanship for a minimum period of one (1) year after Final

Payment and shall be written in an amount equal to ONE HUNDRED PERCENT (100%) of the CONTRACT SUM, as adjusted (if at all).

**Clean Air** – Applicability – All contracts over \$250,000. 1) Contractor shall comply with all applicable standards, orders or regulations pursuant to the Clean Air Act, 42 USC 7401 et seq. Contractor shall report each violation to the recipient and understands and agrees that the recipient will, in turn, report each violation as required to FTA and the appropriate EPA Regional Office. 2) Contractor shall include these requirements in each subcontract exceeding \$250,000 financed in whole or in part with FTA assistance.

**Recycled Products** – Applicability – All contracts for items designated by the EPA, when the purchaser or contractor procures \$10,000 or more of one of these items during the current or previous fiscal year using Federal funds. The contractor agrees to comply with all the requirements of Section 6002 of the Resource Conservation and Recovery Act (RCRA), as amended (42 U.S.C. 6962), including but not limited to the regulatory provisions of 40 CFR Part 247, and Executive Order 12873, as they apply to the procurement of the items designated in Subpart B of 40 CFR Part 247.

**Davis-Bacon and Copeland Anti-Kickback Acts** – Applicability -Construction contracts and subcontracts, including actual construction, alteration and/or repair, including decorating and painting, over \$2,000

(1) **Minimum wages** - (i) All laborers and mechanics employed or working upon the site of the work (or under the United States Housing Act of 1937 or under the Housing Act of 1949 in the construction or development of the project), will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR part 3)), the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the contractor and such laborers and mechanics. Contributions made or costs reasonably anticipated for bona fide fringe benefits under section 1(b)(2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of paragraph (1)(iv) of this section; also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period. Such laborers and mechanics shall be paid the appropriate wage rate and fringe benefits on the wage determination for the classification of work actually performed, without regard to skill, except as provided in 29 CFR Part 5.5(a)(4). Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein: Provided, That the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classifications and wage rates conformed under paragraph (1)(ii) of this section) and the Davis-Bacon poster (WH-1321) shall be posted at all

times by the contractor and its subcontractors at the site of the work in a prominent and accessible place where it can be easily seen by the workers. (ii)(A) The contracting officer shall require that any class of laborers or mechanics, including helpers, which is not listed in the wage determination and which is to be employed under the contract shall be classified in conformance with the wage determination. The contracting officer shall approve an additional classification and wage rate and fringe benefits therefore only when the following criteria have been met: (1) Except with respect to helpers as defined as 29 CFR 5.2(n)(4), the work to be performed by the classification requested is not performed by a classification in the wage determination; and (2) The classification is utilized in the area by the construction industry; and (3) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination; and (4) With respect to helpers as defined in 29 CFR 5.2(n)(4), such a classification prevails in the area in which the work is performed. (B) If the contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and the contracting officer agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), a report of the action taken shall be sent by the contracting officer to the Administrator of the Wage and Hour Division, Employment Standards Administration, U.S. Department of Labor, Washington, DC 20210. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary. (C) In the event the contractor, the laborers or mechanics to be employed in the classification or their representatives, and the contracting officer do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), the contracting officer shall refer the questions, including the views of all interested parties and the recommendation of the contracting officer, to the Administrator for determination. The Administrator, or an authorized representative, will issue a determination within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary. (D) The wage rate (including fringe benefits where appropriate) determined pursuant to paragraphs (a)(1)(ii) (B) or (C) of this section, shall be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification. (iii) Whenever the minimum wage rate prescribed in the contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, the contractor shall either pay the benefit as stated in the wage determination or shall pay another bona fide fringe benefit or an hourly cash equivalent thereof. (iv) If the contractor does not make payments to a trustee or other third person, the contractor may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, Provided, That the Secretary of Labor has found, upon the written request of the contractor, that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the contractor to set aside in a separate account assets for the meeting of obligations under the plan or program. (v)(A) The contracting officer shall require that any class of laborers or mechanics which is not listed in the wage determination and which is to be employed under the contract shall be classified in conformance with the wage determination. The contracting officer shall approve an additional classification and wage rate and fringe benefits therefor only when the following criteria have been met: (1) The work to be performed by the classification requested is

not performed by a classification in the wage determination; and (2) The classification is utilized in the area by the construction industry; and (3) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.

(B) If the contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and the contracting officer agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), a report of the action taken shall be sent by the contracting officer to the Administrator of the Wage and Hour Division, Employment Standards Administration, Washington, DC 20210. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary. (C) In the event the contractor, the laborers or mechanics to be employed in the classification or their representatives, and the contracting officer do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), the contracting officer shall refer the questions, including the views of all interested parties and the recommendation of the contracting officer, to the Administrator for determination. The Administrator, or an authorized representative, will issue a determination with 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary. (D) The wage rate (including fringe benefits where appropriate) determined pursuant to paragraphs (a)(1)(v) (B) or (C) of this section, shall be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.

(2) Withholding - The recipient shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld from the contractor under this contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to Davis-Bacon prevailing wage requirements, which is held by the same prime contractor, so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics, including apprentices, trainees, and helpers, employed by the contractor or any subcontractor the full amount of wages required by the contract. In the event of failure to pay any laborer or mechanic, including any apprentice, trainee, or helper, employed or working on the site of the work (or under the United States Housing Act of 1937 or under the Housing Act of 1949 in the construction or development of the project), all or part of the wages required by the contract, the grantee may, after written notice to the contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased.

(3) Payrolls and basic records - (i) Payrolls and basic records relating thereto shall be maintained by the contractor during the course of the work and preserved for a period of three years thereafter for all laborers and mechanics working at the site of the work (or under the United States Housing Act of 1937, or under the Housing Act of 1949, in the construction or development of the project). Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid

(including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in section 1(b)(2)(B) of the Davis-Bacon Act), daily and weekly number of hours worked, deductions made and actual wages paid. Whenever the Secretary of Labor has found under 29 CFR 5.5(a)(1)(iv) that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in section 1(b)(2)(B) of the Davis-Bacon Act, the contractor shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits. Contractors employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs.

(ii)(A) The contractor shall submit weekly for each week in which any contract work is performed a copy of all payrolls to the recipient for transmission to the Federal Transit Administration. The payrolls submitted shall set out accurately and completely all of the information required to be maintained under section 5.5(a)(3)(i) of Regulations, 29 CFR part 5. This information may be submitted in any form desired. Optional Form WH-347 is available for this purpose and may be purchased from the Superintendent of Documents (Federal Stock Number 029-005-00014-1), U.S. Government Printing Office, Washington, DC 20402. The prime contractor is responsible for the submission of copies of payrolls by all subcontractors. (B) Each payroll submitted shall be accompanied by a "Statement of Compliance," signed by the contractor or subcontractor or his or her agent who pays or supervises the payment of the persons employed under the contract and shall certify the following: (1) That the payroll for the payroll period contains the information required to be maintained under section 5.5(a)(3)(i) of Regulations, 29 CFR part 5 and that such information is correct and complete; (2) That each laborer or mechanic (including each helper, apprentice, and trainee) employed on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in Regulations, 29 CFR part 3; (3) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed, as specified in the applicable wage determination incorporated into the contract. (C) The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 shall satisfy the requirement for submission of the "Statement of Compliance" required by paragraph (a)(3)(ii)(B) of this section.

(D) The falsification of any of the above certifications may subject the contractor or subcontractor to civil or criminal prosecution under section 1001 of title 18 and section 231 of title 31 of the United States Code. (iii) The contractor or subcontractor shall make the records required under paragraph (a)(3)(i) of this section available for inspection, copying, or transcription by authorized representatives of the Federal Transit Administration or the Department of Labor, and shall permit such representatives to interview employees during working hours on the job. If the contractor or subcontractor fails to submit the required records or to make them available, the Federal agency may, after written notice to the contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any

further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 CFR 5.12.

(4) Apprentices and trainees - (i) Apprentices - Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Bureau of Apprenticeship and Training, or with a State Apprenticeship Agency recognized by the Bureau, or if a person is employed in his or her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by the Bureau of Apprenticeship and Training or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice. The allowable ratio of apprentices to journeymen on the job site in any craft classification shall not be greater than the ratio permitted to the contractor as to the entire work force under the registered program. Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated above, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. Where a contractor is performing construction on a project in a locality other than that in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyman's hourly rate) specified in the contractor's or subcontractor's registered program shall be observed. Every apprentice must be paid at not less than the rate specified in the registered program for the apprentice's level of progress, expressed as a percentage of the journeymen hourly rate specified in the applicable wage determination. Apprentices shall be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator of the Wage and Hour Division of the U.S. Department of Labor determines that a different practice prevails for the applicable apprentice classification, fringes shall be paid in accordance with that determination. In the event the Bureau of Apprenticeship and Training, or a State Apprenticeship Agency recognized by the Bureau, withdraws approval of an apprenticeship program, the contractor will no longer be permitted to utilize apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved. (ii) Trainees - Except as provided in 29 CFR 5.16, trainees will not be permitted to work at less than the predetermined rate for the work performed unless they are employed pursuant to and individually registered in a program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, Employment and Training Administration. The ratio of trainees to journeymen on the job site shall not be greater than permitted under the plan approved by the Employment and Training Administration. Every trainee must be paid at not less than the rate specified in the approved program for the trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Trainees shall be paid fringe benefits in accordance with the provisions of the trainee program. If the trainee program does not mention fringe benefits,

trainees shall be paid the full amount of fringe benefits listed on the wage determination unless the Administrator of the Wage and Hour Division determines that there is an apprenticeship program associated with the corresponding journeyman wage rate on the wage determination which provides for less than full fringe benefits for apprentices. Any employee listed on the payroll at a trainee rate who is not registered and participating in a training plan approved by the Employment and Training Administration shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any trainee performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In the event the Employment and Training Administration withdraws approval of a training program, the contractor will no longer be permitted to utilize trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(iii) Equal employment opportunity - The utilization of apprentices, trainees and journeymen under this part shall be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended, and 29 CFR part 30.

(5) Compliance with Copeland Act requirements - The contractor shall comply with the requirements of 29 CFR part 3, which are incorporated by reference in this contract.

(6) Subcontracts - The contractor or subcontractor shall insert in any subcontracts the clauses contained in 29 CFR 5.5(a)(1) through (10) and such other clauses as the Federal Transit Administration may by appropriate instructions require, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all the contract clauses in 29 CFR 5.5.

(7) Contract termination: debarment - A breach of the contract clauses in 29 CFR 5.5 may be grounds for termination of the contract, and for debarment as a contractor and a subcontractor as provided in 29 CFR 5.12.

(8) Compliance with Davis-Bacon and Related Act requirements - All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR parts 1, 3, and 5 are herein incorporated by reference in this contract.

(9) Disputes concerning labor standards - Disputes arising out of the labor standards provisions of this contract shall not be subject to the general disputes clause of this contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between the contractor (or any of its subcontractors) and the contracting agency, the U.S. Department of Labor, or the employees or their representatives.

(10) Certification of Eligibility - (i) By entering into this contract, contractor certifies that neither it (nor he or she) nor any person or firm who has an interest in contractor's firm is a person or firm ineligible to be awarded Government contracts by virtue of section 3(a) of the Davis-Bacon

Act or 29 CFR 5.12(a)(1). (ii) No part of this contract shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1). (iii) The penalty for making false statements is prescribed in 18 USC 1001.

**Contract Work Hours & Safety Standards Act** – Applicability – Contracts over \$250,000

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

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

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

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

**No Government Obligation to Third Parties** - Applicability – All contracts except micro-purchases (\$10,000 or less, except for construction contracts over \$2,000)

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

contractor, or any other party (whether or not a party to that contract) pertaining to any matter resulting from the underlying contract.

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

**Program Fraud and False or Fraudulent Statements or Related Acts** – Applicability – All contracts except micro-purchases (\$10,000 or less, except for construction contracts over \$2,000)

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

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

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

**Termination** – Applicability – All Contracts over \$10,000, except contracts with nonprofit organizations and institutions of higher learning, where the threshold is \$250,000

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

b. Termination for Default [Breach or Cause] (General Provision) If contractor does not deliver items in accordance with the contract delivery schedule, or, if the contract is for services, and contractor fails to perform in the manner called for in the contract, or if contractor fails to comply with any other provisions of the contract, the recipient may terminate this contract for default. Termination shall be effected by serving a notice of termination to contractor setting forth the manner in which contractor is in default. Contractor shall only be paid the contract price for supplies delivered and accepted, or for services performed in accordance with the manner of

performance set forth in the contract.

If it is later determined by the recipient that contractor had an excusable reason for not performing, such as a strike, fire, or flood, events which are not the fault of or are beyond the control of contractor, the recipient, after setting up a new delivery or performance schedule, may allow contractor to continue work, or treat the termination as a termination for convenience.

c. Opportunity to Cure (General Provision) the recipient in its sole discretion may, in the case of a termination for breach or default, allow contractor an appropriately short period of time in which to cure the defect. In such case, the notice of termination shall state the time period in which cure is permitted and other appropriate conditions

If contractor fails to remedy to the recipient's satisfaction the breach or default or any of the terms, covenants, or conditions of this Contract within ten (10) days after receipt by contractor or written notice from the recipient setting forth the nature of said breach or default, the recipient shall have the right to terminate the Contract without any further obligation to contractor. Any such termination for default shall not in any way operate to preclude the recipient from also pursuing all available remedies against contractor and its sureties for said breach or default.

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

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

f. Termination for Default (Supplies and Service) If contractor fails to deliver supplies or to perform the services within the time specified in this contract or any extension or if the contractor fails to comply with any other provisions of this contract, the recipient may terminate this contract for default. The recipient shall terminate by delivering to contractor a notice of termination specifying the nature of default. Contractor shall only be paid the contract price for supplies delivered and accepted, or services performed in accordance with the manner or performance set forth in this contract.

If, after termination for failure to fulfill contract obligations, it is determined that contractor was not in default, the rights and obligations of the parties shall be the same as if termination had been issued for the recipient's convenience.

g. Termination for Default (Transportation Services) If contractor fails to pick up the commodities or to perform the services, including delivery services, within the time specified in this contract or any extension or if contractor fails to comply with any other provisions of this contract, the recipient may terminate this contract for default. The recipient shall terminate by delivering to contractor a notice of termination specifying the nature of default. Contractor shall only be paid the contract price for services performed in accordance with the manner of performance set forth in this contract.

If this contract is terminated while contractor has possession of the recipient goods, contractor shall, as directed by the recipient, protect and preserve the goods until surrendered to the recipient or its agent. Contractor and the recipient shall agree on payment for the preservation and protection of goods. Failure to agree on an amount shall be resolved under the Dispute clause. If, after termination for failure to fulfill contract obligations, it is determined that contractor was not in default, the rights and obligations of the parties shall be the same as if termination had been issued for the recipient's convenience.

h. Termination for Default (Construction) If contractor refuses or fails to prosecute the work or any separable part, with the diligence that will insure its completion within the time specified, or any extension, or fails to complete the work within this time, or if contractor fails to comply with any other provisions of this contract, the recipient may terminate this contract for default. the recipient shall terminate by delivering to contractor a notice of termination specifying the nature of default. In this event, the recipient may take over the work and complete it by contract or otherwise, and may take possession of and use any materials, appliances, and plant on the work site necessary for completing the work. Contractor and its sureties shall be liable for any damage to the recipient resulting from contractor's refusal or failure to complete the work within specified time, whether or not contractor's right to proceed with the work is terminated. This liability includes any increased costs incurred by the recipient in completing the work.

Contractor's right to proceed shall not be terminated nor shall contractor be charged with damages under this clause if:

1. Delay in completing the work arises from unforeseeable causes beyond the control and without the fault or negligence of contractor. Examples of such causes include: acts of God, acts of the recipient, acts of another contractor in the performance of a contract with the recipient, epidemics, quarantine restrictions, strikes, freight embargoes; and
2. Contractor, within 10 days from the beginning of any delay, notifies the recipient in writing of the causes of delay. If in the recipient's judgment, delay is excusable, the time for completing the work shall be extended. The recipient's judgment shall be final and conclusive on the parties, but subject to appeal under the Disputes clauses.

If, after termination of contractor's right to proceed, it is determined that contractor was not in default, or that the delay was excusable, the rights and obligations of the parties will be the same as if termination had been issued for the recipient's convenience.

i. Termination for Convenience or Default (Architect & Engineering) the recipient may terminate this contract in whole or in part, for the recipient's convenience or because of contractor's failure to fulfill contract obligations. The recipient shall terminate by delivering to contractor a notice of termination specifying the nature, extent, and effective date of termination. Upon receipt of the notice, contractor shall (1) immediately discontinue all services affected (unless the notice directs otherwise), and (2) deliver to the recipient all data, drawings, specifications, reports, estimates, summaries, and other information and materials accumulated in performing this contract, whether completed or in process. If termination is for the recipient's convenience, it shall make

an equitable adjustment in the contract price but shall allow no anticipated profit on unperformed services. If termination is for contractor's failure to fulfill contract obligations, the recipient may complete the work by contract or otherwise and contractor shall be liable for any additional cost incurred by the recipient.

If, after termination for failure to fulfill contract obligations, it is determined that contractor was not in default, the rights and obligations of the parties shall be the same as if termination had been issued for the recipient's convenience.

j. Termination for Convenience or Default (Cost-Type Contracts) the recipient may terminate this contract, or any portion of it, by serving a notice of termination on contractor. The notice shall state whether termination is for convenience of the recipient or for default of contractor. If termination is for default, the notice shall state the manner in which contractor has failed to perform the requirements of the contract. Contractor shall account for any property in its possession paid for from funds received from the recipient, or property supplied to contractor by the recipient. If termination is for default, the recipient may fix the fee, if the contract provides for a fee, to be paid to contractor in proportion to the value, if any, of work performed up to the time of termination. Contractor shall promptly submit its termination claim to the recipient and the parties shall negotiate the termination settlement to be paid to contractor. If termination is for the recipient's convenience, contractor shall be paid its contract close-out costs, and a fee, if the contract provided for payment of a fee, in proportion to the work performed up to the time of termination.

