

A G E N D A

REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF COTTONWOOD, ARIZONA, TO BE HELD JANUARY 17, 2012, AT 6:00 P.M., AT THE CITY COUNCIL CHAMBERS BUILDING, 826 NORTH MAIN STREET, COTTONWOOD, ARIZONA.

- I. CALL TO ORDER
- II. ROLL CALL
- III. PLEDGE OF ALLEGIANCE
- IV. BRIEF SUMMARY OF CURRENT EVENTS BY MAYOR, CITY COUNCIL AND/OR CITY MANAGER-- THE PUBLIC BODY DOES NOT PROPOSE, DISCUSS, DELIBERATE OR TAKE LEGAL ACTION ON ANY MATTER BROUGHT UP DURING THIS SUMMARY UNLESS THE SPECIFIC MATTER IS PROPERLY NOTICED FOR LEGAL ACTION.
- V. CALL TO THE PUBLIC--This portion of the agenda is set aside for the public to address the Council regarding an item that is not listed on the agenda for discussion. However, the Council cannot engage in discussion regarding any item that is not officially listed on the agenda for discussion and/or action (A.R.S. §38-431.02.H.) Comments are limited to a 5 minute time period.
- VI. PRESENTATION OF A RESOLUTION OF RECOGNITION OF THE CITY OF COTTONWOOD FROM THE ARIZONA STATE PARKS BOARD.
- VII. EMPLOYEE QUARTERLY SAFETY AWARD--BRANDON WACKER, FIREFIGHTER/EMT.
- VIII. APPROVAL OF MINUTES--Regular Meeting of 1/3/12 and Special Meeting of 1/10/12.

Comments regarding agenda items are limited to a 5 minute time period per speaker.

- IX. OLD BUSINESS--None.
- X. CONSENT AGENDA-- The following items are considered to be routine and non-controversial by the Council and will be approved by one motion. There will be no separate discussion of these items unless a Council Member or a citizen so requests, in which case the item will be removed from the Consent Agenda and considered in its normal sequence on the Agenda.
 1. APPROVAL OF A GOVERNOR'S OFFICE OF HIGHWAY SAFETY GRANT CONTRACT IN THE AMOUNT OF \$3,000 FOR OVERTIME EXPENSES THAT WILL BE INCURRED FOR UNDERAGE ALCOHOL ENFORCEMENT.
 2. SPECIAL EVENT LIQUOR LICENSE SUBMITTED BY LANA TOLLESON, APPLICANT FOR THE COTTONWOOD CHAMBER OF COMMERCE, FOR A CHAMBER BUSINESS MIXER TO BE HELD ON FEBRUARY 16, 2012, AT THE ASPEN RIDGE APARTMENT COMPLEX LOCATED AT 831 E. MINGUS AVENUE.

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- XI. NEW BUSINESS—The following items are for Council discussion, consideration, and possible legal action.
 - 1. AWARD OF BID FOR WASTEWATER INFLUENT FLOW SCREEN, WASHER/ COMPACTOR AND APPURTENANCES TO HYDRO-DYNE ENGINEERING INC.
 - 2. AWARD OF CONTRACT FOR MAINLINE WATER VALVE EXERCISING AND DOCUMENTATION TO M.E. SIMPSON COMPANY.
 - 3. APPROVAL OF THE FORM OF A BUSINESS ASSISTANCE CENTER (BAC) LEASE FOR OFFICE SPACE IN THE CENTER.
 - 4. AUTHORIZATION FOR STAFF TO SUBMIT ANY AND ALL SECTION 5310, 5316, AND 5317 APPLICATIONS AND CONTRACT DOCUMENTS TO THE ARIZONA DEPARTMENT OF TRANSPORTATION (ADOT) FOR GRANT FUNDING ASSISTANCE FOR ANY “COORDINATED MOBILITY PROGRAMS” IN CONJUNCTION WITH THE OPERATION OF THE COTTONWOOD AREA TRANSIT (CAT) AND VERDE LYNX SYSTEMS.
 - 5. APPROVAL TO HIRE A TRANSPORTATION MANAGER TO PROVIDE FOR THE TRANSITION AND CONTINUITY OF SERVICES AND MANAGEMENT OF THE COTTONWOOD AREA TRANSIT AND VERDE LYNX TRANSIT SYSTEMS.

- XII. CLAIMS & ADJUSTMENTS.

- XIII. EXECUTIVE SESSION - PURSUANT TO A.R.S. §38-431.03.A.7 THE COUNCIL MAY VOTE TO CONVENE IN EXECUTIVE SESSION TO CONSIDER ITS POSITION AND INSTRUCT ITS REPRESENTATIVES REGARDING NEGOTIATIONS FOR THE POSSIBLE PURCHASE OF REAL PROPERTY.

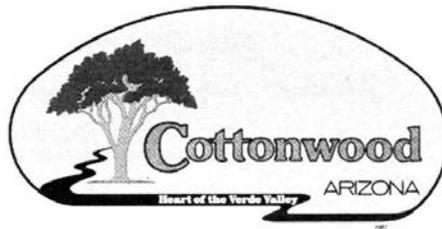
- XIV. ADJOURNMENT.

Pursuant to A.R.S. § 38-431.03.(A) the Council may vote to go into executive session on any agenda item pursuant to A.R.S. § 38-431.03.(A)(3) Discussion or consultation for legal advice with the attorney or attorneys of the public body.

The Cottonwood Council Chambers is accessible to the disabled in accordance with Federal “504” and “ADA” laws. Those with needs for special typeface print or hearing devices may request these from the City Clerk (TDD 634-5526.) All requests must be made 24 hours prior to the meeting.

Members of the City Council will attend either in person or by telephone conference call.

Notice is hereby given that pursuant to A.R.S. §1-602.A.9 , subject to certain specified statutory exceptions, parents have a right to consent before the State or any of its political subdivisions make a video or audio recording of a minor child. Meetings of the City Council are audio and/or video recorded, and, as a result, proceedings in which children are present may be subject to such recording. Parents in order to exercise their rights may either file written consent with the City Clerk to such recording, or take personal action to ensure that their child or children are not present when a recording may be made. If a child is present at the time a recording is made, the City will assume that the rights afforded parents pursuant to A.R.S. §1-602.A.9 have been waived.



MEMORANDUM

DATE: January 6, 2012
TO: Honorable Mayor & City Council
THRU: Doug Bartosh, City Manager
FROM: Iris Dobler, Human Resources / Risk / Safety Manager
SUBJECT: 2011 4th Quarter Safety Employee Award Winner – Brandon Wacker

The Safety Awareness and Risk Management Committee reviewed the following nominations:

- Gareth Braxton-Johnson & Chad Sinn, Police Dept. – nominated by Gary Eisenga, Police Dept.
- Jennifer Myers, Communications/Police Dept. – nominated by Marie Carpenter, Communications/Police Dept.
- Brandon Wacker – nominated by “C” Shift, Fire Dept.

Brandon Wacker was selected the winner for the following efforts:

- ❖ He has taken it upon himself to initiate and organize a Mass Casualty Drill at Mingus Union High School.
- ❖ He has obtained vehicles from a wrecking yard at McGuireville that our Fire Department used for vehicle extrication/fire training. He used his own vehicle and trailer to transport the vehicles to the training center, then back to the wrecking yard, on his off-duty time with his own money spent for transportation costs.
- ❖ Brandon has also initiated and prepared Public Safety Announcements (PSAs) for local radio and television channels. Topics have included cooking safety, fire escape plans, the importance of working smoke detectors, and holiday safety. Recently he set up a PSA for structure donation to allow for more realistic firefighter training. Recently he set up a PSA for structure donation to allow for more realistic firefighter training.
- ❖ He has taken a lead role with setting up the “Every 15 Minute Alcohol Awareness Program” for Mingus Union High School and Sedona Red Rock High School. He works year-round with multiple agencies to complete five of these programs. The alcohol awareness program is a two-day program focusing on high school junior and seniors, which challenges them to think about drinking, driving, personal

safety, and the responsibility of making mature decisions. There is a simulated traffic collision, and students experience first hand the sensations of being involved in a tragic, alcohol-related and texting-while-driving collision. This Every 15 Minute Program involves a tremendous amount of organization, time and care to put together. Brandon has gone above and beyond his job description spending countless hours putting together this program numerous times over the years.

For all these reasons, I request Brandon Wacker receive the Safety Employee of the Quarter Award for the 4th uarter of 2011.

Attachment: Nomination Submission



4th QUARTER, 2011
EMPLOYEE or SAFETY EMPLOYEE
(please designate which)
RECOGNITION NOMINATION

(Please circle the category for which you are nominating this employee.)

Submit to the HR office by December 13, 2011

Please use the format shown below. You may write or type on an additional sheet of paper, if you wish.

SUBMISSION DATE: 12/7/2011

NAME OF EMPLOYEE: Brandon Wacker

DEPARTMENT: Fire

POSITION: Firefighter/EMT

WHAT ACTION DID THE EMPLOYEE DO TO DESERVE THIS NOMINATION:

Brandon Wacker has been an outstanding city employee and consistently goes above and beyond to make the department and city safer. He continues to be a valuable asset, taking it upon himself to initiate and organize a Mass Casualty Drill at Mingus Union High School. He has obtained vehicles from McGuierville used for vehicle extrication/fire training. He has used his own vehicle and trailer to transport the vehicles to the training center then back to the wrecking yard. This has been done on his off duty time with his own money spent for transportation costs. He is responsible for initiating and preparing Public Safety Announcements (PSA's) on local radio and television channels. These include cooking safety, fire escape plans, and the importance of working smoke detectors. Currently he is working on holiday safety PSA's. Recently he set up a Public Service Announcement for structure donation to allow for more realistic firefighter training. He has taken a lead role with setting up the "Every 15 Minute Alcohol Awareness Program" for Mingus Union High School and Sedona Red Rock High School. He has worked tirelessly year round with multiple agencies to complete five of these programs.

WHAT IS THE IMPACT/BENEFIT TO THE CITY:

The Mass Casualty Drill incorporated all aspects of public safety including local fire, EMS, police/SWAT, VVMC and other city representatives. This drill incorporated active shooters whom had taken the students hostage. During this time a “bomb” was detonated inside the school, causing multiple injuries and fatalities to students. This drill allowed for a better understanding on how to mitigate a large scale disaster and to resolve any issues that needed to be addressed.

The Public Service Announcements have provided education to members of the community on fire safety. Most of the presentations are offered in schools of all ages. However, these commercials reach a variety of audiences and stress the importance of implementing safety techniques.

Brandon Wacker has also been a big help with firefighter training by setting up PSA's for structure donations which will get the word out that you can donate your abandoned and/or ready to be demolished structures to the fire department, allowing them to receive invaluable training. This can also save our customers money in this tough economy. These structures are non-destructive (used for search and rescue drills), destructive (used for breaching walls, cutting holes in roofs, knocking out windows, etc.), and burning (used for suppression activities- eventually burning the structure to the ground).

The “Every 15 Minutes Alcohol Awareness Program” is a two-day program focusing on high school juniors and seniors, which challenges them to think about drinking, driving, personal safety, and the responsibility of making mature decisions. The Every 15 Minutes program starts months in advance of the actual presentation. A simulated traffic collision will be viewable on the school grounds. These students will experience first hand, the sensations of being involved in a tragic, alcohol-related and texting while driving collision. The coroner will handle fatalities on the scene, while the injured students will be extricated by the jaws-of-life manned by Fire-Fighters and Paramedics. Police Officers will investigate, arrest, and book the student "drunk driver". Student participants will continue their experience by an actual trip to the morgue, the hospital emergency room, and to the police department jail.

During the most powerful portion of the retreat, the students will be taken through an audio - visualization of their own death. Then each student will write a letter to his or her parents starting out with . . ."Dear Mom and Dad, every fifteen minutes someone in the United States dies from an alcohol related traffic collision, and today I died. I never had the chance to tell you....." Parents will also be asked to write similar letters to their children.

An assembly will be hosted by a Project Coordinator, who will guide the audience through the devastating effects of losing a loved one due to a bad choice. Speakers will include students, who will read letters to their parents, police officers, and hospital personnel who shared their emotional trauma of dealing with kids killed in traffic crashes. They also have a powerful speaker who actually lost a child to a drunk driver, or as the result of driving while under the influence or texting while driving. The focus of the assembly stresses that the decision to consume alcohol can affect many more people than just the one who drinks and the dangers of texting while driving. This event includes the participation of Police, Fire, EMS, High School Staff, Local Hospital, Video Production Crew, Community Officials, District Attorney's Office, Funeral Homes and a wide cross-section of the community at-large.

As you can see the Every 15 Minute Program involves a tremendous amount of organization, time and care to put together. Brandon has exceeded his job description spending countless hours putting together this program numerous times over the years. His hard work along with going above and beyond makes Brandon an extremely valuable employee. I feel Brandon is constantly going the extra mile and believe he deserves safety employee of the quarter to recognize his tireless efforts to make Cottonwood Fire Department, the City of Cottonwood and surrounding communities safer. Brandon's initiative has prevented tragedies and saved more lives than can ever be measured. Thank you for your time and consideration.

SIGNATURE OF NOMINATOR:  DATE: 12/7/11

PRINT NAME OF SUBMITTING NOMINATOR: C Shift

City of Cottonwood, Arizona
City Council Agenda Communication



Meeting Date: January 17, 2012

Subject: Governor's Office of Highway Safety 2012-DOJ-0065 Underage Alcohol Enforcement Overtime

Department: Police Department

From: Jody Fanning, Chief of Police

REQUESTED ACTION

Acceptance of the City Manager and Chief of Police signing the attached GOHS contract to provide \$3,000.00 for overtime expenses that will be incurred from October 1, 2011 through December 31, 2012 for Underage Alcohol Enforcement.

If the Council desires to approve this item the suggested motion is:

"I move to approve the Governor's Office of Highway Safety Grant, Contract Number 2012-DOJ-006, and authorize the City Manager and Police Chief to sign said contract."

BACKGROUND

The Governor's Office of Highway Safety (GOHS) has, throughout the years, provided the City of Cottonwood Police Department with funding of many thousands of dollars. This funding is for overtime that is focused on the enforcement and education of underage drinking. This is the first time the Cottonwood Police Department has received funding for a grant for underage drinking. The overtime requested is for the Underage Drinking Task Force patrol. The Task Force focuses on day to day violations of the consumption and possession of alcohol by persons under the age of 21. It also checks on various establishments to see if they are going to sell or promote the sell and consumption of alcohol to persons under the age of 21. This funding is the only way Cottonwood Police Department is able to participate in these special patrols.

JUSTIFICATION/BENEFITS/ISSUES

This funding will allow the Department to teach the effects and penalties of underage drinking by providing overtime funds for the enforcement of underage drinking. The funding requested for overtime will be the only way that the Underage Drinking Task Force can run their details.

COST/FUNDING SOURCE

This grant, if totally funded, will not be of any cost to the City of Cottonwood. There are no matching funds needed.

REVIEWED BY:

City Manager: _____

City Attorney: _____

ATTACHMENTS

Two (2) original GOHS Contracts

HIGHWAY SAFETY CONTRACT

This page, the Project Director's Manual, and the Schedules A, B, and C, attached hereto and incorporated herein by reference, constitute the entire contract between the parties hereto unless deviation is authorized in writing by the Governor's Highway Safety Representative.

PART I.		CFDA: (DOJ) 16.727
1. APPLICANT AGENCY: Cottonwood Police Department	GOHS CONTRACT NUMBER: 2012-DOJ-006 (2011)	
ADDRESS: 199 South 6 th Street, Cottonwood, Arizona 86326	PROGRAM AREA: DOJ (2011) TASK: N/A	
2. GOVERNMENTAL UNIT City of Cottonwood	AGENCY CONTACT: Christine Christensen	
ADDRESS: 827 North Main Street, Cottonwood, Arizona 86326	3. PROJECT TITLE:	
4. GUIDELINES: DOJ -- Enforcing Underage Drinking Laws (EUDL)	Underage Alcohol Enforcement	
5. BRIEFLY STATE PURPOSE OF PROJECT: Federal DOJ (2011) funds will support Personnel Services (Overtime) and Employee Related Expenses to enhance underage drinking enforcement activities throughout the City of Cottonwood. Liquor activities included but not limited to the persons under the age of 21 years purchasing, possessing and/or consuming spirituous liquor.		
6. BUDGET COST CATEGORY	Project Period FY 2012	
I. Personnel Services	\$ 2,400.00	
II. Employee Related Expenses	\$600.00	
III. Professional and Outside Services	\$0.00	
IV. Travel In-State	\$0.00	
V. Travel Out-of-State	\$0.00	
VI. Materials and Supplies	\$0.00	
VII. Capital Outlay	\$0.00	
TOTAL ESTIMATED COSTS	\$3,000.00	
PROJECT PERIOD	FROM: Effective Date (<i>Date of GOHS Director Signature</i>)	TO: 12-31-2012
CURRENT GRANT PERIOD	FROM: 06-01-2011	TO: 12-31-2012
TOTAL FEDERAL FUNDS OBLIGATED THIS FY: \$3,000.00		
A political subdivision or state agency that is mandated to provide a certified resolution or ordinance authorizing entry into this contract must do so prior to incurring any expenditures. Failure to do so may result in termination of the awarded contract.		

PROBLEM IDENTIFICATION AND RESOLUTION:**Agency Background:**

The City of Cottonwood encompasses approximately 714 square miles and is located in Yavapai County which encompasses approximately 8800 square miles. It is the largest city in the Verde Valley and is a growing community that serves as the central hub of the geographic area.

The City of Cottonwood has a population of more than 11,265 with the Verde Villages bringing in another 11,000 people. Along with the growth in population in the area, there is also a steady growth of tourism. Tourism during big event weekends can increase the City's population by 10% to 20%. The City serves this entire population whether they live within or outside the City limits and the Police Department also assists these other agencies that consist of Clarkdale Police Department, Jerome Police Department and Yavapai County Sheriff's Office. The Cottonwood Police Department consists of 31 sworn officers, 17 civilian personnel and 11 volunteers. To keep up with the continued growth of our area, the Department takes an innovative approach to police services and strives to remain proactive in our efforts.

The City of Cottonwood has thirteen (13) traffic signals with approximately five (5) miles of Highway 260 and approximately five (5) miles of 89A in our jurisdiction. 89A is a thoroughfare to Sedona, Clarkdale, Jerome, Prescott, and Flagstaff. Highway 260 is a thoroughfare to Camp Verde and Interstate 17 to Flagstaff, Prescott and Phoenix. They have a constant flow of traffic and it is where a majority of our major accidents occur. Main Street in Cottonwood is approximately 3 miles long and runs through the older district of Cottonwood and is a connector road to Clarkdale and 89A to Jerome and Prescott.

Agency Problem:

Alcohol and drug impaired driving continues to be a contributing factor of accidents. Youth alcohol violations and DUI continue to be a problem within the community. Due to the lack of manpower, directed activities to impact these violations have been a problem due to lack of funding. The police department wants to continue enforcement activities in conjunction with the DUI task forces by conducting continuous and directed enforcement and educational activities throughout the year.

Underage drinking cost the citizens of the United States billions of dollars each year. These costs include medical care, work loss, and pain and suffering associated with the multiple problems resulting from the use of alcohol by youth. This translates to excessive costs each year for each youth in the nation. Excluding pain and suffering from these costs, the direct costs of underage drinking incurred through medical care and loss of work cost the United States billions of dollars each year.

Youth violence and traffic crashes attributable to alcohol use by underage youth in the United States represent the largest costs for the nation. Young people who begin drinking before age 15 are four times more likely to develop alcohol dependence and are two and a half times more likely to become abusers of alcohol than those who begin drinking at age 21. Thousands of youth 12- 20 years old are admitted for alcohol treatment in the United States, accounting for 9% of all treatment admissions for alcohol abuse in the nation.

The Cottonwood Police Department bears an enormous responsibility to provide appropriate DUI and alcohol related enforcement covering a large geographic region. The area unavailable for regular patrol is still available to the underage drinkers. The number of minors that participate in parties throughout the remote areas of the county for the purpose of consuming alcohol continues to rise. These areas often go unchecked due to a countywide enforcement personnel shortage that impedes the ability to target youth alcohol violations.

This inability to enforce these types of violations effectively compromises the safety and security of the community. In addition, these desert parties are also provide an environment conducive to abuse of illegal and prescription drugs. When the attendees of a party leave the location, they are generally under the influence of alcohol, drugs, or both and the probability of an impaired driving collision increases

In addition to minors participating in parties, there are liquor establishments that will sell alcohol to individuals under 21 without checking ID as well as adults that will purchase alcohol for those under 21 without regard to the well-being of the individual or safety of the community.

The Cottonwood Police Department does not have the resources and funding to address activities to reduce underage drinking problems adequately in Cochise County.

Agency Attempts to Solve Problem:

The Cottonwood Police Department has also routinely staffed officers on holidays and weekends for DUI saturation patrols, speed details, underage party patrols, CUB details, and other select traffic enforcement activities. These activities are often planned in conjunction with neighboring agencies and statewide task forces for maximum effectiveness in our area. Cottonwood Police Department also participates in, and has hosted, multi-agency DUI activities throughout Yavapai County. The Cottonwood Police Department also supports many public awareness and educational efforts in our community.

Agency Funding:

Federal DOJ (2011) funds will support Personnel Services (Overtime) and Employee Related Expenses to enhance underage drinking enforcement activities throughout the City of Cottonwood. Liquor activities included but not limited to the persons under the age of 21 years purchasing, possessing and/or consuming spirituous liquor.

How Agency Will Solve Problem With Funding:

The Cottonwood Police Department will conduct saturation patrols in areas identified with a high potential for youth alcohol violations/underage consumption activity. The Cottonwood Police Department will also work with officers and continue to share information about planned gatherings that may have minors and alcohol present. The type of enforcement activities conducted shall include sobriety checkpoints, private residence parties, Covert Underage Buying (CUB) Program, bars, restaurants, college campuses, high school campuses and other areas designated as underage alcohol activities.

TRAFFIC DATA SUMMARY

DESCRIPTION	LAST YEAR (2010)	TWO YEARS AGO (2009)	THREE YEARS AGO (2008)
TOTAL FATAL COLLISIONS	0	2	0
TOTAL INJURY COLLISIONS	51	37	9
TOTAL COLLISIONS INVESTIGATED	N/A	N/A	N/A
ALCOHOL-RELATED FATALITIES	0	1	0
ALCOHOL-RELATED INJURIES	4	3	2
SPEED-RELATED FATALITIES	0	0	0
SPEED-RELATED INJURIES	5	23	89
PEDESTRIAN FATALITIES	0	1	0
PEDESTRIAN INJURIES	12	7	2
BICYCLE FATALITIES	0	0	0
BICYCLE INJURIES	3	4	5
TOTAL DUI ARRESTS	105	133	147
TOTAL EXTREME DUI .15 ARRESTS	26	30	34
TOTAL AGGRAVATED DUI ARRESTS	24	35	18
TOTAL DUI-DRUG ARRESTS	33	42	46
TOTAL DRE EVALUATIONS	N/A	N/A	N/A
SOBER DESIGNATED DRIVERS CONTACTED	12	0	0
UNDERAGE ALCOHOL VIOLATIONS - TITLE 4	76	222	429
UNDERAGE DUI ARRESTS	2	78*	41*
UNDERAGE DUI-DRUG ARRESTS	11	23	6
TOTAL AGENCY CITATIONS	1,408	1,289	2,075
SPEED CITATIONS	413	293	458
RED LIGHT RUNNING CITATIONS	64	67	70
SEAT BELT CITATIONS	14	73	98
CHILD SAFETY SEAT CITATIONS	64	67	70

GOALS/OBJECTIVES:

Federal DOJ (2011) funds will support Personnel Services (Overtime) and Employee Related Expenses to enhance underage drinking enforcement activities throughout the Town of Prescott Valley. Liquor activities included but not limited to the persons under the age of 21 years purchasing, possessing and/or consuming spirituous liquor. The following goals and objectives shall be accomplished as a result of this funding:

- Implement funding for Personnel Services (overtime) and Employee Related Expenses provided for underage drinking enforcement/DUI activities by December 31, 2012.
- To increase the Youth Alcohol (Title 4) Violation Citations by **15%** percent from the calendar 2010 base year total of **76 to 87** by December 31, 2012.
- To conduct at least **One (1)** Youth Alcohol/Underage Drinking related enforcement detail by December 31, 2012.
- To conduct at least **Two (2)** CUB Operations by December 31, 2012.
- To attend the 2012 GOHS Youth Alcohol/Underage Drinking Enforcement Course (Title 4/Fake ID) by December 31, 2012.
- To prepare complete press release information for media (television, radio, print and on-line) during each campaign period including a main press release, schedule of events, departmental plans and relevant data. **The material will emphasize the campaign's purpose, aggressive enforcement and the high cost of Youth Alcohol/Underage Drinking in terms of money, criminal and human consequences.**

METHOD OF PROCEDURE:

The Cottonwood Police Department will implement the following strategies to meet the outlined goals and objectives:

- Increase underage drinking enforcement capabilities by implementing additional personnel services (overtime) to participate in underage drinking enforcement/DUI activities
- To attend the 2012 GOHS Underage Alcohol Enforcement Course by December 31, 2012.
- The type of enforcement activities that will be conducted shall include: sobriety checkpoints, private residence parties, Covert Underage Buying (CUB) Program, bars, restaurants, college campuses, high school campuses and other areas designated as underage alcohol activities.

