

**INTERLOCAL AGREEMENT  
BETWEEN  
THE CITY OF ALEXANDRIA AND  
THE ALEXANDRIA TRANSIT COMPANY**

This Interlocal Agreement ("Agreement") is entered into as of [●] ("Effective Date"), by and between the City of Alexandria, a municipal corporation of the Commonwealth of Virginia (the "City"), and the Alexandria Transit Company, an independent public service corporation wholly owned by the City ("DASH"; together with the City, the "Parties"), with reference to the following facts:

A. The City intends to pursue discretionary funding from the Federal Transit Administration ("FTA") to support public transportation for the City's residents.

B. DASH operates fixed-route public transportation bus service within the City limits and between the City limits and key regional employment centers.

C. The City has determined that the most efficient means of accomplishing these goals is for the City to serve as the direct recipient of FTA funds and for DASH to assist in administering those FTA funds.

NOW, THEREFORE, in consideration of the mutual promises and agreements contained herein, the sufficiency of which is acknowledged, the Parties agree as follows:

**SECTION 1. FUNDING**

1.1 The City will use funds received from FTA consistent with the proposed use for and requirements associated with such funds. As determined by the City, DASH will assist in administering projects sponsored with such funds in consistence with the terms of each applicable FTA grant agreement.

1.2 The Parties agree to work collaboratively to identify potential sources and uses of FTA funding. DASH will assist the City in preparing any relevant applications for FTA funding.

1.3 The Parties acknowledge and agree that any reference to FTA funds in this Agreement shall mean potential funds. The Parties also acknowledge and agree that an amendment to this Agreement will be necessary to address particular requirements relevant to each potential FTA grant award.

**SECTION 2. TERM**

The term of this Agreement is from the Effective Date to December 31, 2037, unless earlier terminated or extended.

**SECTION 3. DASH OBLIGATIONS**

3.1 Compliance with Applicable Law. DASH shall comply with all applicable federal, state, and local laws, statutes, ordinances, rules, regulations, and the orders and decrees of any courts of administrative bodies or tribunals in any matter affecting the performance of this Agreement, each as may be amended or revised from time to time.

3.2 FTA Master Agreement. The terms of the FTA Master Agreement, FTA MA(28), issued February 9, 2021, as may be amended or revised from time to time ("FTA Master Agreement") are incorporated herein by reference. DASH agrees to comply with all applicable provisions included therein as if DASH is the "Third Party Participant," the "Third Party Contractor," or if the provision stipulates that it must be included in a "third party agreement." DASH agrees to apply such provisions to any lower-tier participants, as applicable. DASH acknowledges that the FTA Master Agreement requires the City, as the direct recipient of federal funds, to ensure that DASH, as a third party participant assisting in the administration of such funds, complies with all applicable federal laws, regulations, requirements and guidance, unless as FTA determines otherwise in writing. DASH acknowledges that the FTA may take enforcement action if DASH violates an applicable federal law, regulation or requirement or does not follow applicable federal guidance. A non-exhaustive list of FTA Master Agreement provisions with which DASH shall comply is set forth in Appendix 1 (Federal Requirements).

3.3 FTA Certifications and Assurances. The terms of the FTA Certifications and Assurances for fiscal year 2021, as may be amended or revised from time to time ("FTA Certifications and Assurances") are incorporated herein by reference. DASH acknowledges that the FTA Certifications and Assurances requires certain ongoing compliance and reporting requirements as a condition of FTA grant funding and agrees to comply with all applicable provisions included therein as if DASH is the "recipient" or "applicant."

3.4 Access to Records. DASH agrees to provide:

(a) The U.S. Secretary of Transportation and the Comptroller General of the United States, the state, or their duly authorized representatives, access to all third party contract records (at any tier) as required under 49 U.S.C. § 5325(g); and

(b) Sufficient access to all third party contract records (at any tier) as needed for compliance with applicable federal laws, regulations, and requirements or to assure proper management of Underlying Agreement as determined by FTA.

3.5 General Obligations. DASH agrees to comply with the following obligations:

(a) To comply with its respective roles and responsibilities denoted in the compliance matrix set forth in Appendix 2 (Compliance Responsibility Matrix);

(b) To provide the City quarterly reports on the status of each project for which the funds received in accordance with this Agreement are used;

(c) To cooperate with the City in the administration of federal funding by timely provision of documents, records, plans and procedures as requested;

(d) To cooperate with the City in monitoring for, and preparation of, reviews mandated by FTA;

(e) To produce information as directed by the City in electronic format and/or hard copy for submission to the FTA or for the City's use in any media or community outreach efforts;

(f) To comply with any changes to federal law, regulation, requirements or guidance which may occur during the term of this Agreement;

(g) To allow federal and City administrators access to DASH's records, and to allow federal and City administrators to audit DASH's accounting documents, records, payroll, and accounts for the purpose of verifying compliance with the requirements of federal funding;

(h) To account and separately track all eligible expenditures for each project for which the funds received in accordance with this Agreement are used; and

(i) To comply with generally accepted accounting principles.

#### **SECTION 4. CITY OBLIGATIONS**

4.1 FTA Certifications and Assurances. The City agrees to execute the FTA Certifications and Assurances, as necessary from time to time, in order to remain eligible as a Direct Recipient.

4.2 Compliance. The City agrees to comply with its respective roles and responsibilities denoted in the compliance matrix set forth in Appendix 2 (Compliance Responsibility Matrix).

4.3 Coordination. The City agrees to coordinate with DASH in the development of the scope of work, procurement process, and technical details of each project for which the funds received in accordance with this Agreement are used.

4.4 Monitoring and Audit. The City will monitor the progress of each project for which the funds received in accordance with this Agreement are used. Such monitoring will include conducting financial and/or program audits of DASH to verify compliance with the terms of this Agreement.

4.5 General Obligation. The City, by its nature as the direct recipient of FTA grant funding, agrees to perform any actions required by the FTA that cannot be performed by DASH.

#### **SECTION 5. DISPUTES**

As a condition precedent to a Party bringing any suit for breach of this Agreement, that Party must first notify the other Party in writing of the nature of the purported breach and seek in good faith to resolve the dispute through negotiation. If the Parties cannot resolve the dispute through negotiation, they may agree to a mutually acceptable method of non-binding alternative dispute resolution with a qualified third party acceptable to the Parties. Each Party shall pay an equal share of any costs for the services provided by such a third party as such costs are incurred. In the event that such alternative dispute resolution efforts do not resolve a dispute, either party may bring action in the courts located in the Commonwealth of Virginia to resolve the remaining dispute. The existence of a dispute shall not excuse the Parties from performance pursuant to this Agreement.

#### **SECTION 6. TERMINATION**

Either Party may terminate this Agreement for any reason by giving written notice to the other Party at least 30 days in advance of the effective date of such termination. All obligations related to fulfilling FTA requirements shall survive termination of this Agreement.