If, after serving a notice of termination for default, the recipient determines that contractor has an excusable reason for not performing, such as strike, fire, flood, events which are not the fault of and are beyond the control of contractor, the recipient, after setting up a new work schedule, may allow contractor to continue work, or treat the termination as a termination for convenience.

**Government-wide Debarment and Suspension (Nonprocurement)** – Applicability – Contracts over \$25,000

The Recipient agrees to the following: (1) It will comply with the requirements of 2 C.F.R. part 180, subpart C, as adopted and supplemented by U.S. DOT regulations at 2 C.F.R. part 1200, which include the following: (a) It will not enter into any arrangement to participate in the development or implementation of the Project with any Third Party Participant that is debarred or suspended except as authorized by: 1 U.S. DOT regulations, "Nonprocurement Suspension and Debarment," 2 C.F.R. part 1200, 2 U.S. OMB, "Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement)," 2 C.F.R. part 180, including any amendments thereto, and 3 Executive Orders Nos. 12549 and 12689, "Debarment and Suspension," 31 U.S.C. § 6101 note, (b) It will review the U.S. GSA "System for Award Management," <https://www.sam.gov>, if required by U.S. DOT regulations, 2 C.F.R. part 1200, and (c) It will include, and require each of its Third Party Participants to include, a similar provision in each lower tier covered transaction, ensuring that each lower tier Third Party Participant: 1 Will comply with Federal debarment and suspension requirements, and 2 Reviews the "System for Award Management" at <https://www.sam.gov>, if necessary to comply with U.S. DOT regulations, 2 C.F.R. part 1200, and (2) If the Recipient suspends, debar, or takes any similar action against a Third Party Participant or individual, the Recipient will provide immediate written notice to the: (a) FTA Regional Counsel for the Region in which the Recipient is located or implements the

Project, (b) FTA Project Manager if the Project is administered by an FTA Headquarters Office, or (c) FTA Chief Counsel,

**Contracts Involving Federal Privacy Act Requirements** – Applicability - When a grantee maintains files on drug and alcohol enforcement activities for FTA, and those files are organized so that information could be retrieved by personal identifier, the Privacy Act requirements apply to all contracts except micro-purchases (\$10,000 or less, except for construction contracts over \$2,000)

The following requirements apply to the Contractor and its employees that administer any system of records on behalf of the Federal Government under any contract:

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

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

**Civil Rights Requirements**– Applicability – All contracts except micro-purchases (\$10,000 or less, except for construction contracts over \$2,000)

The following requirements apply to the underlying contract:

The Recipient understands and agrees that it must comply with applicable Federal civil rights laws and regulations, and follow applicable Federal guidance, except as the Federal Government determines otherwise in writing. Therefore, unless a Recipient or Program, including an Indian Tribe or the Tribal Transit Program, is specifically exempted from a civil rights statute, FTA requires compliance with that civil rights statute, including compliance with equity in service:

a. Nondiscrimination in Federal Public Transportation Programs. The Recipient agrees to, and assures that each Third Party Participant will, comply with Federal transit law, 49 U.S.C. § 5332 (FTA's "Nondiscrimination" statute): (1) FTA's "Nondiscrimination" statute prohibits discrimination on the basis of: (a) Race, (b) Color, (c) Religion, (d) National origin, (e) Sex, (f) Disability, (g) Age, or (h) Gender identity and (2) The FTA "Nondiscrimination" statute's prohibition against discrimination includes: (a) Exclusion from participation, (b) Denial of program benefits, or (c) Discrimination, including discrimination in employment or business opportunity, (3) Except as FTA determines otherwise in writing: (a) General. Follow: 1 The most recent edition of FTA Circular 4702.1, "Title VI Requirements and Guidelines for Federal Transit

Administration Recipients,” to the extent consistent with applicable Federal laws, regulations, and guidance, and

2 Other applicable Federal guidance that may be issued, but (b) Exception for the Tribal Transit Program. FTA does not require an Indian Tribe to comply with FTA program-specific guidelines for Title VI when administering its projects funded under the Tribal Transit Program,

b. Nondiscrimination – Title VI of the Civil Rights Act. The Recipient agrees to, and assures that each Third Party Participant will: (1) Prohibit discrimination based on: (a) Race, (b) Color, or (c) National origin, (2) Comply with: (a) Title VI of the Civil Rights Act of 1964, as amended, 42 U.S.C. § 2000d et seq., (b) U.S. DOT regulations, “Nondiscrimination in Federally-Assisted Programs of the Department of Transportation – Effectuation of Title VI of the Civil Rights Act of 1964,” 49 C.F.R. part 21, and (c) Federal transit law, specifically 49 U.S.C. § 5332, as stated in the preceding section a, and (3) Except as FTA determines otherwise in writing, follow: (a) The most recent edition of FTA Circular 4702.1, “Title VI and Title VI-Dependent Guidelines for Federal Transit Administration Recipients,” to the extent consistent with applicable Federal laws, regulations, and guidance. (b) U.S. DOJ, “Guidelines for the enforcement of Title VI, Civil Rights Act of 1964,” 28 C.F.R. § 50.3, and (c) Other applicable Federal guidance that may be issued,

c. Equal Employment Opportunity. (1) Federal Requirements and Guidance. The Recipient agrees to, and assures that each Third Party Participant will, prohibit discrimination on the basis of race, color, religion, sex, or national origin, and: (a) Comply with Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. § 2000e et seq., (b) Facilitate compliance with Executive Order No. 11246, “Equal Employment Opportunity,” as amended by Executive Order No. 11375, “Amending Executive Order No. 11246, Relating to Equal Employment Opportunity,” 42 U.S.C. § 2000e note, (c) Comply with Federal transit law, specifically 49 U.S.C. § 5332, as stated in section a, and (d) Comply with FTA Circular 4704.1 other applicable EEO laws and regulations, as provided in Federal guidance, including laws and regulations prohibiting discrimination on the basis of disability, except as the Federal Government determines otherwise in writing, (2) General. The Recipient agrees to: (a) Ensure that applicants for employment are employed and employees are treated during employment without discrimination on the basis of their: 1 Race, 2 Color, 3 Religion, 4 Sex, 5 Disability, 6 Age, or 7 National origin, (b) Take affirmative action that includes, but is not limited to: 1 Recruitment advertising, 2 Recruitment, 3 Employment, 4 Rates of pay, 5 Other forms of compensation, 6 Selection for training, including apprenticeship, 7 Upgrading, 8 Transfers, 9 Demotions, 10 Layoffs, and 11 Terminations, but (b) Indian Tribe. Title VII of the Civil Rights Act of 1964, as amended, exempts Indian Tribes under the definition of “Employer”.

(3) Equal Employment Opportunity Requirements for Construction Activities. In addition to the foregoing, when undertaking “construction” as recognized by the U.S. Department of Labor (U.S. DOL), the Recipient agrees to comply, and assures the compliance of each Third Party Participant, with: (a) U.S. DOL regulations, “Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor,” 41 C.F.R. chapter 60, and (b) Executive Order No. 11246, “Equal Employment Opportunity,” as amended by Executive Order No. 11375, “Amending Executive Order No. 11246, Relating to Equal Employment Opportunity,” 42 U.S.C. § 2000e note,

d. Disadvantaged Business Enterprise. To the extent authorized by applicable Federal law, the Recipient agrees to facilitate, and assures that each Third-Party Participant will facilitate, participation by small business concerns owned and controlled by socially and economically disadvantaged individuals, also referred to as "Disadvantaged Business Enterprises" (DBEs), in the Project as follows: 1) Requirements. The Recipient agrees to comply with: (a) Section 1101(b) of Map-21, 23 U.S.C. § 101 note, (b) U.S. DOT regulations, "Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs," 49 C.F.R. part 26, and (c) Federal transit law, specifically 49 U.S.C. § 5332, as stated in section a, (2) Assurance. As required by 49 C.F.R. § 26.13(a), (b) DBE Program Requirements. Recipients receiving planning, capital and/or operating assistance that will award prime third-party contracts exceeding \$250,000 in a Federal fiscal year must: 1 Have a DBE program meeting the requirements of 49 C.F.R. part 26, 2 Implement a DBE program approved by FTA, and 3 Establish an annual DBE participation goal, (c) Special Requirements for a Transit Vehicle Manufacturer. The Recipient understands and agrees that each transit vehicle manufacturer, as a condition of being authorized to bid or propose on FTA-assisted transit vehicle procurements, must certify that it has complied with the requirements of 49 C.F.R. part 26, (d) the Recipient provides assurance that: The Recipient shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of any DOT-assisted contract or in the administration of its DBE program or the requirements of 49 C.F.R. part 26. The Recipient shall take all necessary and reasonable steps under 49 C.F.R. part 26 to ensure nondiscrimination in the award and administration of DOT-assisted contracts. The Recipient's DBE program, as required by 49 C.F.R. part 26 and as approved by DOT, is incorporated by reference in this agreement. Implementation of this program is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the Recipient of its failure to carry out its approved program, the Department may impose sanctions as provided for under 49 C.F.R. part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. § 1001 and/or the Program Fraud Civil Remedies Act of 1986, 31 U.S.C. § 3801 et seq., (2) Exception for the Tribal Transit Program. FTA exempts Indian tribes from the Disadvantaged Business Enterprise regulations at 49 C.F.R. part 26 under Map-21 and previous legislation,

e. Nondiscrimination on the Basis of Sex. The Recipient agrees to comply with Federal prohibitions against discrimination on the basis of sex, including: (1) Title IX of the Education Amendments of 1972, as amended, 20 U.S.C. § 1681 et seq., (2) U.S. DOT regulations, "Nondiscrimination on the Basis of Sex in Education Programs or Activities Receiving Federal Financial Assistance," 49 C.F.R. part 25, and (3) Federal transit law, specifically 49 U.S.C. § 5332, as stated in section a,

f. Nondiscrimination on the Basis of Age. The Recipient agrees to comply with Federal prohibitions against discrimination on the basis of age, including: (1) The Age Discrimination in Employment Act (ADEA), 29 U.S.C. §§ 621 – 634, which prohibits discrimination on the basis of age, (2) U.S. Equal Employment Opportunity Commission (U.S. EEOC) regulations, "Age Discrimination in Employment Act," 29 C.F.R. part 1625, which implements the ADEA, (3) The Age Discrimination Act of 1975, as amended, 42 U.S.C. § 6101 et seq., which prohibits discrimination against individuals on the basis of age in the administration of programs or

activities receiving Federal funds, (4) U.S. Health and Human Services regulations, "Nondiscrimination on the Basis of Age in Programs or Activities Receiving Federal Financial Assistance," 45 C.F.R. part 90, which implements the Age Discrimination Act of 1975, and (5) Federal transit law, specifically 49 U.S.C. § 5332, as stated in section a,

g. Nondiscrimination on the Basis of Disability. The Recipient agrees to comply with the following Federal prohibitions pertaining to discrimination against seniors or individuals with disabilities: (1) Federal laws, including: (a) Section 504 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. § 794, which prohibits discrimination on the basis of disability in the administration of federally funded programs or activities, (b) The Americans with Disabilities Act of 1990 (ADA), as amended, 42 U.S.C. § 12101 et seq., which requires that accessible facilities and services be made available to individuals with disabilities, 1 General. Titles I, II, and III of the ADA apply to FTA Recipients, but 2 Indian Tribes. While Titles II and III of the ADA apply to Indian Tribes, Title I of the ADA exempts Indian Tribes from the definition of "employer," (c) The Architectural Barriers Act of 1968, as amended, 42 U.S.C. § 4151 et seq., which requires that buildings and public accommodations be accessible to individuals with disabilities, (d) Federal transit law, specifically 49 U.S.C. § 5332, which now includes disability as a prohibited basis for discrimination, and (e) Other applicable laws and amendments pertaining to access for elderly individuals or individuals with disabilities, (2) Federal regulations, including: (a) U.S. DOT regulations, "Transportation Services for Individuals with Disabilities (ADA)," 49 C.F.R. part 37, (b) U.S. DOT regulations, "Nondiscrimination on the Basis of Disability in Programs and Activities Receiving or Benefiting from Federal Financial Assistance," 49 C.F.R. part 27, (c) U.S. DOT regulations, "Transportation for Individuals with Disabilities: Passenger Vessels," 49 C.F.R. part 39, (d) Joint U.S. Architectural and Transportation Barriers Compliance Board (U.S. ATBCB) and U.S. DOT regulations, "Americans With Disabilities (ADA) Accessibility Specifications for Transportation Vehicles," 36 C.F.R. part 1192 and 49 C.F.R. part 38, (e) U.S. DOJ regulations, "Nondiscrimination on the Basis of Disability in State and Local Government Services," 28 C.F.R. part 35, (f) U.S. DOJ regulations, "Nondiscrimination on the Basis of Disability by Public Accommodations and in Commercial Facilities," 28 C.F.R. part 36, (g) U.S. EEOC, "Regulations to Implement the Equal Employment Provisions of the Americans with Disabilities Act," 29 C.F.R. part 1630, (h) U.S. Federal Communications Commission regulations, "Telecommunications Relay Services and Related Customer Premises Equipment for Persons with Disabilities," 47 C.F.R. part 64, Subpart F, (i) U.S. ATBCB regulations, "Electronic and Information Technology Accessibility Standards," 36 C.F.R. part 1194, and (j) FTA regulations, "Transportation for Elderly and Handicapped Persons," 49 C.F.R. part 609, and (3) Other applicable Federal civil rights and nondiscrimination guidance,

h. Drug or Alcohol Abuse - Confidentiality and Other Civil Rights Protections. The Recipient agrees to comply with the confidentiality and civil rights protections of: (1) The Drug Abuse Office and Treatment Act of 1972, as amended, 21 U.S.C. § 1101 et seq., (2) The Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970, as amended, 42 U.S.C. § 4541 et seq., and (3) The Public Health Service Act, as amended, 42 U.S.C. §§ 290dd – 290dd-2,

i. Access to Services for People with Limited English Proficiency. Except as the Federal Government determines otherwise in writing, the Recipient agrees to promote accessibility of public transportation services to people whose understanding of English is limited by following: 1) Executive Order No. 13166, "Improving Access to Services for Persons with Limited English Proficiency," August 11, 2000, 42 U.S.C. § 2000d-1 note, and (2) U.S. DOT Notice, "DOT Policy Guidance Concerning Recipients' Responsibilities to Limited English Proficiency (LEP) Persons," 70 Fed. Reg. 74087, December 14, 2005,

j. Other Nondiscrimination Laws. Except as the Federal Government determines otherwise in writing, the Recipient agrees to: (1) Comply with other applicable Federal nondiscrimination laws and regulations, and (2) Follow Federal guidance prohibiting discrimination.

k. Remedies. Remedies for failure to comply with applicable Federal Civil Rights laws and Federal regulations may be enforced as provided in those Federal laws or Federal regulations.

**Breaches and Dispute Resolution** – Applicability – All contracts over \$250,000

Disputes arising in the performance of this contract which are not resolved by agreement of the parties shall be decided in writing by the recipient's authorized representative. This decision shall be final and conclusive unless within ten days from the date of receipt of its copy, contractor mails or otherwise furnishes a written appeal to the recipient's CEO. In connection with such appeal, contractor shall be afforded an opportunity to be heard and to offer evidence in support of its position. The decision of the recipient's CEO shall be binding upon contractor and contractor shall abide by the decision. FTA has a vested interest in the settlement of any violation of Federal law including the False Claims Act, 31 U.S.C. § 3729.

Performance During Dispute - Unless otherwise directed by the recipient, contractor shall continue performance under this contract while matters in dispute are being resolved.

Claims for Damages - Should either party to the contract suffer injury or damage to person or property because of any act or omission of the party or of any of his employees, agents or others for whose acts he is legally liable, a claim for damages therefore shall be made in writing to such other party within ten days after the first observance of such injury or damage.

Remedies - Unless this contract provides otherwise, all claims, counterclaims, disputes and other matters in question between the recipient and contractor arising out of or relating to this agreement or its breach will be decided by arbitration if the parties mutually agree, or in a court of competent jurisdiction within the residing State.

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

**Patent and Rights Data** –

Contracts involving experimental, developmental, or research work (\$10,000 or less, except for construction contracts over \$2,000).

#### Patent Rights

A. General. The Recipient agrees that:

(1) Depending on the nature of the Project, the Federal Government may acquire patent rights when the Recipient or Third Party Participant produces a patented or patentable: (a) Invention, (b) Improvement, or (c) Discovery, (2) The Federal Government's rights arise when the patent or patentable information is: (a) Conceived under the Project, or (b) Reduced to practice under the Project, and (3) When a patent is issued or patented information becomes available as described in Patent Rights section A(2), the Recipient agrees to: (a) Notify FTA immediately, and (b) Provide a detailed report satisfactory to FTA,

B. Federal Rights. The Recipient agrees that:

(1) Its rights and responsibilities, and the rights and responsibilities of each Third Party Participant, in that federally funded invention, improvement, or discovery will be determined as provided by applicable Federal laws, regulations, and guidance, including any waiver thereof, and (2) Unless the Federal Government determines otherwise in writing, irrespective of the Recipient's status or the status of any Third Party Participant as a large business, a small business, a State government, a State instrumentality, a local government, an Indian tribe, a nonprofit organization, an institution of higher education, or an individual, the Recipient agrees to transmit the Federal Government's patent rights to FTA as specified in: (a) 35 U.S.C. § 200 et seq., and (b) U.S. Department of Commerce regulations, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," 37 C.F.R. part 401, and

C. License Fees and Royalties. As permitted by 49 C.F.R. parts 18 and 19:

(1) License fees and royalties for patents, patent applications, and inventions derived from the Project are program income, and (2) The Recipient has no obligation to the Federal Government with respect to those license fees or royalties, except: (a) For compliance with 35 U.S.C. § 200 et seq., which applies to patent rights developed under a federally funded research-type project, and (b) As FTA determines otherwise in writing.