- Liquor activities included, but not limited to, the persons under the age of 21 years purchasing, possessing and/or consuming spirituous liquor.
- Implement a system of programs to deter alcohol/drug impaired underage driving, which will include aggressive enforcement of current laws, as well as visible and aggressive prosecution of violators.
- Develop Underage DUI enforcement project(s) that will provide highly visible patrols and selective enforcement methods utilizing up-to-date field sobriety techniques.
- Develop comprehensive community Underage DUI prevention projects that employ collaborative efforts in the development and execution of strategic information and education campaigns targeting youth, and focusing specific attention to those who engage in high-risk behaviors.
- Provide DRE training for enforcement officers, prosecutors, and judges to facilitate in the arrest, prosecution, and adjudication of underage alcohol and/or drug impaired drivers.
- Develop Public information and educational campaigns to raise awareness specific to Arizona's goals and objectives in reducing underage impaired driving fatalities and collisions. These activities shall include print, radio, television, on-line electronic and other possible innovative projects.
- Work in correlation with the statewide GOHS funded traffic safety prosecutor that is available to all police agencies and adjudicating prosecuting attorney's offices, particularly for cases that may set a state precedent.
- Provide training opportunities for laboratory technicians, law enforcement and prosecutors on use of current technology and new phlebotomy projects.
- Participation is mandatory in multi-agency task forces, specifically the statewide Arizona DUI Task Forces. The mission of these Task Forces is to *"Unite Arizona communities to implement a coordinated public information and education campaign along with combined DUI enforcement activities with an emphasis on holidays and specific event days throughout the year."*
- To develop an Underage Drinking Operational Plan to establish the method of operation with goals and objectives applicable upon initiation of contracted grant program.

And, in addition, it is the responsibility of the Cottonwood Police Department to report all holiday task force or individual agency sustained enforcement statistics to GOHS on-line at the GOHS website **no later than 1000 hours the morning following each day of the event.**

The holidays and special events include but not limited to: Super Bowl Sunday, Valentine's Day, President's Day, St. Patrick's Day, Spring Break, Easter, Cinco de Mayo, Prom Night,

Memorial Day, Graduation Day, Independence Day, Labor Day, Columbus Day, Halloween, and the Thanksgiving through New Year's details.

PLEASE NOTE: Failure to report statistics on time and correctly may result in reimbursements being denied.

PRESS RELEASE:

Agencies are required to develop and distribute a press release announcing this grant award (a copy of this press release shall be sent to the GOHS Director at the same time it is sent to the media). This press release shall include the objective and specify that the funding is from the Governor's Office of Highway Safety.

BAC TESTING AND REPORTING REQUIREMENTS:

Alcohol impairment is a major contributing factor in fatality and serious injury motor vehicle collisions. Accurate data on alcohol involvement is essential to understanding the full extent of the role of alcohol and to assess progress toward reducing impaired driving.

Arizona is presently and consistently below the documented average among the states in the Blood Alcohol (BAC) testing of drivers involved in fatality motor vehicle collisions.

Each law enforcement agency that receives an enforcement-related grant is required to ensure that this accurate data on all drivers involved are reported. Failure to comply may result in withholding funds and cancellation of the enforcement contract until this requirement is met.

PURSUIT POLICY:

All law enforcement agencies receiving federal funds are encouraged to follow the guidelines established for vehicular pursuits issued by the International Association of Chiefs of Police (IACP) that are currently in effect.

Requirements for Public Information and Education Materials:

Prior to the printing and distribution of public information and education materials, a sample will be provided to the GOHS Director for review and written approval.

Requirements for Paid Media:

All paid media must be pre-approved by the GOHS Director to ensure that consistent messages are sent statewide. Requests for paid media must include, *at a minimum*, scripts, description of target audience (to include methodology for identifying target audience), type of media to be utilized (electronic, print), campaign schedule, and budget. Additional information may be requested on a case by case basis.

METHOD OF PROCUREMENT:

Procurement procedures shall be in accordance with the Project Director's Manual and Schedule C, Section X. Additionally, the Cottonwood Police Department shall follow State Procurement Code.

A clear audit trail must be established to determine costs charged against this contract. Substantiation of costs shall, where possible, be made utilizing the Cottonwood Police Department documentation consisting of, but not limited to, copies of time sheets, purchase orders, copies of invoices, and proof of payment.

The Project Director shall retain copies of all documentation in the project file.

State Contract:

Procurement may be made using an open state contract award. Documents submitted to substantiate purchase using an open state contract must bear the contract number.

PROJECT EVALUATION:

This project shall be administratively evaluated to ensure that the objectives have been met.

Semi-Annual Report (On-Line Only)

Once every six (6) months during the grant period the Project Administrator shall submit an *on-line reporting* Performance Measures Data Report through the Department of Justice web-based **DCTAT (Data Collection and Technical Assistance Tool)** system. Performance Measures Data Report will be required every six (6) months during the grant period. These reports shall reflect semi-annual accomplishments, progress, and status of the project. At select times during the project period, specific information may be requested by State and Federal officials. The Project Director shall be required to supply this information within a reasonable time period as set forth in a request.

***** ON-LINE REPORTING ONLY *****

DCTAT (Data Collection and Technical Assistance Tool) web site is located at <https://www.ojjdp-dctat.org/>

- User ID: **AZ0073G**
- Password: **gohs**
- DCTAT Help Desk Phone 1-866-487-0512

Report Schedule (On-Line)

Reporting Period	Due Date (On-Line Reporting)
Semi-Annual Report (January 1 to June 30, 2012)	July 15, 2012
Semi-Annual Report (July 1 to December 31, 2012)	January 15, 2013

Semi-Annual Report (October 1 to December 31, 2012) | January 15, 2013

The Semi-Annual Report **shall be completed on the available on-line form and submitted by mail** to the Governor's Office of Highway Safety. **Note:** The "Quarterly Summary Enforcement Report must be included with each Quarterly Report and Final Statement of Accomplishment.

Final Statement of Accomplishments

The Project Director shall submit a Final Statement of Accomplishments Report to the GOHS **no later than 30 days following the contract end date**. All agencies receiving funding are required to submit a Final Statement of Accomplishments Report. The report is a summary overview of the contracted project and is reviewed by the GOHS project coordinator to determine the following (this will be a 1-2 page report on agency letterhead to include the items listed below):

- How effective was the funded project in reducing or eliminating the identified traffic safety problem?
- Were the goals and objectives outlined in the contract achieved?
- What positive accomplishments or obstacles/deficiencies did the grantee face in pursuit of their respective goals and objectives?
- Evaluate the overall worth of the project?
- Will the project be continued in the future (Describe in detail) regardless of assistance from GOHS?

Final Statement Report Schedule

Reporting Period	Due Date
Final Statement of Accomplishment	January 31, 2013

Note: Failure to comply with the outlined GOHS reporting requirements may result in withholding of federal funds or termination of the contract.

PROFESSIONAL AND TECHNICAL PERSONNEL:

Jody Fanning, Chief, Cottonwood Police Department, shall serve as Project Director.

Christine Christensen, Police Administrative Technician, Cottonwood Police Department shall serve as Project Administrator.

Michelle S. Cota, DOJ Project Coordinator, Governor's Office of Highway Safety, shall serve as Project Coordinator.

REPORT OF COSTS INCURRED (RCI):

The Project Director shall submit a Report of Costs Incurred (RCI) with supporting documentation attached, to the Governor's Office of Highway Safety at a minimum on a quarterly basis in correlation required report. Agencies may submit additional RCI's forms for expenditures when funds have been expended for which reimbursement is being requested.

RCI's shall be typed and delivered via mail or hand with appropriate supporting documentation, delivered to the Governor's Office of Highway Safety. **Electronically submitted RCI's will not be accepted.** Final RCI's will not be accepted after thirty (30) days after the conclusion of each federal fiscal year (December 31st). **Expenditures submitted after the expiration date will not be reimbursed and the agency will accept fiscal responsibility.**

The Governor's Office of Highway Safety will provide the RCI template and instructions with this contract. Failure to meet this requirement may be cause to terminate the project under Schedule C, IIB.

The 10 percent retention, Schedule C, IIA, is waived.

PROJECT MONITORING:

Traffic safety grant project monitoring is used by GOHS project coordinators to track the progress of project objectives, performance measures and compliance with applicable procedures, laws, and regulations.

The process is used throughout the duration of the contracted project and serves as a continuous management tool. Project monitoring also presents a good opportunity for developing partnerships, sharing information and providing assistance to contracted agencies. Additionally, project monitoring outlines a set of procedures for project review and documentation.

Project monitoring also serves as a management tool for:

- Detecting and preventing problems
- Helping to identify needed changes
- Identifying training or assistance needed
- Obtaining data necessary for planning, and evaluation
- Identifying exemplary projects

Types of Monitoring

Monitoring is formal and informal, financial and operational. The most common types of monitoring are:

- Ongoing contact with the contracted grantee through phone calls, e-mails, correspondence, and meetings

- On-Site and/or In-House monitoring reviews of project operations, management, and financial records and systems
- Review of project Quarterly Reports
- Review and approval of Requests for Cost Incurred (RCIs)
- Desk review of other documents in the project-grant files for timely submission and completeness

Total Awarded Amount	Type of Monitoring
Under \$15,000,00	Desk Review/Phone Conference
\$15,000-\$50,000	In-House GOHS Review
\$50,000+	On-Site
Capital Outlay \$5,000+ (Single Item)	On-Site
Desk Review	Internal Review of all written documentation related to contractual project including but not limited to contract, quarterly reports, enforcement data, financial data, e-mails, letters, notes, press releases, photographs, inventories, and other written correspondence.
Phone Conference	A phone conference call conducted during the course of the project which includes the date and time of the call, the person/s contacted and the results. Serves as an informational review to determine progress of programmatic/financial activities. Both the designated project administrator and fiscal contact must be present during the phone conference.
In-House Review	Documents performance review results including project activities, reimbursement claims review, equipment purchases, approvals, and other information. Completed at GOHS in a meeting setting with affected personnel. Monitoring form written on-site and reviewed later with agency by Project Coordinator before providing a copy to the grantee.
On-Site Monitoring	Documents performance review results including project activities, reimbursement claims review, equipment purchases, and other information Conducted at agency with monitoring form completed on-site by Project Coordinator. GOHS will provide findings to agency via letter and a copy of monitoring form to the grantee.

Documentation

All findings will be documented on the GOHS Monitoring Form and placed in the grantee's respective federal file. Findings will be discussed with the grantee designated contract representative (project administrator, fiscal specialist) by phone and/or e-mail. All noted deficiencies will be provided to the grantee with guidance for improvement and solutions to problems. Grantees that exhibit significantly poor performance will be placed on a performance plan as outlined by the project coordinator. Grantee monitoring information will additionally provide documentation for potential funding in subsequent fiscal year grant proposal review.

PROJECT PERIOD:

The Project Period shall commence on the date the GOHS Director signs the U.S. Department of Justice–Office of the Juvenile Justice and Delinquency Prevention Contract and terminate on Date Contract Ends: December 31 of that or subsequent year as indicated on the U.S. Department of Justice–Office of the Juvenile Justice and Delinquency Prevention Contract.

DURATION:

Contracts shall be effective on the date the Governor’s Office of Highway Safety Director signs the contract and expire at the end of the project period.

If the Agency is unable to expend the funds in the time period specified and needs an extension, a typed extension request shall be signed by the Project Director on the Agency’s letterhead and submitted via mail or hand delivered to the Director of the Governor's Office of Highway Safety within ninety (90) days before the end of the project period.

Electronic, handwritten and verbal requests to alter the Contract in any manner will not be accepted.

Failure to comply may result in cancellation of the contract. Any unexpended funds remaining at the termination of the contract shall be released back to the Governor’s Office of Highway Safety.

ESTIMATED COSTS:

I.	Personnel Services (overtime)	\$2,400.00
II.	Employee Related Expenses	600.00
III.	Professional and Outside Services	\$0.00
IV.	Travel In-State	\$0.00
V.	Travel Out-of-State	\$0.00
VI.	Materials and Supplies	\$0.00
VII.	Capital Outlay	\$0.00

TOTAL ESTIMATED COSTS *\$3,000.00

*Includes all applicable training, tax, freight, and advertising costs. This is the maximum amount to be reimbursed. It is agreed and understood that the Cottonwood Police Department shall absorb expenditures in excess of **\$3,000.00**.

**DAILY ENFORCEMENT REPORT
(For Agency Use Only)**

Month Day Year

**Contract Number: 2012-DOJ-006 (2011)
Reporting Agency: Cottonwood Police Department**

Description	Contract Activity	PD Total
TOTAL FATAL COLLISIONS		
TOTAL INJURY COLLISIONS		
TOTAL COLLISIONS INVESTIGATED		
ALCOHOL-RELATED FATALITIES		
ALCOHOL-RELATED INJURIES		
SPEED-RELATED FATALITIES		
SPEED-RELATED INJURIES		
PEDESTRIAN FATALITIES		
PEDESTRIAN INJURIES		
BICYCLE FATALITIES		
BICYCLE INJURIES		
TOTAL DUI ARRESTS		
TOTAL EXTREME DUI .15 ARRESTS		
TOTAL AGGRAVATED DUI ARRESTS		
TOTAL DUI-DRUG ARRESTS		
TOTAL DRE EVALUATIONS		
SOBER DESIGNATED DRIVERS CONTACTED		
UNDERAGE ALCOHOL VIOLATIONS - TITLE 4		
UNDERAGE DUI ARRESTS		
UNDERAGE DUI-DRUG ARRESTS		
TOTAL AGENCY CITATIONS		
SPEED CITATIONS		
RED LIGHT RUNNING CITATIONS		
SEAT BELT CITATIONS		
CHILD SAFETY SEAT CITATIONS		

**QUARTERLY ENFORCEMENT REPORT
(Submitted to GOHS)**

Reporting Period

**Contract Number: 2012-DOJ-006 (2011)
Reporting Agency: Cottonwood Police Department**

Description	Contract Activity	PD Total
TOTAL FATAL COLLISIONS		
TOTAL INJURY COLLISIONS		
TOTAL COLLISIONS INVESTIGATED		
ALCOHOL-RELATED FATALITIES		
ALCOHOL-RELATED INJURIES		
SPEED-RELATED FATALITIES		
SPEED-RELATED INJURIES		
PEDESTRIAN FATALITIES		
PEDESTRIAN INJURIES		
BICYCLE FATALITIES		
BICYCLE INJURIES		
TOTAL DUI ARRESTS		
TOTAL EXTREME DUI .15 ARRESTS		
TOTAL AGGRAVATED DUI ARRESTS		
TOTAL DUI-DRUG ARRESTS		
TOTAL DRE EVALUATIONS		
SOBER DESIGNATED DRIVERS CONTACTED		
UNDERAGE ALCOHOL VIOLATIONS - TITLE 4		
UNDERAGE DUI ARRESTS		
UNDERAGE DUI-DRUG ARRESTS		
TOTAL AGENCY CITATIONS		
SPEED CITATIONS		
RED LIGHT RUNNING CITATIONS		
SEAT BELT CITATIONS		
CHILD SAFETY SEAT CITATIONS		

HIGHWAY SAFETY CONTRACT

SCHEDULE C

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HIGHWAY SAFETY CONTRACT

SCHEDULE C

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SCHEDULE C

This CONTRACT, is made and entered into by and between the STATE OF ARIZONA, by and through the Governor's Office of Highway Safety (GOHS) hereinafter referred to as "STATE", and the agency named in this Contract, hereinafter referred to as "AGENCY".

WHEREAS, the National Highway Safety Act of 1966, as amended (23 USC §§401-404), provides Federal funds to STATE for approved highway safety projects; and

WHEREAS, STATE may make said funds available to various state, county, tribal, or municipal agencies, governments, or political subdivisions upon application and approval by STATE and the United States Department of Transportation (USDOT); and

WHEREAS, AGENCY must comply with the requirements listed herein to be eligible for Federal funds for approved highway safety projects; and

WHEREAS, AGENCY has submitted an application for Federal funds for highway safety projects;

NOW, THEREFORE, IN CONSIDERATION OF MUTUAL PROMISES AND OTHER GOODS AND VALUABLE CONSIDERATION, it is mutually agreed that AGENCY will strictly comply with the following terms and conditions and the following Federal and State Statutes, Rules, and Regulations:

I. Project Monitoring, Reports, and Inspections

- A. AGENCY agrees to fully cooperate with representatives of STATE monitoring the project, either on-site or by telephone, during the life of the Contract.
- B. AGENCY will submit Quarterly Reports (one for each three-month period of the project year) to STATE in the form and manner prescribed by STATE. Notice of the specific requirements for each report will be given in this Contract or at any time thereafter by giving thirty (30) days written notice to AGENCY by ordinary mail at the address listed on the Contract. Failure to comply with Quarterly Report requirements may result in withholding of Federal funds or termination of this Contract.
- C. AGENCY will submit a Final Report/Statement of Accomplishment at completion of the Contract to include all financial, performance, and other reports required as a condition of the grant to STATE within thirty (30) days of the completion of the Contract.
- D. Representatives authorized by STATE and the National Highway Traffic Safety Administration (NHTSA) will have the right to visit the site and inspect the work under this Contract whenever such representatives may determine such inspection is necessary.

II. Reimbursement of Eligible Expenses

- A. Ten percent (10%) of the claim amount can be maintained by STATE until satisfactory conclusion of the Contract.

- B. AGENCY'S Project Director, or Finance Personnel, will submit a Report of Costs Incurred Form (RCI) to STATE each time there have been funds expended for which reimbursement is being requested. Failure to meet this requirement may be cause to terminate the project under section XIX herein, "Termination and Abandonment".
- C. AGENCY will reimburse STATE for any ineligible or unauthorized expenses for which Federal funds have been claimed and reimbursement received, as may have been determined by a State or Federal audit.
- D. STATE will have the right to withhold any installments equal to the reimbursement received by AGENCY for prior installments which have been subsequently determined to be ineligible or unauthorized.

III. Property Agreement

- A. AGENCY will immediately notify STATE if any equipment purchased under this Contract ceases to be used in the manner as set forth by this Contract. In such event, AGENCY further agrees to either give credit to the project cost or to another active highway safety project for the residual value of such equipment in an amount to be determined by STATE or to transfer or otherwise dispose of such equipment as directed by STATE.
- B. No equipment will be conveyed, sold, salvaged, transferred, etc., without the express written approval of STATE, or unless otherwise provided elsewhere in this Contract.
- C. AGENCY will maintain or cause to be maintained for its useful life, any equipment purchased under this Contract.
- D. AGENCY will incorporate any equipment purchased under this Contract into its inventory records.
- E. AGENCY will insure any equipment purchased under this Contract for the duration of its useful life. Self-insurance meets the requirements of this section.

IV. Travel

In-State and Out-of-State Travel

In-state and out-of-state travel claims will be reimbursed at rates provided by AGENCY'S regulations, provided that such regulations are as restrictive as those of STATE. Where they are less restrictive, ARS §38-624 and any checklist attached to Schedule B will apply.

All out-of-state travel must be approved in writing in advance by STATE.

V. Standard of Performance

AGENCY hereby agrees to perform all work and services herein required or set forth, and to furnish all labor, materials, and equipment, except that labor, material, and equipment as STATE agrees to furnish pursuant to this Contract.

VI. Hold Harmless Agreement

Neither party to this agreement agrees to indemnify the other party or hold harmless the other party from liability hereunder. However, if the common law or a statute provides for either a right to indemnify and/or a right to contribution to any party to this agreement then the right to pursue one or both of these remedies is preserved.

VII. Non-Assignment and Sub-Contracts

This Contract is not assignable nor may any portion of the work to be performed be sub-contracted unless specifically agreed to in writing by STATE. No equipment purchased hereunder may be assigned or operated by other than AGENCY unless agreed to in writing by STATE.

VIII. Work Products and Title to Commodities and Equipment

A. The work product and results of the project are the property of STATE, unless otherwise specified elsewhere in this Contract. All property, instruments, non-consumable materials, supplies, and the like, which are furnished or paid for by STATE under the terms of this Contract, unless otherwise provided for elsewhere in this Contract, are and remain the property of STATE and will be returned at the completion of this project upon request of STATE. The work product and results of the project will be furnished to STATE upon request, if no provision is otherwise made by this Contract.

B. The provisions of subparagraph A apply whether or not the project contracted for herein is completed.

IX. Copyrights and Patents

Any copyrightable materials, patentable discovery, or invention produced in the course of this project may be claimed by STATE and a copyright or patent obtained by it at its expense. In the event STATE does not wish to obtain such copyright or patent, AGENCY may do so, but in any event, provision will be made by AGENCY for royalty-free, nonexclusive, nontransferable, and irrevocable licenses to be given the United States Government and STATE and its political subdivisions to use such copyrightable material, patented discoveries, or inventions in any manner they see fit. The STATE reserves the right to impose such other terms and conditions upon the use of such copyrights or patents as may be deemed in the best interest of STATE in the event AGENCY is allowed to obtain a copyright or patent.

X. "Common Rule" and OMB Circular No. A-102 (Revised)

"Common Rule" (49 CFR, Part 18): Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments

OMB Circular No. A-102 (Revised): Grants and Cooperative Agreements with State and Local Governments
The application of USDOT "Common Rule" and Circular A-102 requires that:

AGENCY and sub-grantees will use their own procurement procedures, which reflect applicable State and local laws and regulations, provided that the procurements conform to applicable Federal law. The most stringent purchasing requirement at each level must be met.

The Arizona Procurement Code (ARS, §41-2501, et. seq.) and promulgated rules (A.A.C. Title 2, Chapter 7) are a part of this Contract as if fully set forth herein and AGENCY agrees to fully comply with these requirements for any procurement using grant monies from this Contract.

XI. Equal Opportunity

- A. Pursuant to the requirements of the Federal-Aid Highway Act of 1968 (U.S.C. §103 et. seq.), AGENCY, as a condition to receiving approval of this Contract submitted under the Highway Safety Act of 1966, as amended, hereby gives its assurance that employment in connection with the subject Highway Safety Project will be provided without regard to race, color, creed, sex, or national origin, and that any contract it enters into with any private agency pursuant hereto will include provisions in compliance with this paragraph (XI).

As a condition of receiving approval of this Contract, AGENCY will be subject to and will comply with Title VI of the Civil Rights Act of 1964 and all applicable requirements of the Department of Commerce regulations as adopted by the USDOT, providing that no person in the United States shall on the ground of race, color, creed, sex, or national origin be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under the subject Highway Safety Project.

- B. If AGENCY fails or refuses to comply with its undertaking as set forth in these provisions, STATE or the USDOT may take any or all of the following actions.
1. Cancel, terminate, or suspend, in whole or in part, the agreement, contract, or other arrangement with respect to which the failure or refusal occurred; and
 2. Refrain from extending any further Federal financial assistance to AGENCY under the Highway Safety Program with respect to which the failure or refusal occurred until satisfactory assurance of future compliance has been received from AGENCY.
- C. Pursuant to the requirement of Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. §794), AGENCY must operate this Highway Safety Project so that it is accessible and otherwise non-discriminatory to handicapped persons.

XII. Executive Order 2009-09

It is mutually agreed that AGENCY will comply with the terms and conditions of Executive Order 2009-09, *Non-Discrimination in Employment by Government Contractors and Subcontractors*. Executive Order 2009-09 is located in Part II of the Project Director's Manual.

XIII. Application of Hatch Act

AGENCY will notify all of its employees whose principal employment is in connection with any highway safety project, financed in whole or in part by loans or grants under the Highway Safety Act of 1966, as amended, of the provisions of the Hatch Act (5 U.S.C. §7321 et. seq.).