## **SECTION 7. NOTICES**

All notices hereunder shall be in writing and (a) delivered personally, (b) sent by certified mail, return receipt requested, (c) sent by a recognized overnight mail or courier service, with delivery receipt requested, or (d) email communication followed by a hard copy and with receipt confirmed by telephone, to the following addresses (or to such other address as may from time to time be specified in writing):

If to the City:           James F. Parajon  
City Manager  
301 King Street, Alexandria VA 22314  
703-746-0365  
james.parajon@alexandriava.gov

Copy to:

Emily A. Baker  
Deputy City Manager  
301 King Street, Alexandria VA 22314  
703-746-4300  
emily.baker@alexandriava.gov

If to DASH:           Josh Baker  
General Manager & CEO  
3000 Business Center Dr., Alexandria, VA 22314  
703.746.5642  
josh.baker@alexandriava.gov

Copy to:

Raymond Mui  
Assistant General Manager  
3000 Business Center Dr., Alexandria, VA 22314  
703.746.5645  
Raymond.mui@alexandriava.gov

## **SECTION 8. AMENDMENTS**

This writing constitutes the entire understanding of the Parties with respect to the subject matter of this Agreement. This Agreement may be amended only by a written instrument duly executed by the Parties.

## **SECTION 9. WAIVER**

9.1     Neither Party's review, approval, or acceptance of, nor payment for, any of the work required under this Agreement shall be construed to operate as a waiver of any rights under this Agreement by that Party.

9.2     The exercise by a Party of any right or remedy provided under this Agreement shall not waive or preclude any other or further exercise thereof or the exercise of any other right or

remedy. No waiver by any Party of any right or remedy under this Agreement shall be deemed to be a waiver of any other or subsequent right or remedy under this Agreement.

#### **SECTION 10. SUCCESSORS AND ASSIGNS**

DASH binds itself, its successors and assigns in respect to all covenants of this Agreement. DASH shall not assign, sublet or transfer their interest in this Agreement without the prior written approval of the City, which will not be unreasonably conditioned, delayed, or denied.

#### **SECTION 11. SECTION HEADINGS**

The captions of the sections of this Agreement are for convenience only and shall not be deemed part of this Agreement or considered in construing this Agreement.


#### **SECTION 12. SEVERABILITY**

The Parties agree that the provision of FTA grant funds in accordance with this Agreement makes federal statutes, rules, regulations, circulars, and other forms of written guidance controlling over any inconsistent state or local statutes, rules, or regulations. To the extent not covered by any federal statute, rule, regulation, circular, or other written guidance, the Parties agree that if any one or more of the provisions of this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions hereof, and such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

#### **SECTION 13. SURVIVAL**

The rights, obligations, and conditions set forth in this Agreement which by their express terms or their inherent character should survive termination or expiration of this Agreement, shall survive the termination or expiration of this Agreement.

IN WITNESS WHEREOF, the Parties have, through their duly authorized representatives, entered into this Agreement. The Parties, having read and understood the foregoing terms of this Agreement, do by their respective signatures dated below agree to the terms thereof.

<p>CITY OF ALEXANDRIA</p>   <p>BY: _____ [NAME] [TITLE]</p> <p>DATE: _____</p>	<p>ALEXANDRIA TRANSIT COMPANY</p>   <p>BY:  _____ Josh Baker General Manager &amp; CEO</p> <p>DATE: 3/10/2022</p>
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## APPENDIX 1

### Federal Requirements

FTA Master Agreement	
Section	Provision
<i>Note: See Section 2 of the FTA Master Agreement for defined terms used throughout this Appendix 1.</i>	
<b>Section 4. Ethics, Political Activity, Disqualification, and Certain Criminal Activity.</b>	
4(c)	<p><b>Lobbying Restrictions.</b> The Recipient agrees that neither it nor any Third Party Participant will use federal assistance to influence any officer or employee of a federal agency, member of Congress or an employee of a member of Congress, or officer or employee of Congress on matters that involve the Underlying Agreement, including any extension or modification, according to the following:</p> <ul style="list-style-type: none"> <li>(1) <b>Laws, Regulations, Requirements, and Guidance.</b> This includes: <ul style="list-style-type: none"> <li>(i) The Byrd Anti-Lobbying Amendment, 31 U.S.C. § 1352, as amended;</li> <li>(ii) U.S. DOT regulations, “New Restrictions on Lobbying,” 49 CFR Part 20, to the extent consistent with 31 U.S.C. § 1352, as amended; and</li> <li>(iii) Other applicable federal laws, regulations, requirements, and guidance prohibiting the use of federal assistance for any activity concerning legislation or appropriations designed to influence the U.S. Congress or a state legislature; and</li> </ul> </li> <li>(2) <b>Exception.</b> If permitted by applicable federal law, regulations, requirements, or guidance, such lobbying activities described above may be undertaken through the Recipient’s or Subrecipient’s proper official channels.</li> </ul>
4(g)	<p><b>Federal Tax Liability and Recent Felony Convictions.</b></p> <ul style="list-style-type: none"> <li>(1) <b>Transactions Prohibited.</b> <ul style="list-style-type: none"> <li>(i) The Recipient agrees that, prior to entering into any Third Party Agreement with any private corporation, partnership, trust, joint-stock company, sole proprietorship, or other business association, the Recipient will obtain from the prospective Third Party Participant a certification that the Third Party Participant— <ul style="list-style-type: none"> <li>(A) Does not have any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority</li> </ul> </li> </ul> </li> </ul>

FTA Master Agreement	
Section	Provision
	<p>responsible for collecting the tax liability; and</p> <p>(B) Was not convicted of the felony criminal violation under any Federal law within the preceding 24 months.</p> <p>(ii) If the prospective Third Party Participant cannot so certify, the Recipient agrees to refer the matter to FTA and not to enter into any Third Party Agreement with the Third Party Participant without FTA's written approval.</p> <p>(2) <i>Flow-Down.</i> The Recipient agrees to require all Third Party Participants to flow this requirement down to participants at all lower tiers, without regard to the value of any subagreement.</p>
4(h)	<p><i>Debarment and Suspension.</i> The Recipient agrees to the following:</p> <p>(1) It will comply with the following requirements of 2 CFR Part 180, subpart C, as adopted and supplemented by U.S. DOT regulations at 2 CFR Part 1200.</p> <p>(2) It will not enter into any "covered transaction" (as that phrase is defined at 2 CFR §§ 180.220 and 1200.220) with any Third Party Participant that is, or whose principal is, suspended, debarred, or otherwise excluded from participating in covered transactions, except as authorized by—</p> <p>(i) U.S. DOT regulations, "Nonprocurement Suspension and Debarment," 2 CFR Part 1200;</p> <p>(ii) U.S. OMB regulatory guidance, "Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement)," 2 CFR Part 180; and</p> <p>(iii) Other applicable federal laws, regulations, or requirements regarding participation with debarred or suspended Recipients or Third Party Participants.</p> <p>(3) It will review the U.S. GSA "System for Award Management – Lists of Parties Excluded from Federal Procurement and Nonprocurement Programs," if required by U.S. DOT regulations, 2 CFR Part 1200.</p> <p>(4) It will ensure that its Third Party Agreements contain provisions necessary to flow down these suspension and debarment provisions to all lower tier covered transactions.</p> <p>(5) 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:</p>