#### Rights in Data and Copyrights

A. Definition of "Subject Data." means recorded information: (1) Copyright. Whether or not copyrighted, and (2) Delivery. That is delivered or specified to be delivered under the Underlying Agreement,

B. Examples of "Subject Data." Examples of "subject data": (1) Include, but are not limited to: (a) Computer software, (b) Standards, (c) Specifications, (d) Engineering drawings and

associated lists, (e) Process sheets, (f) Manuals, (g) Technical reports, (h) Catalog item identifications, and (i) Related information, but (2) Do not include: (a) Financial reports, (b) Cost analyses, or (c) Other similar information used for Project administration,

C. General Federal Restrictions. The following restrictions apply to all subject data first produced in the performance of the Recipient's Project supported by the Underlying Agreement: (1) Prohibitions. The Recipient may not: (a) Publish or reproduce any subject data in whole or in part, or in any manner or form, or (b) Permit others to do so, but (2) Exceptions. The prohibitions of Rights in Data and Copyrights C(1) do not apply to: (a) Publications or reproductions for the Recipient's own internal use, (b) An institution of higher learning, (c) The portion of subject data that the Federal Government has previously released or approved for release to the public, or (d) The portion of data that has the Federal Government's prior written consent for release,

D. Federal Rights in Data and Copyrights. The Recipient agrees that: (1) License Rights. The Recipient must provide a license to its "subject data" to the Federal Government, which license is: (a) Royalty-free, (b) Non-exclusive, and (c) Irrevocable, (2) Uses. The Federal Government's license must permit the Federal Government to take the following actions provided those actions are taken for Federal Government purposes: (a) Reproduce the subject data, (b) Publish the subject data, (c) Otherwise use the subject data, and (d) Permit other entities or individuals to use the subject data, and

E. Special Federal Rights in Data for Research, Development, Demonstration, Deployment, and Special Studies Projects. In general, FTA's purpose in providing Federal funds for a research, development, demonstration, deployment, or special studies Project is to increase transportation knowledge, rather than limit the benefits of the Project to the Recipient and its Third Party Participants, therefore, the Recipient agrees that: (1) Publicly Available Report. When the Project is completed, it must provide a Project report that FTA may publish or make available for publication on the Internet, (2) Other Reports. It must provide other reports pertaining to the Project that FTA may request, (3) Availability of Subject Data. FTA may make available to any FTA Recipient or any of its Third Party Participants at any tier of the Project, either FTA's copyright license to the subject data or a copy of the subject data, except as the Federal Government determines otherwise in writing, (4) Identification of Information. It must identify clearly any specific confidential, privileged, or proprietary information submitted to FTA, (5) Incomplete Project. If the Project is not completed for any reason whatsoever, all data developed under the Project becomes "subject data" and must be delivered as the Federal Government may direct, but (6) Exception. Rights in Data and Copyrights Section E does not apply to an adaptation of automatic data processing equipment or program that is both: (a) For the Recipient's use, and (b) Acquired with FTA capital program funding,

F. License Fees and Royalties. As permitted by 49 C.F.R. parts 18 and 19: (1) License fees and royalties for copyrighted material or trademarks derived from Project are program income, and (2) The Recipient has no obligation to the Federal Government with respect to those license fees or royalties, except: (a) For compliance with 35 U.S.C. § 200 et seq., which applies to patent rights developed under a federally funded research-type project, and (b) As FTA determines otherwise in writing,

G. Hold Harmless. Upon request by the Federal Government, the Recipient agrees that: (1) Violation by Recipient. (a) If it willfully or intentionally violates any: 1 Proprietary rights, 2 Copyrights, or 3 Right of privacy, and (b) Its violation occurs from any of the following uses of Project data: 1 Publication, 2 Translation, 3 Reproduction, 4 Delivery, 5 Use, or 6 Disposition, then (c) It will indemnify, save, and hold harmless against any liability, including costs and expenses of: 1 The Federal Government's officers acting within the scope of their official duties, 2 The Federal Government's employees acting within the scope of their official duties, and 3 Federal Government's agents acting within the scope of their official duties, but (2) Exceptions. The Recipient will not be required to indemnify the Federal Government for any liability described in Rights in Data and Copyrights section G(1) if: (a) Violation by Federal Officers, Employees or Agents. The violation is caused by the wrongful acts of Federal employees or agents, or (b) State law. If indemnification is prohibited or limited by applicable State law,

H. Restrictions on Access to Patent Rights. Nothing in this Rights in Data and Copyrights section pertaining to rights in data either: (1) Implies a license to the Federal Government under any patent, or (2) May be construed to affect the scope of any license or other right otherwise granted to the Federal Government under any patent,

I. Data Developed Without Federal Funding or Support. The Recipient understands and agrees that in certain circumstances it may need to provide data developed without any Federal funding or support to FTA. Nevertheless: (1) Protections. Rights in Data and Copyrights Sections A, B, C, and D generally do not apply to data developed without Federal funding, even though that data may have been used in connection with the Project, and (2) Identification of Information. The Recipient understands and agrees that the Federal Government will not be able to protect data developed without Federal funding from unauthorized disclosure unless that data is clearly marked "Proprietary" or "Confidential," and

J. Requirements to Release Data. The Recipient understands and agrees that the Federal Government may be required to release Project data and information the Recipient submits to the Federal Government as required by: (1) The Freedom of Information Act, 5 U.S.C. § 552, (2) Another applicable Federal law requiring access to Project records, (3) U.S. DOT regulations, "Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations," specifically 49 C.F.R. § 19.36(d), or (4) Other applicable Federal regulations and guidance pertaining to access to Project records.

**Transit Employee Protective Provisions** – Applicability – Contracts for transit operations except micro-purchases (\$10,000 or less, except for construction contracts over \$2,000)

Public Transportation Employee Protective Arrangements. The Recipient agrees that 49 U.S.C. § 5333(b) requires employee protective arrangements to be in place as a condition of award of FTA assistance made available or appropriated for FTA programs involving public transportation operations. U.S. DOL recognizes the following categories of arrangements:

(1) U.S. DOL Certification. When its Project involves public transportation operations and is financed with funding made available or appropriated for 49 U.S.C. §§ 5307, 5309, 5312, 5337,

or 5339, as amended by Map-21, or former 49 U.S.C. §§ 5308, 5309, 5312, or other provisions of law as required by the Federal Government, U.S. DOL must provide a Certification of employee protective arrangements before FTA may provide financial assistance for the Project. Therefore, the Recipient understands and agrees, and assures that any Third Party Participant providing public transportation operations will agree, that: (a) It must carry out the Project as provided in its U.S. DOL Certification, which contains the terms and conditions that U.S. DOL has determined to be fair and equitable to protect the interests of any employees affected by the Project, (b) It must comply with 49 U.S.C. § 5333(b), and any future amendments thereto, (c) It will follow the U.S. DOL guidelines, "Guidelines, Section 5333(b), Federal Transit Law," 29 C.F.R. part 215, except as U.S. DOL determines otherwise in writing, (d) It must comply with the terms and conditions of the U.S. DOL certification of public transportation employee protective arrangements for the Project, which certification is dated as identified on the Underlying Agreement, including: 1 Alternative comparable arrangements U.S. DOL has specified for the Project, 2 Any revisions U.S. DOL has specified for the Project, or 3 Both, and (e) It must comply with the following documents and provisions incorporated by reference in and made part of the Underlying Agreement for the Project: 1 The U.S. DOL certification of public transportation employee protective arrangements for the Project, which certification is dated as identified on the Underlying Agreement, 2 The documents cited in that U.S. DOL certification for the Project, 3 Any alternative comparable arrangements that U.S. DOL has specified for the Project, and 4 Any revisions that U.S. DOL has specified for the Project, (2) Special Warranty. When its Project involves public transportation operations, and is financed with funding made available or appropriated for 49 U.S.C. § 5311, as amended by Map-21, for former 49 U.S.C. § 5311 in effect in FY 2012, or a previous fiscal year, or for section 3038 of TEA-21, as amended by section 3039 of SAFETEA-LU, U.S. DOL will provide a Special Warranty for those projects, including projects under the Tribal Transit Program. Therefore, the Recipient understands and agrees, and assures that any Third Party Participant providing public transportation operations will agree, that: (a) It must comply with Federal transit laws, specifically 49 U.S.C. § 5333(b), (b) Follow the U.S. DOL guidelines, "Guidelines, Section 5333(b), Federal Transit Law," 29 C.F.R. part 215, except as U.S. DOL determines otherwise in writing, (c) It will comply with the U.S. DOL Special Warranty for its Project that is most current on the date when it executed the Underlying Agreement, and documents cited therein, including: 1 Any alternative comparable arrangements U.S. DOL has specified for the Project, 2 Any revisions U.S. DOL has specified for the Project, or 3 Both, and (d) It will comply with the following documents and provisions incorporated by reference in and made part of the Underlying Agreement: 1 The U.S. DOL Special Warranty for its Project, 2 Documents cited in that Special Warranty, 3 Alternative comparable arrangements U.S. DOL specifies for the Project, and 4 Any revisions that U.S. DOL has specified for the Project, and (3) Special Arrangements for 49 U.S.C. § 5310 Projects. The Recipient understands and agrees, and assures that any Third Party Participant providing public transportation operations will agree, that although pursuant to 49 U.S.C. § 5310, and former 49 U.S.C. §§ 5310 or 5317, FTA has determined that it was not "necessary or appropriate" to apply the conditions of 49 U.S.C. § 5333(b) to Subrecipients participating in the program to provide public transportation for seniors (elderly individuals) and individuals with disabilities, FTA reserves the right to make the following exceptions: (a) FTA will make case-by-case determinations of the applicability of 49 U.S.C. § 5333(b) for all transfers of funding authorized under title 23, United States Code (flex funds), and (b) FTA reserves the right to make other

exceptions as it deems appropriate.

**Disadvantaged Business Enterprise (DBE)** – Applicability – Contracts over \$10,000 awarded on the basis of a bid or proposal offering to use DBEs

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

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

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

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

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

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

**Prompt Payment** – Applicability – All contracts except micro-purchases (\$10,000 or less, except for construction contracts over \$2,000)

The prime contractor agrees to pay each subcontractor under this prime contract for satisfactory performance of its contract no later than 30 days from the receipt of each payment the prime contract receives from the Recipient. The prime contractor agrees further to return retainage payments to each subcontractor within 30 days after the subcontractors work is satisfactorily completed. Any delay or postponement of payment from the above referenced time frame may occur only for good cause following written approval of the Recipient. This clause applies to both DBE and non-DBE subcontracts.

**Incorporation of Federal Transit Administration (FTA) Terms** – Applicability – All contracts except micro-purchases (\$10,000 or less, except for construction contracts over \$2,000)

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

**Drug & Alcohol Abuse and Testing** – Applicability – Operational service contracts except micro-purchases (\$10,000 or less, except for construction contracts over \$2,000)

The Contractor agrees to comply with the following Federal substance abuse regulations: a. Drug-Free Workplace. U.S. DOT regulations, "Drug-Free Workplace Requirements (Grants)," 49 C.F.R. Part 32, that implements the Drug-Free Workplace Act of 1988 as amended, 41 U.S.C. §§ 8103 et seq., and 2 CFR part 182, b. Alcohol Misuse and Prohibited Drug Use. FTA Regulations, "Prevention of Alcohol Misuse and Prohibited Drug Use in Transit Operations," 49 USC 5331, as amended by Map-21, 49 CFR part 40, 49 USC chapter 53, 49 CFR Part 655, to the extent applicable.

**Other Federal Requirements:**

**Full and Open Competition** – In accordance with 49 U.S.C. § 5325(h) all procurement transactions shall be conducted in a manner that provides full and open competition.

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

**Conformance with ITS National Architecture** – Contractor shall conform, to the extent applicable, to the National Intelligent Transportation Standards architecture as required by SAFETEA-LU Section 5307(c), 23 U.S.C. Section 512 note and follow the provisions of FTA Notice, "FTA National Architecture Policy on Transit Projects," 66 Fed. Reg. 1455 etseq.,

January 8, 2001, and any other implementing directives FTA may issue at a later date, except to the extent FTA determines otherwise in writing.

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

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

**Interest of Members or Delegates to Congress** - No members of, or delegates to, the US Congress shall be admitted to any share or part of this contract nor to any benefit arising therefrom.

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

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

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

**Real Property** - Any contract entered into shall contain the following provisions: Contractor shall at all times comply with all applicable statutes and USDOT regulations, policies, procedures and directives governing the acquisition, use and disposal of real property, including, but not limited to, 49 CFR 18.31-18.34, 49 CFR 19.30-19.37, 49 CFR Part 24, 49 CFR 5326 as amended by Map-21, 49 CFR part 18 or 19, 49 USC 5334, applicable FTA Circular 5010, and FTA Master Agreement, as they may be amended or promulgated during the term of this contract. Contractor's failure to so comply shall constitute a material breach of this contract.

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

**Environmental Justice** - Except as the Federal Government determines otherwise in writing, the Recipient agrees to promote environmental justice by following: (1) Executive Order No. 12898, "Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations," February 11, 1994, 42 U.S.C. § 4321 note, as well as facilitating compliance with that Executive Order, and (2) DOT Order 5610.2, "Department of Transportation Actions To Address Environmental Justice in Minority Populations and Low-Income Populations," 62 Fed. Reg. 18377, April 15, 1997, and (3) The most recent and applicable edition of FTA Circular 4703.1, "Environmental Justice Policy Guidance for Federal Transit Administration Recipients," August 15, 2012, to the extent consistent with applicable Federal laws, regulations, and guidance,

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

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

**Geographic Preference**

All project activities must be advertised without geographic preference, (except in A/E under certain circumstances, preference for hiring veterans on transit construction projects and geographic-based hiring preferences as proposes to be amended in 2 CFR Part 1201 ).

**Organizational Conflicts of Interest**

The Recipient agrees that it will not enter into a procurement that involves a real or apparent organizational conflict of interest described as follows: (1) When It Occurs. An organizational conflict of interest occurs when the Project work, without appropriate restrictions on certain future activities, results in an unfair competitive advantage: (a) To that Third Party Participant or another Third Party Participant performing the Project work, and (b) That impairs that Third Party Participant's objectivity in performing the Project work, or (2) Other. An organizational conflict of interest may involve other situations resulting in fundamentally unfair competitive conditions, (3) Disclosure Requirements. Consistent with FTA policies, the Recipient must disclose to FTA, and each of its Subrecipients must disclose to the Recipient: (a) Any instances of organizational conflict of interest, or (b) Violations of federal criminal law, involving fraud, bribery, or gratuity violations potentially affecting the federal award, and (4) Failure to Disclose. Failure to make required disclosures can result in remedies for noncompliance, including debarment or suspension.

**Federal Single Audit Requirements for State Administered Federally Aid Funded Projects**

Non Federal entities that expend \$750,000 or more in a year in Federal awards from all sources are required to comply with the Federal Single Audit Act provisions contained in U.S. Office of Management and Budget (OMB) Circular No. A 133, "Audits of States, Local Governments, and Non Profit Organizations" (replaced with 2 CFR Part 200, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards" effective December 26, 2014 as applicable). Non Federal entities that expend Federal awards from a single source may provide a program specific audit, as defined in the Circular. Non Federal entities that expend less than the amount above in a year in Federal awards from all sources are exempt from Federal audit requirements for that year, except as noted in Sec. 215 (a) of OMB Circular A-133 Subpart B--Audits, records must be available for review or audit by appropriate officials of the cognizant Federal agency the New York State Department of Transportation, the New York State Comptrollers Office and the U.S. Governmental Accountability Office (GAO).

Non Federal entities are required to submit a copy of all audits, as described above, within 30 days of issuance of audit report, but no later than 9 months after the end of the entity's fiscal year, to the New York State Department of Transportation, Contract Audit Bureau, 50 Wolf Road, Albany, NY 12232. Unless a time extension has been granted by the cognizant Federal Agency and has been filed with the New York State Department of Transportation's Contract Audit Bureau, failure to comply with the requirements of OMB Circular A-133 may result in suspension or termination of Federal award payments.

**Veterans Preference.** As provided by 49 U.S.C. § 5325(k), to the extent practicable, the Recipient agrees and assures that each of its Subrecipients:

- (1) Will give a hiring preference to veterans, as defined in 5 U.S.C. § 2108, who have the skills and abilities required to perform construction work required under a third party contract in connection with a Capital Project supported with federal assistance appropriated or made available for 49 U.S.C. chapter 53, and
- (2) Will not require an employer to give a preference to any veteran over any equally qualified applicant who is a member of any racial or ethnic minority, female, an individual with a

disability, or a former employee.

**Safe Operation of Motor Vehicles.**

a. Seat Belt Use. The Recipient agrees to implement Executive Order No. 13043, "Increasing Seat Belt Use in the United States," April 16, 1997, 23 U.S.C. § 402 note, (62 Fed. Reg. 19217), by:

- (1) Adopting and promoting on-the-job seat belt use policies and programs for its employees and other personnel that operate company-owned vehicles, company-rented vehicles, or personally operated vehicles, and
- (2) Including a "Seat Belt Use" provision in each third party agreement related to the Award.

b. Distracted Driving, Including Text Messaging While Driving. The Recipient agrees to comply with:

- (1) Executive Order No. 13513, "Federal Leadership on Reducing Text Messaging While Driving," October 1, 2009, 23 U.S.C. § 402 note, (74 Fed. Reg. 51225),
- (2) U.S. DOT Order 3902.10, "Text Messaging While Driving," December 30, 2009, and
- (3) The following U.S. DOT Special Provision pertaining to Distracted Driving:

(a) Safety. The Recipient agrees to adopt and enforce workplace safety policies to decrease crashes caused by distracted drivers, including policies to ban text messaging while using an electronic device supplied by an employer, and driving a vehicle the driver owns or rents, a vehicle Recipient owns, leases, or rents, or a privately-owned vehicle when on official business in connection with the Award, or when performing any work for or on behalf of the Award,

(b) Recipient Size. The Recipient agrees to conduct workplace safety initiatives in a manner commensurate with its size, such as establishing new rules and programs to prohibit text messaging while driving, re-evaluating the existing programs to prohibit text messaging while driving, and providing education, awareness, and other outreach to employees about the safety risks associated with texting while driving, and

(c) Extension of Provision. The Recipient agrees to include the preceding Special Provision of section 34.b(3)(a) – (b) of this Master Agreement in its third party agreements, and encourage its Third Party Participants to comply with this Special Provision, and include this Special Provision in each third party subagreement at each tier supported with federal assistance.