XIV. Minority Business Enterprises (MBE) Policy and Obligation

- A. Policy: It is the policy of the USDOT that minority business enterprises as defined in 49 CFR, Part 23, will have the maximum opportunity to participate in the performance of contracts financed in whole or in part with Federal funds under this Contract. Consequently, the minority business enterprises requirements of 49 CFR, Part 23 apply to this Contract.
- B. Obligation: The recipient or its contractor agrees to ensure that minority business enterprises as defined in 49 CFR, Part 23 have the subcontracts financed in whole or in part with Federal funds provided under this Contract. In this regard, all recipients or contractors will take all necessary and reasonable steps in accordance with 49 CFR, Part 23 to ensure that minority business enterprises have the maximum opportunity to compete for and perform contracts. Recipients and their contractors will

not discriminate on the basis of race, color, creed, sex, or national origin in the award and performance of USDOT-assigned contracts.

XV. Arbitration Clause, ARS §12-1518

Pursuant to ARS §12-1518, the parties agree to use arbitration, after exhausting applicable administrative reviews, to resolve disputes arising out of this Contract where the provisions of mandatory arbitration apply.

XVI. Inspection and Audit, ARS §35-214

Pursuant to ARS §35-214, all books, accounts, reports, files, and other records relating to this Contract will be subject at all reasonable times to inspection and audit by STATE for five (5) years after completion of this Contract. The records will be produced at the Governor's Office of Highway Safety.

XVII. Appropriation of Funds by U.S. Congress

It is agreed that in no event will this Contract be binding on any party hereto unless and until such time as funds are appropriated and authorized by the U.S. Congress and specifically allocated to the project submitted herein and then only for the fiscal year for which such allocation is made. In the event no funds are appropriated by the U.S. Congress or no funds are allocated for the project proposed herein for subsequent fiscal years, this Contract will be null and void, except as to that portion for which funds have then been appropriated or allocated to this project, and no right of action or damages will accrue to the benefit of the parties hereto as to that portion of the Contract or project that may so become null and void.

XVIII. Continuation of Highway Safety Program

It is the intention of AGENCY to continue the Highway Safety Program identified in this Contract once Federal funding is completed. This intended continuation will be based upon cost effectiveness and an evaluation by AGENCY of the program's impact on highway safety.

XIX. E-Verify

Both Parties acknowledge that immigration laws require them to register and participate with the E-Verify program (employment verification program administered by the United States Department of Homeland Security and the Social Security Administration or any successor program) as they both employ one or more employees in this state. Both Parties warrant that they have registered with and participate with E-Verify. If either Party later determines that the other non-compliant Party has not complied with E-Verify, it will notify the non-compliant Party by certified mail of the determination and of the right to appeal the determination.

XX. Sudan and Iran

Pursuant to ARS § 35-391.06 and 35.393.06, both of the Parties hereby warrant, and represent that they do not have, and its subcontractors do not have, and during the term hereof will not have a scrutinized business operation in either Sudan or Iran.

XXI. Termination and Abandonment

- A. The STATE and AGENCY hereby agree to the full performance of the covenants contained herein, except that STATE reserves the right, at its discretion, to terminate or abandon any portion of the project for which services have not been already performed by AGENCY.
- B. In the event STATE abandons the services or any part of the services as herein provided, STATE will notify AGENCY in writing and within twenty-four (24) hours after receiving such notice, AGENCY will

discontinue advancing the work under this Contract and proceed to close said operations under the Contract.

- C. The appraisal value of work performed by AGENCY to the date of such termination or abandonment shall be made by STATE on a basis equitable to STATE and AGENCY and a final reimbursement made to AGENCY on the basis of costs incurred. Upon termination or abandonment, AGENCY will deliver to STATE all documents, completely or partially completed, together with all unused materials supplied by STATE.
- D. AGENCY may terminate or abandon this Contract upon thirty (30) days written notice to STATE, provided there is subsequent concurrence by STATE. Termination or abandonment by AGENCY will provide that costs can be incurred against the project up to and including sixty (60) days after notice is given to STATE.
- E. Any equipment or commodities which have been purchased as a part of this Contract and which have not been consumed or reached the end of its useful life will be returned to STATE upon its written request.

XXII. Cancellation Statute

All parties are hereby put on notice that this Contract is subject to cancellation pursuant to ARS §38-511, the provisions of which are stated below.

In accordance with ARS §38-511, this Contract may be cancelled without penalty or further obligation if any person significantly involved in initiating, negotiating, securing, drafting, or creating the Contract on behalf of the STATE, its political subdivisions or any department or agency of either, is at any time while the Contract or any extension of the Contract is in effect, an employee of any other party to the Contract in any capacity or a consultant to any other party of the Contract with respect to the subject matter or the Contract.

The cancellation shall be effective when written notice from the Governor or chief executive officer or governing body of the political subdivision is received by all other parties to the Contract unless the notice specifies a later time.

REIMBURSEMENT INSTRUCTIONS

1. **Agency Official authorized by Project Director to certify and sign Reports of Costs Incurred (RCIs):**

Name: _____

Title: _____

Telephone Number: _____ Fax Number: _____

E-mail Address: _____

2. **Agency's Fiscal Contact:**

Name: _____

Title: _____

Telephone Number: _____ Fax Number: _____

E-mail Address: _____

Federal Identification Number: _____

3. **REIMBURSEMENT INFORMATION:**

Warrant/Check to be made payable to:

Warrant/Check to be mailed to:

(Agency)

(Address)

(City, State, Zip Code)

AGREEMENT OF UNDERSTANDING AND CERTIFICATION OF COMPLIANCE

Acceptance of Condition

It is understood and agreed by the undersigned that a grant received as a result of this Contract is subject the Highway Safety Act of 1966, as amended (23 U.S.C.A. §§401-404), ARS §28-602, and all administrative regulations governing grants established by the USDOT and STATE. It is expressly agreed that this Highway Safety Project constitutes an official part of the STATE's Highway Safety Program and that AGENCY will meet the requirements as set forth in Schedules A, B, and C and the accompanying Project Director's Manual, which are incorporated herein and made a part of this Contract. All State and Federal Statutes, Rules, Regulations, and Circulars referenced in this Contract are a part of this document as if fully set forth herein. It is also agreed that no work will be performed nor any obligation incurred until AGENCY is notified in writing that this project has been approved by the Governor's Highway Safety Representative.

Certificate of Compliance

This is to certify that AGENCY will comply with all of the State and Federal Statutes, Rules and Regulations identified in this Contract.

Certification of Non-Duplication of Grant Funds Expenditure

This is to certify that AGENCY has no ongoing nor completed projects under contract with other Federal fund sources which duplicate or overlap any work contemplated or described in this Contract. It is further certified that any pending or proposed request for other Federal grant funds which would duplicate or overlap work described in the Contract will be revised to exclude any such duplication of grant fund expenditures. It is understood that any such duplication of Federal funds expenditures subsequently determined by audit will be subject to recovery by STATE.

Single Audit Act

If your political subdivision has had an independent audit meeting the requirements of the Single Audit Act of 1984, (31 U.S.C.A. §7501 et. seq.), please forward a copy to GOHS, Attention: Fiscal Services Officer, within thirty (30) days of the effective date of this Contract. If such audit has not been performed, please advise when it is being scheduled.

Lobbying Restrictions

Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

- A. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- B. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- C. The undersigned will require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients will certify and disclose accordingly.
- D. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31 USC §1352. Any person who fails to file the required certification will be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Signature of Project Director:

Chief Jody Fanning
Cottonwood Police Department

Date Telephone

***Signature of Authorized Official of
Governmental Unit:***

Doug Bartosh, City Manager
City of Cottonwood

Date Telephone

AUTHORITY & FUNDS

1. This Project is authorized by 23 U.S.C. §402, and regulations promulgated there under, more particularly Volume 102, and if State funds are involved, this project is authorized by ARS § 28-602.

The funds authorized for this Project have been appropriated and budgeted by the U.S. Department of Justice – Office of the Juvenile Justice and Delinquency Prevention. The expenses are reimbursable under the Arizona Governor's Office of Highway Safety, under Enforcing Underage Drinking Laws (EUDL) Program Area DOJ (2011), as approved for by the U.S. Department of Justice.

- | | | | | |
|----|-----------|---|-----------|--------------------------|
| 2. | A. | EFFECTIVE DATE: | B. | FEDERAL FUNDS: |
| | | <i><u>Authorization to Proceed Date</u></i> | | <u>\$3,000.00</u> |
-
3. **AGREEMENT AND AUTHORIZATION TO PROCEED**
by State Official responsible to Governor for the
administration of the State Highway Safety Agency

Alberto Gutier, Director Governor's Office of Highway Safety Governor's Highway Safety Representative	Approval Date
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City of Cottonwood, Arizona
City Council Agenda Communication



Meeting Date: January 17, 2012

Subject: Special Event Liquor License for Cottonwood Chamber of Commerce (Lana Tolleson, Applicant).

Department: City Clerk

From: Marianne Jiménez, City Clerk

REQUESTED ACTION

Council consideration and recommendation of approval or denial of a Special Event Liquor License Application submitted by Lana Tolleson, applicant for the Cottonwood Chamber of Commerce.

If the Council desires to approve this item the recommended motion is:

"I move to recommend approval of the Special Event Liquor License Application submitted by Lana Tolleson, applicant for the Cottonwood Chamber of Commerce, for an event scheduled for February 16, 2012, at the Aspen Ridge Apartment complex."

BACKGROUND

Lana Tolleson has submitted a Special Event Liquor License application on behalf of the Cottonwood Chamber of Commerce for a business mixer scheduled for February 16, 2012, from 6-8:00 p.m., at the Aspen Ridge Apartment complex.

JUSTIFICATION/BENEFITS/ISSUES

All Special Event Liquor License applications that are submitted to the Arizona Department of Liquor Licenses & Control (ADLLC) for events held in the City of Cottonwood are presented to the Council for its recommendation of approval or denial of the application. The Council's recommendation is taken into consideration by the ADLLC prior to their final approval of the application.

COST/FUNDING SOURCE

N/A

REVIEWED BY

City Manager: _____ City Attorney: _____

ATTACHMENTS

- Application from Lana Tolleson

10. Has the applicant been convicted of a felony in the past five years, or had a liquor license revoked?

YES NO (attach explanation if yes)

11. This organization has been issued a special event license for 0 days this year, including this event (not to exceed 10 days per year).

12. Is the organization using the services of a promoter or other person to manage the event? YES NO
If yes, attach a copy of the agreement.

13. List all people and organizations who will receive the proceeds. Account for 100% of the proceeds.
THE ORGANIZATION APPLYING MUST RECEIVE 25% OF THE GROSS REVENUES OF THE SPECIAL EVENT LIQUOR SALES.

Name Cottonwood Chamber of Commerce 100%
Percentage

Address 1010 S. Main Street, Cottonwood, AZ 86326

Name _____ Percentage

Address _____
(Attach additional sheet if necessary)

14. Knowledge of Arizona State Liquor Laws Title 4 is important to prevent liquor law violations. If you have any questions regarding the law or this application, please contact the Arizona State Department of Liquor Licenses and Control for assistance.

NOTE: ALL ALCOHOLIC BEVERAGE SALES MUST BE FOR CONSUMPTION AT THE EVENT SITE ONLY.
"NO ALCOHOLIC BEVERAGES SHALL LEAVE SPECIAL EVENT PREMISES."

15. What security and control measures will you take to prevent violations of state liquor laws at this event?
(List type and number of security/police personnel and type of fencing or control barriers if applicable)

0 # Police Fencing
4 # Security personnel Barriers

Staff personal trained and aware of state liquor laws and will enforce. Security at front door and serving area. Event is being held at a place of business.

TiPS Concessions Trained: ID# 2689196 and ID# 2689200

event is indoors.

16. Is there an existing liquor license at the location where the special event is being held? YES NO
If yes, does the existing business agree to suspend their liquor license during the time period, and in the area in which the special event license will be in use? YES NO

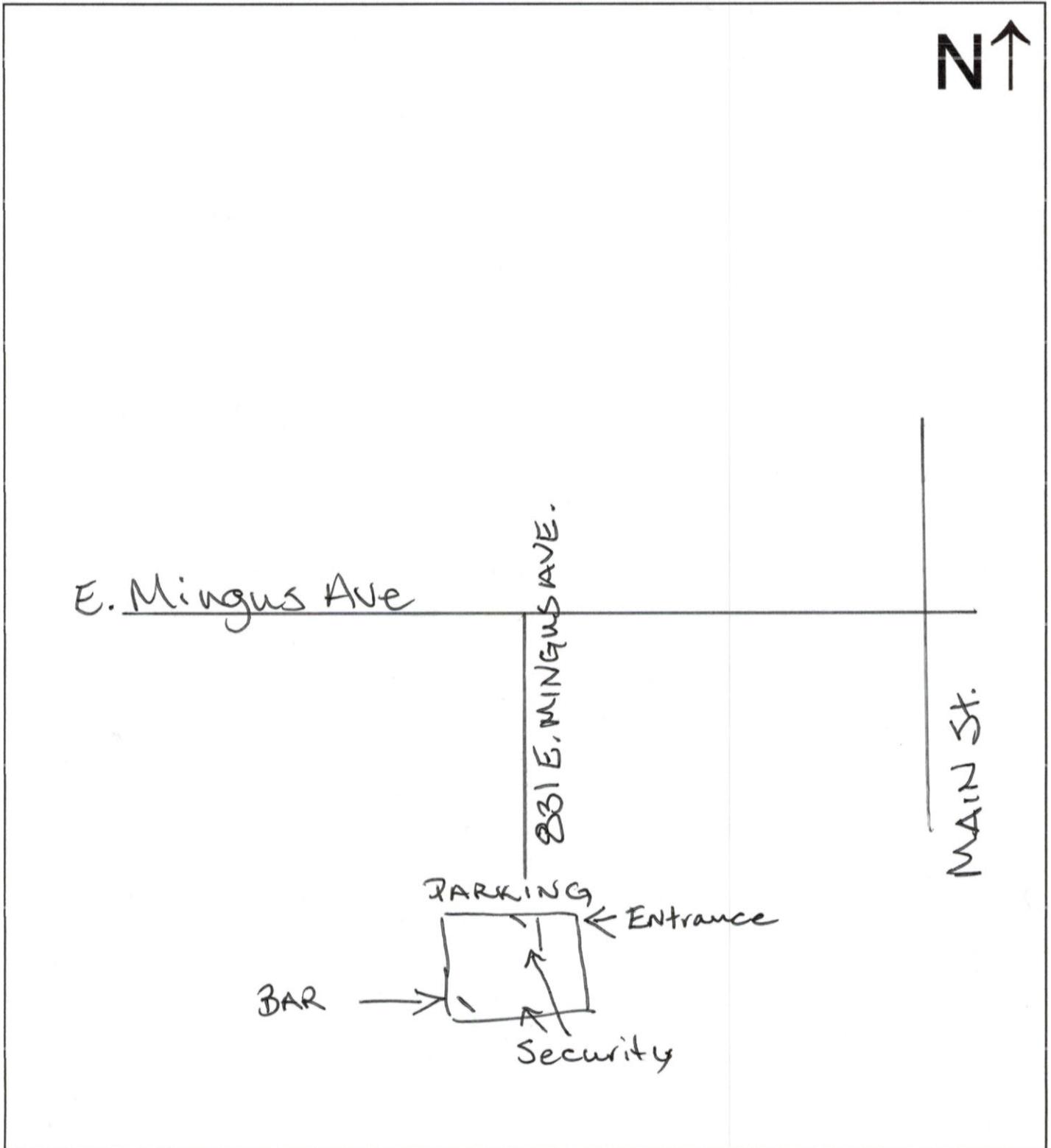
(ATTACH COPY OF AGREEMENT)

Name of Business () Phone Number

17. Your licensed premises is that area in which you are authorized to sell, dispense, or serve spirituous liquors under the provisions of your license. The following page is to be used to prepare a diagram of your special event licensed premises. Please show dimensions, serving areas, fencing, barricades or other control measures and security positions.

SPECIAL EVENT LICENSED PREMISES DIAGRAM
(This diagram must be completed with this application)

Special Event Diagram: (Show dimensions, serving areas, and label type of enclosure and security positions)
NOTE: Show nearest cross streets, highway, or road if location doesn't have an address.



THIS SECTION TO BE COMPLETED ONLY BY AN OFFICER, DIRECTOR OR CHAIRPERSON OF THE ORGANIZATION NAMED IN QUESTION #1

18. I, Lana Tolleson declare that I am an Officer/Director/Chairperson appointing the applicant listed in Question 6, to apply on behalf of the foregoing organization for a Special Event Liquor License.

X *Lana Tolleson* President/CEO 1/9/12 (928) 634-7593
 (Signature) (Title/Position) (Date) (Phone #)

State of _____ County of _____

The foregoing instrument was acknowledged before me this _____ Day _____ Month _____ Year

My Commission expires on: _____ (Date) _____ (Signature of NOTARY PUBLIC)

THIS SECTION TO BE COMPLETED ONLY BY THE APPLICANT NAMED IN QUESTION #6

19. I, Lana Tolleson declare that I am the APPLICANT filing this application as listed in Question 6. I have read the application and the contents and all statements are true, correct and complete.

X *Lana Tolleson* State of ARIZONA County of YAVAPAI
 (Signature) The foregoing instrument was acknowledged before me this _____ Day _____ Month _____ Year



My commission expires on: March 30, 2015 _____ (Date) *Karen Pfeifer* (Signature of NOTARY PUBLIC)

You must obtain local government approval. City or County MUST recommend event and complete item #20. The local governing body may require additional applications to be completed and submitted 60 days in advance of the event. Additional licensing fees may also be required before approval may be granted.

LOCAL GOVERNING BODY APPROVAL SECTION

20. I, _____ (Government Official) _____ (Title) hereby recommend this special event application on behalf of _____ (City, Town or County) _____ (Signature of OFFICIAL) _____ (Date)

FOR DLLC DEPARTMENT USE ONLY

Department Comment Section:

 _____ (Employee) _____ (Date)

APPROVED DISAPPROVED BY: _____
 _____ (Title) _____ (Date)

City of Cottonwood, Arizona
City Council Agenda Communication



Meeting Date: January 17, 2012

Subject: WWTP Headworks Influent Flow Screen, Washer and Compactor Bid

Department: Utilities/Wastewater

From: Roger Biggs

REQUESTED ACTION

Consider awarding the bid for influent flow screen, washer /compactor and appurtenances to Hydro-Dyne Engineering Inc. for \$105,936.00. The bid is inclusive of all fees and taxes.

If the Council desires to approve this item the suggested motion is: Move to award the Influent Flow Screen, Washer and Compactor bid to Hydro-Dyne Engineering Inc. for the total amount of one hundred five thousand, nine hundred thirty-six dollars (\$105,936).

BACKGROUND

A fine screen or step/stair screen is the initial step to the wastewater treatment process. The screen removes non-organic debris from the wastewater before it continues into the treatment process. The screening process is required to prevent damage to pumps and mixers in downstream treatment processes. This purchase is to replace the existing mechanical fine screen unit in the headworks at the Wastewater Treatment Plant located on Mingus Avenue. The existing unit was installed with the plant expansion in 2000 and has been problematic due to improper alignment of the unit within the influent trough. This has resulted in multiple premature failures of the screen and increased replacement costs. The new replacement unit will utilize a more robust and simplified screening process better suited to the location and treatment process. The request for bids was advertised per City procurement policy. Three bids were received and are as follows:

Hydro-Dyne Engineering Inc.-total including taxes \$105,936.00

Huber Technologies total including taxes=\$107,175.23

Hennesy Mechanical total including taxes=\$135,242.00

JUSTIFICATION/BENEFITS/ISSUES

The current fine screen is torn and debris is damaging downstream mixers and pumps. The damage results in premature failure of treatment components. The damaged equipment requires increased maintenance and replacement which increases costs. The downstream processes are being affected by the amount of debris that is accumulating in the tanks and basins, making treatment more difficult and resulting in potential ADEQ permit violations.

COST/FUNDING SOURCE

Wastewater operations fund

REVIEWED BY:

City Manager: _____

City Attorney: _____

BID SECTION

City of Cottonwood Wastewater Treatment Plant Headworks Screen, Washer and Compactor, and Appurtenances

- 1. Delivery within 112 calendar days after receipt of order. approved submittal drawings.
- 2. Vendor agrees to hold prices firm for 90 days.
- 3. Screen, Washer and Compactor, and appurtenances offered:

MAKE: <u>TRINEN SCREEN</u>	MODEL: <u>LFS-20-95-6-L</u>
MAKE: <u>WASHER COMPACTOR</u>	MODEL: <u>WC-6</u>
MAKE: _____	MODEL: _____

- 4. Cost of Influent Flow Screen and Washer Compactor: \$ 96,000.00
Federal Excise Tax (if applicable): \$ -
State and local sales tax : \$ -
Total cost: \$ 96,000.00

- 5. Bidder certifies that the goods being offered do or do not meet the specifications supplied with the Invitation for Bids.

If the goods DO NOT meet the specifications supplied with the Invitation for Bids, please provide explanation below:

(Attach additional page(s) if more space is needed)

The undersigned Bidder certifies that this proposal is made in good faith, without collusion or connection with any other person or persons.

Submitted on December 6, 2011 by Hydro-Dyne Engineering, Inc.
(Company Name)

Signature: 
Printed Name of Signature: Jay Conroy
Address: 401 E. Douglas Rd.
Oldsmar, FL 34677

Title: President
Email Address: Jay.Conroy@Hydro-Dyne.com
Telephone: (813) 818-0777
Fax Number: (813) 818-0077

BID SECTION

City of Cottonwood Wastewater Treatment Plant Headworks Screen, Washer and Compactor, and Appurtenances

20-22 WEEKS after approved submittal. Submittal delivery

1. Delivery within _____-calendar days after receipt of order. in 4-6 weeks after receipt of order.

2. Vendor agrees to hold prices firm for 90 days.

3. Screen, Washer and Compactor, and appurtenances offered:

MAKE: <u>SSF-HF</u>	MODEL: <u>2500x726x6</u>
MAKE: <u>WAP</u>	MODEL: <u>size 2</u>
MAKE: _____	MODEL: _____

4. Cost of Influent Flow Screen and Washer Compactor:	\$ <u>97,123</u>
Federal Excise Tax (if applicable):	\$ <u>N/A*</u>
State and local sales tax :	\$ <u>N/A*</u>
Total cost:	\$ <u>97,123</u>

5. Bidder certifies that the goods being offered X do or _____ do not meet the specifications supplied with the Invitation for Bids.

If the goods DO NOT meet the specifications supplied with the Invitation for Bids, please provide explanation below:

(Attach additional page(s) if more space is needed)

The undersigned Bidder certifies that this proposal is made in good faith, without collusion or connection with any other person or persons.

Submitted on December 7th, 2011 by Huber Technology, Inc.
(Company Name)

Signature:  Title: Applications Engineer

Printed Name of Signature: Joshua J. Ziembiec Email Address: josh@hhusa.net

Address: 9735 NorthCross Center Ct; Suite A Telephone: 704-949-1016

Huntersville, NC 28078 Fax Number: 704-949-1020

*Huber is not setup to collect sales taxes outside of NC, so applicable sales tax is NOT included in the above amount. Customer to self-assess and remit any applicable tax directly to the state agency.

BID SECTION

City of Cottonwood Wastewater Treatment Plant Headworks Screen, Washer and Compactor, and Appurtenances

1. Delivery within 110 calendar days after receipt of order.

2. Vendor agrees to hold prices firm for 90 days.

3. Screen, Washer and Compactor, and appurtenances offered:

MAKE: SCHLOSS ENG EQUIP MODEL: MARK SS SCREEN
MAKE: SCHLOSS ENG EQUIP MODEL: MARK XV-A WASHER/COMPACTOR
MAKE: _____ MODEL: _____

4. Cost of Influent Flow Screen and Washer Compactor: \$ 123,735.00
Federal Excise Tax (if applicable): \$ N/A
State and local sales tax : \$ 11,507.00
Total cost: \$ 135,242.00

5. Bidder certifies that the goods being offered do or do not meet the specifications supplied with the Invitation for Bids.

If the goods DO NOT meet the specifications supplied with the Invitation for Bids, please provide explanation below:

(Attach additional page(s) if more space is needed)

The undersigned Bidder certifies that this proposal is made in good faith, without collusion or connection with any other person or persons.