FTA Master Agreement	
Section	Provision
	<ul style="list-style-type: none"> <li>(i) FTA Regional Counsel for the Region in which the Recipient is located or implements the Underlying Agreement;</li> <li>(ii) FTA Headquarters Manager that administers the Grant or Cooperative Agreement; or</li> <li>(iii) FTA Chief Counsel.</li> </ul>
<b>Section 9. Record Retention and Access to Sites of Performance.</b>	
9(a)	<i>Types of Records.</i> The Recipient agrees to retain, and will require its Third Party Participants to retain, complete and readily accessible records related in whole or in part to the Underlying Agreement, including, but not limited to, data, documents, reports, statistics, subagreements, leases, third party contracts, arrangements, other third party agreements of any type, and supporting materials related to those records.
9(c)	<p><i>Access to Recipient and Third Party Participant Records.</i> The Recipient agrees, and assures that each Subrecipient, if any, will agree to:</p> <ul style="list-style-type: none"> <li>(1) Provide, and require its Third Party Participants at each tier to provide, sufficient access to inspect and audit records and information related to its Award, the accompanying Underlying Agreement, and any Amendments thereto to the U.S. Secretary of Transportation or the Secretary's duly authorized representatives, to the Comptroller General of the United States, and the Comptroller General's duly authorized representatives, and to the Recipient and each of its Subrecipients;</li> <li>(2) Permit those individuals listed above to inspect all work and materials related to its Award, and to audit any information related to its Award under the control of the Recipient or Third Party Participant within books, records, accounts, or other locations; and</li> <li>(3) Otherwise comply with 49 U.S.C. § 5325(g), and federal access to records requirements as set forth in the applicable U.S. DOT Common Rules.</li> </ul>
9(d)	<i>Access to the Sites of Performance.</i> The Recipient agrees to permit, and to require its Third Party Participants to permit, FTA to have access to the sites of performance of its Award, the accompanying Underlying Agreement, and any Amendments thereto, and to make site visits as needed in compliance with the U.S. DOT Common Rules.
<b>Section 12. Civil Rights.</b>	
12(b)	<p><i>Nondiscrimination in Federal Public Transportation Programs.</i> The Recipient agrees to, and assures that it and each Third Party Participant will:</p> <ul style="list-style-type: none"> <li>(1) Prohibit discrimination based on race, color, religion, national origin, sex (including gender identity), disability, or age.</li> <li>(2) Prohibit the:</li> </ul>

FTA Master Agreement	
Section	Provision
	<ul style="list-style-type: none"> <li>(i) Exclusion from participation in employment or a business opportunity for reasons identified in 49 U.S.C. § 5332;</li> <li>(ii) Denial of program benefits in employment or a business opportunity identified in 49 U.S.C. § 5332; or</li> <li>(iii) Discrimination identified in 49 U.S.C. § 5332, including discrimination in employment or a business opportunity identified in 49 U.S.C. § 5332.</li> </ul> <p>(3) Follow:</p> <ul style="list-style-type: none"> <li>(i) 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, requirements, and guidance; but</li> <li>(ii) FTA does not require an Indian Tribe to comply with FTA program-specific guidelines for Title VI when administering its Underlying Agreement supported with federal assistance under the Tribal Transit Program.</li> </ul>
12(c)	<p><i>Nondiscrimination – Title VI of the Civil Rights Act.</i> The Recipient agrees to, and assures that each Third Party Participant will:</p> <ul style="list-style-type: none"> <li>(1) Prohibit discrimination based on race, color, or national origin,</li> <li>(2) Comply with: <ul style="list-style-type: none"> <li>(i) Title VI of the Civil Rights Act of 1964, as amended, 42 U.S.C. § 2000d, et seq.;</li> <li>(ii) 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 CFR Part 21; and</li> <li>(iii) Federal transit law, specifically 49 U.S.C. § 5332; and</li> </ul> </li> <li>(3) Follow: <ul style="list-style-type: none"> <li>(i) 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, requirements, and guidance;</li> <li>(ii) U.S. DOJ, “Guidelines for the enforcement of Title VI, Civil Rights Act of 1964,” 28 C.F.R. § 50.3; and</li> </ul> </li> </ul>

FTA Master Agreement	
Section	Provision
	(iii) All other applicable federal guidance that may be issued.
12(d)	<p><i>Equal Employment Opportunity.</i></p> <p>(1) <i>Federal Requirements and Guidance.</i> The Recipient agrees to, and assures that each Third Party Participant will, prohibit discrimination based on race, color, religion, sex, sexual orientation, gender identity, or national origin, and:</p> <ul style="list-style-type: none"> <li>(i) Comply with Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. § 2000e, et seq.;</li> <li>(ii) Facilitate compliance with Executive Order No. 11246, "Equal Employment Opportunity" September 24, 1965 (42 U.S.C. § 2000e note), as amended by any later Executive Order that amends or supersedes it in part and is applicable to federal assistance programs;</li> <li>(iii) Comply with federal transit law, specifically 49 U.S.C. § 5332, as provided in section 12 of this Master Agreement;</li> <li>(iv) FTA Circular 4704.1 "Equal Employment Opportunity (EEO) Requirements and Guidelines for Federal Transit Administration Recipients;" and</li> <li>(v) Follow other federal guidance pertaining to EEO laws, regulations, and requirements, and prohibitions against discrimination on the basis of disability.</li> </ul> <p>(2) <i>Specifics.</i> The Recipient agrees to, and assures that each Third Party Participant will:</p> <ul style="list-style-type: none"> <li>(i) Affirmative Action. If required to do so by U.S. DOT regulations (49 CFR Part 21) or U.S. Department of Labor regulations (41 C.F.R. chapter 60), take affirmative action that includes, but is not limited to: <ul style="list-style-type: none"> <li>(A) Recruitment advertising, recruitment, and employment;</li> <li>(B) Rates of pay and other forms of compensation;</li> <li>(C) Selection for training, including apprenticeship, and upgrading; and</li> <li>(D) Transfers, demotions, layoffs, and terminations; but</li> </ul> </li> </ul>