**Catalog of Federal Domestic Assistance (CFDA) Identification Number**

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

**The CFDA number for the Federal Transit Administration.** Nonurbanized Area Formula (Section 5311) is 20.509. A Recipient covered by the Single Audit Act Amendments of 1996 and OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations," (replaced with 2 CFR Part 200, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards" effective December 26, 2014 as applicable) agrees to separately identify the expenditures for Federal awards under the Recovery Act on the Schedule of Expenditures of Federal Awards (SEFA) and the Data Collection Form

(SF-SAC) required by OMB Circular A-133. The Recipient agrees to accomplish this by identifying expenditures for Federal awards made under Recovery Act separately on the SEFA, and as separate rows under Item 9 of Part III on the SF-SAC by CFDA number, and inclusion of the prefix "ARRA" in identifying the name of the Federal program on the SEFA and as the first characters in Item 9d of Part III on the SF-SAC.

VEHICLE LEASE AGREEMENT BETWEEN

Shelby County  
AND  
C.E.F.S Economic Opportunity Corporation

EFFECTIVE DATE:  
July 1, 2026

## INDEX OF VEHICLE LEASE AGREEMENT

SECTION 1--	Vehicle Leased	3
SECTION 2 --	Use and Scope of Service Limits	3
SECTION 3 --	Tenn	3
SECTION 4--	Additional Conditions of IDOT	3
SECTION 5--	Lessee's Representations and Warranties	4
SECTION 6--	Rent and Terms of Payment	4
SECTION 7 --	Insurance	4
SECTION 8 --	License Plates and Registration	5
SECTION 9--	Delivery of Vehicle	5
SECTION 10-	Reports & Audit	5
SECTION 11 -	Maintenance	5
SECTION 12-	Modification of Vehicle	5
SECTION 13 -	Acceptance by Lessee	6
SECTION 14-	Risk of Loss	6
SECTION 15-	Indemnity	6
SECTION 16-	Additional Charges	6
SECTION 17-	Reports of Accidents	6
SECTION 18 -	Drivers of Vehicle	7
SECTION 19-	Termination	7
SECTION 20-	Surrender of Vehicle	7
SECTION 21-	Warranties	7
SECTION 22 -	Compliance with Laws	7
SECTION 23 -	Assignment	8
SECTION 24-	Default	8
SECTION 25-	Waiver	8
SECTION 26-	Lease Only	9
SECTION 27 -	Notices	9
SECTION 28-	Right to Repossess	9
SECTION 29-	Inspection of Vehicle	9
SECTION 30-	Return of Vehicle	9
SECTION 31-	Succession	10
SECTION 32 -	Amendment	10
SECTION 33 -	Liability for Contents	10
SECTION 34-	Attorney Fees	10
SECTION 35 -	Governing Law	10

## VEHICLE LEASE AGREEMENT

This Agreement is made and entered into by and between Shelby County, a public entity, hereinafter referred to as "Lessor", and C.E.F.S. Economic Opportunity Corporation/Central Illinois Public Transit an Illinois Not-For-Profit Corporation, hereinafter referred to as "Lessee".

Lessor and Lessee, for the considerations set forth below, hereby agree as follows:

### SECTION 1 Vehicle(s) Leased

Lessor hereby leases to Lessee, on the terms and conditions herein contained the following motor vehicle(s):

\*\*\*\*\*SEE ATTACHED INVENTORY

Lessor shall delete the name Shelby County on the leased vehicle(s), and Lessee may, at its cost, add lettering such as C.E.F.S Economic Opportunity Corporation/Central Illinois Public Transit, providing said lettering is applied in a commercially reasonable manner.

### SECTION 2 Use and Scope of Service Limits

Lessee agrees that it will not use or permit the use of the leased vehicle(s) in any negligent or improper manner, or in violation of any statute, law, or ordinance, or so as to avoid any insurance covering the vehicle(s), or as a public or private livery, or permit any vehicle(s) to become subject to any lien, charge, or encumbrance which may affect Lessor's title to said vehicle(s).

Lessee shall notify Lessor once the vehicle reaches its useful life according to IDOT guidelines or is deemed ready for disposal due to structural/mechanical issues, whereas Lessor may apply for release of lien from IDOT.

### SECTION 3 Term

The term of the lease shall be for 1 year commencing on July 1, 2026, and termination at midnight on June 30, 2027. Subject to the terms of Section 18, the Lessee shall notify Lessor in writing, no later than ninety (90) days prior to the termination date of this agreement, of Lessee's intention to either terminate this Agreement on June 30, 2027, or seek to renew the Agreement.

### SECTION 4 Additional Conditions of IDOT

The State of Illinois Department of Transportation, Division of Public Transportation (hereinafter referred to as "IDOT") is lien holder on the vehicle(s) to be leased, previously operated by Lessor pursuant to the abovementioned capital grant agreement listed in Section 1.

Lessee shall use the vehicle(s) for the same purposes as described in the Section 16 Grant Contract entered into by Lessor and IDOT, i.e. for special transportation services designed to meet the needs of elderly people and/or people with disabilities in Illinois

Lessee represents and warrants that it will comply with said terms, conditions, and obligations of IDOT, so as not to jeopardize Lessor's relationship with IDOT, nor cause Lessor to be in default of any agreement with IDOT. Any breach of the Section 16 Grant Contract shall be considered a default by Lessee under the terms hereof.

### SECTIONS

#### Lessee's Representations and Warranties

In consideration of Lessor entering into this Agreement, the Lessee hereby represents and warrants:

(a) Lessee is an Illinois Municipal corporation, duly organized, validly existing, and in good standing under the laws of the State of Illinois, and has the power and authority to carry on its business, as now conducted, to own and operate its property and assets, to execute this Agreement and any other agreements and instruments referred to in this Agreement that it is executing and delivering, and to carry out the transactions contemplated hereby and thereby.

(b) Neither the execution, delivery or performance of this Agreement or any other agreement or instrument referred to in this Agreement that is executed and delivered by or on behalf of Lessee in conjunction herewith, nor the consummation of the transactions herein or therein contemplated, nor compliance with the terms and provisions hereof or thereof, contravenes the Certificate of Incorporation, Articles of Incorporation, or Bylaws of Lessee or any provision of Law, statute, rule, regulations, or order of any court of governmental authority to which Lessee is subject, or any judgment, decree, franchise, order to permit applicable to Lessee, or conflicts or is inconsistent with, or will result in any breach of or constitute a default under, any contract, commitment, agreement, understanding, arrangement, or instrument, or result in the creation of or imposition of, or the obligation to create or impose, any lien, encumbrance, or liability on any of the property or assets of Lessee, or will increase any such lien, encumbrance, or liability.

(c) Lessee now has and will continue to have during the term of this Agreement, all necessary licenses, certification, or other documents required by any governmental agency, federal, state, or local, which authorize or empower the services to be performed hereunder by Lessee.

### SECTION 6

#### Rent and Terms of Payment

Lessee agrees to pay as rent for the vehicle leased herein the sum of One Dollar (\$1.00) per year, per vehicle, paid annually in advance.

### SECTION 7

#### Insurance

Lessee shall, at its sole cost, provide and maintain during the term of this Agreement, a policy or policies of vehicle(s) liability insurance containing the coverage, exceptions, and exclusions, which are ordinarily contained in vehicle(s) liability insurance policies written for the locality where the vehicle is stored. Such policy shall insure Lessor and Lessee, and their respective agent and employees, with respect to liability as a result of the ownership, maintenance, use or operation of vehicle(s) furnished by Lessor to Lessee pursuant to this Agreement. Furthermore, Lessee shall, at its sole cost, provide and maintain during the term of the Agreement, insurance coverage for collision and comprehensive damages as is customary for such vehicle(s), naming Lessor as an additional insured.

The insurance shall be primary, and not excessive or contributory, with respect to any accident involving such vehicle(s), and shall, at minimum, afford the following coverage:

Commercial Vehicle Coverage  
Combined single limit: \$2,000,000.00

Umbrella Excess Liability Coverage  
\$4,000,000.00

Such insurance shall include destruction and/or loss of use or property as a result of an accident. Lessor shall not be liable for damage to property owned by, rented to, or in charge of Lessee.

All such insurance shall be in a form acceptable to Lessor. Lessee shall cause the insurer to furnish to Lessor a certificate of insurance, and a certificate of any renewal or replacement of insurance, evidencing coverage as outlined herein. The certificate shall provide that the insurance shall not be cancelled or materially modified except upon fifteen (15) days advance notice to Lessor.

Lessee must promptly notify Lessor of any accident or incident that may result in an insurance claim.

#### SECTIONS

##### License Plates and Registration

The vehicle subject to this Agreement shall bear the proper license plate. The title to such vehicle is registered in the name of the Lessor, subject to the lien rights of IDOT. The annual registration, license fees, safety inspection costs, etc. shall be paid by Lessee.

#### SECTION 9

##### Delivery of Vehicle

Lessor shall use all reasonable diligence to transfer the vehicle(s) leased hereunder to the Lessee on the execution of this Agreement and any supplement thereto but shall not be liable to Lessee for any failure or delay if Lessor shall have exercised reasonable diligence herein.

#### SECTION 10

##### Reporting and Audit

(a) Lessee shall be responsible for providing any and all data pertaining to the scope of services as requested upon reasonable notice by Lessor. Data required may include, but not be limited to, vehicle(s) maintenance records and trip logs.

(b) Lessor or its designee may perform one or more audits and/or inspection of the records with regard to compliance with the provisions of the Agreement. Lessee agrees to comply with all requests to have equipment available as requested by Lessor for completion of audits.

(c) Lessee agrees to preserve for a period of five years after the termination of this Agreement, any and all reports, insurance policies, trip sheets, and other data pertaining to compliance with any and all terms of the Agreement.

#### SECTION 11

##### Maintenance

All service, materials, and repairs in connection with the use and operation of the respective vehicle during the lease term, including but not limited to gasoline, fuel, oil, batteries, repairs, maintenance, tires, tubes, and towing necessary for the proper use and operation of the vehicle(s), are at lessee's expense. Maintenance will be performed according to Lessee's Maintenance Plan which follows manufacturers', FTA, and IDOT guidance. Lessee shall take the vehicle(s) to the appropriate factory-authorized dealer for all service and repairs under manufacturer's warranty. Lessor shall not be liable for repairs, nor shall any such repairs be charged to Lessor. Lessee shall maintain and clean said vehicle(s) in a reasonable manner. Lessee shall immediately take reasonable corrective action on any item of repair, maintenance or cleanliness upon receipt of any complaint from Lessor.

Lessee shall prepare and maintain accurate records relating to all vehicle(s) maintenance performed herein and shall provide Lessor with any such information when requested in writing.

#### SECTION 12

##### Modification of Vehicle

Upon taking possession of vehicle(s), the Lessee shall add proper lettering to outside of vehicle(s) and mountings for tablets in vehicle(s).

**SECTION 13**  
Acceptance by Lessee

Upon taking possession of vehicle(s), it shall be conclusively presumed to be in neat and proper appearance, good repair, mechanical condition, and running order when accepted by Lessee.

NEITHER LESSOR NOR LESSEE IS THE MANUFACTURER OF THE VEHICLE(S) SUBJECT TO THIS AGREEMENT, NOR THE MANUFACTURER'S AGENT, AND NEITHER MAKES ANY EXPRESS OR IMPLIED WARRANTY OF ANY NATURE REGARDING THE VEHICLE(S) SUBJECT TO THIS AGREEMENT, INCLUDING BUT NOT LIMITED TO: ITS MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE; ITS DESIGN OR CONDITION; ITS WORKMANSHIP; ITS FREEDOM FROM LATENT DEFECTS; ITS COMPLIANCE WITH THE REQUIREMENTS OF ANY LAW, RULE, SPECIFICATION OR CONTRACT; OR ITS NONINFRINGEMENT OF ANY PATENT, TRADEMARK, OR LICENSE.

This Agreement shall not operate to release or waive any rights of Lessor or Lessee against any person not a party hereto, including the manufacturer of the vehicle(s) subject to this Agreement.

Lessor shall assign or otherwise make available, as legally permitted, any manufacturer's warranties covering the vehicle(s) subject to this Agreement.

**SECTION 14**  
Risk of Loss

Lessee shall bear all risks of damage or loss of the leased vehicle(s), or any portion of damage or loss not covered by insurance. All replacements, repairs, or substitution of parts or equipment of respective vehicle shall be at the cost and expense of the Lessee and shall be accessions to the vehicle(s). The Lessee shall at all times, and at Lessee's expense, keep the vehicle in good working order, condition, and repair, reasonable wear and tear excepted.

**SECTION 15**  
Indemnity

Lessee agrees to save Lessor and the State of Illinois, including IDOT, harmless from any and all claims, losses, causes of action, and expenses, for whatever reason, including legal expenses and reasonable attorney's fees, arising from the use, maintenance, and operation of the vehicle(s) leased under the Agreement or the provision of services hereunder.

**SECTION 16**  
Additional Charges

Lessee agrees to pay any and all storage charges, parking charges, and fines which are levied against Lessee as a result of the improper acts of Lessee or its employees. Lessee will pay any fees (including vehicle registration and inspection fees) or taxes which may be imposed with respect to such vehicle(s) by any duly constituted governmental authority as the result of lessee's use or intended use of the vehicle(s).

**SECTION 17**  
Accident Reporting

If any vehicle(s) furnished by Lessor to Lessee under this Agreement is involved in a non-DOT reportable accident resulting in an insurance claim, the accident will be reported on the monthly PCOM report. DOT reportable accidents will be reported to the PCOM within 24 hours. Lessee, its agents and employees, shall cooperate fully with Lessor and the insurer in the investigation and defense of any claim or suit, and shall do nothing to impair or invalidate any applicable coverage.

Lessee shall promptly deliver to Lessor, or to such other person or company as Lessor shall have designated in writing, any and all papers, notices, summonses, process and documents whatsoever served upon or delivered to Lessee or

Lessee's agents or employees in connection with any claim, suit, action, or proceeding at law or in equity commenced or threatened against Lessee and/or Lessor arising out of the ownership, maintenance, use or operation of any such vehicle(s).

**SECTION 18**  
Drivers of Vehicle

The leased vehicle(s) under this Agreement shall be operated only by safe, careful, and legally qualified drivers having a proper license. Such drivers shall be selected, employed, controlled, and paid by Lessee. Lessee shall cause the vehicle(s) to be used and operated with reasonable care and precaution to prevent loss and damage to said vehicle(s) because of negligent or reckless use, abuse, fire, theft, collision, or injury to persons or property.

Lessee's drivers shall comply with all applicable state and federal regulations governing transportation services.

**SECTION 19**  
Termination

At least ninety (90) days prior to the expiration of the term set forth in Section 3, the parties shall either (i) agree in writing to extend the Agreement upon such terms and conditions as may be mutually agreeable, or (ii) if an extension of the Agreement is not completed, then one party may provide written notice to the other party that the Agreement shall terminate at the expiration of the term set forth in Section 3. This Agreement shall terminate in any event upon default as provided in Section 23.

**SECTION 20**  
Surrender of Vehicle

Upon termination, at the sole option of Lessor, Lessee shall surrender the respective vehicle(s) leased hereunder, in the same condition as when received, less reasonable wear and tear, free from collision or upset damage, to the Lessor at the address listed in Section 26, or at any other location mutually agreed on by the parties to the Agreement.

**SECTION 21**  
Warranties

THERE ARE NO WARRANTIES, EXPRESSED OR IMPLIED, BY THE LESSOR TO THE LESSEE AND LESSOR SHALL NOT BE LIABLE FOR ANY LOSS OR DAMAGE TO LESSEE, NOR TO ANYONE ELSE, OF ANY KIND AND HOWSOEVER CAUSED, WHETHER BY THE LEASED VEHICLE(S), OR BY THE FAILURE OF THE VEHICLE(\$), OR INTERRUPTION OF SERVICE OR USE OF THE LEASED VEHICLE(\$).

**SECTION 22**  
Compliance with Laws

The vehicle(s) leased under this Agreement will not, while in the possession, custody, or control of Lessee, be operated in excess of its rated maximum weights or capacity. If the vehicle(s) is damaged in any manner due to overloading, Lessee shall immediately pay Lessor the amount of any and all damages and losses it may sustain thereby.

The leased vehicle(s) shall not be used in violation of any federal, state or municipal statutes, laws, ordinances, rules or regulations applicable to the operation of such vehicle(s). Lessee will hold Lessor harmless from any and/or all fines, forfeitures, penalties for traffic violations or for the violation of any statute, law, ordinance, rule, or regulation of any duly constituted public authority.

Lessee shall not use nor allow any vehicle(s) to be used for any unlawful purpose or for the transportation of any property or material deemed extra hazardous by reason of being explosive, inflammable, or fissionable.

### SECTION 23

#### Assignment

Lessee agrees not to assign, transfer, sublet, pledge, or encumber any of its rights under this Agreement, or the Agreement itself, or the subject vehicle(s), without the prior written consent of Lessor. Lessee hereby consents to and authorizes Lessor's assignment of all rentals, charges, and any other amounts payable by Lessee to Lessor, or to become payable. This Agreement and the rights and interests of Lessee under this Agreement are subordinate to any security agreement executed by Lessor and any such assignee, covering the vehicle(s) leased hereunder.

### SECTION 24

#### Default

Time is of the essence of this Agreement. Lessor, at its option, may declare this Agreement in default on the happening of any of the following:

- a. Default by Lessee in payment or performance of any of its obligations under this Agreement.
- b. Voluntary assignment of Lessee's interests herein.
- c. Involuntary transfer of Lessee's interest herein, whether or not by operation of law, bankruptcy, or any assignment of Lessee's property for the benefit of creditors, or if a receiver or trustee is appointed for Lessee's property or business.
- d. Expiration or cancellation of any policy of insurance agreed to be paid for by Lessee, or the cessation in force according to its original terms of such insurance, or of any extension or renewal of such insurance, during the entire term of this Agreement.