Submitted on DECEMBER 9, 20 11 by HENNESY MECHANICAL SALES
(Company Name)

Signature: 

Title: VICE-PRES

Printed Name of Signature: PAUL TERRY

Email Address: paul@hennesymech.com

Address: 201 SOUTH 26TH STREET
PHOENIX, AZ 85034

Telephone: (602) 996-3444
Fax Number: (602) 996-9408

City of Cottonwood, Arizona
City Council Agenda Communication



Meeting Date: January 17, 2011

Subject: Mainline Water Valve Exercising and Documentation

Department: Utilities/Water

From: Roger Biggs

REQUESTED ACTION

Consider award of the contract for mainline water valve exercising and documentation to M.E. Simpson Company.

If the Council desires to approve this item the suggested motion is: Move to award the contract for mainline water valve exercising and documentation to M.E. Simpson Company in the amount of \$53 per valve previously located and exercised and \$67 per valve not previously located or exercised.

BACKGROUND

To effectively operate a water distribution system according to regulatory guidelines, it is crucial to not only document the location of the valves but also be assured they are fully operational and in sufficient numbers to avoid disruption of service to a large area. The ability to effectively and quickly isolate small sections of the water distribution system during both emergencies and planned repairs is instrumental for safe, economical and efficient operation of this system. A valve exercising and plotting program of the Cottonwood water system mainline water valves was completed in 2005 and 2006 and it identified inoperable valves and documented the location and condition of the operable valves. This project would involve an analysis of these existing valves to ensure they are still operational and document those valves which have been replaced since the previous program. Council has appropriated forty thousand dollars (\$40,000) in the FY 2012 budget to perform these services as part of a distribution system preventative maintenance program. It is anticipated that all of the valves to be exercised and documented as part of this project have been previously exercised or located and will be charged at the \$53 rate. Three (3) quote packets were sent to firms performing these services were sent however only M.E. Simpson Company submitted a packet prior to the submission deadline. M.E. Simpson has conducted the City's previous valve exercising projects and their work product is good.

Under Section V.C. of the City's procurement policy, procurement of goods and services in the anticipated amount of this contract requires consideration of no less than three written bids, quotes or proposals. In this case, staff publicly advertised this contract opportunity on the City's website and in the *Verde Independent*, and sent three packets directly to vendors who staff believed were qualified and may be interested in performing this work. However, only M.E. Simpson responded with a bid (another vendor responded and indicated that it would not be bidding for this work, commonly referred to as a "no bid" response). Accordingly, because this is such highly specialized work and staff does not believe that a re-solicitation would result in more or better proposals to consider, staff recommends that the Council award the contract to M.E. Simpson notwithstanding the fact that only one vendor submitted a bid for this work.

JUSTIFICATION/BENEFITS/ISSUES

The ability to quickly locate and operate mainline water valves during system leaks and other emergencies is critical to maintaining water system operation in accordance with regulatory guidelines. Being able to isolate small areas also lessens the effect system leaks have on our customers and allows for less disruption of service and the associated increase in the possibility of system contamination. Being able to quickly isolate the area around a leak significantly reduces the amount of water which is lost and enhances the City's water conservation efforts.

COST/FUNDING SOURCE

Water enterprise fund

REVIEWED BY:

City Manager: _____

City Attorney: _____

ATTACHMENTS

Quote form

City of Cottonwood, Arizona
City Council Agenda Communication



Meeting Date: January 17, 2012
Subject: Business Assistance Center (BAC) Lease
Department: Economic Development
From: Casey Rooney

REQUESTED ACTION

Approve Business Assistance Center (BAC) Lease and provide the City Manager with the authority to approve future leases.

If the Council desires to approve this item the recommended motion is: I move to approve the current, proposed leases for the Business Assistance Center and grant the City Manager the authority to sign future leases.

BACKGROUND

The Economic Development Department is requesting to lease office space in the Business Assistance Center (BAC). To do so, a lease agreement will be required. I am requesting that the council review the lease that has been provided by legal Council (Steve Horton) and approve this document to be used frequently as clients require space. The BAC is being run similar to a for-profit business incubator. Clients will be provided with business support services and low cost rent for approximately 3 to 12 month time periods. The economic development department is requesting blanket approval to rent BAC/City space as required on a frequent basis without having to come before the City Council each time we need to develop a lease. I am also requesting upon council approval that I be able to run the leases through City Manager Bartosh for signatures on a regular basis rather than burden the City Council with this responsibility.

JUSTIFICATION/BENEFITS/ISSUE

The BAC has recently been approached by 2 different companies Verde Valley Land Preservation (Chip Norton) and Blue Stone Consulting in need of 3 leased office spaces. Another company (Local First/Kimber Lanning) has approached me requesting another office in the near future if an Arizona Commerce Authority grant is approved. This means that all available space at the BAC will be leased in the near future pending Council approval. Three of the offices will be leased for \$150 each per month and the other will be leased for \$200 per month. We will basically be generating income for the first time in a year since we opened. The offices are move-in ready.

COST/FUNDING SOURCE

There is no cost to the city for approving the lease.

There will be a minimal (yet to be determined) one-time cost for the installation of a punch key door access system. Preliminary estimates reveal a cost of approximately \$800 to \$1000.

REVIEWED BY:

City Manager: _____ City Attorney: _____

**SHORT-TERM PROPERTY LEASE – CITY OF COTTONWOOD
BUSINESS ASSISTANCE CENTER**

THIS LEASE is entered into and effective as of _____, 2012, by and between the City of Cottonwood, an Arizona municipal corporation (hereinafter "Lessor") and _____ (hereinafter "Lessee").

RECITALS

As an integral part of this Lease, the parties do agree and acknowledge as follows:

- I. Lessor is the owner of certain real property located in Yavapai County, Arizona, which is more particularly described as the property located at 851 North Main Street, Cottonwood, Arizona, and comprising approximately _____ square feet (hereinafter "Leased Premises").
- II. The Leased Premises lie within the City of Cottonwood's Business Assistance Center, which has been established to support and encourage the development and success of new local businesses.
- III. The Leased Premises are intended for short-term occupancy by new and newly located businesses and business professionals.
- IV. Lessee desires to utilize the Leased Premises in relation to its business operations on a short-term basis and has determined that the Leased Premises are suitable for such purposes.

LEASE

NOW THEREFORE, for valuable consideration, the parties do agree as follows:

1. Grant of Lease. Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, the Leased Premises for the period and on the terms and conditions set forth below.

2. Term. This Lease shall commence on [DATE] and continue for a period of [LEASE TERM], provided, however, that the parties may by mutual written Lease extend or shorten the term of this Lease.

3. Rent

A. **Basic Monthly Rent.** Lessee agrees to pay, at such place as may be designated from time to time by Lessor, a Basic Monthly Rent of \$ [MONTHLY RENT AMOUNT] per month. Said rent obligation shall commence on _____, 20__, and shall be due and payable on the first day of each month thereafter, without invoice or other notice.

Lessor Init. _____ Lessee Init. _____

B. Unconditional Promise to Pay. The above described monthly installments shall be payable in advance in lawful money of the United States without any deductions or offsets whatever on the first day of each and every calendar month during the term of this Lease and any renewals hereof.

4. Late Penalties and Default. If rent is not received by the fifth day of the month, a penalty of ten percent of the Basic Monthly Rent shall be paid in addition to all payments then due under paragraph 3, *supra*. Lessee shall pay to Lessor a charge of \$25.00 for any check returned unpaid by Lessee's bank.

5. Use of Premises

A. The Leased Premises are to be used by the Lessee for the purpose of operating a _____, and such reasonably related operations as approved by Lessor. Lessee shall restrict its use to such purposes and shall not use or permit the use of the Leased Premises for any other purpose without the written consent of Lessor, which shall not be unreasonably withheld.

B. Lessee shall not create or allow any nuisance to exist on the Leased Premises, shall not conduct or permit to be conducted any illegal or unlawful activities on the Leased Premises, and shall comply with all laws, orders and regulations of the federal, state, county and municipal authorities, and with any lawful directions of public officers which shall impose any duty upon Lessee with respect to the Leased Premises or the use or occupancy thereof. Furthermore, Lessee shall not make or permit any use of the Leased Premises that would depreciate the property at a rate in excess of that normally caused by reasonable operations of the business that Lessee is authorized under this Lease to operate. No unusual or objectionable noises or odors, not related to the use authorized above, shall be permitted to emanate from the Leased Premises, and it shall be the obligation of the Lessee to keep the Leased Premises in a clean, orderly and sanitary condition.

6. Abandonment

A. Lessee shall not vacate or abandon, either voluntarily or involuntarily, the Leased Premises at any time during the term hereof.

B. Notwithstanding the foregoing, the Lessee may, upon written notice to Lessor, temporarily close its business for a period not to exceed thirty days, provided, however, that Lessee shall continue to timely pay all required rents.

7. Maintenance

A. Lessor shall keep and maintain the property herein leased in good repair and condition, including, without limitation, flooring, ceiling, paint, windows, electrical and plumbing fixtures, the exterior walls, and the plumbing and electrical systems within the wall or floors, and any units for cooling (A/C) and heating the property. Lessee shall return the property herein leased to Lessor at the end of the term hereof, in as good condition and

Lessor Init. _____ Lessee Init. _____

repair, reasonable wear and usage excepted. Lessor expressly covenants to maintain the Leased Premises in conformity with applicable fire codes and other laws and regulations applicable to buildings of this nature.

B. Lessor, at its own expense, and upon reasonable notice to Lessee, shall have the right to repair, redecorate, paint, upgrade, modify or alter the exterior of the Leased Premises for purposes of maintaining the overall economic and/or aesthetic value of the Leased Premises.

C. Lessee may install, at its expense, all shelving, counters, fixtures and equipment as may be required in connection with the operation of its businesses. Said fixtures and equipment shall be installed in a workmanlike manner, and Lessee shall pay to Lessor any damage sustained by Lessor by reason of said installation. At the termination of this Lease, by expiration or otherwise, and if Lessee is not in default, Lessee shall have the right for an additional ten days to remove from the Leased Premises any personal property, including fixtures and equipment. Any personal property not removed within said ten-day period shall be deemed abandoned by Lessee, and shall become the property of Lessor. Lessee shall repair and replace at its expense, any portion of the property that may be damaged by removal of any property of Lessee, so as to return the Leased Premises in good condition, reasonable wear and usage excepted.

D. Lessee hereby covenants and acknowledges that Lessee has inspected the property, and that the property is in proper condition and that Lessee accepts said property in an "as is" condition.

8. Taxes

A. Lessee shall be responsible for, and shall pay all taxes other than Real Property Taxes, including without limitation personal property taxes, sales taxes, Department of Economic Security contribution, municipal taxes and/or any other fees or taxes levied by the City of Cottonwood, County of Yavapai, State of Arizona, or the United States of America, by reason of the operation of Lessee's business.

B. Lessor shall have the right, at its option, at all times during the term hereof to pay all taxes, assessments, or other charges levied or imposed on or against the Leased Premises or its fixtures and any other tax which Lessee is obligated to pay after the same have become due and payable, and to pay, cancel, and clear all taxes, assessments, tax sales, liens, charges, impositions and claims on or against the premises, and the amount paid, including the reasonable expenses of Lessor and Lessor's attorneys' fees, shall be so much additional rent due from Lessee at the next rent date after any such payment, with interest thereon at the rate of eighteen percent (18%) per annum, from the date of payment thereof by Lessor until the repayment thereof by Lessee. It is agreed that, if Lessor shall exercise the option to advance or pay any such taxes, assessments, imposition, or other charges, it shall not be obligatory on Lessor to inquire into the validity of any such tax assessment, impositions, levy or other charge, unless Lessee shall have previously given notice of its intent to contest said taxes and deposited the amount of said taxes or charges with Lessor,

Lessor Init. _____ Lessee Init. _____

together with all interest and penalties pending such contest.

9. Utilities

A. Lessor shall pay the following utility charges on or attributed to the Leased Premises: [LIST CITY-PAID UTILITIES]. Lessee shall pay all other charges associated with its use and enjoyment of the Leased Premises, including but not limited to [LIST TENANT-PAID UTILITIES].

10. Assignment. Lessee shall not assign this Lease or sublet the Leased Premises without the prior written consent of Lessor, and any such assignment or subletting without such consent shall be void and, at the option of Lessor, shall terminate this Lease.

11. Insurance.

11.1 General.

a. Insurer Qualifications. Without limiting any obligations or liabilities of the Lessee, the Lessee shall purchase and maintain, at its own expense, hereinafter stipulated minimum insurance with insurance companies duly licensed by the State of Arizona with an AM Best, Inc. rating of A- or above with policies and forms satisfactory to Lessor. Failure to maintain insurance as specified herein may result in termination of this Lease at Lessor's option.

b. No Representation of Coverage Adequacy. By requiring insurance herein, Lessor does not represent that coverage and limits will be adequate to protect the Lessee. Lessor reserves the right to review any and all of the insurance policies and/or endorsements cited in this Lease but have no obligation to do so. Failure to demand such evidence of full compliance with the insurance requirements set forth in this Lease or failure to identify any insurance deficiency shall not relieve the Lessee from, nor be construed or deemed a waiver of, its obligation to maintain the required insurance at all times during the performance of this Lease.

c. Additional Insured. All insurance coverage and self-insured retention or deductible portions, except Workers' Compensation insurance and Professional Liability insurance, if applicable, shall name, to the fullest extent permitted by law for claims arising out of the performance of this Lease, Lessor, its agents, representatives, officers, directors, officials and employees as Additionally Insured as specified under the respective coverage sections of this Lease.

d. Coverage Term. All insurance required herein shall be maintained in full force and effect until all work or services required to be performed under the terms of this Lease are satisfactorily performed, completed and formally accepted by Lessor, unless specified otherwise in this Lease.

e. Primary Insurance. The Lessee's insurance shall be primary insurance

with respect to performance of this Lease and in the protection of Lessor as an Additional Insured.

f. Claims Made. In the event any insurance policies required by this Lease are written on a “claims made” basis, coverage shall extend, either by keeping coverage in force or purchasing an extended reporting option, for three years past completion and acceptance of the services. Such continuing coverage shall be evidenced by submission of annual Certificates of Insurance citing applicable coverage is in force and contains the provisions as required herein for the three-year period.

g. Waiver. All policies, except for Professional Liability, including Workers’ Compensation insurance, shall contain a waiver of rights of recovery (subrogation) against Lessor, its agents, representatives, officials, officers and employees for any claims arising out of the work or services of the Lessee. The Lessee shall arrange to have such subrogation waivers incorporated into each policy via formal written endorsement thereto.

h. Policy Deductibles and/or Self-Insured Retentions. The policies set forth in these requirements may provide coverage that contains deductibles or self-insured retention amounts. Such deductibles or self-insured retention shall not be applicable with respect to the policy limits provided to Lessor. The Lessee shall be solely responsible for any such deductible or self- insured retention amount.

i. Evidence of Insurance. Prior to occupying the Leased Premises, the Lessee shall furnish Lessor with certificate(s) of insurance, or formal endorsements as required by this Lease from Lessee’s insurer(s) as evidence that policies are placed with acceptable insurers as specified herein and provide the required coverage, conditions and limits of coverage specified in this Lease and that such coverage and provisions are in full force and effect. If a certificate of insurance is submitted as verification of coverage, Lessor shall reasonably rely upon the certificate of insurance as evidence of coverage but such acceptance and reliance shall not waive or alter in any way the insurance requirements or obligations of this Lease. If any of the above-cited policies expire during the life of this Lease, it shall be the Lessee’s responsibility to forward renewal certificates within ten days after the renewal date containing all the aforementioned insurance provisions. Certificates of insurance shall specifically include the following provisions:

(1) Lessor, its agents, representatives, officers, directors, officials and employees are Additional Insureds as follows:

(a) Commercial general Liability - Under Insurance Services Office, Inc., (“ISO”) Form CG 20 10 03 97 or equivalent.

Lessor Init. _____ Lessee Init. _____

- (b) Auto Liability - Under ISO Form CA 20 48 or insurance.
- (c) Excess Liability - Follow Form to underlying

(2) The Lessee's insurance shall be primary insurance as respects performance of the Lease.

(3) All policies, including Workers' Compensation, waive rights of recovery (subrogation) against Lessor, its agents, representatives, officers, officials and employees for any claims arising out of work or services performed by the Lessee during its occupancy of the Leased Premises or otherwise.

(4) A 30-day advance notice cancellation provision. If ACORD certificate of insurance form is used, the phrases in the cancellation provision "endeavor to" and "but failure to mail such notice shall impose no obligation or liability of any kind upon the company, its agents or representatives" shall be deleted. Certificate forms other than ACORD form shall have similar restrictive language deleted.

11.2 Required Insurance Coverage.

a. Commercial General Liability. The Lessee shall maintain "occurrence" form Commercial General Liability insurance with an unimpaired limit of not less than one million dollars (\$1,000,000.00) for each occurrence, one million dollars (\$1,000,000.00) Products and Completed Operations Annual Aggregate and a one million dollar (\$1,000,000.00) General Aggregate Limit. The policy shall cover liability arising from premises, operations, independent contractors, products-completed operations, bodily injury or death, personal injury, advertising injury and property damage. Coverage under the policy will be at least as broad as ISO policy form CG 00 010 93 or equivalent thereof, including but not limited to, separation of insureds clause. To the fullest extent allowed by law, for claims arising out of the performance of this Lease, Lessor, its agents, representatives, officers, officials, volunteers and employees shall be cited as an Additional Insured under ISO, Commercial General Liability Additional Insured Endorsement form CG 20 10 03 97, or equivalent, which shall read "Who is an Insured (Section II) is amended to include as an insured the person or organization shown in the Schedule, but only with respect to liability arising out of "your work" for that insured by or for you." If any Excess insurance is utilized to fulfill the requirements of this subsection, such Excess insurance shall be "follow form" equal or broader in coverage scope than underlying insurance.

b. Vehicle Liability. The Lessee shall maintain Business Automobile Liability insurance with a limit of five hundred thousand dollars (\$500,000.00) each occurrence on the Lessee's owned, hired and non-owned vehicles assigned to or used in the performance of the Lessee's work or services during its occupancy of

the Leased Premises. Coverage will be at least as broad as ISO coverage code “1” “any auto” policy form CA 00 01 12 93 or equivalent thereof. To the fullest extent allowed by law, for claims arising out of the performance of this Lease, Lessor, its agents, representatives, officers, directors, officials and employees shall be cited as an Additional Insured under ISO Business Auto policy Designated Insured Endorsement form CA 20 48 or equivalent. If any Excess insurance is utilized to fulfill the requirements of this subsection, such Excess insurance shall be “follow form” equal or broader in coverage scope than underlying insurance.

c. Professional Liability (Errors and Omissions Liability). Lessee shall maintain Professional Liability insurance covering negligent errors and omissions arising out of the Services performed by the Lessee during its occupancy of the Leased Premises, or anyone employed by the Lessee, or anyone for whose negligent acts, mistakes, errors and omissions the Lessee is legally liable, with an unimpaired liability insurance limit of one million dollars each claim and one million dollars in the aggregate. In the event the Professional Liability insurance policy is written on a “claims made” basis, Lessee warrants that any retroactive date under the policy shall precede the effective date of this Lease; and that either continuous coverage will be maintained or an extended discovery period will be exercised for a period of three (3) years beginning at the time work under this Lease is expired or terminated.

d. Workers’ Compensation Insurance. Lessee shall maintain Workers’ Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of Lessee’s employees engaged in the performance of work or services during its occupancy of the Leased Premises and shall also maintain Employers Liability Insurance of not less than Five Hundred Thousand dollars (\$500,000.00) for each accident, Five Hundred Thousand dollars (\$500,000.00) disease for each employee and One million dollars (\$1,000,000.00) disease policy limit.

11.3 Cancellation and Expiration Notice. Insurance required herein shall not expire, be canceled, or materially changed without 30 days prior written notice to Lessor.

12. Indemnification. Lessee shall indemnify, defend, save and hold harmless Lessor and its officers, officials, agents, and employees from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys’ fees, and costs of claim processing, investigation and litigation) (hereinafter referred to as “Claims”) for bodily injury or personal injury (including death), or loss or damage to real, tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Lessee or any of its owners, officers, directors, agents, employees or subcontractors. This indemnity includes any claim or amount arising out of or recovered under the Workers’ Compensation Law or arising out of the failure of Lessee to conform to any federal, state or local law, statute, ordinance, rule, regulation or court decree. Lessee shall be responsible for primary loss investigation, defense and judgment costs where this indemnification is applicable, and

Lessor Init. _____ Lessee Init. _____

hereby waives all rights of subrogation against Lessor, its officers, officials, agents and employees.

13. Binding Effect

A. All of the terms, covenants and conditions of this Lease shall be binding upon and inure to the benefit of and shall apply to the respective heirs, executors, administrators, successors, and assigns and legal representatives of Lessor and Lessee.

B. Any rule of law that controls ambiguities against the drafter is expressly waived.

14. Notice. All notices, demands or other writing in this Lease provided to be given, made or sent by either party hereto to the other party shall be deemed to have been fully given, made or sent when made in writing and deposited in the United States Mail, certified and postage prepaid and addressed as follows:

LESSOR: Doug Bartosh, City Manager
City of Cottonwood
827 N. Main Street
Cottonwood, AZ 86326

LESSEE:

The address to which any notice, demand or other writing may be given, made, or sent to either party may be changed by written notice given by such party as above provided.

15. Access. Lessee shall permit Lessor and the agents and employees of Lessor to enter into and upon the Leased Premises at all reasonable times for the purpose of inspecting the same.

16. Integration. This Lease contains the entire Lease of the parties with respect to the matters covered by this Lease, and no other Lease, statement or promise made by any party, or to any employee, officer or agent of any part, which is not contained in this Lease shall be binding or valid, such Lease, statement or promise being specifically waived.

17. Cancellation for Conflict of Interest. Lessor may cancel this Lease without penalty or further obligation in accordance with the provisions of Arizona Revised Statutes Section 38-511, which are hereby incorporated into this Lease as if fully set forth herein.

18. Modification. It is further covenanted and agreed by and between the parties hereto that this Lease shall not be altered, modified, changed or amended except by an instrument in writing by the parties hereto.

19. Venue. Any action at law, suit in equity, or judicial proceeding for the enforcement of this

Lessor Init. _____ Lessee Init. _____

Lease or any provision hereof or breach hereof shall be instituted and maintained only in the Yavapai County Superior Court, in and for the State of Arizona. It is further agreed that this Lease shall be governed by the laws of the State of Arizona, both as to interpretation and performance.

20. Gender and Form. The words "Lessor" and "Lessee" as herein used shall include the plural as well as the singular. In the event there is more than one Lessee, the obligations to be performed shall be joint and several. The neuter gender includes the masculine and feminine.

21. Interpretation. The language in all parts of this Lease shall in all cases be construed as a whole according to its full meaning and not strictly for nor against either Lessor or Lessee.

22. Time. Time is of the essence of this Lease.

IN WITNESS WHEREOF, the parties execute this instrument and enter this Lease.

LESSOR:

LESSEE:

CITY OF COTTONWOOD

By _____

By _____

Name _____

Name _____

Title _____

Title _____

Date _____

Date _____

ATTEST:

Marianne Jiménez, City Clerk

APPROVED AS TO FORM:

Steven B. Horton, Esq.
City Attorney

Lessor Init. _____ Lessee Init. _____

City of Cottonwood, Arizona
City Council Agenda Communication



Meeting Date: January 17, 2012

Subject: Application for 2012/13 Section 5310 Elderly Individuals & Individuals with Disabilities, 5316 Job Access Reverse Commute and 5317 New Freedom Transportation Funding- CAT/Verde Lynx Transit Service

Department: Community Services (CAT - Cottonwood Area Transit System)

From: Richard Faust, Community Services General Manager

REQUESTED ACTION

Staff requests Council authorization of the 2012/13 federal budget cycle, any and all grants associated with ADOT Coordinated Mobility Programs involving Section 5310 "Elderly Individuals & Individuals with Disabilities"; Section 5316 "Job Access Reverse Commute" and Section 5317 "New Freedom" applications and contract documentation with the Arizona Department of Transportation. Grant documents have a deadline of February 10, 2012 to the NACOG offices.

These Grant documents would provide potential funding in the following ways for both senior/elderly and disabled populations:

- Taxi Voucher operations
- Transportation operations for the disabled and elderly
- Job Reverse Commute opportunities for Verde Valley citizens to access Cottonwood Library "virtual Workforce Workstation Computer systems for employment opportunities.