FTA Master Agreement	
Section	Provision
	<p>(ii) <i>Indian Tribe</i>. Recognize that Title VII of the Civil Rights Act of 1964, as amended, exempts Indian Tribes under the definition of “Employer;” and</p> <p>(3) <i>Equal Employment Opportunity Requirements for Construction Activities</i>. Comply, when undertaking “construction” as recognized by the U.S. Department of Labor (U.S. DOL), with:</p> <p>(i) U.S. DOL regulations, “Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor,” 41 C.F.R. chapter 60; and</p> <p>(ii) Executive Order No. 11246, “Equal Employment Opportunity in Federal Employment,” September 24, 1965, 42 U.S.C. § 2000e note (30 Fed. Reg. 12319, 12935), as amended by any later Executive Order that amends or supersedes it, referenced in 42 U.S.C. § 2000e note.</p>
12(e)	<p><i>Disadvantaged Business Enterprise</i>. To the extent authorized by applicable federal laws, regulations, or requirements, 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 Underlying Agreement as follows:</p> <p>(1) <i>Statutory and Regulatory Requirements</i>. The Recipient agrees to comply with:</p> <p>(i) Section 1101(b) of the FAST Act, 23 U.S.C. § 101 note;</p> <p>(ii) U.S. DOT regulations, “Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs,” 49 CFR Part 26; and</p> <p>(iii) Federal transit law, specifically 49 U.S.C. § 5332, as provided in section 12 of this Master Agreement.</p> <p>(2) <i>DBE Program Requirements</i>. A Recipient that receives planning, capital and/or operating assistance and that will award prime third party contracts exceeding \$250,000 in a federal fiscal year must have a DBE program that is approved by FTA and meets the requirements of 49 CFR Part 26.</p> <p>(3) <i>Special Requirements for a Transit Vehicle Manufacturer (TVM)</i>. The Recipient agrees that:</p> <p>(i) <i>TVM Certification</i>. Each TVM, as a condition of being authorized to bid or propose on FTA-assisted transit vehicle procurements, must certify that it has</p>

FTA Master Agreement	
Section	Provision
	<p>complied with the requirements of 49 CFR Part 26; and</p> <p>(ii) <i>Reporting TVM Awards.</i> Within 30 days of any third party contract award for a vehicle purchase, the Recipient must submit to FTA the name of the T\TM contractor and the total dollar value of the third party contract, and notify FTA that this information has been attached in TrAMS. The Recipient must also submit additional notifications if options are exercised in subsequent years to ensure that the T\TM is still in good standing.</p> <p>(4) <i>Assurance.</i> As required by 49 C.F.R. § 26.13(a):</p> <p>(i) <i>Recipient Assurance.</i> The Recipient agrees and assures that:</p> <p>(A) It must not discriminate based on race, color, national origin, or sex in the award and performance of any FTA or U.S. DOT-assisted contract, or in the administration of its DBE program or the requirements of 49 CFR Part 26;</p> <p>(B) It must take all necessary and reasonable steps under 49 CFR Part 26 to ensure nondiscrimination in the award and administration of U.S. DOT-assisted contracts;</p> <p>(C) Its DBE program, as required under 49 CFR Part 26 and as approved by U.S. DOT, is incorporated by reference and made part of the Underlying Agreement; and</p> <p>(D) Implementation of its DBE program approved by U.S. DOT is a legal obligation and failure to carry out its terms shall be treated as a violation of this Master Agreement.</p> <p>(ii) <i>Subrecipient/Third Party Contractor/Third Party Subcontractor Assurance.</i> The Recipient agrees and assures that it will include the following assurance in each subagreement and third party contract it signs with a Subrecipient or Third Party Contractor and agrees to obtain the agreement of each of its Subrecipients, Third Party Contractors, and Third Party Subcontractors to include the following assurance in every subagreement and third party contract it signs:</p>

FTA Master Agreement	
Section	Provision
	<p>(A) The Subrecipient, each Third Party Contractor, and each Third Party Subcontractor must not discriminate based on race, color, national origin, or sex in the award and performance of any FTA or U.S. DOT-assisted subagreement, third party contract, and third party subcontract, as applicable, and the administration of its DBE program or the requirements of 49 CFR Part 26;</p> <p>(B) The Subrecipient, each Third Party Contractor, and each Third Party Subcontractor must take all necessary and reasonable steps under 49 CFR Part 26 to ensure nondiscrimination in the award and administration of U.S. DOT-assisted subagreements, third party contracts, and third party subcontracts, as applicable;</p> <p>(C) Failure by the Subrecipient and any of its Third Party Contractors or Third Party Subcontractors to carry out the requirements of this subparagraph 12.e(4)(b) is a material breach of this subagreement, third party contract, or third party subcontract, as applicable; and</p> <p>(D) The following remedies, or such other remedy as the Recipient deems appropriate, include, but are not limited to, withholding monthly progress payments, assessing sanctions, liquidated damages, and/or disqualifying the Subrecipient, Third Party Contractor, or Third Party Subcontractor from future bidding as non-responsible.</p> <p>(5) <i>Remedies.</i> Upon notification to the Recipient of its failure to carry out its approved program, FTA or U.S. DOT may impose sanctions as provided for under 49 CFR Part 26, and, in appropriate cases, refer the matter for enforcement under either or both 18 U.S.C. § 1001, and/or the Program Fraud Civil Remedies Act of 1986, 31 U.S.C. § 3801, et seq.</p>
Section 16. Procurement.	
16(d)	<p><i>Required Clauses in Third Party Contracts.</i> In addition to other applicable provisions of federal law, regulations, requirements, and guidance, all third party contracts made by the Recipient under the Federal award must contain provisions covering the following, as applicable:</p> <p>(1) <i>Simplified Acquisition Threshold.</i> Contracts for more than the simplified acquisition threshold, which is the inflation adjusted amount</p>

FTA Master Agreement	
Section	Provision
	<p>determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. § 1908, or otherwise set by law, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate. (Note that the simplified acquisition threshold determines the procurement procedures that must be employed pursuant to 2 C.F.R. §§ 200.317–200.327. The simplified acquisition threshold does not exempt a procurement from other eligibility or processes requirements that may apply. For example, Buy America’s eligibility and process requirements apply to any procurement in excess of \$150,000. 49 U.S.C. § 5323(j)(13).)</p> <p>(2) <i>Termination.</i> All contracts in excess of \$10,000 must address termination for cause and for convenience by the non-federal entity including the manner by which it will be effected and the basis for settlement.</p> <p>(3) <i>Equal Employment Opportunity.</i> Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of “federally assisted construction contract” in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 C.F.R. § 60-1.4(b), in accordance with Executive Order No. 11246, “Equal Employment Opportunity,” 42 U.S.C. § 2000e note (30 Fed. Reg. 12319, 12935, 3 C.F.R. 1964–1965 Comp., p. 339), as amended by Executive Order No. 11375, “Amending Executive Order No. 11246 Relating to Equal Employment Opportunity,” (32 Fed. Reg. 14,303) and implementing regulations at 41 CFR Part 60, “Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor.”</p> <p>(4) <i>Davis-Bacon Act, as amended (40 U.S.C. §§ 3141 – 3148).</i> When required by federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. §§ 3141 – 3144, and 3146 – 3148) as supplemented by Department of Labor regulations (29 CFR Part 5, “Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction”). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-federal entity must report all suspected or reported violations to the federal awarding agency. The contracts must also include a provision for compliance with the Copeland “Anti-Kickback” Act (40 U.S.C. § 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, “Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States”). The Act provides that each contractor or subrecipient must be</p>