Lessor shall provide Lessee with written notice of default. Lessee shall have ten (10) days from the date Lessor's notice is given as required by Section 26 of this Agreement to cure the default. If upon the expiration of said ten (10) days' time Lessee has not cured the default, then Lessor may seek to enforce any rights and or remedies it may have against Lessee hereunder.

On declaration by Lessor that the Agreement is in default, and after expiration of the cure period set forth above, the vehicle(s) subject to this Agreement shall be surrendered and delivered to Lessor, and Lessor may take possession of the vehicle(s) wherever it may be found, and for that purpose may enter on the premises of Lessee provided there is no breach of peace. If allowed by applicable law or upon abandonment of the vehicle by Lessee, the Lessor's right to take possession of the vehicle(s) may be without process of law. On default, Lessee and Lessee's successor in interest, whether by operation of law or otherwise, shall have no right, title, or interest in the vehicle subject to this Agreement, or the possession or use of such vehicle(s), and Lessor shall retain all rents and other sums paid by Lessee under this Agreement with respect to said vehicle(s). The rights and remedies of Lessor under this Agreement are not exclusive, but cumulative and in addition to all other rights and remedies provided by law. Lessor shall be entitled to collect from Lessee the costs and expenses, including reasonable attorney fees, in connection with any matters concerning the default of Lessee and the repossession of the vehicle(s).

### SECTION 25

#### Waiver

Failure of Lessor in any one or more instances to insist on the performance of any of the terms of this Agreement, or to exercise any right or privilege conferred herein, or the waiver of any breach of any terms of this Agreement shall not thereafter be construed as a waiver of such terms, which shall continue in force as if no such waiver had occurred.

**SECTION 26**  
Lease Only

This agreement is one of leasing only and Lessee shall not acquire hereby any right, title, or interest to vehicle leased here under other than that of Lessee. Lessee acknowledges that Lessor owns (subject to IDOT lien) the vehicle(s) subject to the Agreement. Nothing herein shall affect Lessor's absolute ownership of any title to said vehicle(s).

**SECTION 27**  
Notices

Notices provided for under this Agreement shall be deemed given when mailed certified mail to the addresses of the Lessor and Lessee, as set forth below:

IF TO LESSOR: Shelby County  
301 East Main Street  
Shelbyville, IL 62565

IF TO LESSEE: C.E.F.S. Economic Opportunity Corporation  
1805 S. Banker Street  
Effingham, IL 62401

**SECTION 28**  
Right to Repossess

Upon failure of Lessee to return or deliver the vehicle(s) subject to the terms hereof as directed by Lessor, or if Lessee fails to use, repair, or maintain the vehicle(s) as required herein, Lessee shall permit Lessor, without demand, legal process, or a breach of the peace, to enter any premises where the vehicle is or may be located to take possession of and remove the vehicle(s). Lessee shall not prosecute or assist in the prosecution of any claim, suit, action, or other proceeding arising out of any such repossession by Lessor. Lessee shall reimburse Lessor for any and all costs including reasonable attorneys' fees, incurred by Lessor in connection with actions taken by Lessor pursuant to this section.

**SECTION 29**  
Inspection of Vehicle

Lessor shall have the right to inspect the respective vehicle(s) during reasonable business hours. Lessor shall also have the right to demand from time to time a written statement from Lessee setting forth the condition of the vehicle or any parts thereof. Lessee shall furnish such a statement to Lessor within ten (10) days after receipt of Lessor's demand, therefore. Should Lessor or its designee determine, in its sole discretion that the vehicle(s) has not been maintained in accordance with this Agreement, Lessor or its designee shall report all deficiencies to Lessee in writing. Except for safety related deficiencies, to be corrected as soon as reasonably possible and prior to placing the vehicle(s) in service, Lessee shall have thirty (30) days to correct the reported deficiencies.

**SECTION 30**  
Return of Vehicle

Immediately following termination of this Agreement, whether by completion of the term or any reason, Lessee shall surrender and deliver to Lessor the vehicle(s) and related records, unless the right is waived at Lessor's sole discretion.

**SECTION 31**  
Succession

This Agreement shall be binding on and inure to the benefit of the heirs, executors, administrators, successors, and assigns of the parties to this Agreement.

**SECTION 32**  
Amendment

This agreement may not be amended or altered in any manner unless such amendment or alteration is in writing and signed on behalf of the parties.

**SECTION 33**  
Liability for Contents

Lessor shall not be liable for loss of or damage to any property left, stored, loaded, or transported in or upon the vehicle(s) furnished by Lessor to Lessee pursuant to this Agreement, unless due to the negligence of Lessor, its agents or employees.

**SECTION 34**  
Attorney's Fees

Except as provided for in Section 23, concerning default of Lessee, the prevailing party shall be entitled to reimbursement from the losing party for costs and expenses including reasonable attorney's fees incurred in enforcing the terms and provision of this Agreement and in the defending and proceeding to which Lessor or Lessee is made a party to any legal proceedings as a result of acts or omissions of the other party.

**SECTION 35**  
Governing Law

This Agreement shall be governed by the laws of the State of Illinois and constitutes the entire Agreement between Lessor and Lessee.


IN WITNESS, THEREOF, the parties have executed this Agreement as of the day and year first-above written.

LESSOR:

  
\_\_\_\_\_  
Tad Mayhall, Shelby County Board Chair      Date

3/27/26

LESSEE:

  
\_\_\_\_\_  
Kevin Bushur, CEO, CEFS EOC      Date


4/13/26

ATTEST:

  
\_\_\_\_\_  
Jessica Fox, Shelby County Clerk      Date

3/27/26

ATTEST:

  
\_\_\_\_\_  
Beth Beck-Marts, Prog. Director, CEFS EOC      Date

4/13/26

**RESOLUTION NO.**

*2026-08*

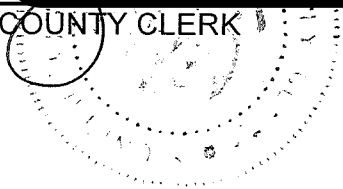
BE IT RESOLVED, by the County Board of Shelby County, State of Illinois, that Shelby County concurs in the awarding of a contract to C-Hill Civil Contracting for removal and replacement of a bridge located at TR271A over a Drake Creek Branch on the township line between Ash Grove/Big Spring Township. Section #18-01127-00-BR. Shelby County based on their bid of \$479,888.00 submitted at a letting held February 17, 2026. See attached bid tabulation for bidders.

**STATE OF ILLINOIS)  
COUNTY OF SHELBY)      SS**

I Jessica Foy County Clerk in and for said County in the state aforesaid and keeper of the records and files thereof, as provided by statute, do hereby certify the foregoing to be a true perfect and complete copy of a RESOLUTION adopted by the County Board of Shelby County at its regular meeting held in Shelbyville Illinois on March 12, 2026

IN TESTIMONY WHEREOF I have hereunto set my hand and affixed the seal of said County at my office in Shelbyville in said County this 12<sup>th</sup> day of March A.D. 2025.

  
\_\_\_\_\_  
COUNTY CLERK



Illinois Department of Transportation

County SHELBY Date 3-25-2025 Time 10:00 AM  
Munic/R.D. RIDGE Appropriation SHELBY CO HWY DEPT  
Section 19-17120-00-BR Attended by

Proposal Guarantee  
Terms

Item No. or Group	Items	Delivery	Unit	Quantity	Name and Address of Bidders		1-1		1-2		1-3		1-4		1-5	
					Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price	Total		
20100500	TREE REMOVAL ACRES		ACRES	1.10	12,000.00	13,200.00	12500.00	13,750.00	0.00							
20200100	EARTH EXCAVATION		CU YD	1,472.00	60.00	88,320.00	23.50	34,592.00	35.00	51,520.00						
20300100	CHANNEL EXCAVATION		CU YD	330.00	60.00	19,800.00	35.00	11,550.00	35.00	11,550.00						
21101615	TOPSOIL FURNISH AND PLACE 4"		SQ YD	1,970.00	8.00	15,760.00	8.50	16,745.00	10.00	19,700.00						
28100207	STONE RIPRAP CLASS A4		TON	257.00	65.00	16,705.00	100.00	25,700.00	195.00	50,115.00						
28200200	FILTER FABRIC		SQ YD	350.00	7.00	2,450.00	5.00	1,750.00	2.50	875.00						
40200800	AGG SURFACE CSE TY B		TON	586.00	47.00	27,542.00	54.00	31,644.00	52.00	30,472.00						
50100100	REMOVAL OF EXISTING STRUCTURE		EACH	1.00	15,000.00	15,000.00	12500.00	12,500.00	42450.00	42,450.00						
50300225	CONCRETE STRUCTURE		CU YD	29.40	950.00	27,930.00	900.00	26,460.00	1200.00	35,280.00						
50300280	CONCRETE ENCASMENT		CU YD	2.80	950.00	2,660.00	1500.00	4,200.00	1200.00	3,360.00						
50400505	PPC DECK BEAMS 27"		SQ FT	1,568.00	130.00	203,840.00	100.00	156,800.00	125.00	196,000.00						
50800205	RE-BARS EPOXY COATED		POUND	4,640.00	2.75	12,760.00	2.40	11,136.00	3.50	16,240.00						
50900205	STEEL RAILING TY S1		FOOT	135.00	275.00	37,125.00	165.00	22,275.00	175.00	23,625.00						
51201600	FURNISHING STEEL PILES HP 12X53		FOOT	150.00	90.00	13,500.00	43.00	6,450.00	75.00	11,250.00						
51202305	DRIVING PILES		FOOT	150.00	1.00	150.00	0.01	1.50	0.00							
51203600	TEST PILE STEEL HP 12X53		EACH	2.00	12,000.00	24,000.00	9000.00	18,000.00	10000.00	20,000.00						
51500100	NAME PLATES		EACH	1.00	450.00	450.00	550.00	550.00	500.00	500.00						
67100100	MOBILIZATION		L SUM	1.00	31,500.00	31,500.00	13600.00	13,600.00	34000.00	34,000.00						
72501000	TERMINAL MARKER- DIRECT APPLIE		EACH	4.00	45.00	180.00	52.50	210.00	60.00	240.00						
				TOTAL BIDS												
				% Over(+)/ Under(-) Est.												
				AS READ												

2 1 1 1 0 0 0 0



COUNTY of Shelby  
Section No.: 20-03118-00-BR

RESOLUTION  
2026- 09

WHEREAS the County of Shelby endeavors to reconstruct Structure 087-3198, a bridge over Richland Creek located 2.5 miles Southeast of Clarksburg.

WHEREAS the cost of said improvement has necessitated the use of LPF Grant Funds.

WHEREAS the use of LPF Grant funds requires a joint funding agreement (AGREEMENT) with the Department of Transportation.

NOW, THEREFORE, BE IT RESOLVED that the County of Shelby authorized a maximum amount of nine-hundred thousand dollars (\$900,000) as well as much of such sum as may be needed from the Township Bridge Program account to complete the aforementioned project known as MFT Section Number 20-03118-00-BR.

BE IT FURTHER RESOLVED that the Chairman is hereby authorized and directed to execute the above-mentioned AGREEMENT and any other such documents related to advancement and completion of said project.

Certificate:

I, Jessica Fox, Clerk in and for said County in the State of Illinois, and keeper of the records and filed thereof, as provided by statute, do hereby certify the foregoing to be a true, perfect and complete copy of a Resolution adopted by the County Board at its meeting held on March 12, 2026.

In testimony whereof, I have hereunto set my hand and affixed the seal of said County at my office in Shelbyville, Illinois, in Shelby County, this 12<sup>th</sup> day of March, 2026.

Seal



Clerk



**Illinois Department  
of Transportation**

**Joint Funding Agreement for  
State Participation**

State Participation  Economic Development Program  Truck Access Route Program (TARP)

**LOCAL PUBLIC AGENCY**

Local Public Agency		County	Section Number
Shelby County		Shelby	20-03118-00-BR
<b>Construction</b>	<b>Engineering</b>	<b>Right-of-Way</b>	
State Job Number	State Job Number	State Job Number	
C-97-067-26			

**LOCATION**

Local Street/Road Name	Key Route	Length	Stationing	
			From	To
E 675 N RD	TR 0313	0.01	03.19	03.20
Location Termini				
5 MI SW of Strasburg Over Richland Creek				
Current Jurisdiction	Existing Structure Number(s)		Add Location	
Clarksburg Township	087-3198		Remove	

**PROJECT DESCRIPTION**

Remove and replace existing structure 087-3198.

Local Public Agency	Section Number	Construction State Job Number	Engineering State Job Number	Right-of-Way State Job Number
Shelby County	20-03118-00-BR	C-97-067-26		

This Agreement is made and entered into between the above local public agency, hereinafter referred to as the "LPA" and the State of Illinois acting by and through its Department of Transportation, herein referred to as the "STATE". The STATE and LPA joint proposes to improve the designated location as described in the Location and Project Description sections of this Agreement. The improvement shall be developed and constructed in accordance with plans prepared by, or on behalf of the LPA and approved by the STATE using the STATE's Motor Fuel Tax policies and procedures.

## I. GENERAL

1.1 Availability of Appropriation; Sufficiency of Funds. This Agreement is contingent upon and subject to the availability of sufficient funds. The STATE may terminate or suspend this Agreement, in whole or in part, without penalty or further payment being required, if (i) sufficient funds for this Agreement have not been appropriated or otherwise made available to the LPA by the STATE funding source, (ii) the Governor or STATE reserves funds, or (iii) the Governor or STATE determines that funds will not or may not be available for payment. The STATE shall provide notice, in writing to LPA of any such funding failure and its election to terminate or suspend this Agreement as soon as practicable. Any suspension or termination pursuant to this Section will be effective upon the date of the written notice unless otherwise indicated.

1.2 Domestic Steel Requirement. Construction of the project will utilize domestic steel as required by Section 106.01 of the current edition of the Standard Specifications for Road and Bridge Construction.

1.3. Severability. If any provision of this Agreement is declared invalid, its other provisions shall not be affected thereby.

1.4. Termination. This Agreement may be terminated, in whole or in part, by either Party for any or no reason upon thirty (30) calendar days' prior written notice to the other Party. If terminated by the STATE, the STATE must include the reasons for such termination, the effective date, and, in the case of a partial termination, the portion to be terminated. If the STATE determines in the case of a partial termination that the reduced or modified portion of the funding award will not accomplish the purposes for which the funding award was made, the STATE may terminate the Agreement in its entirety.

This Agreement may be terminated, in whole or in part, by the STATE without advance notice:

- a. Pursuant to a funding failure as provided under Article 1.1
- b. If LPA fails to comply with the terms and conditions of this funding award, application or proposal, including any applicable rules or regulations, or has made a false representation in connection with the receipt of this or any award.

## II. REQUIRED CERTIFICATIONS

This Agreement and the LPA's obligations and services hereunder are hereby made and must be performed in compliance with all applicable federal and State laws, including, without limitation, federal regulations, State administrative rules and any and all license requirements or professional certification provisions.

2.1 Bribery. The LPA certifies to the best of it's knowledge that it's officials have not been convicted of bribery or attempting to bribe an officer or employee of the state of Illinois, nor made an admission of guilt of such conduct which is a matter of record (30 ILCS 500/50-5).

2.2 Bid Rigging. LPA certifies that it has not been barred from contracting with a unit of state or local government as a result of a violation of Paragraph 33E-3 or 33E-f of the Criminal Code of 1961 (720 ILCS 5/33E-3 or 720 ILCS 5/33E-4, respectively).

2.3 Debt to State. LPA certifies that neither it, nor its affiliate(s), is/are barred from receiving an Award because LPA, or its affiliate(s), is/are delinquent in the payment of any debt to the State, unless LPA, or its affiliate(s), has/have entered into a deferred payment plan to pay off the debt, and the LPA acknowledges STATE may declare the Agreement void if the certification is false (30 ILCS 500/50-11).

2.4 Debarment. The LPA certifies to the best of its knowledge and belief that it's officials:

- a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from covered transactions by any Federal department or agency;
- b. have not within a three-year period preceding this agreement been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State anti-trust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements receiving stolen property;
- c. are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, Local) with commission of any of the offenses enumerated in item (b) of this certification; and
- d. have not within a three-year period preceding the agreement had one or more public transactions (Federal, State, Local) terminated for cause or default.

2.5 Construction of Fixed Works. The LPA certifies that all Programs for the construction of fixed works which are financed in whole or in part with funds provided by this Agreement shall be subject to the Prevailing Wage Act (820 ILCS 130/0.01 *et seq.*) unless the provisions of that Act exempt its application. In the construction of the Program, the LPA shall comply with the

Local Public Agency	Section Number	Construction State Job Number	Engineering State Job Number	Right-of-Way State Job Number
Shelby County	20-03118-00-BR	C-97-067-26		

requirements of the Prevailing Wage Act including, but not limited to, inserting into all contracts for such construction a stipulation to the effect that not less than the prevailing rate of wages as applicable to the Program shall be paid to all laborers, workers, and mechanics performing work under the Award and requiring all bonds of contractors to include a provision as will guarantee the faithful performance of such prevailing wage clause as provided by contract.

2.6 Criminal Convictions. The LPA certifies that neither it nor any managerial agent of LPA has been convicted has been convicted of a felony under the Sarbanes-Oxley Act of 2002, nor a Class 3 or Class 2 felony under Illinois Securities Law of 1953, or at least five (5) years have passed since the date of conviction. The LPA further certifies that it is not barred from receiving an funding award under 30 ILCS 500/50-10.5 and acknowledges that STATE shall declare the Agreement void if this certification is false (30 ILCS 500/50-10.5).