If the Council desires to approve this item the suggested motion is:

"I make a motion to authorize staff to submit any and all Section 5310, 5316 and 5317 applications and contract documents with the Arizona Department of Transportation (ADOT) to provide federal grant funding assistance for any "Coordinated Mobility Programs" in conjunction with the operation of the Cottonwood Area Transit (CAT) and Verde Lynx Systems.

BACKGROUND

The Northern Arizona Intergovernmental Public Transportation Agency (NAIPTA) applied for and received monies for the Section 5317 grant program. In order to provide enhanced service to meet additional client demand in the Cottonwood/Verde Valley region, NAIPTA solicited Northern Arizona Council of Governments Area Agency on Aging (NACOG-AAA) to provide match funding through the NACOG-AAA transportation grant funding program. NACOG is prepared to provide match funds for this pilot program until June 30, 2013 as a means to support enhanced service to qualifying citizens. Discussions with both NAIPTA and NACOG have been positive in that both agencies have agreed to pursue opportunities for transference of residual funding for the Taxi Voucher System to Cottonwood after June, 30, 2012. Positive discussions have also been held between staff and the State of Arizona ADOT Coordinated Mobility Program Manager. The State is coordinating efforts for this transference of funding also. Staff will be pursuing this transfer of funding as applications are submitted for these types of grants, along with timing to coordinate with the State ADOT on amounts of funding left by NAIPTA pertaining to their Taxi Voucher fund program.

JUSTIFICATION/BENEFIT/ISSUES

Cottonwood Area Transit and the Verde Lynx Systems need to continue to honor contract obligations with the Arizona Department of Transportation (ADOT) to be a partner in future transportation operations, along with the future use of transportation throughout the City of Cottonwood, Clarkdale, Yavapai County and Sedona.

These grant applications, which offer additional opportunities for the senior/elderly and disabled populations, coincides with Council's request for staff to move forward with the re-integration of CAT along with Verde Lynx Systems into Cottonwood management along with participation in all grant operations with the State of Arizona.

A similar program has had a tremendous success in the Flagstaff area and is currently being utilized locally through NAIPTA for local citizens. Benefits to the public would be realized and viewed as a successful transit alternative for many clientele throughout Cottonwood and the Verde Valley area. These program opportunities are available through match grants with ADOT (50% federal/50% local). Again, NACOG proposes to provide local match in the inaugural year.

The Taxi Voucher (5317) grant program would provide cooperation with local taxi companies, thereby providing and outlining eligibility agreements, along with the printing and distribution of vouchers in the Cottonwood/Verde Valley areas. Clearly, this coordinated transit alternative meets a continuing need throughout our local communities, eliminates duplication, affords efficiency through the leveraging of funds, and provides a viable/tangible service to seniors and disabled populations throughout the Verde Valley. In addition, the program accounts for additional service by organizing group trips for shopping and social

outings partnering with the Verde Valley Senior Center. The VVSC will be a continued point of focus for services of this type to seniors throughout the Verde Valley.

In final, by implementing the Voucher Program in addition to the para-transit service already offered by CAT, the City will provide additional service to the community, and potentially save CAT about 1/3 of the cost as compared to expanding exclusively with CAT's Para-transit program.

COST/FUNDING SOURCE

The proposed program would be funded 50% by the ADOT Section 5317 Grant Program and 50% by a local source, which is proposed to be NACOG AAA transportation grant program for the term of October 1, 2012 to June 30, 2013.

These State Grant opportunities coinciding with match funding from NACOG are intended to be a 100% partnership from Federal 5317 Grants which can be secured for annual programming.

REVIEWED BY

City Manager: _____

City Attorney: _____

ATTACHMENTS

- Cottonwood City Council Work Session Agenda, June 14, 2011 - Taxi Voucher Program
- June 15, 2011 NAIPTA Board Meeting Memorandum on the CAT Taxi Voucher Program (3 pages)
- Proposed Verde Pilot Transportation Project - Taxi Voucher Program - Visual (1 page)
- Section 5317 Application and Contract Agreement documents (12 pages)
- MOU between NAIPTA & NACOG (47 pages)

A G E N D A

WORK SESSION OF THE CITY COUNCIL OF THE CITY OF COTTONWOOD, ARIZONA, TO BE HELD JUNE 14, 2011, AT 6 P.M., AT THE COTTONWOOD COUNCIL CHAMBERS BUILDING LOCATED AT 826 NORTH MAIN STREET, COTTONWOOD, ARIZONA.

- I. CALL TO ORDER
- II. ROLL CALL
- III. ITEMS FOR DISCUSSION, CONSIDERATION, AND POSSIBLE DIRECTION TO STAFF:

Comments regarding items listed on the agenda are limited to a 5 minute time period per speaker.

1. PRESENTATION REGARDING THE COTTONWOOD AREA TRANSIT TAXI VOUCHER PROGRAM BY KATHY CHANDLER, PARA-TRANSIT MANAGER FOR THE NORTHERN ARIZONA INTERGOVERNMENTAL TRANSPORTATION AUTHORITY.
 2. PRESENTATION REGARDING HOW HIRING DISABLED WORKERS HELPS THE COMMUNITY BY MIKE COSENTINO (REPRESENTING DEPARTMENT OF ECONOMIC SECURITY).
- IV. ADJOURNMENT

Pursuant to A.R.S. § 38-431.03.(A) the Council may vote to go into executive session on any agenda item pursuant to A.R.S. § 38-431.03.(A)(3) Discussion or consultation for legal advice with the attorney or attorneys of the public body.

The Cottonwood Council Chambers is accessible to the disabled in accordance with Federal "504" and "ADA" laws. Those with needs for special typeface print or hearing devices may request these from the City Clerk (TDD 634-5526.) All requests must be made 24 hours prior to the meeting.

Members of the City Council will attend either in person or by telephone conference call.



Northern Arizona Intergovernmental Public Transportation Authority

Flagstaff: 3773 N. Kaspar Drive • Flagstaff, AZ 86004 • 928.679.8900 • FAX 928.779.6868 • www.naipta.az.gov
Cottonwood: 340 Happy Jack Way • Cottonwood, AZ 86326 • 928.634.2287 • FAX 928.634.1685

DATE: June 15, 2011
TO: Honorable Chairman and Members of the Board
FROM: Kathryn Chandler / Paratransit Manager
SUBJECT: CAT Taxi Voucher Program

RECOMMENDATION:

Staff recommends that the Board of Directors approve the CAT Taxi Voucher Program at no cost to NAIPTA member agencies.

RELATED STRATEGIC WORKPLAN OBJECTIVE

Guiding Principles:

- ❖ Strive for continuous improvement in all we do
- ❖ Put the customer first

Goals:

- ❖ Apply imagination, creativity and innovation to improve the service we deliver
- ❖ Take steps to achieve sustainable fiscal strength... be willing to go outside the box.

BACKGROUND:

History: NAIPTA has a Taxi Voucher program that has been in operation in Flagstaff for the past four years. This program provides a second transportation option for Mountain Lift clients and has grown from providing 210 trips in FY07 to providing about 3464 trips in FY11. Many of the vouchers provided are used for trips before and after the hours Mountain Lift operates. Others are used for trips that could be taken on Mountain Lift. The cost to NAIPTA per voucher used is about 1/3 the cost of a trip taken on Mountain Lift.

A year ago NAIPTA recommended replacing the costly Kachina Dial A Ride program with a taxi voucher program. The Coconino County taxi voucher program provided a more cost effective option and offered service more County districts. This program is growing and should serve close to the same number of customers in four of Coconino county's districts for about half the cost of the former program.

NAIPTA has the opportunity to provide a Taxi Voucher program in Cottonwood similar to the model established in Flagstaff and Coconino County. NAIPTA would offer CAT Paratransit clients the additional transportation option of taxi vouchers for their trips. NAIPTA would also set up group trips from the Senior Center for shopping, social outings, etc.

Value of this service: Most of the clients we transport with CAT Paratransit now are transit dependent. The trips we provide enable them to get to doctors appointments, the nutrition



Getting you where you want to go



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program at the Adult Center, grocery shopping and to run other errands on Monday through Friday from 7am to 6 pm. Taxi vouchers can also be used for trips where customers need to take items with them that can't be taken on the Paratransit vans such as pets not in carriers, large items that can't be secured, and high volume purchases.

This program also affords the opportunity to partner with other agencies to coordinate transportation. If this program is approved, NAIPTA will be working with NACOG and the Verde Valley Senior Center to provide group trips from the Senior Center. This coordinated effort meets a need in the community, eliminates duplication and affords efficiency.

Proposal: NAIPTA partner with NACOG to provide the funding and facilitate the CAT Taxi Voucher program. This program would be similar to the taxi voucher programs NAIPTA has established in Flagstaff and Coconino County.

- Funding: NAIPTA commits \$15,000 of the 5317 grant funding secured for a taxi voucher program for FY12 and another \$15,000 for FY13. NACOG has committed the matching \$15,000 for this program for FY12 and another \$15,000 for FY13.
- NAIPTA will set up a Taxi Voucher program with the same guidelines and procedures already established in current NAIPTA programs. These guidelines include eligibility, agreements with taxi companies, printing and distributing vouchers in the Cottonwood area. NACOG has a list of persons who are now using their services who will be informed of the program and how they may be eligible.
- NAIPTA and NACOG will set up group trips based out of the Verde Valley Senior Center for shopping, social outings, etc. The Senior Center will do some surveys at the Center to determine the trip needs and wants. These group trips will also be purchased out of the voucher program from the various transportation providers at a reduced price.
- The potential savings to CAT for providing trips in this manner will be about 1/3 of the cost of the trips moved from CAT Paratransit to taxi vouchers.

TAC DISCUSSION:

ALTERNATIVES:

- 1) Approve the CAT Taxi Voucher program **(recommended)**: The funding is currently available at 100% from grants that NAIPTA and NACOG have already secured for the next two years. This program is a cost effective way to give CAT Paratransit clients another option for transportation in partnership with other organizations.
- 2) Do not approve the CAT Taxi Voucher Program **(not recommended)**: Not putting this program into effect at this time means we lose the funding as it can not be used for anything else. We lose the opportunity to save 1/3 the cost of the CAT Paratransit trips that could be moved to the voucher program.



Getting you where you want to go



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FISCAL IMPACT:

The cost of this program can be covered with federal funds (5316/5317) is 50% of total with remaining 50% from NACOG for two years (FY12 & FY13). There is no cost to NAIPTA partner agencies.

SUBMITTED BY:

APPROVED BY:

Kathryn Chandler
Paratransit Manager

Jeff Meilbeck
General Manager

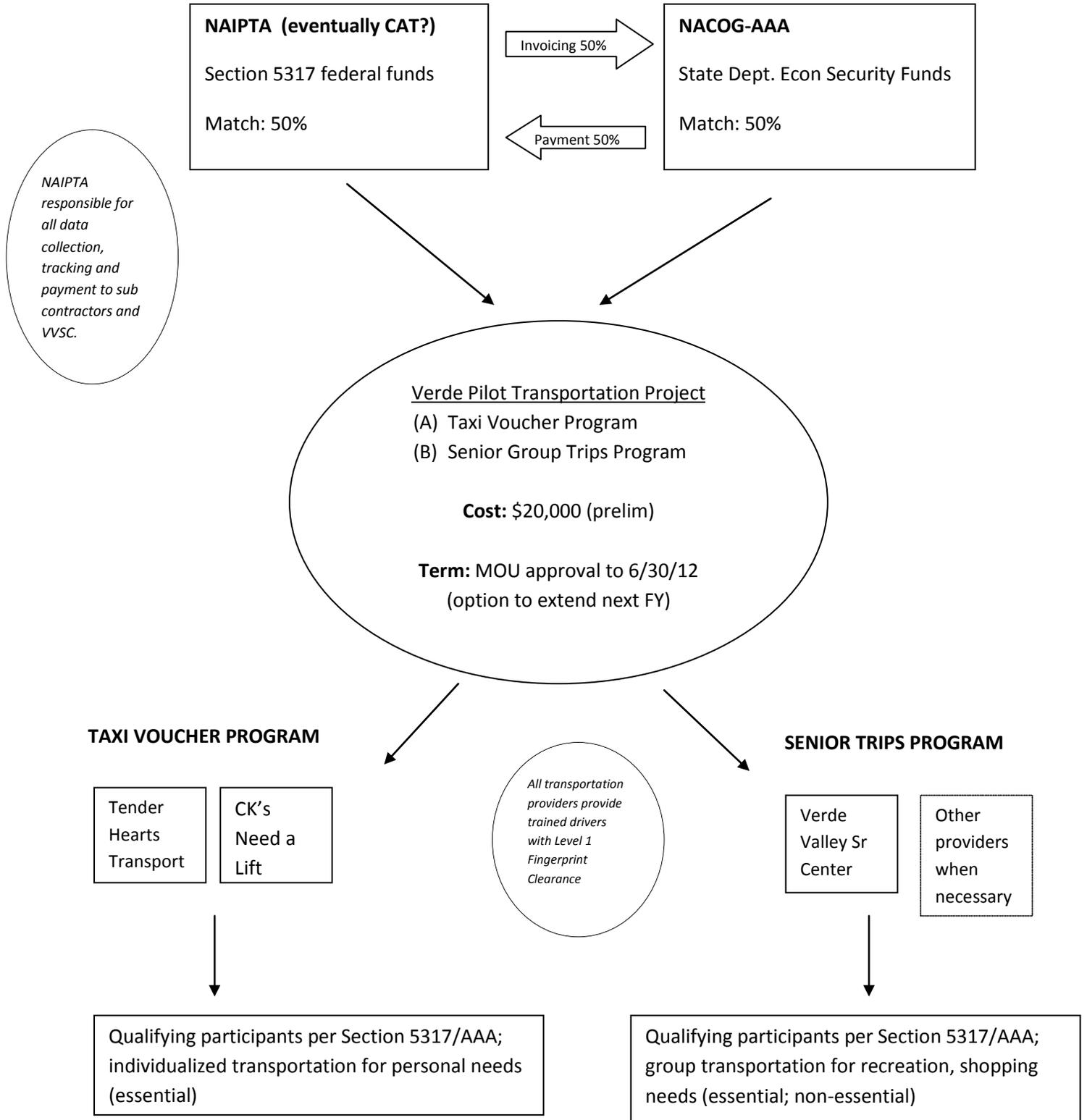
ATTACHMENTS:

None



Setting you where you want to go

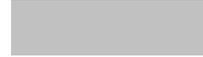
Proposed Verde Pilot Transportation Project



**COORDINATED MOBILITY PROGRAMS
FY 2012 APPLICATION CHECKLIST**

COG/MPO Checklist	Applicant Checklist	REQUIRED DOCUMENTS
		Cover Page (Requires Legal Entity Name, COG/MPO Identification, and Identification of Programs for which you are applying. Logo Insert is Optional.)
		Summary Page (Requires Narrative Answers to Questions)
		Applicant Information
		Training
		Coordination
		Certified Copy of Articles of Incorporation OR IRS 501(c)(3) Letter of Exemption (Private Non-Profit Agency Only)
		Public Notice (Insert)
		Authorization to Apply (Insert) (Board Minutes, Letter, and/or Resolution)
		Notice to Providers (Insert)
		Map of Service Area (Insert)
		MAG Commitment to Strategies (Applicants within Maricopa Assn of Govts. (MAG) only)
		Civil Rights, Title VI, EEO, LEP, DBE, ADA, Security, Drug/Alcohol Free, Safe Environment
		5310 Project Details (5310 REQUESTS ONLY) <i>(5310 Grant Request Detail, 5310 Budget Detail, Description of Existing Transportation Services)</i>
		5316 Project Details (5316 REQUESTS ONLY) <i>(5316 Grant Request Detail, 5316 Budget Detail, Description of Existing Transportation Services)</i>
		5317 Project Details (5317 REQUESTS ONLY) <i>(5317 Grant Request Detail, 5317 Budget Detail, Description of Existing Transportation Services)</i>
		Mobility Management Project Details (MOBILITY MANAGEMENT REQUESTS ONLY) <i>(Mobility Management Grant Request Detail, Mobility Management Budget Detail)</i>
		Vehicle Inventory
		Power of Attorney (Required ONLY If Requesting a Vehicle)
		Contract (Final Requires Agreement Contact Information, Signatory Name & Title, and Legal Signature)
		Legal Determination (Required from all Government entities; Optional for all other applicants.)
		FTA 2012 Certifications and Assurances Checklist (Requires Initials)
		FTA Federal Affirmation (Legally Authorized Signature and Attorney Signature required from All Applicants)
		Exhibit A Project (At time of application, the application itself provides the Project details. After award, Exhibit A will be populated with actual award information and at that time an authorized signature will be required.)
		FTA 2012 Certifications and Assurances

COG/MPO RANKING NUMBER



CITY OF COTTONWOOD

Arizona Department of Transportation

CYMPO & NACOG

2012 COORDINATED MOBILITY APPLICATION

5311 Rural Transportation Funds

For Which Program(s) Are You Applying?

For Which Program(s) Are You Applying?

Submitted by:	Richard M. Faust
Name of contact person:	Richard M. Faust
Email:	rfaust@cottonwoodaz.gov
Phone:	(928) 639-3200 ext. 3209

CITY OF COTTONWOOD
Federal Fiscal Year 2012
APPLICATION SUMMARY
5311 Rural Transportation Funds
For Which Program(s) Are You Applying?
For Which Program(s) Are You Applying?

This is a summary of your grant application. Please write it in narrative form or use bullets to make your points stand out.

Answer the following: Who, What, Where, When, Why and How.

(When you type the answers in the boxes, they will automatically resize with your content.)

1. Who are you, and who do you serve?

Richard Faust, Community Services General Manager, City of Cottonwood, Cottonwood, Arizona. Currently the City has two transportation systems running inner-city along with a commuter service running to Sedona and throughout the upper Verde Valley area. Current system is running with approximately 78,800 annual ridership figures. The City CAT and Lynx Systems support major Senior/disabled populations, low socio-economic user groups and young populations involving college students.

2. What are you asking for:

Funding through the Section 5311 Rural Transportation Funds for both administrative and operational funding for both the Cottonwood Area Transit and the Verde Lynx Transit Systems serving the Upper Verde Valley region of the State of Arizona. The system serves several community population areas of Cottonwood, Sedona, Clarkdale and areas of Yavapai county with on-going daily (coordinated) transportation operations.

3. Where and When are your services (boundaries and times):

The Cottonwood Area Transit System (CAT) operates 6 days a week servicing major business, medical, college and retail centers throughout the various communities. The Verde Lynx system is a commuter link system which services both Cottonwood and Sedona populations for connector links to businesses, work sites, schools and public recreation areas.

4. Why do you need this request? (Your need)

5. How will you maintain your program and the vehicles, and pay for your match for the request?:

6. Briefly describe your organizational structure.

7. Insert an Organizational Chart:



ARIZONA DEPARTMENT OF TRANSPORTATION
Multimodal Planning Division
APPLICATION FOR 5310, 5316, 5317 PROGRAMS

CITY OF COTTONWOOD -- APPLICANT INFORMATION

Service Area: <input type="checkbox"/> Rur <input type="checkbox"/> Urb <input type="checkbox"/> Bol	COG/MPO Region: CYMPO & NACOG	Congressional District:
---	--------------------------------------	--------------------------------

Mouse over for Congressional District Information
<http://www.govtrack.us/congress/findyourreps.xpd?state=AZ>

Applying For:	<input type="checkbox"/> 5310 Vehicle, Rac <input type="checkbox"/> 5310 Mobility Man;	Union Labor?
	<input type="checkbox"/> 5316 Capital request: Vehicle, radios, computer <input type="checkbox"/> 5316 Opera <input type="checkbox"/> 5317 Capital request: Vehicle, radios, computer <input type="checkbox"/> 5317 Opera	
		<input type="checkbox"/> No <input type="checkbox"/> Ye

Applicant Status: <input type="checkbox"/> Private/Non-Profit <input type="checkbox"/> Private/For-Profit <input type="checkbox"/> State/Local Government <input type="checkbox"/> Operator of Public Transportation <input type="checkbox"/> Federally Recognized Tribe

TAX IDENTIFICATION NUMBER		DUNS NUMBER	
----------------------------------	--	--------------------	--

1.	Agency Name	CITY OF COTTONWOOD			Umbrella Provider?	<input type="checkbox"/> No <input checked="" type="checkbox"/> Ye
	Primary Contact	Richard M. Faust	Phone	928-639-3200 ext. 3200	Email	rfaust@cottonwoodaz.gov
	Alternate Contact	Rudy Rodriguez	Phone	928-634-0060	Email	rrodriguez@cottonwoodaz.
	Street Address	827 North Main Street	City	Cottonwood	AZ	Zip Code 86326
	Mailing Address	827 North Main Street	City	Cottonwood	AZ	Zip Code 86326

2.	Unionized Labor Contact Information					
	Union Name					
	Primary Contact	Phone		Email		
	Mailing Address	City		AZ	Zip Code	
	Alternate Contact	Phone		Email		
	Mailing Address	City		AZ	Zip Code	

1.	Transportation Provider / Location Where Vehicle(s) Housed					
	Agency Name	Verde Valley Transit Center Facility			AZ Certified DBE?	<input type="checkbox"/> No <input checked="" type="checkbox"/> Ye
	Primary Contact	Richard M. Faust	Phone	928-639-3200 ext. 3200	Email	rfaust@cottonwoodaz.gov
	Alternate Contact	Rudy Rodriguez	Phone	928-634-0060	Email	rrodriguez@cottonwoodaz.
	Street Address	340 Happy Jack Way	City	Cottonwood	AZ	Zip Code 86326
	Mailing Address	Same as Above	City	Same as Above	AZ	Zip Code Same as Above

2.	Transportation Provider / Location Where Vehicle(s) Housed					
	Agency Name				AZ Certified DBE?	<input type="checkbox"/> No <input type="checkbox"/> Ye
	Primary Contact	Phone		Email		
	Alternate Contact	Phone		Email		
	Street Address	City		AZ	Zip Code	
	Mailing Address	City		AZ	Zip Code	

3.	Transportation Provider / Location Where Vehicle(s) Housed					
	Agency Name				AZ Certified DBE?	<input type="checkbox"/> No <input type="checkbox"/> Ye
	Primary Contact	Phone		Email		
	Alternate Contact	Phone		Email		
	Street Address	City		AZ	Zip Code	
	Mailing Address	City		AZ	Zip Code	

4.	Transportation Provider / Location Where Vehicle(s) Housed					
	Agency Name				AZ Certified DBE?	<input type="checkbox"/> No <input type="checkbox"/> Ye
	Primary Contact	Phone		Email		

Alternate Contact		Phone		Email	
Street Address		City		AZ	Zip Code
Mailing Address		City		AZ	Zip Code

5. Transportation Provider / Location Where Vehicle(s) Housed

Agency Name				AZ Certified DBE? <input type="checkbox"/> No <input type="checkbox"/> Ye	
Primary Contact		Phone		Email	
Alternate Contact		Phone		Email	
Street Address		City		AZ	Zip Code
Mailing Address		City		AZ	Zip Code

6. Transportation Provider / Location Where Vehicle(s) Housed

Agency Name				AZ Certified DBE? <input type="checkbox"/> No <input type="checkbox"/> Ye	
Primary Contact		Phone		Email	
Alternate Contact		Phone		Email	
Street Address		City		AZ	Zip Code
Mailing Address		City		AZ	Zip Code

7. Transportation Provider / Location Where Vehicle(s) Housed

Agency Name				AZ Certified DBE? <input type="checkbox"/> No <input type="checkbox"/> Ye	
Primary Contact		Phone		Email	
Alternate Contact		Phone		Email	
Street Address		City		AZ	Zip Code
Mailing Address		City		AZ	Zip Code

8. Transportation Provider / Location Where Vehicle(s) Housed

Agency Name				AZ Certified DBE? <input type="checkbox"/> No <input type="checkbox"/> Ye	
Primary Contact		Phone		Email	
Alternate Contact		Phone		Email	
Street Address		City		AZ	Zip Code
Mailing Address		City		AZ	Zip Code

9. Transportation Provider / Location Where Vehicle(s) Housed

Agency Name				AZ Certified DBE? <input type="checkbox"/> No <input type="checkbox"/> Ye	
Primary Contact		Phone		Email	
Alternate Contact		Phone		Email	
Street Address		City		AZ	Zip Code
Mailing Address		City		AZ	Zip Code

10. Transportation Provider / Location Where Vehicle(s) Housed

Agency Name				AZ Certified DBE? <input type="checkbox"/> No <input type="checkbox"/> Ye	
Primary Contact		Phone		Email	
Alternate Contact		Phone		Email	
Street Address		City		AZ	Zip Code
Mailing Address		City		AZ	Zip Code

11. Transportation Provider / Location Where Vehicle(s) Housed

Agency Name				AZ Certified DBE? <input type="checkbox"/> No <input type="checkbox"/> Ye	
Primary Contact		Phone		Email	
Alternate Contact		Phone		Email	
Street Address		City		AZ	Zip Code
Mailing Address		City		AZ	Zip Code

DRIVER AND STAFF TRAINING

1. Check all trainings your agency or ADOT has or has not provided to your drivers:

Training Course	Provided in the last		Training		Training provided
Defensive Driving	<input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	
First Aid - CPR	<input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	
Blood Borne Pathogens	<input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	
Accident Reporting	<input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	
Emergency Response	<input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	
PASS (Passenger Assist)	<input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	
ADA Training	<input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	

Other: (List below)	Provided in the last		Training		Training provided
	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	
	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	

2. Number of trained drivers in your program? 15

3. Do you use volunteer drivers? No Yes **How many?**

4. Any accidents within the last year? No Yes **How many?**

Briefly explain below the type of accident(s), and the resolution:

By signing this Application/Contract, the signatory attests to the accuracy of all information provided, that the agency has the matching funds required, and the funding available to maintain the project for the duration of the contract.