FTA Master Agreement	
Section	Provision
	<p>prohibited from inducing, by any means, any person employed in the construction, completion, or repair of a public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-federal entity must report all suspected or reported violations to the federal awarding agency.</p> <p>(5) <i>Contract Work Hours and Safety Standards Act (40 U.S.C. §§ 3701 – 3708).</i> Where applicable, all contracts awarded by the non-federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. §§ 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. § 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer based on a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. § 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.</p> <p>(6) <i>Rights to Inventions Made Under a Contract or Agreement.</i> If the federal award meets the definition of “funding agreement” under 37 C.F.R. § 401.2(a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarding agency.</p> <p>(7) <i>Clean Air Act (42 U.S.C. §§ 7401 – 7671q.) and the Federal Water Pollution Control Act (33 U.S.C. §§ 1251 – 1388), as amended.</i> Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. §§ 7401 – 7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. §§ 1251 – 1388). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).</p> <p>(8) <i>Debarment and Suspension (Executive Orders 12549 and 12689).</i> A covered transaction (see 2 C.F.R. §§ 180.220 and 1200.220) must not be entered into with any party listed on the governmentwide exclusions in the System for Award Management (SAM), in accordance with the OMB</p>



FTA Master Agreement	
Section	Provision
	<p>guidelines at 2 C.F.R. 180 that implement Executive Orders 12549 (31 U.S.C. § 6101 note, 51 Fed. Reg. 6370,) and 12689 (31 U.S.C. § 6101 note, 54 Fed. Reg. 34131), “Debarment and Suspension.” SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549. The Recipient agrees to include, and require each Third Party Participant to include, a similar provision in each lower tier covered transaction, ensuring that each lower tier Third Party Participant:</p> <ul style="list-style-type: none"> <li>(i) Complies with federal debarment and suspension requirements; and</li> <li>(ii) Reviews the SAM at <a href="https://www.sam.gov">https://www.sam.gov</a>, if necessary to comply with U.S. DOT regulations, 2 CFR Part 1200.</li> </ul> <p>(9) <i>Restrictions on Lobbying (31 U.S.C. § 1352).</i> Contractors that apply or bid for an award exceeding \$100,000 must file the certification required by 49 CFR Part 20. 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 must also disclose any lobbying with non-federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-federal award.</p> <p>(10) <i>Solid Wastes.</i> A Recipient that is a state agency or agency of a political subdivision of a state and its contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.</p>
<b>Section 20. Transit Asset Management.</b>	
20(b)	<p><i>When Compliance is Required.</i> The Recipient agrees to, and assures that each Third Party Participant will, comply with FTA regulations, “Transit Asset Management; National Transit Database,” 49 CFR Parts 625 and 630, and follow applicable federal guidance.</p>

FTA Master Agreement	
Section	Provision
<b>Section 21. Insurance.</b>	
21(a)	<p><i>Flood Insurance.</i> The Recipient agrees and assures that its Third Party Participants will agree to comply with flood insurance laws and guidance as follows:</p> <ul style="list-style-type: none"> <li>(1) It will have flood insurance as required by the Flood Disaster Protection Act of 1973, 42 U.S.C. § 4012a(a), for any building located in a special flood hazard area (100-year flood zone), before accessing federal assistance to acquire, construct, reconstruct, repair, or improve that building.</li> <li>(2) Each such building and its contents will be covered by flood insurance in an amount at least equal to the federal investment (less estimated land cost) or to the maximum limit of coverage made available with respect to the particular type of property under the National Flood Insurance Act of 1968, 42 U.S.C. § 4001, et seq., whichever is less.</li> <li>(3) It will follow FTA guidance, except to the extent FTA determines otherwise in writing.</li> </ul>
<b>Section 24. Employee Protections.</b>	
24(a)	<p><i>Awards Involving Construction.</i> The Recipient agrees to comply and assures that each Third Party Participant will comply with all federal laws, regulations, and requirements providing protections for construction employees involved in each Project or related activities with federal assistance provided through the Underlying Agreement, including the:</p> <ul style="list-style-type: none"> <li>(1) Prevailing Wage Requirements of: <ul style="list-style-type: none"> <li>(i) Federal transit laws, specifically 49 U.S.C. § 5333(a), (FTA's "Davis-Bacon Related Act");</li> <li>(ii) The Davis-Bacon Act, 40 U.S.C. §§ 3141 – 3144, 3146, and 3147; and</li> <li>(iii) U.S. DOL regulations, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction (also Labor Standards Provisions Applicable to Nonconstruction Contracts Subject to the Contract Work Hours and Safety Standards Act)," 29 CFR Part 5.</li> </ul> </li> <li>(2) Wage and Hour Requirements of: <ul style="list-style-type: none"> <li>(i) Section 102 of the Contract Work Hours and Safety Standards Act, as amended, 40 U.S.C. § 3702, and other relevant parts of that Act, 40 U.S.C. § 3701, et seq.; and</li> <li>(ii) U.S. DOL regulations, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction (also Labor Standards Provisions Applicable to Nonconstruction</li> </ul> </li> </ul>

FTA Master Agreement	
Section	Provision
	<p>Contracts Subject to the Contract Work Hours and Safety Standards Act),” 29 CFR Part 5.</p> <p>(3) “Anti-Kickback” Prohibitions of:</p> <p>(i) Section 1 of the Copeland “Anti-Kickback” Act, as amended, 18 U.S.C. § 874;</p> <p>(ii) Section 2 of the Copeland “Anti-Kickback” Act, as amended, 40 U.S.C. § 3145; and</p> <p>(iii) U.S. DOL regulations, “Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States,” 29 CFR Part 3.</p> <p>(4) Construction Site Safety of:</p> <p>(i) Section 107 of the Contract Work Hours and Safety Standards Act, as amended, 40 U.S.C. § 3704, and other relevant parts of that Act, 40 U.S.C. § 3701, et seq.; and</p> <p>(ii) U.S. DOL regulations, “Recording and Reporting Occupational Injuries and Illnesses,” 29 CFR Part 1904; “Occupational Safety and Health Standards,” 29 CFR Part 1910; and “Safety and Health Regulations for Construction,” 29 CFR Part 1926.</p>
24(b)	<p><i>Awards Not Involving Construction.</i> The Recipient agrees to comply and assures that each Third Party Participant will comply with all federal laws, regulations, and requirements providing wage and hour protections for nonconstruction employees, including Section 102 of the Contract Work Hours and Safety Standards Act, as amended, 40 U.S.C. § 3702, and other relevant parts of that Act, 40 U.S.C. § 3701, et seq., and U.S. DOL regulations, “Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction (also Labor Standards Provisions Applicable to Nonconstruction Contracts Subject to the Contract Work Hours and Safety Standards Act),” 29 CFR Part 5.</p>
24(c)	<p><i>Awards Involving Commerce.</i> The Recipient agrees to comply and assures that each Third Party Participant will comply with the Fair Labor Standards Act (FLSA), 29 U.S.C. § 201, et seq. to the extent that the FLSA applies to employees performing work with federal assistance provided through the Underlying Agreement involving commerce, and as the Federal Government otherwise determines applicable.</p>
24(d)	<p><i>Public Transportation Employee Protective Arrangements.</i> As a condition of award of federal assistance appropriated or made available for FTA programs involving public transportation operations, the Recipient agrees to comply and assures that each Third Party Participant will comply with the following employee protective arrangements of 49 U.S.C. § 5333(b):</p> <p>(1) <i>U.S. DOL Certification.</i> When its Award, the accompanying Underlying Agreement, or any Amendments thereto involve public</p>