2.7 Improper Influence. The LPA certifies that no funds have been paid or will be paid by or on behalf of the LPA to any person for influencing or attempting to influence an officer or employee of any government agency, a member of Congress or Illinois General Assembly, an officer or employee of Congress or Illinois General Assembly, or an employee of a member of Congress or Illinois General Assembly in connection with the awarding of any agreement, the making of any grant, the making of any loan, the entering into of any cooperative agreement, or the extension, continuation, renewal, amendment or modification of any agreement, grant, loan or cooperative agreement. 31 USC 1352. Additionally, the LPA certifies that it has filed the required certification under the Byrd Anti-Lobbying Amendment (31 USC 1352), if applicable.

2.8 Telecom Prohibition. The LPA certifies that it will comply with Section 889 of the FY 2019 National Defense Authorization Act (NDAA) that prohibits the use of telecommunications or video surveillance equipment or services produced provided by the following companies: Dahua Technology Company, Hangzhou Hikvision Digital Technology Company, Huawei Technologies Company, Hytera Communications Corporation, and ZTE Corporation. Covered equipment and services cannot be used as substantial or essential component or any system, or as critical technology as part of any system.

2.9 Personal Conflict of Interest - (50 ILCS 105/3, 65 ILCS 5/3.1-55-10, 65 ILCS 5/4-8-6) The LPA certifies that it shall maintain a written code or standard of conduct which shall govern the performance of its employees, officers, board members, or agents engaged in the award and administration of contracts supported by state or federal funds. Such code shall provide that no employee, officer, board member or agent of the LPA may participate in the selection, award, or administration of a contract supported by state or federal funds if a conflict of interest, real or apparent would be involved. Such a conflict would arise when any of the parties set forth below has a financial or other interest in the firm selected for award:

- a. the employee, officer, board member, or agent;
- b. any member of his or her immediate family;
- c. his or her partner; or
- d. an organization which employs, or is about to employ, any of the above.

The conflict of interest restriction for former employees, officers, board members and agents shall apply for one year.

The code shall also provide that LPA's employees, officers, board members, or agents shall neither solicit nor accept gratuities, favors or anything of monetary value from contractors, potential contractors, or parties to subcontracts. The STATE may waive the prohibition contained in this subsection, provided that any such present employee, officer, board member, or agent shall not participate in any action by the LPA relating to such contract, subcontract, or arrangement. The code shall also prohibit the officers, employees, board members, or agents of the LPA from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest or personal gain.

2.10 Organizational Conflict of Interest. The LPA certifies that it will also prevent any real or apparent organizational conflict of interest. An organizational conflict of interest exists when the nature of the work to be performed under a proposed third party contract or subcontract may, without some restriction future activities, result in an unfair competitive advantage to the third party contractor or LPA or impair the objectivity in performing the contract work.

### III. AUDIT AND RECORD RETENTION

3.1 STATE Audits. The STATE may, at its sole discretion and at its own expense, perform a final audit of the Project (30 ILCS 5, the Illinois State Auditing Act). Such audit may be used for settlement of the Project expenses and for Project closeout purposes. The LPA agrees to implement any audit findings contained in the STATE's authorized inspection or review, final audit, the STATE's independent audit, or as a result of any duly authorized inspection or review.

3.2 Record Retention. The LPA shall maintain for three (3) years from the date of final project closeout by the STATE, adequate books, records, and supporting documents to verify the amounts, recipient, and uses of all disbursements of funds passing in conjunction with this contract. If any litigation, claim or audit is started before the expiration of the retention period, the records must be retained until all litigation, claims or audit exceptions involving the records have been resolved and final action taken.

3.3 Accessibility of Records. The LPA shall make books, records, related papers, supporting documentation and personnel relevant to this Agreement available to authorized STATE representatives, the Illinois Auditor General, Illinois Attorney General, any Executive Inspector General, the STATE's Inspector General, and any other person as may be authorized by the STATE (including auditors), by the State of Illinois. The LPA shall cooperate fully in any such audit or inquiry.

3.4 Failure to maintain the books and records. Failure to maintain the books, records and supporting documents required by this section shall establish presumption in favor of the STATE for recovery of any funds paid by the STATE under the terms of this

Local Public Agency	Section Number	Construction State Job Number	Engineering State Job Number	Right-of-Way State Job Number
Shelby County	20-03118-00-BR	C-97-067-26		

contract.

#### IV. LPA FISCAL RESPONSIBILITIES

4.1 To provide all initial funding and payment for work specified under this Agreement.

4.2 Reimbursement Requests. For reimbursement requests the LPA will submit supporting documentation with each invoice. Supporting documentation is defined as verification of payment, certified time sheets or summaries, vendor invoices, vendor receipts, cost plus fix fee invoice, progress report, personnel and direct cost summaries, and other documentation supporting the requested reimbursement amount (Form BLR 05621 should be used for consultant invoicing purposes). LPA invoice requests to the STATE will be submitted with sequential invoice numbers by project.

LPA's must justify continued funding on inactive projects. An inactive project is defined as a project with no expenditures for the past twelve (12) months. To keep projects active, invoicing must occur a minimum of one time within any given twelve (12) months period. However, to ensure adequate processing time, the first invoice shall be submitted to the STATE within six (6) months of the date of execution of this Agreement. Subsequent invoices will be submitted in intervals not to exceed six (6) months.

4.3 Final Invoice: The LPA will submit to the STATE a complete and detailed final invoice with applicable supporting documentation of all incurred costs, less previous payments, no later than twelve (12) months from the date of completion of work or from the date of the previous invoice, whichever occurs first. If a final invoice is not received within this time frame, the most recent invoice may be considered the final invoice and the obligation of the funds closed. Form BLR 05613 (Engineering Payment Record) is required to be submitted with the final invoice for engineering projects.

4.4 Project Closeout: The LPA shall provide the final report to the appropriate STATE district office within twelve (12) months of the physical completion date of the project so that the report may be audited and approved for payment. If the deadline cannot be met, a written explanation must be provided to the district prior to the end of the twelve (12) months documenting the reason and the anticipated date of completion. If the extended deadline is not met, this process must be repeated until the project is closed. Failure to follow this process may result in the immediate closeout of the project and loss of further funding.

4.5 Project End Date: The period of performance (end date) for state obligation purposes is five (5) years for projects under \$1,000,000 or seven (7) years for projects over \$1,000,000 from the execution date of the Agreement. Joint agreement amendments for time extensions must be received and approved prior to expiration of the project end date. Failure to extend the end date may result in the immediate close-out of the project and loss of further funding.

#### V. THE LPA AGREES

5.1 To acquire in its name, or in the name of the STATE if on the STATE highway system, all right-of-way necessary for this project in accordance with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, and established State policies and procedures. Prior to advertising for bids, the LPA shall certify to the STATE that all requirements of Titles II and III of said Uniform Act have been satisfied. The disposition of encroachments, if any, will be cooperatively determined by representatives of the LPA, the STATE, and the FHWA if required.

5.2 To provide for all utility adjustments and to regulate the use of the right-of-way of this improvement by utilities, public and private, in accordance with the current Utility Accommodation Policy for Local Public Agency Highway and Street Systems.

5.3 To provide on-site engineering supervision and inspection during construction of the proposed improvement.

5.4 To retain jurisdiction of the completed improvement unless specified otherwise by schedule (schedule should be accompanied by a location map). If the improvement location is currently under road district jurisdiction, a jurisdictional schedule is required.

5.5 To maintain or cause to be maintained the completed improvement (or that portion within its jurisdiction as established by addendum) in a manner satisfactory to the STATE.

5.6 To provide if required, for the improvement of any railroad-highway grade crossing and rail crossing protection within the limits of the proposed improvement.

5.7 To regulate parking and traffic in accordance with the approved project report.

5.8 To regulate encroachments on public rights-of-way in accordance with current Illinois Compiled Statutes.

5.9 To regulate the discharge of sanitary sewage into any storm water drainage system constructed with this improvement in accordance with the current Illinois Compiled Statutes.

5.10 For contracts awarded by the LPA, the LPA shall not discriminate on the basis of race, color, national origin or sex in the award and performance of any USDOT - assisted contract or in the administration of its DBE program or the requirements of 49 CFR part 26. The LPA shall take all necessary and reasonable steps under 49 CFR part 26 to ensure nondiscrimination in the award and administration of USDOT - assisted contracts. The LPA's DBE program, as required by 49 CFR part 26 as approved by USDOT, is incorporated by reference in this Agreement. Upon notification to the recipient of its failure to carry out its approved program, the STATE may impose sanctions as provided for under Part 26 and may, in appropriate cases, refer the matter for

Local Public Agency	Section Number	Construction State Job Number	Engineering State Job Number	Right-of-Way State Job Number
Shelby County	20-03118-00-BR	C-97-067-26		

enforcement under 18 U.S. C 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C 3801 et seq.). In the absence of a USDOT - approved LPA DBE Program or on STATE awarded contracts, this Agreement shall be administered under the provisions of the STATE's USDOT approved Disadvantaged Business Enterprise Program.

**VI. THE STATE AGREES**

- 6.1 To provide such guidance, assistance, and supervision to monitor and perform audits to the extent necessary to assure validity of the LPA's certification of compliance with Title II and III Requirements.
- 6.2 To reimburse the LPA for the state share on the basis of periodic billings, provided said billings contain sufficient cost information and show evidence of payments by the LPA.
- 6.3 To provide independent assurance sampling and furnish off-site material inspection and testing at sources normally visited by STATE inspectors for steel, cement, aggregate, structural steel, and other materials customarily tested by the STATE.

**SCHEDULES**

Additional information and/or stipulations are hereby attached and identified below as being a part of this agreement.

<input checked="" type="checkbox"/>	1.	Division of Cost
<input checked="" type="checkbox"/>	2.	Location Map
<input checked="" type="checkbox"/>	3.	Advanced Payment Addendum
<input type="checkbox"/>		
<input type="checkbox"/>		
<input type="checkbox"/>		

Local Public Agency	Section Number	Construction State Job Number	Engineering State Job Number	Right-of-Way State Job Number
Shelby County	20-03118-00-BR	C-97-067-26		

**AGREEMENT SIGNATURES EXECUTION**

The LPA agrees to accept and comply with the applicable provision set forth in this agreement including attached schedules.

**APPROVED**

Local Public Agency

Name of Official (Print or Type Name)

Tad Mayhall

Title of Official

County Board Chairperson

Signature

Date

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The above signature certifies the agency's TIN number is

376002119 conducting business as a Governmental Entity.

DUNS Number 040135279

UEI

**APPROVED**

State of Illinois  
Department of Transportation

Omer Osman, P.E., Secretary of Transportation

Date

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By:

George A. Tapas, P.E., S.E., Engineer of Local Roads & Streets

Date

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Stephen M. Travia, P.E., Director of Highways PI/Chief Engineer

Date

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Michael Prater, Chief Counsel

Date

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Vicki Wilson, Chief Fiscal Officer

Date

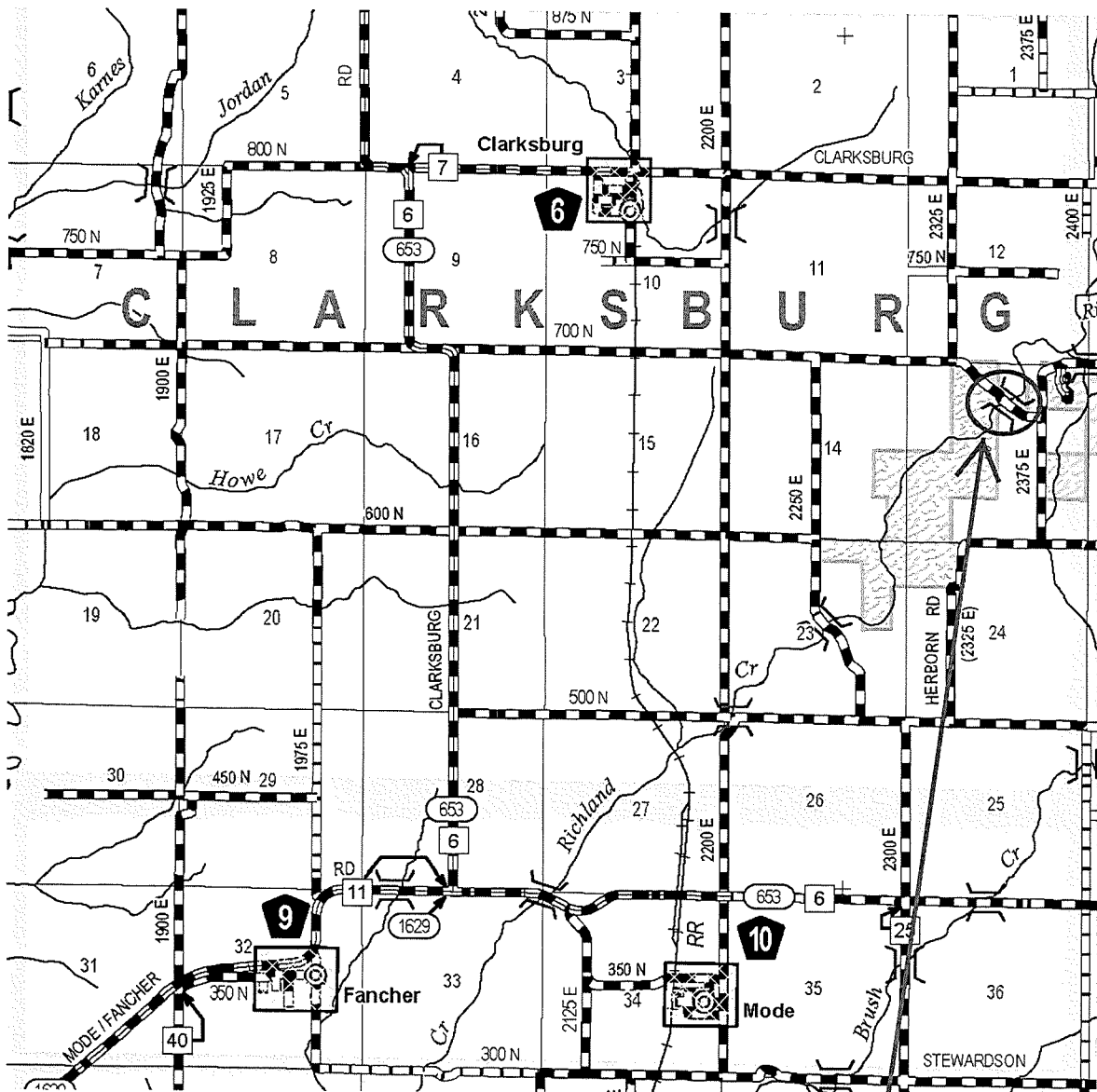
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**NOTE:** If the LPA Signature is by an APPOINTED official, a resolution authorizing said appointed official to execute this agreement is required.



# Shelby County Location Map

R. 4 E.



T. 10 N.

Proposed Improvement  
Sec. 20-03118-00-BR  
Existing Structure

Local Agency Shelby County  
Section Number 20-03118-00-BR  
Job Number C-97-067-26

Schedule # 3

CHANGES IN AGREEMENT PROVISIONS  
FORM BLR 05310S - STATE FUNDS ONLY

WHEREAS, it is necessary to revise certain portions of the Agreement.

BE IT MUTUALLY AGREED that the following shall be revised as follows:

**THE STATE AGREES:**

Revise Article 6.2 to reimburse the LPA 95% of the state share upon execution of the construction contract. The remaining 5% will be paid to the LPA upon receipt of the final invoice.

COUNTY of Shelby  
Section No.: 26-00301-00-PP

RESOLUTION  
2026- *09A*

WHEREAS the County of Shelby endeavors to perform an A2 Bituminous Surface on County Highway 15, from Herrick to Tower Hill.

WHEREAS the cost of said improvement has necessitated the use of STR Funds.

WHEREAS the use of STR funds requires a joint funding agreement (AGREEMENT) with the Department of Transportation.

NOW, THEREFORE, BE IT RESOLVED that the County of Shelby authorized a maximum amount of six-hundred and forty thousand dollars (\$640,000) as well as much of such sum as may be needed from the State Matching Assistance account to complete the aforementioned project known as Section Number 26-00301-00-PP.

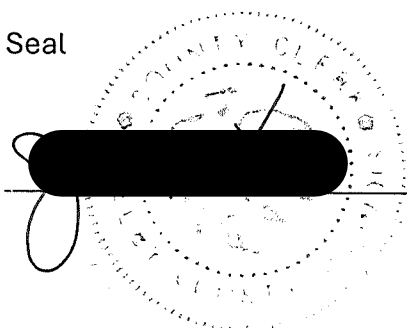
BE IT FURTHER RESOLVED that the Chairman is hereby authorized and directed to execute the above-mentioned AGREEMENT and any other such documents related to advancement and completion of said project.

Certificate:

I, Jessica Fox, Clerk in and for said County in the State of Illinois, and keeper of the records and filed thereof, as provided by statute, do hereby certify the foregoing to be a true, perfect and complete copy of a Resolution adopted by the County Board at its meeting held on March 12, 2026.

In testimony whereof, I have hereunto set my hand and affixed the seal of said County at my office in Shelbyville, Illinois, in Shelby County, this 12<sup>th</sup> day of March, 2026.

Seal



Clerk



## Plan Sponsor Reporting Requirement Deadlines

### Drug and Healthcare Cost Reporting 2025 RxDC Reporting Due June 1<sup>st</sup>, 2026

#### Key Takeaways

1. Plan sponsors are required to report information regarding prescription drug and health care spending to the Department of Labor (DOL) annually on June 1st.
2. This will require collecting data from you as the plan sponsor, your Third-Party Administrator (TPA) and Pharmacy Benefit Manager (PBM)
3. RxDC reporting is due annually, 2025 reporting is due June 1<sup>st</sup>, 2026.
4. This healthcare and prescription spending reporting consists of 1 plan list file, 8 complex data files, and multiple narrative and supplemental files.

#### Background

The high cost of prescription drugs is a common source of frustration for plan sponsors and plan participants. Employers have made efforts to make prescription drug pricing, with its web of rebates, discounts and pricing mechanisms more transparent. Transparency could help address wide price variations, reduce healthcare waste and help individuals make informed choices about their healthcare spending.