COORDINATION

1	Does your agency attend Regional Coordination Meetings?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
2	Indicate on which page(s) your agency is listed in your Coordination Plan.	
3	Do you coordinate services with other transit programs?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If no, explain. If yes, who do you coordinate with, and why?	
4	Do you have a contingency plan for transport if your vehicles or drivers are not available?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	Please explain below:	
5	Do you have at least one working vehicle with a lift?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	If not, do you have an agreement with another agency to provide service?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	Please explain below:	
6	Is this grant request a coordination project with another agency?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	If yes, please explain:	

COORDINATION CERTIFICATION

CITY OF COTTONWOOD

By signing this Application/Contract, the signatory certifies that the grant application requesting federal funding for Section 5310, 5316, and 5317 was derived from the regional coordinated human services transportation planning process, and that the agency has participated in the coordination meetings, plan and process. Further, the agency agrees to continue to participate in coordination efforts, attend meetings, and engage in local and regional coordination activities, to the best of its ability.

Private Non-Profit Agency

Insert a Certified Copy of Articles of Incorporation OR IRS 501(c)(3) Letter of Exemption here.

Instructions

In the tabbed menu, choose *Insert*

In the Text menu, choose *Object*

From the pop up menu tabs, choose "*Create from File* "

Select the *Browse* button and locate the appropriate file to insert. Once located, select *OK*.

Insert your Public Notice Here.

Government Agencies must also insert the notice of public hearing on this page.

Instructions

In the tabbed menu, choose *Insert*

In the Text menu, choose *Object*

From the pop up menu tabs, choose "*Create from File*"

Select the *Browse* button and locate the appropriate file to insert. Once located, select *OK*.

Insert your Board Meeting Minutes or Letter Authorizing Grant Submission
Government Agencies must insert their Resolution

Instructions

In the tabbed menu, choose *Insert*

In the Text menu, choose *Object*

From the pop up menu tabs, choose "*Create from File*"

Select the *Browse* button and locate the appropriate file to insert. Once located, select *OK*.

Insert your Notification to Other Providers of Intent to Apply

Instructions

In the tabbed menu, choose *Insert*

In the Text menu, choose *Object*

From the pop up menu tabs, choose "*Create from File* "

Select the *Browse* button and locate the appropriate file to insert. Once located, select *OK* .

Insert your MAP of Service Area

Instructions

In the tabbed menu, choose *Insert*

In the Text menu, choose *Object*

From the pop up menu tabs, choose "*Create from File* "

Select the *Browse* button and locate the appropriate file to insert. Once located, select *OK* .

Applicants within Maricopa Association of Governments (MAG) ONLY

CITY OF COTTONWOOD

***Submit this certification to MAG on or before application to ADOT.
2012 Commitment to Strategies for FTA Section 5310, 5316 and 5317 Applicants***

SAFETEA-LU requires any agency applying for Section 5310 funds (Elderly Individuals and Individuals with Disabilities); Section 5316 funds (Job Access and Reverse Commute); and/or Section 5317 funds (New Freedom) funds; to respond to a locally derived human services transportation coordination plan. Agencies will demonstrate compliance with the 2009 MAG Human Services Coordination Transportation Plan Update as evidenced by the following:

- a. Attendance at designated human services transportation meetings to assist in the development and implementation of regional coordination planning.
- b. Compliance with information and data requests to aid in the collaborative efforts of the planning process.
- c. Demonstrated support and achievement of goals in the plan as appropriate and identified in the plan.

Agency data gathering and feedback is a valued part of the regional human services transportation coordination effort. Strategies identified in the coordination process are the collaborative effort of all participating agencies. A successful and relevant plan will assist the agencies in their mission to serve elderly persons, and persons with disabilities and low income

I do hereby agree, on behalf of my organization, that we will actively support strategies developed in the plan in compliance with SAFETEA-LU regulations. Our participation will continue throughout the term of the grant.

Print Name of Authorized Official

Title of Official

Signature of Authorized Official

Date

CIVIL RIGHTS QUESTIONS

All recipients of FTA assistance are responsible for compliance with all Civil Rights requirements, including 49 US 5332 (non discrimination), Title VI of the Civil Rights act of 1964, Equal Employment Opportunity (EEO), Section 504 of the Rehabilitation Act of 1973, ADA, Disadvantage Business Enterprise (DBE) program requirements, and Limited English Proficient (LEP). Recipients also agree to include these assurances and policies in each subcontract financed in whole or in part with Federal funds provided by FTA.

Civil Rights Complaints:

1. No Yes **Have there been any civil rights complaints, lawsuits, allegations or legal actions filed against your agency in the last two years?**

If yes, please explain the nature of the complaint(s):

TITLE VI

Title VI is a federal law ensuring non-discrimination in all programs and services provided by federal aid recipients.

2. No Yes **Are the services provided by your agency accessible to your clients, regardless of race, color, national origin, gender, age or disability?**
3. No Yes **Does your Title VI policy state that complaints received against the agency will be investigated by ADOT Civil Rights?**
4. No Yes **Have you reported your Title VI civil rights complaints to ADOT for further investigation?**

Equal Employment Opportunity (EEO)

5. No Yes **Does your agency have an Equal Opportunity Employment (EEO) policy and does that policy include language that prohibits discrimination on the basis of race, national origin, color, gender, age, and disability?**
- a. **If NO, please provide the date you will be approving an EEO policy.**
- b. No Yes **If YES, is the policy available for review?**

Limited English Proficiency (LEP)

6. No Yes **Do you have a policy, in compliance with Federal Executive Order 13166, to ensure persons with Limited English Proficiency (LEP) needs can access your services?**
7. No Yes **Does your organization have a Limited English Proficiency (LEP) plan?**
- a. **If NO, please provide the date you will be approving an LEP policy.**
- b. No Yes **If YES, is the policy available for review?**

Disadvantaged Business Enterprise (DBE)

8. No Yes **Does your agency have a Disadvantaged Business Enterprise (DBE) policy?**
- a. **If NO, please provide the date you will be approving an EEO policy.**
- b. No Yes **If YES, is the policy available for review?**
9. No Yes **During the past four (4) years, has your agency received Mobility Management, and/or Operating funding awards from ADOT?**

10. No Yes Have you adopted, or have policy language stating you plan to adopt ADOT's DBE program?
11. No Yes Do you contract out services or have other contracts using federal funds, other than vehicle purchases?
12. No Yes If you answered "Yes" to 10, are you reporting them through the AZ LPA Contract Management System at <http://arizonalpa.dbesystem.com>?
13. Please explain in detail how, and if, your agency is meeting your DBE requirements.

Americans with Disabilities Act (ADA)
Does your agency have in place written policies, procedures, regarding the following requirements of ADA?

14. No Yes Does your agency have an Americans with Disabilities Act (ADA) policy?
 a. If NO, please provide the date you will be approving an ADA policy.
 b. No Yes If YES, is the policy available for review?
15. No Yes Do you have at least one working wheelchair accessible vehicle meeting ADA standards, with available qualified driver(s) for each of your primary service areas?
 a. If NO, please explain below how you maintain equivalent service for persons with disabilities while your vehicles or drivers are not available?

 b. No Yes Does your system have a "back up" plan should your only accessible vehicle(s) or available driver(s) be rendered out-of-service for more than a few days.
16. No Yes Is information on your service provided in accessible formats if requested?
 If YES, explain how:
 1. a hearing impaired person and
 2. a visually impaired person would request a ride on your service?

17. No Yes Has your agency ever turned down a request for transportation from a person with a disability?
 If YES, please explain:

18. No Yes Are inspections of ADA equipment, including lifts, ramps, securement devices, signage, and communication systems part of your agency's pretrip and post trip inspection checklists?
 If NO, please explain:

19. If ADA deficiencies are found during your agency's pre-trip and post-trip inspections, what is done?

Security Policy

20. No Yes Does your agency have a Security Policy or Procedure minimizing threats of violence on passengers and employees and explaining what drivers must do in case of threats and emergencies?

a. If NO, please provide the date you will be approving a Security policy.

b. No Yes If YES, is the policy available for review?

Drug / Alcohol Free Workplace & Safe Environment

21. No Yes Does your agency have a Drug / Alcohol Free Workplace & Safe Environment Policy?

a. If NO, please provide the date you will be approving a Drug / Alcohol Free Workplace & Safe Environment policy.

b. No Yes If YES, is the policy available for review?

CITY OF COTTONWOOD

5310 GRANT REQUEST SPECIFICATIONS

1. Type of Capital Assistance you are requesting:

Rank	Type of Capital Request	Estimated Cost	Quantity	Total Estimated Vehicle Cost	Estimated Match & Fees Required
1st	MAXIVAN NO LIFT (12 Passenger)	\$24,975	1	\$24,975	\$3,122
		\$0		\$0	\$0
		\$0		\$0	\$0
		\$0		\$0	\$0
		\$0		\$0	\$0
	<i>Other:</i>			\$0	\$0
	<i>Other:</i>			\$0	\$0
	<i>Other:</i>			\$0	\$0
TOTAL REQUESTED				\$0	\$0

2. Estimate your service hours and service miles for the requested vehicle(s):

Service Hours:	Daily:		Monthly:	0	Annually:	0
Service Miles:	Daily:		Monthly:	0	Annually:	0
Annual estimated maintenance cost for requested vehicles:						.445 / mile
						\$0

3. What is the expected passenger trips with this new vehicle(s):

Daily:		Monthly:	0	Annually:	0
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4. What is the estimated percentage of ridership for this new vehicle(s)?

Elderly, not disabled:		Elderly Disabled:		Total %
Disabled, not elderly:		Other:		0%

5. Does your agency conduct an annual audit?

No Yes

6. Agency transportation budget:

7. Total estimated annual revenue:

8. Is this a NEW project?

NO YES

9. Narrative Description & Need:

10. With this request, are you planning on:

Maintaining the same level of service?	<input type="checkbox"/> No	<input type="checkbox"/> Yes
Increasing the level of service?	<input type="checkbox"/> No	<input type="checkbox"/> Yes
Decreasing the level of service?	<input type="checkbox"/> No	<input type="checkbox"/> Yes

No

Describe below the increase/decrease:

By signing the application you agree your agency has enough revenue for the match of the vehicle(s) and to maintain the vehicle(s) through the life of the contract.

DESCRIPTION OF EXISTING TRANSPORTATION SERVICES

1. How many vehicles do you have in your fleet? 0

2. Provide the number of individuals served by the 5310 Elderly and Disabled program:

Elderly, not disabled:		Elderly Disabled:		TOTAL
Disabled, not elderly:		Other:		0

3. What are the ANNUAL passenger trips for all vehicles in your program?

4. What is your service area boundary?

5. Provide the service days, times, hours, and service miles for your program:

Operating days:	Week:	0	Month:	0	Annual:	0
Operating Times:						
	Service Hours:	Daily:	Monthly:	0	Annually:	0
	Service Miles:	Daily:	Monthly:	0	Annually:	0

Capacity of Existing Services:	Average passengers per vehicle:	
	Total average passengers all vehicles:	0

7. Is your existing service (all vehicles) at capacity? No Yes

8. Do you have an accessible vehicle? No Yes

If no, do you have an agreement to provide accessible transportation? No Yes

9. List the primary local activity centers that are served by your program:

10. Do you charge for your service? **Fare:** No Yes **Request Donation:** No Yes

11. Describe your overall transportation service program:

12. Has your agency received vehicles from ADOT in the past? No Yes

CITY OF COTTONWOOD

5316 GRANT REQUEST SPECIFICATIONS

1. Type of Capital Assistance you are requesting:

Rank	Type of Capital Request	Estimated Cost	Quantity	Total Estimated Cost	Estimated Match & Fees Required
1st	MAXIVAN NO LIFT (12 Passenger)	\$24,975	1	\$24,975	\$3,122
		\$0		\$0	\$0
		\$0		\$0	\$0
		\$0		\$0	\$0
	<i>Other:</i>			\$0	\$0
	<i>Other:</i>			\$0	\$0
	<i>Other:</i>			\$0	\$0
TOTAL CAPITAL REQUESTED				\$0	\$0

2. Operating Funds Requested \$0 \$0

3. Total 5316 Award Requested \$0

4. Estimate your service hours and service miles for the requested vehicle(s):

Service Hours:	Daily:		Monthly:	0	Annually:	0
Service Miles:	Daily:		Monthly:	0	Annually:	0
Annual estimated maintenance cost for requested vehicles:						.445 / mile \$0

5. What is the expected passenger trips with this new vehicle(s):

Daily:		Monthly:		Annually:	
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6. What is the number of jobs accessed?

Daily:		Weekly:		Monthly:		Annually:	
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7. Does your agency conduct an annual audit? YES NO

8. Agency transportation budget:

9. Total estimated annual revenue:

10. Is this a NEW project? YES NO

11. Narrative Description:

12. List the primary job related service areas you provide transportation too:

13. With this request, are you planning on:

Maintaining the same level of service?	<input type="checkbox"/> No	<input type="checkbox"/> Yes
Increasing the level of Service?	<input type="checkbox"/> No	<input type="checkbox"/> Yes
Decreasing the level of Service?	<input type="checkbox"/> No	<input type="checkbox"/> Yes

Describe below the increase/decrease:

By signing the application you agree your agency has enough revenue for the required match and to maintain the vehicle(s) and other capital requested through the life of the contract.

DESCRIPTION OF EXISTING TRANSPORTATION SERVICES

1. How many vehicles do you have in your fleet? 0

2. Provide the number of individuals served by the 5310 Elderly and Disabled program:

Elderly		New Freedom Riders		TOTAL
Disabled		Job Access Riders		0

3. What are the ANNUAL passenger trips for all vehicles in your program?

4. What is your service area boundary?

5. Provide the service days, times, hours, and service miles for your program:

Operating days:	Week:	0	Month:	0	Annual:	0
Operating Times:						
Service Hours:	Daily:		Monthly:	0	Annually:	0
Service Miles:	Daily:		Monthly:	0	Annually:	0

Capacity of Existing Services:	Average passengers per vehicle:	
	Total average passengers all vehicles:	0

7. List the primary local activity centers that are served by your program:

8. **Do you charge for your service?** **Fare:** No Yes **Request Donation:** No Yes

9. **Describe your overall transportation service program:**

CITY OF COTTONWOOD

5317 GRANT REQUEST SPECIFICATIONS

1. Type of Capital Assistance you are requesting:

Rank	Type of Capital Request	Estimated Cost	Quantity	Total Estimated Cost	Estimated Match & Fees Required
1st	MAXIVAN NO LIFT (12 Passenger)	\$24,975	1	\$24,975	\$3,122
		\$0		\$0	\$0
		\$0		\$0	\$0
		\$0		\$0	\$0
	<i>Other:</i>			\$0	\$0
	<i>Other:</i>			\$0	\$0
	<i>Other:</i>			\$0	\$0
TOTAL CAPITAL REQUESTED				\$0	\$0

2. Operating Funds Requested	\$0	\$0
<i>What will these operating funds be used for?</i>		

3. Total 5316 Award Requested	\$0
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4. Estimate your service hours and service miles for the requested vehicle(s):						
Service Hours:	Daily:		Monthly:	0	Annually:	0
Service Miles:	Daily:		Monthly:	0	Annually:	0
Annual estimated maintenance cost for requested vehicles:						.445 / mile
						\$0

5. What is the expected passenger trips with this new vehicle(s):					
Daily:		Monthly:		Annually:	

6. What is the number of jobs accessed?					
Daily:		Weekly:		Monthly:	
				Annually:	

7. Does your agency conduct an annual audit?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
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8. Agency transportation budget:	
---	--

9. Total estimated annual revenue:	
---	--

10. Is this a NEW project?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
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11. Narrative Description:

12. How will this project increase / sustain additional services that go beyond ADA?

By signing the application you agree your agency has enough revenue for the required match and to maintain the vehicle(s) and other capital requested through the life of the contract.

DESCRIPTION OF EXISTING TRANSPORTATION SERVICES

1. How many vehicles do you have in your fleet? 0

2. Provide the number of individuals served by the 5310 Elderly and Disabled program:

Elderly		New Freedom Riders		TOTAL
Disabled		Job Access Riders		0

3. What are the ANNUAL passenger trips for all vehicles in your program?

4. What is your service area boundary?

5. Provide the service days, times, hours, and service miles for your program:

Operating days:	Week:	0	Month:	0	Annual:	0
Operating Times:						
Service Hours:	Daily:		Monthly:	0	Annually:	0
Service Miles:	Daily:		Monthly:	0	Annually:	0

6. Capacity of Existing Services: Average passengers per vehicle:

	Total average passengers all vehicles:	0
--	--	---

7. List the primary local activity centers that are served by your program:

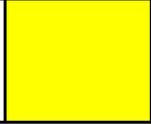
8. **Do you charge for your service?** **Fare:** No Yes **Request Donation:** No Yes

CITY OF COTTONWOOD

MOBILITY MANAGEMENT GRANT REQUEST DETAIL

This is for an organization that wants to develop coordination activities within their county, or organization.

PLEASE INDICATE YES/NO IF YOU ARE A COG OR MPO AND WANT TO APPLY FOR A REGIONAL MOBILITY MANAGER. If NO, this application is for a SUB REGIONAL Mobility Manager.



1. **Narrative Description of your project:**

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2. Total Amount Requested:	\$110,000		Capital:	\$40,000	Operating:	\$70,000
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3. Is this an existing project?	<input type="checkbox"/> NO	<input type="checkbox"/> YES	New Project?	<input type="checkbox"/> NO	<input type="checkbox"/> Yes
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4. **Please describe your agencies experience in providing regional or sub regional coordination:**

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5. **How will this project increase/sustain additional services that are identified in the plan ?**

--

6. **List the 5300 program in your sub region that you will be working with:**

--

MOBILITY MANAGEMENT BUDGET DETAIL

The cost for capital equipment needs to be researched by the applicant. Provide documentation on capital equipment research to back up your amount requested. Operating funds are at a 50-50 match. If you have other funding requests, please use the additional two line items, or insert more line items.

1.	Type of Request:	Request Amount	Quantity	Federal Amount	Estimated Match & Fees	Total Cost
	Mobility Management (90-10 Match)	\$40,000	1	\$40,000	\$5,000	\$45,000
	Mobility Management (90-10 Match)			\$0	\$0	\$0
	Operating Funds (50-50 Match)	\$70,000	1	\$70,000	\$36,750	\$106,750
	Operating Funds (50-50 Match)			\$0	\$0	\$0
	Other					
				\$0	\$0	\$0
	<i>Total for Operations</i>	\$0	\$0	\$0	\$0	\$0
	TOTAL REQUESTED	\$110,000	2	\$110,000	\$41,750	\$110,000

2.

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3.

Does your agency conduct an annual audit?	<input type="checkbox"/> No	<input type="checkbox"/> Yes
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4.

Agency transportation budget:	
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5.

Total estimated annual revenue:	
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By signing this application/contract you agree your agency has enough revenue for the match amount for the vehicle(s), and operational funds, and to maintain the vehicle(s) and project through the life of the contract.

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that the undersigned _____

Of the County of _____, State of ARIZONA, being the Buyer, Seller, or Owner of the following

described Motor Vehicle: Make: _____ Model Year _____ Body Style _____, does hereby make, constitute and appoint the ARIZONA DEPARTMENT OF TRANSPORTATION Address 206 South 17th Avenue (340 B) _____ City PHOENIX State ARIZONA, County of MARICOPA, as true and lawful attorney-in-fact to sign in the name, place and stead of the undersigned any Certificate of Ownership issued by the Arizona Department of Transportation, Motor Vehicle Division covering the motor vehicle described above, in whatever manner necessary to secure title and registration titled in the name of the undersigned, and/or to transfer any registration of said motor vehicle titled in the name of the undersigned, during the period of _____ until the release of the department from the lien on the vehicle.

The undersigned hereby grants and gives said attorney-in-fact full authority and power to do and perform any and all acts necessary or incident to the execution of the powers herein expressly granted, as fully to all interests and purposes as the grantor might, or could do if personally present, with full power of substitution.

IN TESTIMONY WHEREOF, the undersigned hereto executes this instrument this _____ Day of _____, 2011.

(Seal)

SIGNATURE

SIGNATURE

Subscribed and sworn to before me this _____ day of _____, 2011.

NOTARY PUBLIC

COMMISSION EXPIRES

Agreement Number	
AG Contract Number	P0012011001036
Advantage Project Number	
Advantage Vendor Number	
DUNS Number	
Eligibility Date	10/1/2011
Project Name	Coordinated Mobility Programs: 49 USC 5310, 5316, 5317

**GRANT AGREEMENT
BETWEEN
THE ARIZONA DEPARTMENT OF TRANSPORTATION
MULTIMODAL PLANNING DIVISION acting for and on behalf of
THE STATE OF ARIZONA
AND
LEGAL NAME OF AGENCY**

THIS GRANT AGREEMENT is entered into _____ between the ARIZONA DEPARTMENT OF TRANSPORTATION MULTIMODAL PLANNING DIVISION (ADOT) acting for and on behalf of THE STATE OF ARIZONA herein referred to as the STATE, established pursuant to Arizona Revised Statutes (A.R.S.) § 28-334 and LEGAL NAME OF AGENCY, herein referred to as the RECIPIENT. The STATE and the RECIPIENT are collectively referred to as the "Parties", and individually as STATE, RECIPIENT, and "Party".

I. RECITALS

- 1 STATE is authorized by Arizona Revised Statutes Section 28-334 to enter into this Agreement and has delegated to the undersigned the authority to execute this Agreement on behalf of STATE.
- 2 RECIPIENT is authorized to enter into this Agreement and has delegated to the undersigned the authority to execute this Agreement on behalf of RECIPIENT.
- 3 49 U.S.C. 5310 authorizes the formula assistance program for the special needs of elderly individuals and individuals with disabilities, subject to annual appropriations. 49 U.S.C. 5310(a)(1) authorizes funding for public transportation capital projects planned, designed and carried out to meet the special needs of elderly individuals and individuals with disabilities. 49 U.S.C. 5310(a)(2) provides that a STATE may allocate the funds apportioned to it to: a private non-profit organization, if public transportation service provided by STATE and local governmental authorities under Section 5310(a)(1) is unavailable, insufficient, or inappropriate; or a governmental authority that is approved by the STATE to coordinate services for elderly individuals and individuals with disabilities; or certifies that there are not any non-profit organizations readily available in the area to provide the special services.
- 4 49 U.S.C. § 5316, the Job Access Reverse Commute (JARC) Program, is authorized under the provisions set forth in the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users, (SAFETEA-LU) to provide grants for financial assistance and to improve access to transportation services planned, designed, and carried out to meet the transportation needs of eligible low-income individuals, and of reverse commuters regardless of income.
- 5 49 U.S.C. § 5317, the New Freedom Program, is authorized under the provisions set forth in the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users, (SAFETEA-LU) to make grants available to recipients for new public transportation services and public transportation alternatives beyond those required by the Americans with Disabilities Act of 1990 (ADA) (42 U.S.C. 12101 et seq.), that assist individuals with disabilities with transportation, including transportation to and from jobs and employment support services.
- 6 The Governor of the STATE of Arizona, in accordance with a request by the Federal Transit Administration, hereinafter referred to as FTA, has designated the Department of Transportation as the responsible agency to evaluate and select proposed projects and to coordinate the grant applications. The applicable Program Handbook and Application, incorporated herein by reference, prescribes the STATE's Administrative Policies and Requirements for the Program.
- 7 The STATE and the RECIPIENT desire to secure Project Equipment and/or Services through the expenditure of FTA grant funds and to use said equipment and/or services for eligible Program participants of the STATE of Arizona.
- 8 The STATE and the RECIPIENT desire to secure funding for a Mobility Manager position using the expenditure of FTA grant funds to serve the transportation needs of the elderly individuals and individuals with disabilities in the State of Arizona. The Mobility Manager position will consist of short-range planning and management activities / projects to improve transportation services within the RECIPIENT's service area which will be carried out according to this Agreement and under the applicable section(s) of 49 USC Chapter 53.
- 9 The STATE and the RECIPIENT desire to secure funding for Capital expenses using the expenditure of FTA grant funds to be used within the RECIPIENTS service area. The PROJECT shall be carried out according to this Agreement under the applicable sections of 49 U.S.C. Chapter 53.
- 10 The STATE and the RECIPIENT desire to secure funding for Operating expenses using the expenditure of FTA grant funds to be used within the RECIPIENTS service area. The PROJECT shall be carried out according to this Agreement under the applicable sections of 49 U.S.C. Chapter 53.
- 11 RECIPIENT qualified local match of for all non-Capital awards will be due over the life of the awarded Project(s), the total match amount as
- 12 RECIPIENT qualified local match and fees for Vehicle and Other ADOT-procured Capital will be due upon demand by the STATE and prior to delivery of the equipment and/or vehicles described in Exhibit A.
- 13 RECIPIENT qualified local match for RECIPIENT-procured Capital will be due upon request for reimbursement by the RECIPIENT.