FTA Master Agreement	
Section	Provision
	<p>transportation operations and are supported with federal assistance appropriated or made available for 49 U.S.C. §§ 5307 – 5312, 5316, 5318, 5323(a)(1), 5323(b), 5323(d), 5328, 5337, 5338(b), or 5339, 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 federal assistance for that Award. The Recipient agrees that the certification issued by U.S. DOL is a condition of the Underlying Agreement and that the Recipient must comply with its terms and conditions.</p> <p>(2) <i>Special Warranty.</i> When its Underlying Agreement involves public transportation operations and is supported with federal assistance appropriated or made available for 49 U.S.C. § 5311, U.S. DOL will provide a Special Warranty for its Award, including its Award of federal assistance under the Tribal Transit Program. The Recipient agrees that its U.S. DOL Special Warranty is a condition of the Underlying Agreement and the Recipient must comply with its terms and conditions.</p> <p>(3) <i>Special Arrangements for Underlying Agreements for Federal Assistance Authorized under 49 U.S.C. § 5310.</i> The Recipient 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 any Subrecipient participating in the program to provide public transportation for seniors (elderly individuals) and individuals with disabilities, FTA reserves the right to 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 make other exceptions as it deems appropriate.</p>
<b>Section 26. Environmental Protections.</b>	
26(a)	<p><i>General.</i> The Recipient agrees to, and assures that its Third Party Participants will, comply with all applicable environmental and resource use laws, regulations, and requirements, and follow applicable guidance, now in effect or that may become effective in the future, including state and local laws, ordinances, regulations, and requirements and follow applicable guidance.</p>
26(b)	<p><i>National Environmental Policy Act.</i> An Award of federal assistance requires the full compliance with applicable environmental laws, regulations, and requirements. Accordingly, the Recipient agrees to, and assures that its Third Party Participants will:</p> <p>(1) Comply and facilitate compliance with federal laws, regulations, and requirements, including, but not limited to:</p> <p>(i) Federal transit laws, such as 49 U.S.C. § 5323(c)(2), and 23 U.S.C. § 139;</p>

FTA Master Agreement	
Section	Provision
	<ul style="list-style-type: none"> <li>(ii) The National Environmental Policy Act of 1969 (NEPA), as amended, 42 U.S.C. §§ 4321, et seq., as limited by 42 U.S.C. § 5159, and CEQ's implementing regulations 40 CFR Part 1500 – 1508;</li> <li>(iii) Joint FHWA and FTA regulations, "Environmental Impact and Related Procedures," 23 CFR Part 771 and 49 CFR Part 622;</li> <li>(iv) Executive Order No. 11514, as amended, "Protection and Enhancement of Environmental Quality," March 5, 1970, 42 U.S.C. § 4321 note (35 Fed. Reg. 4247); and</li> <li>(v) Other federal environmental protection laws, regulations, and requirements applicable to the Recipient or the Award, the accompanying Underlying Agreement, and any Amendments thereto.</li> </ul> <p>(2) Follow the federal guidance identified herein to the extent that the guidance is consistent with applicable authorizing legislation:</p> <ul style="list-style-type: none"> <li>(i) Joint FHWA and FTA final guidance, "Interim Guidance on MAP-21 Section 1319, Accelerated Decisionmaking in Environmental Reviews," January 14, 2013;</li> <li>(ii) Joint FHWA and FTA final guidance, "SAFETEA-LU Environmental Review Process (Public Law 109-59)," 71 Fed. Reg. 66576, November 15, 2006; and</li> <li>(iii) Other federal environmental guidance applicable to the Recipient or the Award, the accompanying Underlying Agreement, and any Amendments thereto.</li> </ul>
26(c)	<p><i>Environmental Justice.</i> The Recipient agrees to, and assures that its Third Party Participants will, promote environmental justice by following:</p> <ul style="list-style-type: none"> <li>(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, (59 Fed. Reg. 7629, 3 C.F.R. 1994 Comp., p. 859) as well as facilitating compliance with that Executive Order;</li> <li>(2) U.S. DOT Order 5610.2(a), "Department of Transportation Updated Environmental Justice Order," 77 Fed. Reg. 27534, May 10, 2012; and</li> <li>(3) The most recent edition of FTA Circular 4703.1, "Environmental Justice Policy Guidance for Federal Transit Administration</li> </ul>

FTA Master Agreement	
Section	Provision
	Recipients,” August 15, 2012, to the extent consistent with applicable federal laws, regulations, requirements, and guidance.
26(d)	<i>Other Environmental Federal Laws.</i> The Recipient agrees to comply or facilitate compliance, and assures that its Third Party Participants will comply or facilitate compliance, with all applicable federal laws, regulations, and requirements, and will follow applicable guidance, including, but not limited to, the Clean Air Act, Clean Water Act, Wild and Scenic Rivers Act of 1968, Coastal Zone Management Act of 1972, the Endangered Species Act of 1973, Magnuson Stevens Fishery Conservation and Management Act, Resource Conservation and Recovery Act, Comprehensive Environmental Response, Compensation, and Liability Act, Executive Order No. 11990 relating to “Protection of Wetlands,” and Executive Order No. 11988, as amended, “Floodplain Management.”
26(f)	<i>Use of Certain Public Lands.</i> The Recipient agrees to comply, and assures that its Third Party Participants will comply, with U.S. DOT laws, specifically 49 U.S.C. § 303 (often referred to as “section 4(f)”), and joint FHWA and FTA regulations, “Parks, Recreation Areas, Wildlife and Waterfowl Refuges, and Historic Sites,” 23 CFR Part 774, and referenced in 49 CFR Part 622.
26(g)	<p><i>Historic Preservation.</i> The Recipient agrees to, and assures that its Third Party Participants will:</p> <ol style="list-style-type: none"> <li>(1) Comply with U.S. DOT laws, including 49 U.S.C. § 303 (often referred to as “section 4(f)”), which requires certain findings be made before an Award may be undertaken if it involves the use of any land from a historic site that is on or eligible for inclusion on the National Register of Historic Places.</li> <li>(2) Encourage compliance with the federal historic and archaeological preservation requirements of section 106 of the National Historic Preservation Act, as amended, 54 U.S.C. § 306108.</li> <li>(3) Comply with the Archeological and Historic Preservation Act of 1974, as amended, 54 U.S.C. § 312501, et seq.</li> <li>(4) Comply with U.S. Advisory Council on Historic Preservation regulations, “Protection of Historic Properties,” 36 CFR Part 800.</li> <li>(5) Comply with federal requirements and follow federal guidance to avoid or mitigate adverse effects on historic properties.</li> </ol>
26(h)	<i>Indian Sacred Sites.</i> The Recipient agrees to, and assures that its Third Party Participants will, facilitate compliance with federal efforts to promote the preservation of places and objects of religious importance to American Indians, Eskimos, Aleuts, and Native Hawaiians, and facilitate compliance with the American Indian Religious Freedom Act, 42 U.S.C. § 1996, and Executive Order No. 13007, “Indian Sacred Sites,” May 24, 1996, 42 U.S.C. § 3161 note (61 Fed. Reg. 26771).
<b>Section 28. Charter Service.</b>	
28(a)	<i>Prohibitions.</i> The Recipient agrees that neither it nor any Third Party Participant involved in the Award will engage in charter service, except as permitted under federal transit laws, specifically 49 U.S.C. § 5323(d), (g), and (r), FTA regulations,