Section 204 of the Consolidated Appropriations Act (CAA) tackles transparency in prescription drug pricing by requiring group health plans and health insurers to report a wide variety of information about their healthcare and prescription drug spending. These reports must include information about the impact of complex drug pricing mechanisms — rebates, fees and other remunerations paid by drug manufacturers — on premiums. The submission instructions require plans to report this information to the Centers for Medicare & Medicaid Services (CMS) annually.

Unfortunately, this reporting is complex and requires gathering data from multiple sources and then combining that data into the required formats and submitted to CMS directly. The reporting requirement is particularly challenging for self-funded group health plan sponsors with multiple vendors and complicated plan designs. Sponsors of self-funded plans — especially those using carve-out and point-solution vendors to administer aspects of their health plans must identify impacted vendors, coordinate their reporting, and verify that the reporting is complete and submit to CMS.

#### Next Steps

We have partnered with Lumelight.com to assist us all through this process. They have an extensive background in working with ACA reporting compliance. We have also negotiated what we have found to be the most affordable solution in the marketplace.


If your organization works directly with a PBM, please be sure to monitor and respond to any communications they send, following the instructions provided. If you would like Lumelight to submit any PBM reporting file you receive, please upload them by May 8, 2026 at <https://selfinsuredreporting.files.com/u/pbm-direct-files/>. This helps ensure your RxDC filing is completed on time.

Lumelight.com will take data and merge it with other information provided to us by your TPA as well as your PBM. Finally, their team will create the full reporting and report to CMS on your behalf ensuring you are in compliance with these regulations. You must opt into or out of this service offering by completing the below election.

Please select reference Year to be reported below.

- 2025 calendar year reporting
- Reporting due June 1<sup>st</sup>, 2026
- \$1750.00 per plan sponsor
- You will be billed for this reporting on May 1, 2026

The \$1750.00 fee is applicable to any group active with Consociate Health during the year, regardless of month/timing of onboarding.

<b>If you would like to decline this service, please check the box:</b>	
By declining services from Lumelight.com, the plan sponsor accepts full responsibility for filing all reports to CMS on or before June 1 <sup>st</sup> , 2026, and annually thereafter in accordance with the CMS guidelines. Consociate Health shall not be held liable for lack of complete and or timely report submission in accordance with the CMS guidelines.	
<input type="checkbox"/> I understand the requirements and am partnering with another vendor to complete the required reporting.	
<b>If you agree to the services provided by DrugCostReporting.com, please check the box:</b>	
<input checked="" type="checkbox"/> I acknowledge and accept Drug Cost Reporting services and pricing. I approve Consociate Health to invoice the applicable fees as defined above.	
Please provide the lump sum of employee and dependent contributions for 2025: <u>\$29,119.57</u>	
<b>Company specific information</b>	
Company name:	Shelby County
I certify I am an authorized plan sponsor representative of the plan with the decision-making authority sponsor.	
Signature of authorized representative:	
Name:	TAD MAYHALL
Title:	SHELBY COUNTY BOARD CHAIRMAN
Email:	SHCOBOARDCHAIR@SHELBYCOUNTY-IL.GOV
Phone:	217-774-4421
Date:	03/12/2026
Plan reporting available upon request after filing has been completed.	

Minutes of 2/10/2026 Finance Meeting

Meeting called to order by Chair Teresa Boehm at 4:30

Those attending: Jeff Gregg, Teresa Boehm, Christine Matlock, Judy Wood, Tricia Miller, Carol Cole, Clay Hardy

Approval of Minutes for the January meeting: Motion by Jeff 2<sup>nd</sup> by Caol all in favor.

Public Body Comment: None

Old Business: None

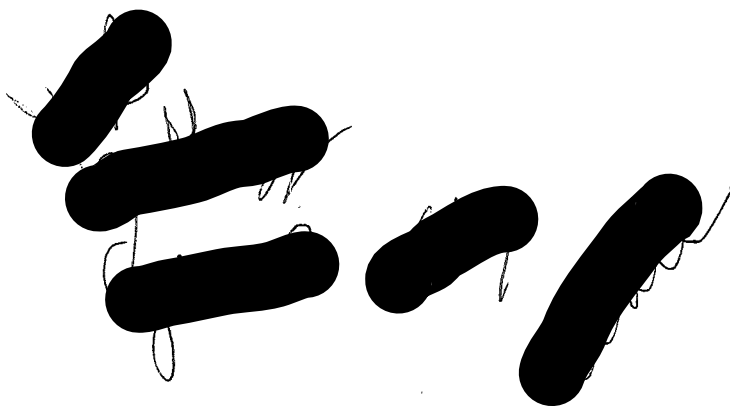
Public Body Comment. None

Motion to submit claims to the board with approval of the Finance Committee. Motion by Tricia 2<sup>nd</sup> by Judy . All In Favor.

Motion to Adjourn at 5:15. Motion by Christine 2<sup>nd</sup> by Judy. All in Favor

Teresa Boehm

Finance Committee Chair



## NOTICE OF FINANCE COMMITTEE MEETING

The Finance Committee will meet at 4:30 PM on Tuesday March 10th, in Courtroom B Jury Room

### AGENDA

1. Call to order
2. Roll Taken
3. Approval of Minutes for the February meeting
4. Public Body Comment
5. Discussion of Committee, review policies
6. Review claims (invoices) submitted for payment by the County Departments from the General Funds, Special Funds, accounts not reviewed by their respective committees. Animal Control Fund and Public Safety not reviewed by their respective committees.
7. Public Body Comment
8. Discussion and vote to make recommendation to the County Board for approval to pay claims reviewed by the Finance Committee.
9. Adjournment

Teresa Boehm

Finance Committee Chair

**FILED**  
MAR 03 2026  
*Jenna Fox*  
SHELBY COUNTY CLERK

**Road and Bridge Committee  
Meeting Agenda**

Date and time of meeting: Monday, March 9th, 2026, 4:30 pm

Location of meeting: Shelby County Highway Department  
1590 State Highway 16  
Shelbyville, Illinois 62565

Roll call: Teresa Boehm, John Strohl, Larry Syfert, Tim Morse, Brent Wallace

Public body comment:

Approval of minutes from previous meeting, February 9<sup>th</sup>, 2026:

Maintenance department update:

Engineers report:

Discussion and approval items of R/B Committee

- Resolution to award low bid for Removal and Replacement of a bridge over TR 271A (Section#18-01127-00-BR) over Drake Creek Branch in Ash Grove and Big Spring Townships to C-Hill Civil Contractors, Inc. with a bid of \$479,888 (To be paid with LPF Grant Funds and Township Bridge funds). SCHD recommends approval of the low bidder.
- Discussion and Approval of Resolution to enter in to a Joint Agreement with IDOT for use of grant funds for performing the reconstruction of Structure 087-3198 a bridge over Richland Creek 2.5 miles Southeast of Clarksburg for an estimated cost of \$1,005,000 of which \$900,000 will be paid through the LPF Grant and remainder from Township Bridge Program.
- Discussion and Approval of Joint Funding Agreement for 087-3198 (Section # 20-03118-00-BR) in Clarksburg Township. An estimated cost of \$1,005,000 of which \$900,000 will be paid through the LPF Grant and \$105,000.00 from Township Bridge Program.
- Discussion and Approval of Resolution to enter in to a Joint Agreement with IDOT for use of STR funds for performing an A2 Bituminous Surface on County Highway 15 from Herrick to Tower Hill for an estimated cost of \$800,000 of which \$640,000 will be paid through the STR and \$160,000 will be paid from State Matching Assistance.

Approval of CPCA:

Approval of Claims:

Public Body Comment:

Adjournment: Next Scheduled Meeting will be April 6th, 2026 @ 4:30 pm @ Highway Department

**SHELBY COUNTY AIRPORT and LANDING FIELD COMMISSION  
TREASURER'S REPORT February 28, 2026**

Beginning Balance January 31, 2026 \$ 14,110.91

**Deposits**

Arrow Energy--Credit Card Fuel Sales	\$		1,993.64
Fuel Sales--Cash & Check	\$		1,557.76
Rent	\$		2,445.00
ACH Illinois LFIP Trade--Redeemed	\$		83,000.00
Transfer from First Federal	\$		2,900.00
Bank Interest	\$		2.59
			<u>91,898.99</u>
			<u>106,009.90</u>

**Bills Received and Paid**

Shelby County Aviation--FBO February, 2026	\$		3,650.00
Shelby Electric Cooperative	\$		1,304.53
Steve Wempen--Bookkeeping February, 2026	\$		200.00
Illinois Department of Revenue--Sales Tax Payment	\$		187.00
John Deere Financial--New Tractor Payment 700 of 84	\$		751.36
Shelbyville Water Department	\$		29.64
Triple B Home Center--Steel Liner panel for Hangar Shop	\$		2,177.02
A. C. T. S. LLC--Internet	\$		55.00
Consolidated Communications	\$		211.66
Shelbyville Ace Hardware--Building Maintenance	\$		13.17
Ameren IP	\$		610.85
Hanson's--ARIV1020474 2H0-5152	\$		7,529.88
Hali-Brite, Inc--Beacon Replacement Bulb & Ballast	\$		1,094.27
Big D's Septic Service--Annual Maintenance Contract	\$		255.00
Arrow Energy--1018 Gallon 100LL Avgas @\$4.10128 per Gal	\$		4,226.00
Jack-A-Slab--Leveled Concrete in Hangar Shop	\$		1,500.00
			<u>23,795.38</u>
			<u>82,214.52</u>

Shelby County State Bank			\$ 82,214.52
First Federal Savings and Loan			\$ 54.73
Farm Agency Account			\$ 19,625.86
Fuel Receivable			\$ 355.26
Rent Receivable			\$ 250.00
Cash On Hand			\$ 100.00
The Illinois Fund			\$ 22,422.19
Certificates of Deposit			\$ -
			<u>125,022.56</u>

FILED

MAR 10 2026

  
 SHELBY COUNTY CLERK

Prepared by Steve Wempen--Sec/Treasurer

**SHELBY COUNTY AIRPORT and LANDING FIELD COMMISSION**  
**REGULAR MEETING MINUTES** **February 9, 2026**

Members present at meeting:

Commissioners-- Steve Wempen, John Weber, Ryan Spain

Members not present at meeting:

Commissioners-- Rick Brown, Walt Lookofsky

Others Present

Airport Manager--Scott Jefson

County Board Members--Austin Pritchard, Christine Matlock

Farm Manager--

Hangar Renters--

Steve calls the meeting to order.

The minutes for the Regular Meeting held January 12th were read by all. Steve made a motion to approve the minutes. It was second by John and was approved by all saying aye.

The January Treasurer's Report was read by all. John made a motion to approve the Treasurer's Report. It was second by Ryan and approved by all saying aye.

Bills Presented

Shelbyville Ace Hardware--Building Maintenance	\$ 13.17
Triple B Home Center--Steel Liner Panel for Main Hangar shop	\$ 2,177.02
Big D's Septic Service--Annual Maintenance Contract	\$ 255.00
Hali-Brite, Inc.	\$ 1,094.27

John made a motion to accept the bills as presented. Ryan second it and it was approved by all saying aye.

Managers Report

We should be receiving an invoice from Barker Implement for work done on the snow plow brakes.

Steve has one wall done in the Main Hangar now and looks nice. The project for the ramp is a go and should get started this spring. It cost us an extra \$19,000+ to get it going again.

The Committee needs to discuss Lindsay's recommendation for the asphalt rehab project around the T-Hangars since it came in over budget. Instead of milling out the asphalt, fixing cracks and putting new on, she suggest cutting out and fixing the cracks, then apply a good seal coat to get several more years out of it. This would significantly reduce the cost and IDOT would be more app to approve the project. Some discussion ensues on the project. Scott explains to Christine about how a project goes and how Hanson's, our consultants, work with IDOT on our behalf. Scott also explains what we wanted to do, but because of a shortage of funds we might only be able to afford Lindsay's suggestion.

A lengthy discussion continued on how to proceed with the project and it was decided that Steve would let Lindsay know to go ahead and see what numbers she can get.

End of Managers Report

John made a motion to approve the Managers Report and Ryan seconded it. It was approve by all saying aye.

Old Business

More discussion on the fence. Ryan suggested getting it back on sight. Christine ask Scott about the fence and Scott explains how the old fence had been removed and that we bought two hundred feet of new ornamental fence seven foot tall, cut it in half, and have enough to get from the SRE building, cross over the terminal building and go to the far parking lot. As it turned out this was going to be more work than realized and now we're planning on selling it. Christine ask Scott what the fence requirements were and he said if you have Part 135, Charter or Commercial Operations, you half to have a fence 13ft tall with the two foot razor wire on top. We do not offer those operations so we're not required to have a fence. Some discussion ensued on the fence and it's removal.

Ryan said when the fence gets here that he'll take pictures of it and have Jessica list it.

#### New Business

John mentions do we continue to plant beans around the wind sock or have them plant haye. As Jim Schwerman said, the farmers told him that it's not good ground and that's what they recommend we do even thou this years crop was better than expected. Some discussion on what to plant around the wind sock ensued and it was decided that we continue planting row crops there for now.

John said continuing with new business, security cameras. Austin passed out a quote on a kit that comes with six 4mp cameras. Austin then explained the quote and the different options, also explaining the differences between 4mp and 8mp. Ryan said a 2X 8mp is the same as the 4mp not zoomed. A discussion ensued on the cameras and the cost. Also discussed was maybe purchasing a system and installing it ourselves. Steve mentions the invoice amounts we're going to be receiving in the near future on the Main Hangar rehab. It was decided that we hold on the security system and to pursue other options.

Steve mentions a quote that Scott had got from Hali-Brite, Inc. for a beacon replacement bulb and ballast as a reserve for \$1094.27. Scott said he had to replace both. It was decided that he should go ahead and replace his back up stock.

Ryan made a motion to adjourn. John second it and it was approved by all saying aye.

**SHELBY COUNTY AIRPORT and LANDING FIELD COMMISSION**

**MINUTES OF SPECIAL MEETING**

**February 25, 2026**

Members present at meeting:

Commissioners--Rick Brown, Steve Wempen, John Weber, Ryan Spain  
Airport Manager--Scott Jefson

Commissioner Rick Brown calls the meeting to order.

Steve Wempen mentions that the purpose of the meeting is to adopt a resolution to borrow money at SCSB so we are able to pay Volintine Constructions invoice for work completed on the Main Hangar Rehab.

Steve Wempen continues by saying that this is the first invoice from Volintine for the amount of \$232,679.24 and that we need to borrow \$160,000, (One-Hundred-Sixty Thousand Dollars), to be able to cover the invoice. After which Steve said he would pursue a reimbursement of 90%.

John Weber then made a motion to adopt a resolution to borrow \$160,000 from SCSB for the purpose of paying the invoice from the contractor. Ryan Spain seconded it and all agreed by saying aye. Steve made a motion to adjourn and it was seconded by John.

## SHELBY COUNTY AIRPORT AND LANDING FIELD COMMISSION RECORD JOURNAL

CHECK NO.	DATE	DESCRIPTION OF TRANSACTION	DEBITS	CREDITS	BALANCE
	31-Jan-26	Balance Shelby County State Bank			\$ 14,110.91
6751	1-Feb-26	Shelby County Aviation--FBO February, 2026	022-5210-12-023 \$ 3,650.00		\$ 10,460.91
6752	2-Feb-26	John Deere Financial--Payment 70 of 84	022-5455-12-023 \$ 751.36		\$ 9,709.55
6753	2-Feb-26	Shelby Electric Cooperative	022-7800-12-023 \$ 1,304.53		\$ 8,405.02
	3-Feb-26	Illinois Department of Revenue--Sales Tax Payment	\$ 187.00		\$ 8,218.02
	4-Feb-26	ACH Illinois LGIP Trade		\$ 8,000.00	\$ 16,218.02
6754	4-Feb-26	Hanson's--ARIV1020474 2H0-5152	022-5455-12-023 \$ 7,529.88		\$ 8,688.14
6755	6-Feb-26	Shelbyville Water Department	022-7800-12-023 \$ 29.64		\$ 8,658.50
	6-Feb-26	Rent--R Baldwin \$115, B Brunken \$115, J Livesay \$125 LS Flying Club \$345, T Swiney \$230, Dave Heady \$115		\$ 1,045.00	\$ 9,703.50
	5-Feb-26	Transfer from First Federal		\$ 2,900.00	\$ 12,603.50
	6-Feb-26	Arrow Energy--Deposit		\$ 399.51	\$ 13,003.01
6756	10-Feb-26	Steve Wempen--Bookkeeping February, 2026	022-5220-12-023 \$ 200.00		\$ 12,803.01
6757	10-Feb-26	Big D's Septic Service--Annual Maintenance Contract	022-7444-12-023 \$ 255.00		\$ 12,548.01
6758	10-Feb-26	Triple B Home Center--Steel Liner Panel for Hangar Shop	022-7440-12-023 \$ 2,177.02		\$ 10,370.99
6759	10-Feb-26	Shelbyville Ace Hardware--Building Maintenance	022-7440-12-023 \$ 13.17		\$ 10,357.82
	10-Feb-26	Rent--L Jefson \$115, EAA 814 \$65, D Kroenlein \$115 S Wempen \$115, R Spain \$115			
		Fuel--\$736.18		Rent--\$525.00	
	13-Feb-26	Arrow Energy--Deposit		\$ 1,261.18	\$ 11,619.00
6760	16-Feb-26	ACTS, LLC--Internet	022-7800-12-023 \$ 55.00	\$ 1,067.16	\$ 12,686.16
6761	16-Feb-26	Hali-Brite, Inc.--Beacon Replacement Bulb & Ballast	022-7442-12-023 \$ 1,094.27		\$ 11,536.89
6762	16-Feb-26	Jack-a-Slab--Leveled Concrete in Hangar Shop	022-7440-12-023 \$ 1,500.00		\$ 10,036.89
6763	16-Feb-26	Ameren IP--SCA 37528 \$394.62, Airport 06211 \$216.23	022-7800-12-023 \$ 610.85		\$ 9,426.04
	20-Feb-26	Arrow Energy--Deposit		\$ 390.25	\$ 9,816.29
6764	23-Feb-26	Consolidated Communications	022-7800-12-023 \$ 211.66		\$ 9,604.63
	23-Feb-26	Rent--G Wasson \$175, D Collette \$115, K Best \$125 W Jesse \$115			
		Fuel--\$115.20		Rent--\$530.00	
	25-Feb-26	ACH Illinois LGIP Trade		\$ 645.20	\$ 10,249.83
6765	27-Feb-26	Arrow Energy--1018 Gallon 100LL Avgas @\$4.15128 per Gal.	022-8010-12-023 \$ 4,226.00	\$ 75,000.00	\$ 85,249.83
	27-Feb-26	Arrow Energy--Deposit		\$ 136.72	\$ 81,023.83
	27-Feb-26	Rent--J Green \$115, D Kroenlein \$115, S Wempen \$115		\$ 1,051.38	\$ 82,211.93
	28-Feb-26	Fuel--\$706.38 Bank Interest		\$ 2.59	\$ 82,214.52
		Board Meeting March 9, 2026			