THEREFORE, in consideration of the mutual agreements expressed herein, it is agreed as follows:

II. SCOPE

- 1 RECIPIENT shall provide specific transportation services, herein called the PROJECT, to eligible Program participants, in accordance with the RECIPIENT'S application(s), incorporated herein as referenced, and as allowable under the applicable 49 U.S.C. 5310, 5316, and/or 5317.
- 2 The PROJECT equipment and/or services are described and detailed in Exhibit A.
- 3 PROJECT-appropriate expenses supported by receipts and other suitable and appropriate documentation are eligible for reimbursement beginning on the Eligibility Date indicated on Page 1 of this Agreement. Expenses incurred prior to this date are ineligible for reimbursement. Approved Capital and / or Operating Expenses must be incurred within 24 months from this eligible date. Final invoice must be received within 90 days of the end of the expenditure period or 24 months from eligibility date. No expenditures beyond that period are eligible for reimbursement under this Agreement.
- 4 The recipient shall provide a quarterly progress and milestones report to ADOT. ADOT will provide the reporting form and the due dates prescribing when each report shall be submitted. Information regarding measurements over the existing service conditions to be reported will include but are not be limited to rides provided/shared, miles increased/replaced, cost savings and other related improvements. The first report is to be submitted ninety (90) days from the date of this Agreement.

III. RESPONSIBILITIES

- 1 **ADOT will:**
 - a. Review PROJECTS for compliance with statutory and program guidance.
 - b. Review documentation supporting PROJECT expenditures for eligibility and ensure program match requirements are met.
 - c. Review invoices, when appropriate to the Grant Award, from RECIPIENT and reimburse RECIPIENT within 30 days after receipt and approval of invoices, in a total amount not to exceed the lesser of the approved invoiced costs or the Grant Award.
 - d. Communicate with RECIPIENT and FTA as necessary to facilitate program compliance and procedural efficiency.
- 2 **RECIPIENT will:**
 - a. Submit payment of Grant required MATCH upon demand by the STATE and/or as indicated in the Recitals and Exhibit A. Administrative fees and local match must be remitted from funds for the program awarded as qualified under the applicable 49 USC regulations. Most federally-funded programs cannot use federal funds to provide match but 49 USC does provide certain exceptions to that stipulation. The RECIPIENT will ensure that matching funds qualify under the appropriate section of 49 USC 5310, 5316, or 5317 as appropriate to the awarded PROJECT(s) indicated in Exhibit A.
 - b. RECIPIENT shall comply with all terms of the Grant Program in accordance with the RECIPIENT'S application(s) and the applicable Program Handbook in effect at the time of application or subsequently revised in writing and by notice, incorporated herein as referenced.
 - c. Communicate with STATE and FTA as necessary to facilitate program compliance and procedural efficiency.
 - d. Provide all required reports as prescribed by the Program Handbook or as requested by ADOT in a timely manner and as required by the STATE.
 - e. Ensure users of PROJECT equipment and/or services meet applicable federal and state regulations and statutes.
 - f. Review documentation supporting PROJECT expenditures for eligibility and ensure program match requirements are met.
 - g. Report to the STATE quarterly that no expenditures occurred or, on the invoice form provided by ADOT, invoice the STATE quarterly for categorized reimbursable operating or other capital costs awarded as demonstrated in Exhibit A, as authorized and allowable under the federal grant requirements, and supported as required with vendor invoices, original receipts, or other suitable and appropriate documentation. Each invoice must include the Agreement Number, the Advantage Project number, and the Grant Program Name with expenditures billed separately according to the Tracking Number(s) from Exhibit A.

IV. MISCELLANEOUS PROVISIONS

- 1 **Term Incorporation:** This Agreement is governed according to the laws of the State of Arizona. All cited statutes, public law, executive orders, and policies cited in this Agreement are incorporated by reference as a part of this Agreement. Any Agreement between RECIPIENT and its Contractors for use of grant funds shall incorporate the provisions contained herein.
- 2 **Duration:** This Agreement shall become effective upon signature by the parties hereto and shall remain in force and effect until PROJECT satisfaction and completion.

For operating or other capital cost Projects awarded, the life of this Agreement will be the earlier of spend-down of the awarded funds or two (2) years from the date authorized under the Scope of this Agreement unless extended by amendment or as otherwise provided herein plus an additional ninety (90) days for submission of the final invoice for costs through the last authorized expenditure date of the Agreement.

For vehicle Projects, the life of this Agreement shall continue through the useful life of the vehicle(s) as determined by FTA rules and explained under Agreement Article III.6 unless extended by amendment or as otherwise provided herein. This Agreement may be cancelled at any time prior to the commencement of performance under this Agreement, upon thirty (30) days written notice to the other party.
- 3 **Amendments:** This Agreement may be amended upon mutual agreement of the Parties at any time when in the best interest of FTA, STATE, or RECIPIENT.
- 4 **Matching and Federal Funding:** PROJECT award amounts and match requirements are indicated in Exhibit A. The RECIPIENT will The notice will include a modified Exhibit A, which shall be inserted into this executed Agreement without requiring an amendment. In the event that this Agreement is terminated after matching and/or administrative funds have been issued to and deposited by the STATE, there is no guarantee of timeframe for refund of such funds, and shall not occur prior to the reassignment of the PROJECT award to another eligible agency and payment by that agency of any required matching funds. The remitted administrative fee is non-refundable. Refunds for PROJECT equipment will be based on the assessed value at the time of return to ADOT and subject to deduction of the cost

- 5 **Availability of Funds:** Every payment obligation of STATE under this Agreement is conditioned upon the availability of funds appropriated or allocated for the payment of such obligation. If funds are not allocated and available for the continuance of this Agreement, this Agreement may be terminated by STATE at the end of the period for which the funds are available. No liability shall accrue to STATE in the event this provision is exercised, and STATE shall not be obligated or liable for any future payments or for any damages as a result of termination under this paragraph.
- 6 **Liens on Equipment:** The purchase of PROJECT equipment shall be undertaken by the STATE on behalf of the RECIPIENT. The PROJECT equipment shall be titled in the name of the RECIPIENT. To the extent of financial assistance provided, the STATE shall hold a first lien on all capital equipment acquired under this agreement in the amount of the federal share of the equipment cost.
- The lien placed on vehicle equipment will remain in effect for at least four years or 100,000 miles but will extend through the useful life of the vehicle(s) and until the remaining asset value is less than \$5000 or is no longer in service, whichever occurs first, from issuance of title unless this agreement is otherwise terminated under terms of this Agreement or four years from issuance of equipment if not a vehicle. Lien release is incumbent upon the Recipient's submission of a written request for a lien release and compliance of all requirements and guidance during the course of the lien period.
- These requirements include but are not limited to: maintenance of the equipment, annual reporting to the STATE of administrative and vehicle performance data, annual vehicle inspections, timely incident reporting and situation resolution, and other requirements as specified in the applicable Program Handbook and Application.
- 7 **Property and Equipment, Use, Inventory, and Disposal:** Title to real property under a grant will vest under acquisition in the RECIPIENT or their CONTRACTOR as applicable. The RECIPIENT or their CONTRACTOR is, however, responsible for adherence to any applicable federal program compliance requirement under 49 CFR 18 Section 32. Except as otherwise provided by statute, property and equipment shall be used for the originally authorized purposes as long as needed for that purpose. When no longer needed for the originally authorized purpose, the RECIPIENT and/or their CONTRACTOR will request disposition instructions from the STATE. RECIPIENT agrees to inventory, to maintain records of, and to ensure the proper use, control, and disposal of all property and equipment acquired pursuant to ADOT Policy FIN 11.08, incorporated herein by reference.
- 8 **Modifications and Other Changes to Grant Equipment:** Prior to any substantive modifications or other changes made or elimination, reduction, or addition to grant equipment, written approval from an authorized State grant program official must first be obtained. Examples include but are not limited to the elimination of wheelchair positions and additions of ambulatory seating, reduction in number or addition of passenger assist stanchions, rails, steps, secondary manufacturer and aftermarket vehicle components provided by the STATE, and other devices requiring or otherwise exposing or altering mechanical or structural modification to the vehicle.
- 9 **Statutory Compliance:** All parties shall comply with all applicable federal, state and local requirements including all applicable provision of Title 49 (United States Department of Transportation) and other applicable Codes of Federal Regulations where and when
- 10 **Incorporation of Federal Transit Administration (FTA) Terms:** All contractual provisions required by the U.S. Department of Transportation are hereby incorporated by reference. All applicable clauses shown in the FTA Master Agreement apply to this Agreement. The Federal Transit Administration Master Agreement can be viewed in its entirety at <http://www.fta.dot.gov/documents/12-Master.doc>.
- 11 **Conflict of Interest:** This agreement may be cancelled in accordance with Arizona Revised Statutes Section 38-511 as regards to conflicts of interest on behalf of STATE employees.
- 12 **Audit and Recordkeeping:** All Recipients and/or Their Contractors and the parties shall retain all data, books, and other records relating to this Agreement for a period of five years after completion of the Agreement. All records shall be subject to inspection and audit by the STATE at reasonable times as set forth in A.R.S. 35-214, 49 CFR 18.26 and the requirements of applicable OMB Circulars.
- 13 **Dispute Resolution / Arbitration:** In the event of any controversy, the Parties agree that it is in their mutual best interest to promptly meet with the purpose of resolving said Dispute. In the event that the Parties cannot resolve their dispute informally, the parties hereto agree to abide by required arbitration as set forth for in Arizona Revised Statutes Section 12-1518.
- 14 **Third Party Antitrust Violations:** The Recipient assigns to the STATE any claim for overcharges resulting from antitrust violations to the extent that such violations concern materials or services supplied by third parties to the Recipient toward fulfillment of this Contract.
- 15 **Indemnification:** The RECIPIENT shall indemnify, defend, save and hold harmless The State of Arizona, its departments, agencies, boards, commissions, universities and its Officers, officials, agents, and employees (hereinafter referred to as "Indemnities") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys' fees, and costs of claim processing, investigation and litigation) (hereinafter referred to as "Claims") for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of the RECIPIENT or any of its owners, officers, directors, agents, employees or subcontractors. This indemnity includes any claim or amount arising out of or recovered under the Workers' Compensation Law or arising out of the failure of such contractor to conform to any federal, state, or local law, statute, ordinance, rule, regulation or court decree. It is the specific intention of the parties that the Indemnities shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnities, be indemnified by the RECIPIENT from and against any and all claims. It is agreed that the RECIPIENT will be responsible for primary loss investigation, defense and judgment costs where this indemnification is applicable. In consideration of the award of this contract, the RECIPIENT agrees to waive all rights of subrogation against the State of Arizona, its officers, officials, agents and employees for losses arising from the work performed by the Contractor for the State of Arizona. This indemnity shall not apply if the RECIPIENT or sub-contractor(s) is/are an agency, board, commission or university of the State of Arizona.

Insurance Requirements: Recipient and subcontractors shall procure and maintain until all of their obligations have been discharged, including any warranty periods under this Contract, are satisfied, insurance against claims for injury to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Recipient, his agents, representatives, employees or subcontractors.

The insurance requirements herein are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract. The State of Arizona in no way warrants that the minimum limits contained herein are sufficient to protect the Recipient from liabilities that might arise out of the performance of the work under this contract by the Recipient, its agents, representatives, employees or subcontractors, and the Recipient is free to purchase additional insurance.

MINIMUM SCOPE AND LIMITS OF INSURANCE: Recipient shall provide coverage with limits of liability not less than those stated below.

Business Automobile Liability

Bodily Injury and Property Damage for any owned, hired, and/or non-owned vehicles used in the performance of this Contract.

Combined Single Limit (CSL) \$1,000,000

The policy shall be endorsed to include the following additional insured language: "The State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees shall be named as additional insured's with respect to liability arising out of the activities performed by or on behalf of the Contractor, involving automobiles owned, leased, hired or borrowed by the Contractor".

The policy shall contain a waiver of subrogation against the State of Arizona, as departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Recipient.

ADDITIONAL INSURANCE REQUIREMENTS: The policies shall include, or be endorsed to include, the following provisions:

The State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees wherever additional insured status is required such additional insured shall be covered to the full limits of liability purchased by the Recipient, even if those limits of liability are in excess of those required by this Contract.

The RECIPIENT's insurance coverage shall be primary insurance with respect to all other available sources. Coverage provided by the RECIPIENT shall not be limited to the liability assumed under the indemnification provisions of this Contract.

NOTICE OF CANCELLATION: Each insurance policy required by the insurance provisions of this Contract shall provide the required coverage and shall not be suspended, voided, canceled, or reduced in coverage or in limits except after thirty (30) days prior written notice has been given to the State of Arizona. Such notice shall be sent directly to (State of Arizona Department Representative's Name and Address) and shall be sent by certified mail, return receipt requested.

ACCEPTABILITY OF INSURERS: Insurance is to be placed with duly licensed or approved non-admitted insurers in the state of Arizona with an "A.M. Best" rating of not less than A- VII. The State of Arizona in no way warrants that the above-required minimum insurer rating is sufficient to protect the Recipient from potential insurer insolvency.

VERIFICATION OF COVERAGE: The RECIPIENT shall furnish the State of Arizona with certificates of insurance (ACORD form or equivalent approved by the State of Arizona) as required by this Contract. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.

All certificates and endorsements are to be received and approved by the State of Arizona before work commences. Each insurance policy required by this Contract must be in effect at or prior to commencement of work under this Contract and remain in effect for the duration of the PROJECT. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

All certificates required by this Contract shall be sent directly to ADOT Multimodal Planning Division, 206 South 17th Avenue 340B, Phoenix, Arizona 85007. The Agreement Number, Project Number, and Project Description shall be noted on the certificate of insurance. The STATE reserves the right to require complete, certified copies of all insurance policies required by this Agreement at any time. DO NOT SEND CERTIFICATES OF INSURANCE TO THE STATE OF ARIZONA'S RISK MANAGEMENT SECTION.

SUBCONTRACTORS: RECIPIENT'S certificate(s) shall include all subcontractors as insured's under its policies or RECIPIENT shall furnish to the STATE separate certificates and endorsements for each subcontractor. All coverage for subcontractors shall be subject to the minimum requirements identified herein.

APPROVAL: Any modification or variation from the insurance requirements in this Agreement shall be made by the Department of Administration, Risk Management Section, whose decision shall be final. Such action will not require a formal Agreement amendment, but may be made by administrative action.

EXCEPTIONS: In the event the RECIPIENT or sub-contractor(s) is/are a public entity, then the Insurance Requirements shall not apply. Such public entity shall provide a Certificate of Self-insurance. If the Recipient or sub-contractor(s) is/are a State of Arizona agency, board, commission, or university, none of the Insurance Requirements shall apply.

17 **Discrimination:** This Agreement is subject to all applicable provisions of the Americans with Disabilities Act (Public Law 101-336, 42 USC. 12101-12213) and all applicable Federal regulations under the ACT. RECIPIENT or its CONTRACTORS shall not discriminate against any employee or applicant for employment in violation of Federal Executive Order 11246, Arizona State Executive Order 2009-09, or A.R.S. 41-1461 through 1465, which mandates that all persons, regardless of race, color, religion, sex age, national origin or political affiliation shall have equal access to employment opportunities, and all other applicable state and federal employment laws, rules and regulations, including the Americans With Disabilities Act. The RECIPIENT shall take affirmative action to ensure that applicants for employment and employees are not discriminated against due to race, creed, color, religion, sex, age, national origin or political affiliation or disability.

18 **Title VI Of The Civil Rights Act Of 1964:** The RECIPIENT hereby agrees that as a condition to receiving any Federal financial assistance from the Department of Transportation it will comply with Title VI of the Civil Rights Act of 1964, 78 Stat. 252, 42 U.S.C. 2000d-42 U.S.C. 2000d-4 (hereinafter referred to as the Act), the Civil Rights Restoration Act of 1987 (Public Law 100.259) and all requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964 (hereinafter referred to as the Regulations) and other pertinent directives, to the end that in accordance with the Act, Regulations, and other pertinent directives, no person in the United States shall, on the grounds of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the Recipient receives Federal financial assistance from the Department of Transportation, including the Federal Highway Administration, and HEREBY GIVES ASSURANCE THAT it will promptly take any measures necessary to effectuate this agreement.

The RECIPIENT shall include the following statement in all solicitations for bids for work or material made in connection with funds received under this Agreement.

The issuing agency, in accordance with Title VI of the Civil Rights Act of 1964, 78 Stat. 252, 42 U.S.C 2000d to 2000d-4 and Title 49, the Civil Rights Restoration Act of 1987 (Public Law 100.259). Code of Federal Regulations, Department of Transportation, Subtitle A, Office the Secretary, Part 21, Nondiscrimination in Federally-assisted programs of the Department of Transportation issued pursuant to such Act, hereby notifies all bidders that it will affirmatively insure that in any contract entered into pursuant to this solicitation, minority business enterprises will be afforded full opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, or national origin in consideration for an award.

During the performance of this contract, the RECIPIENT, for itself, its assignees and successors in interest agrees as follows:

(1) Compliance with Regulations. The RECIPIENT shall comply with the regulations relative to non-discrimination in federally assisted programs of the U.S. Department of Transportation (USDOT), 49 CFR 21 and Executive Order 99-4, as they may be amended from time to time, which is herein incorporated by reference and made a part of the contract.

(2) Nondiscrimination. The RECIPIENT, with regard to the work performed by it during the contract will not discriminate on the grounds of race, color, disability, sex, or national origin in the selection and retention of contractors and subcontractors, including procurement of material and leases of equipment. The RECIPIENT will not participate either directly or indirectly in discrimination prohibited by 49 CFR 21.5, including employment practices when the contract covers a program set forth in Appendix A of 49 CFR part 21.

(3) Solicitations for contractors, including procurement of real property, materials, and equipment. In all solicitations made by competitive bidding or negotiation by the RECIPIENT for work to be performed under a contract or subcontract, including procurement of real property, materials, and purchase or lease of equipment, each potential contractor, subcontractor, supplier, or lessor shall be notified by the RECIPIENT'S obligations under this contract and the regulations relative to nondiscrimination on the grounds of race, color, disability, sex, or national origin. Any contract or agreement established shall contain the language from this Agreement's Appendix A and B, and where appropriate, Appendix C.

(4) Information and Reports. The RECIPIENT shall provide all information and reports required by the regulations or directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information and its facilities as may be determined by ADOT, FHWA, and FTA to be pertinent to ascertain compliance with such regulations, orders, and instructions. Where any information required of the RECIPIENT is in the exclusive possession of another who fails or refuses to furnish this information, the RECIPIENT shall so certify to ADOT, FHWA, and FTA, as appropriate, and shall set forth what efforts it has made to obtain the information.

(5) Sanctions for Non-Compliance. In the event of the RECIPIENT'S non-compliance with the non-discrimination provisions of this Agreement, ADOT shall impose such sanctions as it, FHWA and FTA determine to be appropriate, including, but not limited to: withholding of payments to the RECIPIENT under the Agreement until the RECIPIENT complies, and/or cancellation, termination, or suspension of the Agreement, in whole or in part.

The RECIPIENT will include the provisions of Paragraphs (1) through (5) above in every contract, including procurement of materials and leases of equipment, unless exempt by the regulations, order, or instruction issued pursuant thereto. The RECIPIENT will take such action with respect to any subcontract or procurement as ADOT, FHWA, and FTA may direct as a means of enforcing such provisions, including sanctions for noncompliance, provided, however, that, in the event the RECIPIENT becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, the RECIPIENT may request the State to enter into such litigation to protect the interests of the State, and in addition, may request the United States to enter into such litigation to protect the interests of the United States.

19 **Disadvantaged Business Enterprises (DBE):** The Arizona Department of Transportation (ADOT) has established a Disadvantaged Business Enterprise (DBE) program in accordance with regulations of the U.S. Department of Transportation (DOT), 49 CFR Part 26. ADOT has received Federal financial assistance from the Department of Transportation, and as a condition of receipt of funding, ADOT has signed an assurance that it will comply with 49 CFR Part 26.

It is ADOT's policy to ensure that DBEs as defined in 49 CFR Part 26 have an equal opportunity to receive and participate in DOT-assisted contracts. ADOT's objectives are as follows:

- To ensure nondiscrimination in the award and administration of DOT-assisted contracts in the Department's construction, procurement, and professional services contracts in the areas of highway, transit, and airport financial assistance;
- To ensure nondiscrimination in the award and administration of USDOT-assisted contracts;
- To create a level playing field on which DBEs can compete fairly for USDOT assisted contracts;
- To ensure that the DBE program is narrowly tailored in accordance with applicable law;
- To ensure that only firms that fully meet 49 CFR Part 26 eligibility standards are counted as DBEs;
- To help remove barriers to the participation of DBEs in USDOT-assisted contracts; and
- To assist in the development of firms that can compete successfully in the market place outside the DBE program.

The ADOT Civil Rights Administrator, has been designated as the DBE Liaison Officer. In that capacity, she is responsible for implementing all aspects of the DBE program. Implementation of the DBE program is accorded the same priority as compliance with all other legal obligations incurred by ADOT in its financial assistance agreements with the U.S. Department of Transportation.

Each LPA, sub-recipient, and grantee must complete and have its executive officer sign a Sub-Recipient DBE Program Compliance Statement. In accordance with the compliance statement, all LPAs, sub-recipients, and grantees agree to the following:

- Use solicitation language provided by ADOT defining DBE requirements for all construction, professional services, and procurement contracts;
- Submit DBE goal requests via <https://adot.dbesystem.com/frontend/welcome.asp> using the ADOT DBE Goal Request Form(s);
- Conduct post-award monitoring and reporting using the online DBE data collection and reporting system found at <https://arizonalpa.dbesystem.com>;
- Ensure commercially useful function compliance post-award;
- Designate a single point of contact for DBE compliance purposes;

Additionally, all LPAs, sub-recipients, and grantees agree to collect the following information for each solicitation for which a DBE contract goal has been established:

- The names and contact information of DBE firms that will participate in the contract;
- A description of the work that each DBE will perform;
- The dollar amount of the participation of each DBE firm participating;
- Written and signed documentation of commitment to use a DBE subcontractor whose participation it submits to meet a contract goal;
- Written and signed confirmation from the DBE that it is participating in the contract as provided in the prime contractors commitment and
- If the contract goal is not met, evidence of good faith efforts.

LPAs, sub-recipients, and grantees will require prime contractors, consultants, and vendors to maintain records and documents of payments to DBE and non-DBE subcontractors for three years following the performance of a federal aid transportation contract. These records will be made available for inspection upon request by any authorized representative of the ADOT Civil Rights Office.

Subcontractors are required to maintain payment information for any lower tier subcontractors for the same three-year duration.