FTA Master Agreement	
Section	Provision
	“Charter Service,” 49 CFR Part 604, any other federal Charter Service regulations, federal requirements, or federal guidance.
28(b)	<p><i>Exceptions.</i> Apart from exceptions to the Charter Service restrictions in FTA’s Charter Service regulations, FTA has established the following additional exceptions to those restrictions:</p> <p>(1) FTA’s Charter Service restrictions do not apply to equipment or facilities supported with federal assistance appropriated or made available for 49 U.S.C. § 5307 to support a Job Access and Reverse Commute (JARC)-type Project or related activities that would have been eligible for assistance under repealed 49 U.S.C. § 5316 in effect in Fiscal Year 2012 or a previous fiscal year, provided that the Recipient uses that federal assistance for FTA program purposes only; and</p> <p>(2) FTA’s Charter Service restrictions do not apply to equipment or facilities supported with the federal assistance appropriated or made available for 49 U.S.C. § 5310 to support a New Freedom-type Project or related activities that would have been eligible for federal assistance under repealed 49 U.S.C. § 5317 in effect in Fiscal Year 2012 or a previous fiscal year, provided the Recipient uses that federal assistance for FTA program purposes only.</p>
28(c)	<p><i>Violations.</i> If it or any Third Party Participant engages in a pattern of violations of FTA’s Charter Service regulations, FTA may require corrective measures and remedies, including withholding an amount of federal assistance as provided in FTA’s Charter Service regulations, 49 CFR Part 604, appendix D, or barring it or the Third Party Participant from receiving federal assistance provided in 49 U.S.C. chapter 53, 23 U.S.C. § 133, or 23 U.S.C. § 142.</p>
<b>Section 29. School Bus Operations.</b>	
29(a)	<p><i>Prohibitions.</i> The Recipient agrees that neither it nor any Third Party Participant that is participating in its Award will engage in school bus operations exclusively for the transportation of students or school personnel in competition with private school bus operators, except as permitted by federal transit laws, 49 U.S.C. § 5323(f) or (g), FTA regulations, “School Bus Operations,” 49 CFR Part 605, and any other applicable federal “School Bus Operations” laws, regulations, requirements, or applicable federal guidance.</p>
29(b)	<p><i>Violations.</i> If a Recipient or any Third Party Participant has operated school bus service in violation of FTA’s School Bus laws, regulations, or requirements, FTA may require the Recipient or Third Party Participant to take such remedial measures as FTA considers appropriate, or bar the Recipient or Third Party Participant from receiving federal transit assistance.</p>
<b>Section 33. Motor Carrier Safety.</b>	
33(a)	<p><i>Financial Responsibility.</i> The Recipient agrees to comply and assures that its Third Party Participants will comply with the economic and insurance registration requirements of the:</p> <p>(1) U.S. Federal Motor Carrier Safety Administration (U.S. FMCSA) regulations, “Minimum Levels of Financial Responsibility for Motor Carriers,”</p>

FTA Master Agreement	
Section	Provision
	<p>49 CFR Part 387, if it is engaged in operations requiring compliance with 49 CFR Part 387, it is engaged in interstate commerce, and it is not within a defined commercial zone; and</p> <p>(2) The provisions of 49 U.S.C. § 31138(e)(4), which supersede inconsistent provisions of 49 CFR Part 387, and reduce the amount of insurance the Recipient must obtain to the highest amount required by any state in which the public transportation provider operates, if it operates within a public transportation service area located in more than one state, and receives federal assistance under 49 U.S.C. §§ 5307, 5310, and 5311.</p>
33(b)	<p><i>U.S. FMCSA Requirements.</i> The Recipient agrees to comply and assures that its Third Party Participants will comply with:</p> <p>(1) The safety requirements of U.S. FMCSA regulations, “Federal Motor Carrier Safety Regulations,” 49 CFR Parts 390 – 397, to the extent applicable; and</p> <p>(2) The driver’s license requirements of U.S. FMCSA regulations, “Commercial Driver’s License Standards, Requirements, and Penalties,” 49 CFR Part 383, and “State Compliance with Commercial Driver’s License,” 49 CFR Part 384, to the extent applicable, with the substance abuse requirements and guidance of U.S. FMCSA’s regulations, “Controlled Substances and Alcohol Use and Testing,” 49 CFR Part 382, and implementing federal guidance, to the extent applicable.</p>
<b>Section 34. Safe Operation of Motor Vehicles.</b>	
34(a)	<p><i>Seat Belt Use.</i> 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:</p> <p>(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</p> <p>(2) Including a “Seat Belt Use” provision in each third party agreement related to the Award.</p>
34(b)	<p><i>Distracted Driving, Including Text Messaging While Driving.</i> The Recipient agrees to comply with:</p> <p>(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);</p> <p>(2) U.S. DOT Order 3902.10, “Text Messaging While Driving,” December 30, 2009; and</p> <p>(3) The following U.S. DOT Special Provision pertaining to Distracted Driving:</p> <p>(i) <i>Safety.</i> The Recipient agrees to adopt and enforce workplace safety policies to decrease crashes caused by distracted drivers, including policies to</p>