## Shelby County Airport and Landing Field Commission

### Fuel Sales                      February, 2026

DATE	QUANTITY	CUSTOMER INVOICE	TRANS. NO.	PRICE	CREDIT CARD	CHARGE	CASH
1-Feb-26	13.50	Credit Card Customer	3952	\$ 4.95	\$	66.82	
2-Feb-26	3.15	Credit Card Customer	3953	\$ 4.95	\$	15.59	
3-Feb-26	6.47	Credit Card Customer	3954	\$ 4.95	\$	32.03	
4-Feb-26	5.78	Credit Card Customer	3955	\$ 4.95	\$	28.61	
4-Feb-26	4.08	Credit Card Customer	3956	\$ 4.95	\$	20.20	
4-Feb-26	1.82	Credit Card Customer	3957	\$ 4.95	\$	9.01	
4-Feb-26	1.53	Credit Card Customer	3958	\$ 4.95	\$	7.57	
5-Feb-26	50.10	Credit Card Customer	3959	\$ 4.95	\$	248.00	
5-Feb-26	5.81	Credit Card Customer	3960	\$ 4.95	\$	28.76	
5-Feb-26	4.17	Credit Card Customer	3961	\$ 4.95	\$	20.64	
5-Feb-26	7.12	Credit Card Customer	3962	\$ 4.95	\$	35.24	
6-Feb-26	5.07	Credit Card Customer	3963	\$ 4.95	\$	25.10	
7-Feb-26	4.00	Credit Card Customer	3964	\$ 4.95	\$	19.80	
7-Feb-26	6.01	Credit Card Customer	3965	\$ 4.95	\$	29.75	
7-Feb-26		Jet Fuel Sale	3966				
8-Feb-26	7.12	Credit Card Customer	3967	\$ 4.95	\$	35.24	
9-Feb-26	6.11	Credit Card Customer	3968	\$ 4.95	\$	30.24	
9-Feb-26	6.01	Credit Card Customer	3969	\$ 4.95	\$	29.75	
9-Feb-26	4.26	Credit Card Customer	3970	\$ 4.95	\$	21.09	
10-Feb-26	54.47	Credit Card Sale	3971	\$ 4.95	\$	269.63	
10-Feb-26	5.03	Credit Card Customer	3972	\$ 4.95	\$	24.90	
10-Feb-26	9.65	Credit Card Customer	3973	\$ 4.95	\$	47.77	
10-Feb-26	7.00	Credit Card Customer	3974	\$ 4.95	\$	34.65	
10-Feb-26	31.43	Steve Wempen	3975	\$ 4.90			\$ 154.01
11-Feb-26	5.01	Credit Card Customer	3976	\$ 4.95	\$	24.80	
11-Feb-26	3.94	Credit Card Customer	3977	\$ 4.95	\$	19.50	
13-Feb-26	6.09	Credit Card Customer	3978	\$ 4.95	\$	30.15	
13-Feb-26	7.09	Credit Card Customer	3979	\$ 4.95	\$	35.10	
13-Feb-26	24.34	John Livesay	3980	\$ 4.90			\$ 119.27
14-Feb-26	10.00	Credit Card Customer	3981	\$ 4.95	\$	49.50	
14-Feb-26	7.01	Credit Card Customer	3982	\$ 4.95	\$	34.70	
15-Feb-26	5.12	Credit Card Customer	3983	\$ 4.95	\$	25.34	
16-Feb-26	7.01	Credit Card Customer	3984	\$ 4.95	\$	34.70	
16-Feb-26	5.12	Credit Card Customer	3985	\$ 4.95	\$	25.34	
16-Feb-26	6.00	Credit Card Customer	3986	\$ 4.95	\$	29.70	
16-Feb-26	0.17	Credit Card Customer	3987	\$ 4.95	\$	0.84	
16-Feb-26	5.51	Credit Card Customer	3988	\$ 4.95	\$	27.27	
16-Feb-26	5.42	Credit Card Customer	3989	\$ 4.95	\$	26.83	
17-Feb-26	7.50	Credit Card Customer	3990	\$ 4.95	\$	37.12	
18-Feb-26	5.12	Credit Card Customer	3991	\$ 4.95	\$	25.34	
18-Feb-26	7.52	Credit Card Customer	3992	\$ 4.95	\$	37.22	
18-Feb-26	4.11	Credit Card Customer	3993	\$ 4.95	\$	20.34	
20-Feb-26	75.10	Cash Customer	3994	\$ 4.95			\$ 371.75
20-Feb-26	43.51	Cash Customer	3995	\$ 4.95			\$ 215.37
21-Feb-26	5.63	Scott Jefson	3996	\$ 4.90			\$ 27.59
21-Feb-26	5.67	Scott Jefson	3997	\$ 4.90			\$ 27.78
23-Feb-26	7.13	Credit Card Customer	3998	\$ 4.95	\$	35.29	
23-Feb-26	4.38	Credit Card Customer	3999	\$ 4.95	\$	21.68	
26-Feb-26	3.90	Credit Card Customer	4000	\$ 4.95	\$	19.30	
26-Feb-26	1.12	Credit Card Customer	4001	\$ 4.95	\$	5.54	
26-Feb-26	5.12	Credit Card Customer	4002	\$ 4.95	\$	25.34	
26-Feb-26	10.02	Credit Card Customer	4003	\$ 4.95	\$	49.60	
26-Feb-26	14.43	Rick Brown	4004	\$ 4.90			\$ 70.71
26-Feb-26	100.10	Credit Card Customer	4005	\$ 4.95	\$	495.50	
27-Feb-26	8.29	Credit Card Customer	4006	\$ 4.95	\$	41.04	
27-Feb-26	6.03	Credit Card Customer	4007	\$ 4.95	\$	29.85	
27-Feb-26	6.08	Credit Card Customer	4008	\$ 4.95	\$	30.10	
27-Feb-26	17.36	Credit Card Customer	4009	\$ 4.95	\$	85.93	
28-Feb-26	5.11	Credit Card Customer	4010	\$ 4.95	\$	25.29	
28-Feb-26	5.12	Credit Card Customer	4011	\$ 4.95	\$	25.34	
28-Feb-26	4.09	Credit Card Customer	4012	\$ 4.95	\$	20.25	
28-Feb-26	3.08	Credit Card Customer	4013	\$ 4.95	\$	15.25	





# SHELBY COUNTY AIRPORT

## 100LL COST OF SALES REPORT 2025-2026

MONTH	GALLONS SOLD	AVE. PRICE PER GAL.	SALES AMOUNT			TOTAL SALES	COST PER GAL	WITH TAX	ARROW FEE	TOTAL COST		NET PROFIT OR LOSS
			CREDIT CD	CHARGE	CASH					COST	ARROW FEE	
December	487.37	\$ 4.94	\$ 1,530.63	\$ 293.41	\$ 585.43	\$ 2,409.47	\$ 3.97	\$ 4.22	\$ 69.95	\$ 2,125.74	\$ 283.73	
January	625.34	\$ 4.94	\$ 2,146.64	\$ 891.90	\$ 48.02	\$ 3,086.56	\$ 3.97	\$ 4.22	\$ 84.74	\$ 2,722.50	\$ 364.06	
February	712.57	\$ 4.94	\$ 2,536.65	\$ 399.36	\$ 587.12	\$ 3,523.13	\$ 4.02	\$ 4.27	\$ 94.68	\$ 3,138.25	\$ 384.88	
March		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
April		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
May		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
June		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
July		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
August		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
September		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
October		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
November		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>TOTAL</b>		\$ 4.99	\$ 6,213.92	\$ 1,584.67	\$ 1,220.57	\$ 9,019.16		\$ 249.37	\$ 7,986.49	\$ 1,032.67		

\$30 Monthly Fee Included In Arrow Fee Above

## JET A COST OF SALES REPORT 2025-2026

MONTH	GALLONS SOLD	AVE. PRICE PER GAL.	SALES AMOUNT			TOTAL SALES	COST PER GAL	WITH TAX	ARROW FEE	TOTAL COST		NET PROFIT OR LOSS
			CREDIT CD	CHARGE	CASH					COST	ARROW FEE	
December	24.17	\$ 4.86	\$ 49.10	\$ 68.39	\$ -	\$ 117.49	\$ 2.72	\$ 2.89	\$ 1.28	\$ 71.13	\$ 46.36	
January	30.21	\$ 4.88	\$ 112.71	\$ 34.65	\$ -	\$ 147.36	\$ 2.72	\$ 2.89	\$ 2.87	\$ 90.18	\$ 57.18	
February	26.93	\$ 4.89	\$ 131.69	\$ -	\$ -	\$ 131.69	\$ 2.72	\$ 2.89	\$ 3.36	\$ 81.19	\$ 50.50	
March	0.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
April	0.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
May	0.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
June	0.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
July	0.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
August	0.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
September	0.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
October	0.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
November	0.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>TOTAL</b>	81.31		\$ 293.50	\$ 103.04	\$ -	\$ 396.54		\$ 7.51	\$ 242.50	\$ 154.04		

**SHELBY COUNTY AIRPORT AND LANDING FIELD COMMISSION  
SHELBYVILLE, IL.**

**SPECIAL MEETING AGENDA**

**Meeting to be held at the Shelby County Airport  
February 25, 2026  
5:30 PM**

- I. Call Meeting to Order**
- II. Purpose of Meeting is to discuss and adopt a Resolution to Borrow \$160,000 from SCSB on a short Term Note for the purpose of paying the first invoice in the amount of \$232,679.24 from Volintine Construction for work completed on the Main Hangar.**
- III. Other**
- IV. Adjournment**

**SHELBY COUNTY AIRPORT AND LANDING FIELD COMMISSION  
SHELBYVILLE, IL.**

**REGULAR MEETING AGENDA**

**Meeting to be held at the Shelby County Airport**

**March 9, 2026**

**7:00 PM**

- I. Call Meeting to Order**
- II. Guest Speaker (If Scheduled)**
  - 1 Jim Schwerman to present Farm Report**
  - 2**
- III. Approval of Minutes**
- IV. Approval of Treasurer's Report**
- V. Approval of Bills Presented**
- VI. Airport Manager's Report**
- VII. Old Business**
  - 1 Discuss advertising the fence for bids so we can sell it.**
  - 2**
- VIII. New Business**
  - 1**
  - 2**
  - 3**
  - 4**
- IX. Adjournment**

**Road and Bridge Committee  
Meeting Agenda**

Date and time of meeting: Monday, March 9th, 2026, 4:30 pm

Location of meeting: Shelby County Highway Department  
1590 State Highway 16  
Shelbyville, Illinois 62565

Roll call: Teresa Boehm, John Strohl, Larry Syfert, Tim Morse, Brent Wallace

Public body comment:

Approval of minutes from previous meeting, February 9<sup>th</sup>, 2026:

Maintenance department update:

Engineers report:

Discussion and approval items of R/B Committee

- Resolution to award low bid for Removal and Replacement of a bridge over TR 271A (Section#18-01127-00-BR) over Drake Creek Branch in Ash Grove and Big Spring Townships to C-Hill Civil Contractors, Inc. with a bid of \$479,888 (To be paid with LPF Grant Funds and Township Bridge funds). SCHD recommends approval of the low bidder.
- Discussion and Approval of Resolution to enter in to a Joint Agreement with IDOT for use of grant funds for performing the reconstruction of Structure 087-3198 a bridge over Richland Creek 2.5 miles Southeast of Clarksburg for an estimated cost of \$1,006,530 of which \$900,000 will be paid through the LPF Grant and remainder from Township Bridge Program.
- Discussion and Approval of Resolution to enter in to a Joint Agreement with IDOT for use of STR funds for performing an A2 Bituminous Surface on County Highway 15 from Herrick to Tower Hill for an estimated cost of \$800,000 of which \$640,000 will be paid through the STR and \$160,000 will be paid from State Matching Assistance.

Approval of CPCA:

Approval of Claims:

Public Body Comment:

Adjournment: Next Scheduled Meeting will be April 6th, 2026 @ 4:30 pm @ Highway Department

**Road and Bridge Committee  
Meeting Agenda**

Date and time of meeting: Monday, March 9th, 2026, 4:30 pm

Location of meeting: Shelby County Highway Department  
1590 State Highway 16  
Shelbyville, Illinois 62565

Roll call: Teresa Boehm, John Strohl, Larry Syfert, Tim Morse, Brent Wallace

Public body comment:

Approval of minutes from previous meeting, February 9<sup>th</sup>, 2026:

Maintenance department update:

Engineers report:

Discussion and approval items of R/B Committee

- Resolution to award low bid for Removal and Replacement of a bridge over TR 271A (Section#18-01127-00-BR) over Drake Creek Branch in Ash Grove and Big Spring Townships to C-Hill Civil Contractors, Inc. with a bid of \$479,888 (To be paid with LPF Grant Funds and Township Bridge funds). SCHD recommends approval of the low bidder.
- Discussion and Approval of Resolution to enter in to a Joint Agreement with IDOT for use of grant funds for performing the reconstruction of Structure 087-3198 a bridge over Richland Creek 2.5 miles Southeast of Clarksburg for an estimated cost of \$1,006,530 of which \$900,000 will be paid through the LPF Grant and remainder from Township Bridge Program.
- Discussion and Approval of Resolution to enter in to a Joint Agreement with IDOT for use of STR funds for performing an A2 Bituminous Surface on County Highway 15 from Herrick to Tower Hill for an estimated cost of \$800,000 of which \$640,000 will be paid through the STR and \$160,000 will be paid from State Matching Assistance.

Approval of CPCA:

Approval of Claims:

Public Body Comment:

Adjournment: Next Scheduled Meeting will be April 6th, 2026 @ 4:30 pm @ Highway Department

Minutes of 2/10/2026 Finance Meeting

Meeting called to order by Chair Teresa Boehm at 4:30

Those attending: Jeff Gregg, Teresa Boehm, Christine Matlock, Judy Wood, Tricia Miller, Carol Cole, Clay Hardy

Approval of Minutes for the January meeting: Motion by Jeff 2<sup>nd</sup> by Carol all in favor.

Public Body Comment: None

Old Business: None

Public Body Comment. None

Motion to submit claims to the board with approval of the Finance Committee. Motion by Tricia 2<sup>nd</sup> by Judy. All In Favor.

Motion to Adjourn at 5:15. Motion by Christine 2<sup>nd</sup> by Judy. All in Favor

Teresa Boehm




Finance Committee Chair



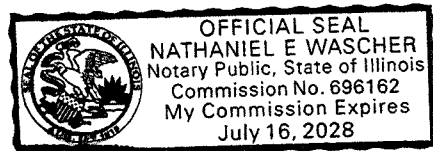
SHELBY COUNTY, ILLINOIS

BOND OF FIRE PROTECTION DISTRICT TRUSTEE

The undersigned, John Helton, as principal, and Tim Lenz, as surety, and Robert Roley, as surety, jointly and severally, do herewith bind ourselves to the People of the State of Illinois in the penal sum of \$500.00 and the said principal will faithfully discharge his obligation and duties as a Trustee of the Strasburg Fire Protection District.

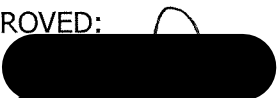
  
\_\_\_\_\_  
John Helton, Principal  
  
\_\_\_\_\_  
Tim Lenz, Surety  
  
\_\_\_\_\_  
Robert Roley, Surety

STATE OF ILLINOIS )  
                                  ) SS.  
COUNTY OF SHELBY )



On the 5<sup>th</sup> day of February, 2026, there did appear before me, a Notary Public, John Helton, Tim Lenz, and Robert Roley, who being personally known to me, did execute the above and foregoing instrument as their free and voluntary act for the uses and purposes therein set forth.

  
\_\_\_\_\_  
Notary Public

APPROVED:   
\_\_\_\_\_  
Chair, Shelby County Board  
Date: 3/27/26

**RESOLUTION**

*2026-10*

WHEREAS, the statutes of the State of Illinois provide that appointments of trustees of the fire districts shall be made by the Chairman of the County Board, with the advice and consent of the Board; and,


WHEREAS, the County Board has been advised that the Chairman of the Board desires to appoint the following individual, to-wit; Larry A. Minott, who is qualified to hold the office of Trustee of the Moweaqua Community Fire Protection District, and that the said individual is to be appointed for a term of office expiring on the first Monday in May, 2029; and,

WHEREAS, the Board does approve such appointment of Larry Minott, as Trustee of the Moweaqua Community Fire Protection District.


NOW, THEREFORE, BE IT RESOLVED, that Larry Minott be appointed to the office of Trustee of the Moweaqua Community Fire Protection District for a term of office expiring on the first Monday in May, 2029.

BE IT FURTHER RESOLVED, that the appointee shall obtain the approval of the Chairman of the County Board of a Bond with appropriate surety in the amount of \$2,000.00.

PRESENTED, ADOPTED AND RECORDED this 12<sup>th</sup> day of March 2026.

  
\_\_\_\_\_  
Chairman, Shelby County Board  
Shelby County, Illinois

ATTEST:

  
\_\_\_\_\_  
County Clerk and Ex-Officio  
Clerk of the Shelby County Board