FTA Master Agreement	
Section	Provision
	<p>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;</p> <p>(ii) <i>Recipient Size.</i> 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</p> <p>(iii) <i>Extension of Provision.</i> The Recipient agrees to include the preceding Special Provision of section 34(b)(3)(i) – (ii) 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.</p>
Section 35. Substance Abuse.	
35(b)	<p><i>Alcohol Misuse and Prohibited Drug Use.</i></p> <p>(1) <i>Requirements.</i> The Recipient agrees to comply and assures that its Third Party Participants will comply with:</p> <p>(i) Federal transit laws, specifically 49 U.S.C. § 5331;</p> <p>(ii) FTA regulations, “Prevention of Alcohol Misuse and Prohibited Drug Use in Transit Operations,” 49 CFR Part 655; and</p> <p>(iii) Applicable provisions of U.S. DOT regulations, “Procedures for Transportation Workplace Drug and Alcohol Testing Programs,” 49 CFR Part 40.</p> <p>(2) <i>Remedies for Non-Compliance.</i> The Recipient agrees that if FTA determines that the Recipient or a Third Party Participant receiving federal assistance under 49 U.S.C. chapter 53 is not in compliance with 49 CFR Part 655, the Federal Transit Administrator may bar that Recipient or Third Party Participant from receiving all or a portion of the federal transit assistance for public transportation it would otherwise receive.</p>

FTA Master Agreement	
Section	Provision
<b>Section 39. Disputes, Breaches, Defaults, and Litigation.</b>	
39(b)	<p><i>Notification to FTA; Flow Down Requirement.</i> If a current or prospective legal matter that may affect the Federal Government emerges, the Recipient must promptly notify the FTA Chief Counsel and FTA Regional Counsel for the Region in which the Recipient is located. The Recipient must include a similar notification requirement in its Third Party Agreements and must require each Third Party Participant to include an equivalent provision in its subagreements at every tier, for any agreement that is a “covered transaction” according to 2 C.F.R. §§ 180.220 and 1200.220.</p> <ol style="list-style-type: none"> <li>(1) The types of legal matters that require notification include, but are not limited to, a major dispute, breach, default, litigation, or naming the Federal Government as a party to litigation or a legal disagreement in any forum for any reason.</li> <li>(2) Matters that may affect the Federal Government include, but are not limited to, the Federal Government’s interests in the Award, the accompanying Underlying Agreement, and any Amendments thereto, or the Federal Government’s administration or enforcement of federal laws, regulations, and requirements.</li> <li>(3) <i>Additional Notice to U.S. DOT Inspector General.</i> The Recipient must promptly notify the U.S. DOT Inspector General in addition to the FTA Chief Counsel or Regional Counsel for the Region in which the Recipient is located, if the Recipient has knowledge of potential fraud, waste, or abuse occurring on a Project receiving assistance from FTA. The notification provision applies if a person has or may have submitted a false claim under the False Claims Act, 31 U.S.C. § 3729, et seq., or has or may have committed a criminal or civil violation of law pertaining to such matters as fraud, conflict of interest, bid rigging, misappropriation or embezzlement, bribery, gratuity, or similar misconduct involving federal assistance. This responsibility occurs whether the Project is subject to this Agreement or another agreement between the Recipient and FTA, or an agreement involving a principal, officer, employee, agent, or Third Party Participant of the Recipient. It also applies to subcontractors at any tier. Knowledge, as used in this paragraph, includes, but is not limited to, knowledge of a criminal or civil investigation by a Federal, state, or local law enforcement or other investigative agency, a criminal indictment or civil complaint, or probable cause that could support a criminal indictment, or any other credible information in the possession of the Recipient. In this paragraph, “promptly” means to refer information without delay and without change. This notification provision applies to all divisions of the Recipient, including divisions tasked with law enforcement or investigatory functions.</li> </ol>

## APPENDIX 2

### Compliance Responsibility Matrix

Compliance Area	City		DASH	
	Role*	Responsibility	Role*	Responsibility
Legal <a href="#">FTA Master Agreement, Section 39</a>	L	Sign FTA Certifications and Assurances Notify FTA of legal matters that involve FTA	S	
Financial Management and Capacity <a href="#">2 CFR Part 200, FTA Circular 5010.1E</a>	L	Maintain financial management system Single audit/Financial oversight	S	Provide pertinent data as requested by the City
Technical Capacity - Award Management <a href="#">2 CFR Part 200, FTA Circular 5010.1E</a>	L	FTA award management and reporting	S	Provide pertinent data as requested by the City
Technical Capacity - Project Management <a href="#">FTA Circular 5010.1E</a>	L	Project management and quality control	S	Provide pertinent data as requested by the City
National Transit Database (NTD) Reporting <a href="#">49 CFR Part 630</a>	L	Preparation and submittal of quarterly and annual reports	S	Provision of required NTD operating and financial data
Transit Asset Management <a href="#">49 CFR Part 625</a>	O		L	Prepare Transit Asset Management Plan or participation in a group plan
Satisfactory Continuing Control <a href="#">2 CFR Part 200, FTA Circular 5010.1E</a>	O	Annual asset inventory and reconciliation	L	Maintenance of FTA-funded property in its original, intended use with understanding that DASH will have title to such assets
Maintenance <a href="#">2 CFR Part 200, FTA Circular 5010.1E,</a>	O		L	Preparation and adherence to Fleet and Facility Maintenance Plans

Compliance Area	City		DASH	
	Role*	Responsibility	Role*	Responsibility
49 CFR Part 37				
Procurement FTA Circular 4220.1F	L	Administer and oversee all FTA-grant assisted procurements	S	Lead preparation of technical details and project scope of work
Disadvantaged Business Enterprise (DBE) 49 CFR Part 26	L	DBE Program and goal development DBE goal monitoring and Reporting Designate DBE Liaison Officer	S	
Title VI FTA Circular 4702.1B	L, O	Adopt and implement FTA Title VI Program Track and investigate Title VI complaints Designate a Title VI Coordinator	L	Adoption and monitoring of Title VI service standards and policies Perform equity analyses, as needed Support FTA Title VI Program updates
ADA – General FTA Circular 4710.1	L	Track and investigate ADA complaints; ensure that city-maintained bus stops adhere to ADA compliance requirements, as appropriate.	S	Maintain accessible vehicles Ensure provisions for accessible service
ADA - Complementary Paratransit FTA Circular 4710.1	L	Provision of ADA Complementary Paratransit Service Perform ADA Eligibility Determinations	S	Notify City of fixed-route service and fare changes
Equal Employment Opportunity (EEO) FTA Circular 4704.1A	L	EEO Program Oversight Designate EEO Officer	S	Prepare and update EEO Program
Private Sector Protections 49 CFR Part 604 49 CFR Part 605	O		L	Ensure FTA-funded assets are not being used for charter or exclusive school bus operations.
Drug Free Workplace and Drug and Alcohol Programs 49 CFR Part 32 49 CFR Part 40 49 CFR Part 655	O		L	Written DFW Policy Written Drug and Alcohol Policy Drug and Alcohol Testing Program Drug and Alcohol Testing Program Reporting

\* L = lead; S = support; O = oversight