LPAs, sub-recipients, and grantees are required to collect data on DBE and non-DBE participation to report to ADOT on Federal-aid projects. Contractors and consultants are to be notified that such record keeping is required for tracking DBE participation. Contractors, consultants, and vendors performing on federal aid transportation projects are required to provide monthly reports documenting amounts earned by and paid to all DBEs and non-DBEs. All DBE and non-DBE subcontractors working on federal aid transportation projects are required to verify receipt of payment. Further, first tier subcontractors are required to report amounts earned by and paid to all lower-tier DBE and non-DBE subcontractors. Lower-tier subcontractors are required to verify receipt of payment.

Contractors, consultants, and vendors shall provide the required information for the current month by the 5th of the following month. The required information shall be submitted electronically through the Local Public Agency DBE data collection and reporting system. This system is located online at <https://arizonalpa.dbesystem.com>.

LPAs, sub-recipients, and grantees will submit project data in support of each semi-annual and annual submission made by the state. Sub-recipients are required to use the ADOT Local Public Agencies DBE Reporting System. This system may be accessed via www.arizonalpa.dbesystem.com. Semi-annual report data must be audited by LPAs, sub-recipients, and grantees for accuracy and completeness by May First and November First of each year. Semi-annual reports will be run by ADOT and reviewed with LPAs, sub-recipients, and grantees on an as-needed basis.

The ADOT DBE Program Plan and LPA/Sub-Recipient DBE Guidelines can be found online at www.azdot.gov.

- 20 **Immigration:** To the extent applicable under Arizona Revised Statutes Section 41-4401, each Party and its subcontractors warrants their compliance with all federal immigration laws and regulations that relate to their employees and their compliance with the E-verify requirements under Arizona Revised Statutes Section 23-214(A). A breach of the above-mentioned warranty by any Party or its subcontractors shall be deemed a material breach of the Agreement and may result in the termination of the Agreement by the non-breaching Parties. Each Party retains the legal right to randomly inspect the papers and records of the other Parties or its subcontractor employees who work on the Agreement to ensure that the Parties or its subcontractors are complying with the above-mentioned warranty.
- 21 **Scrutinized Business Operations:** Pursuant to Arizona Revised Statutes Sections 35-391 and 35-393, each Party certifies that it does not have a scrutinized business operation in Sudan or Iran. For the purpose of this Section the term "scrutinized business operations" shall have the meanings set forth in Arizona Revised Statutes Section 35-391 or 35-393, as applicable. If any Party determines that another Party submitted a false certification, that Party may impose remedies as provided by law including terminating this Agreement.
- 22 **Debarment and Suspension.** The RECIPIENT agrees to comply, and assures the compliance of each third-party contractor and sub-recipient at any tier, with Executive Orders Nos. 12549 and 12689, "Debarment and Suspension," 31 U.S.C. § 6101 note, and U.S. DOT regulations, "Government-wide Debarment and Suspension Non-procurement)," 49 C.F.R. Part 29. The RECIPIENT agrees to and assures that its third party contractors and sub-recipients will review the Excluded Parties Listing System at <http://epls.arnet.gov/> before entering into any contracts.
- 23 **Termination for Convenience:** Either Party has the right to terminate the Agreement, in whole or in part at any time, when in the best interests of the FTA, RECIPIENT, or STATE without penalty or recourse.

- 24 **Transparency Act:** Because ADOT receives federal funds, ADOT is required to comply with the Federal Funding Accountability and Transparency Act of 2006 and associated 2008 Amendments. The reporting requirements and levels of reporting due to FTA are currently under development. Accordingly, ADOT is not currently aware of reporting requirements that might become required from RECIPIENTS. Should requirements be stipulated wherein information is required from RECIPIENTS, such information will be requested. The RECIPIENT herein agrees that in a timely manner, and in the method specified by the STATE, the RECIPIENT will provide information that is requested by the STATE to enable the STATE's compliance with the requirements as may be applicable.
- 25 **Termination for Default:** STATE reserves the right to terminate this Agreement in whole or in part due to failure of RECIPIENT to carry out any term, promise, or condition of the Agreement. STATE will issue a written ten (10) day cure notice to RECIPIENT for failure to adequately perform, or if there is reason for STATE to believe that the RECIPIENT cannot or will not adequately perform the requirements of the Agreement. If RECIPIENT does not submit a Corrective Action Plan to the satisfaction of STATE within the ten (10) day period, then STATE may pursue action in accordance with Section III: Arbitration.
- 26 **Federal Fiscal Year 2011 Certifications and Assurances for FTA Assistance Programs:** Pursuant to 49 U.S.C. 5323(n), the FTA consolidated the certifications and assurances required by Federal law or regulations for its programs with an effective date of October 1, 2010. The applicant for any project financed under the authority of 49 U.S.C. Chapter 53, Title 23, United States Code or any other Federal statute was required to submit new Federal FY 2011 Certifications and Assurances to FTA for any funding received through FTA during Federal FY 2011. The Arizona Department of Transportation (ADOT) is considered the Applicant for allocated and obligated federal monies used in various projects including but not limited to the 5310, 5311, 5316, 5317 grant programs, research projects, study projects, planning projects, regardless of whether the funds are expended by ADOT, reimbursed to grant applicants / recipients / sub-recipients / contractors, or passed through to grant applicants / recipients / sub-recipients / contractors and is required to submit annual Certifications and Assurances to FTA. Attorney affirmation of authority to certify and assure is also required.
- Annual Certifications and Assurances to FTA generally remain in effect for either the duration of the Grant or Cooperative Agreement supporting the Project until the Project is closed out or for the duration of the Project or Project property when a useful life or industry standard is in effect, whichever occurs later. If, however, the Applicant provides Certifications and Assurances to FTA in a later year that differ from the Certifications and Assurances previously provided, the later Certifications and Assurances will apply to the Grant, Cooperative Agreement, Project, or Project property unless an exception is granted by FTA in writing. The effect of this is that ADOT must sign new certifications and assurances annually since changes typically occur annually.
- As the applicant, ADOT is responsible for compliance with the provisions of the FTA Certifications and Assurances by each recipient or sub-recipient. Accordingly, each sub-recipient that will be implementing projects is required to affirm compliance by submitting an annual Certification and Assurances to ADOT.
- The FTA Certification and Assurances required of ADOT and its recipients / sub-recipients are found in Exhibit B. Throughout the document, the term "Applicant" referred to ADOT in the original certification to the FTA and now refers to ADOT's recipients / sub-recipients in this certification. Completion and Signing of this FTA Certification and Assurances document is a requirement and a condition to receive federal funding through ADOT and does not relieve the sub-recipient of any obligation of other certifications or assurances required in any application or contracting process, and should be treated as an addition to such certifications and assurances.
- 27 **Entire Agreement.** This Agreement may be amended, modified, or waived only by an instrument in writing signed by both Parties. Should the PROJECT awarded under this Agreement be completed at a lower cost than the amount awarded, or for any other reason should any of these funds not be expended, or expended in other than in strict accordance with the terms and conditions of this Agreement, a proportionate amount of the funds provided shall be reimbursed to the STATE. Except as identified in the PROJECT the RECIPIENT shall not assign any portion of the PROJECT or execute any agreement, contract, amendment, or change order thereto, or obligate itself in any manner with any third party with respect to its rights and responsibilities under this Agreement without the prior written concurrence of the STATE.

V. SECURITY AGREEMENT

- 1 In consideration of the STATE purchasing the PROJECT equipment identified in Exhibit A including any equipment added, and conveying title thereto, the RECIPIENT hereby grants ADOT a security interest in the PROJECT equipment in the amount of indicated in Exhibit A as the "Federal Portion" payable to the Department upon its demand, if and only if:
- a The RECIPIENT by itself or any agent sells, transfers, offers or attempts to sell or transfer, in whole or in part, the PROJECT equipment, or,
 - b The PROJECT equipment is totally destroyed or is lost, stolen or otherwise disappears, or,
 - c This Agreement by and between the STATE and the RECIPIENT is terminated.
- 2 In the event of the occurrences described in Paragraphs 1 or 3 above, the RECIPIENT shall be liable for no more than the fair market value of the PROJECT equipment on the date of the occurrence of such event.
- 3 In the event the PROJECT is totally destroyed, lost, stolen, or disappears, the obligation herein may be extinguished by assigning to ADOT the proceeds of insurance covering such an event, provided the assignment and the ultimate payment is equal to the fair market value of the PROJECT equipment on the date of occurrence of such event.
- 4 Upon the occurrence of any other event described herein which would allow the STATE to demand payment under this agreement, the obligation assured herein may be extinguished by assigning the herein PROJECT equipment to ADOT in as good a condition as when received, normal wear and tear excepted, thereby no longer having any further obligation to reimburse the STATE should the STATE exercise its right to terminate the agreement under the terms of the agreement under paragraph (2) of Section III. ADOT may refuse to accept such assignment, if in its sole judgment the PROJECT equipment has been abused or is in such condition as to substantially impair its value.
- 5 During the useful, economical life of the PROJECT equipment, as defined in the applicable Program Handbook and Application for the grant year, the equipment may be returned to ADOT subject to its acceptance, and the obligation herein will be extinguished.
- 6 In the event of a vehicle transfer back to ADOT during useful life, the Secondary Manufacturer and Aftermarket Vehicle Components, in addition to the original equipment manufacturer (OEM) components (as supplied by the manufacturer or vendor to the STATE or ADOT) or their equivalent—must remain with the vehicle as delivered by ADOT to the RECIPIENT and are considered to be included in the

- 7 **Secondary Manufacturer and Aftermarket Vehicle Components As Part of the Lien for Lift-Equipped Vehicles:** In addition to the Original Equipment Manufacturer (OEM—i.e., Ford, Dodge, Chevrolet, etc.) chassis, the Secondary Manufacturer adds to this chassis the following equipment, non-inclusive, which are considered part of the vehicle and therefore remain on lien with the vehicle, along with OEM components (Note: as a part of the vehicle modifications, the Secondary Manufacturer may also remove some OEM parts, replacing with after-market items):
- a Fast idle system, after-market alternator (200A) replacing OEM unit, related wiring, accessory drive belts and pulleys (varies by vehicle type, alternator and A/C compressor configuration), inside vehicle-located electrical fuse, fuse block and breaker box with key(s),
 - b Under-hood or elsewhere on chassis, dual deep cycle marine batteries, in some vehicles combined with an isolator system,
 - c Adjacent to, behind and above the front windshield area, a separate or modified body which is manufactured and installed in the driver and passenger compartment area to accommodate the driver, his/her vehicle and accessory system controls, and passenger, mobility-device and safety equipment. This body construction or modification typically includes related after-market windows, passenger service entry door(s), emergency rear door(s), and emergency exit/access door (i.e., hatch, roof mounted). The degree to which OEM equipment and body parts (including doors, windows, etc.) are removed permanently by the secondary manufacturer for the latter's vehicle modification purposes varies by whether the vehicle is a dual-rear wheel cutaway or single rear wheel raised roof lift van,
 - d Passenger (and on some vehicles, driver's) seats and, where required, seat belts,
 - e Passenger ingress, egress and other assist stanchions and handrails, modesty panels,
 - f Wheelchair lift door, lift mechanism and related control apparatus at the lift and driver area, related transmission/brake interlock equipment preventing unwanted motion of the vehicle when door is ajar and/or lift is otherwise in operation,
 - g Wheelchair position components, related restraint and securement belts and belt storage,
 - h Added springs or other weight compensating devices to suspension,
 - i Additional equipment related to dual battery installation (in some units),
 - j Basic first aid kit and other emergency/safety items, typically including flares, reflector triangles and fire extinguisher, wide-view internal rearview mirror, and outside rearview "RV-style" mirrors, internal and external lighting for lift, access doors and interior of vehicle, reverse alarm (some vehicles),
 - k Rear heater and related lines and under-body flow controls,
 - l Air conditioning equipment for rear passenger area including added condenser(s) (street-side "skirt" mounted), rear compartment evaporator, related refrigerant lines, air outlets and controls, on some units added (second) compressor and related belts and pulleys.
 - m If the recipient-agency returning the vehicle to ADOT is uncertain regarding any particular component, it may contact ADOT or the issuing vendor regarding that component(s). The RECIPIENT should otherwise assume that any component supplied on or with the vehicle at the time of delivery to the RECIPIENT should be returned to ADOT in its originally-removed state.
 - n Other equipment purchased by ADOT (on behalf of the recipient-agency) is to remain with vehicle or otherwise be returned to ADOT.
 - o After-market communication radios or other communication equipment supplied by ADOT, if ADOT agrees that the RECIPIENT should have further legitimate use of the equipment should be returned to ADOT.
 - p This list includes only "major" items added by the after-market supplier and shall not be considered all-inclusive. The vendor and ADOT retain on file complete parts listings that will be reviewed by ADOT upon return of the vehicle to ADOT and/or prior to transfer of the vehicle to another recipient agency.
- 8 This security agreement and its terms shall not inure to the benefit of any assignee, purchaser for value, or any other person acquiring an interest herein, and this security interest herein created shall not be extinguished until and unless the STATE receives the fair market value of the PROJECT equipment on the date of assignment, purchase, or acquisition of other interest.

VI. COMPLIANCE WITH MANUFACTURER'S MAINTENANCE SCHEDULE

By signing this application/contract, the applicant for a grant under provisions of the Elderly Individuals and Individuals with Disabilities Program (49 U.S.C. § 5310, of the Federal Transit Act); and/or, Job Access Reverse Commute (§ 5316 JARC); and/or, New Freedoms (§§ 5317); agrees to abide by the vehicle manufacturer's schedule of maintenance, at a minimum, during the period this vehicle is operated in conjunction with the Arizona Department of Transportation, or its successor agency.

VII. GENERAL ASSURANCES

- A. The APPLICANT is a private non-profit organization incorporated in the State of Arizona, a Tribal government or related Tribal community, or that it is a public body which has been designated as an eligible Section 5310 recipient.
- B. The APPLICANT has or will have the legal, financial, and technical capacity to carry out its proposed Section 5310 project described herein, including safety and security aspects of that program.
- C. The APPLICANT will have satisfactory continuing control over the use of project equipment and facilities.
- D. The APPLICANT has, or will have prior to delivery, sufficient funds to provide the local match for the equipment purchased under this contract and to operate the vehicles or equipment purchased under this project.
- E. The APPLICANT assures affirmative compliance with Title VI of the Civil Rights Act of 1964 – Nondiscrimination in the Provision of Service (FTA C 4702.1; FTA C 9040.1E; and FTA C 9070.1E).
- F. The transportation needs of elderly persons and persons with disabilities have or will be addressed by the APPLICANT, pursuant to the requirements of Section 504 of the Rehabilitation Act of 1973 (29 USC 794).
- G. The APPLICANT has demonstrated and will continue to demonstrate efforts to achieve coordination with other transportation providers, including social service agencies capable of purchasing service. The APPLICANT has participated in the development of a local coordinated public transit-human services transportation plan for the area(s) in which project vehicles will be used.
- H. Private transit and paratransit operators and the public have been afforded a fair and timely opportunity to participate to the maximum extent feasible in the provision of the proposed transportation services by the APPLICANT.
- I. The APPLICANT assures that it will comply with applicable provisions of the Americans with Disabilities Act (ADA), otherwise known as Public Law No. 101-336 and applicable provisions of 49 CFR Parts 27, 37 and 38: Transportation for Individuals with Disabilities; Final Rule.

- J. The Applicant will comply with the applicable provisions of the guidelines relative to charter bus service (Title 49 CFR Part 604) and school bus operations (Title 49 CFR Part 605; Title 49 USC 5323(f)).
- K. The Applicant assures that it will comply with all applicable Federal statutes and regulations in carrying out any project supported by an FTA grant or cooperative agreement. The Applicant agrees that it is under a continuing obligation to comply with the terms and conditions of the grant agreement or cooperative agreement issued for its project with FTA. The Applicant recognizes that Federal laws and regulations may be modified from time to time and those modifications may affect project implementation. The Applicant understands that Presidential executive orders and Federal directives, including Federal policies and program guidance may be issued concerning matters affecting the Applicant or its project. The Applicant agrees that the most recent Federal laws, regulations, and directives will apply to the project, unless FTA issues a written determination otherwise.

VIII. DRUG FREE WORKPLACE ACT CERTIFICATION

The RECIPIENT certifies that it will provide a drug-free workplace by:

- A. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the applicant's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
- B. Establishing an ongoing drug-free awareness program to inform employees about:
 - 1. The dangers of drug abuse in the workplace;
 - 2. The applicant's policy of maintaining a drug-free workplace;
 - 3. Any available drug counseling, rehabilitation, and employee assistance programs; and
 - 4. The penalties that may be imposed upon employees for drug abuse violations in the workplace;
- C. Making it a requirement that each employee to be engaged in the performance of the grant or cooperative agreement be given a copy of the statement required by paragraph (a);
- D. Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant or cooperative agreement, the employee will:
 - 1. Abide by the terms of the statement;
 - 2. Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
- E. Notifying the Federal agency in writing, within ten calendar days after receiving notice under subparagraph (d) (2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every project officer or other designee on whose project activity the convicted employee as working, unless the Federal agency has designated a cartel point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant or cooperative agreement.
- F. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph (d)(2), with respect to any employee who was convicted:
 - 1. Taking appropriate personnel action against such a employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - 2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by Federal, State, or local health, law enforcement, or other appropriate agency.
- G. The Applicant's headquarters is located at the following address. The addresses of all workplaces maintained by the Applicant are provided on an accompanying list.

IX. CERTIFICATION ON RESTRICTIONS ON LOBBYING

The RECIPIENT (excluding Federally recognized Tribal governments, (Tribes, Nations, Communities) and its representative hereby certify to the Arizona Department of Transportation, that to the best of my knowledge and belief:

- 1. No Federal appropriated funds have been or will be paid by or on behalf of the Applicant to any person to influence or attempt to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress regarding the award of Federal assistance, or the extension, continuation, renewal, amendment, or modification of any Federal assistance agreement; and
 - A. If any funds other than Federal appropriated funds have been or will be paid to any person to influence or attempt to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any application for Federal assistance, the Applicant assures that it will complete and submit Standard Form -LLL, "Disclosure Form to Report Lobbying," including information required by the instructions accompanying the form, which form may be amended to omit such information as authorized by 31 U.S.C. 1352.
 - B. The language of this certification shall be included in the award documents for all sub awards at all tiers (including subcontracts, sub grants, sub agreements, contracts under grants, loans, and cooperative agreements).
- 2. The Applicant understands that this certification is a material representation of fact upon which reliance is placed by the Federal Government and that submission of this certification is a prerequisite for providing Federal assistance for a transaction covered by 31 U.S.C. 1352. The Applicant also understands that any person who fails to file a required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

**X. DEBARMENT, SUSPENSION, RESPONSIBILITY MATTERS
FOR PRIMARY AND LOWER TIER COVERED TRANSACTIONS**

In accordance with the provisions of U.S. Department of Transportation (U.S. DOT) regulations on Government wide Debarment and Suspension (Nonprocurement) at 49 CFR 25.510, the Applicant (Primary Participant) certifies to the best of its knowledge and belief, that it and its principals:

1. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
2. Have not within a three-year period preceding this proposal 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 antitrust statutes; making false statements, or receiving stolen property;
3. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, state, or local) with commission of any of the offenses listed in paragraph 2 of this certification, and;
4. Have not within a three year period preceding this application had one or more public transactions (Federal, state or local) terminated for cause or default.
5. The Applicant (Primary Participant) certifies that if it becomes aware of any later information that contradicts the statements in paragraphs 1 through 4 above, it will promptly inform FTA. Should the Applicant (Primary Participant) be unable to certify to statements set forth in paragraphs 1 through 4 above, it shall so acknowledge with its signature and provide a written explanation to FTA.

XI. Contact Information

Communication: All notices or demands upon any party relating to this Agreement shall be in writing delivered in person or sent by mail addressed as follows:

STATE Agreement Contact:

**Arizona Department of
Transportation**

Contact Sally J. Palmer
Contracts Administrator
Multimodal Planning Division

Mailing Address Mail Drop 310B
206 S. 17th Avenue
Phoenix, AZ 85007

Phone 602-712-6732

Fax 602-712-3046

Email spalmer@azdot.gov

STATE Program Contact

**Arizona Department of
Transportation**

Contact Dan Harrigan
State Program Manager
Multimodal Planning Division

Mailing Address Mail Drop 310B
206 S. 17th Avenue
Phoenix, AZ 85007

Phone 602-712-8232

Fax 602-712-3046

Email dharrigan@azdot.gov

RECIPIENT Agreement Contact

**LEGAL NAME OF
AGENCY**

Contact

Mailing Address

Phone

Fax

Email

IN WITNESS WHEREOF, the parties have executed this Agreement the day and year first above written.

RECIPIENT
LEGAL NAME OF AGENCY

STATE OF ARIZONA
Arizona Department of Transportation

By: _____ Title _____
LEGAL NAME OF AGENCY

By: Joseph S. Omer, Division Director
Multimodal Planning Division

Date Signed _____

Date Signed _____

APPROVAL OF LEGAL NAME OF AGENCY

I have reviewed the above referenced proposed grant agreement, BETWEEN the STATE OF ARIZONA, by and through its ARIZONA DEPARTMENT OF TRANSPORTATION, MULTIMODAL PLANNING DIVISION and LEGAL NAME OF AGENCY and declare this agreement to be in proper form and within the powers and authority granted to the LEGAL NAME OF AGENCY under the laws of the State of Arizona. No opinion is expressed as to the authority of the State to enter into this agreement.

Dated this _____ day of _____, 2011

By: Attorney for LEGAL NAME OF AGENCY

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

Name of Applicant	LEGAL NAME OF AGENCY	
<p>The Applicant / Recipient / Sub-Recipient agrees to comply with provisions of the Categories indicated herein applicable to the Award indicated in Exhibit A. Details of each category are further explained in Exhibit B. Even if every category is not applicable to RECIPIENT's current award you must indicate by initialing that should the category become applicable during the life of this agreement, that RECIPIENT will at that time comply. Initial every right-hand box on this form to indicate that the RECIPIENT agrees to comply.</p>		
Category / Item	Description	Initial Each Box
1	Assurances Required for Each Applicant	
A	<i>Assurance of Authority of the Applicant and Its Representative</i>	
B	<i>Standard Assurances</i>	
C	<i>Intergovernmental Review Assurance</i>	
D	<i>Nondiscrimination Assurance</i>	
E	<i>Assurance of Nondiscrimination on the Basis of Disability</i>	
F	<i>Suspension and Debarment</i>	
G	U.S. OMB Assurances	
2	Lobbying	
3	Procurement Compliance	
4	Protections for Private Transportation Providers	
5	Public Hearing	
6	Acquisition of Rolling Stock for Use in Revenue Service	
7	Acquisition of Capital Assets by Lease	
8	Bus Testing	
9	Charter Service Agreement	
10	School Transportation Agreement	
11	Demand Responsive Service	
12	Alcohol Misuse and Prohibited Drug Use	
13	Interest and Other Financing Costs	
14	Intelligent Transportation Systems	
15	Urbanized Area Formula Program	
16	Clean Fuels Grant Program	
17	Elderly Individuals and Individuals with Disabilities Formula Program and Pilot Program	
18	Non-Urbanized Area Formula Program for States	
19	Job Access and Reverse Commute Program	
20	New Freedom Program	
21	Paul S. Sarbanes Transit in Parks Program	
22	Tribal Transit Program	
23	TIFIA Projects	
24	Deposits of Federal Financial Assistance to a State Infrastructure Bank	

FEDERAL FISCAL YEAR 2012 FTA CERTIFICATIONS AND ASSURANCES SIGNATURE PAGE
(Required of all Applicants for FTA funding and all FTA Grantees with an active capital or formula project)

AFFIRMATION OF APPLICANT

Name of Applicant: _____

Name and Relationship of Authorized Representative: _____

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

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

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

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

Signature _____ Date: _____

Name _____
Authorized Representative of Applicant

AFFIRMATION OF APPLICANT'S ATTORNEY

For (Name of Applicant): _____

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

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

Signature _____ Date: _____

Name _____

Attorney for Applicant

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

Exhibit A
PROJECT AWARD DESCRIPTION

During the application cycle, the application budget details represent Exhibit A information.

All contractual terms should be reviewed approved and accepted as if the entire application will be approved.

Once the application review cycle is completed and actual awards are issued, Exhibit A will be updated to reflect your actual award.

Actual awards will never exceed the amount in the original application, but there is no guarantee that you will receive all the funds or items for which you applied.

Per the terms of this contract, the updated Exhibit A will provide a signature block for your final acceptance of the award(s). Authorized signature on the updated Exhibit A will be required prior to issuance of award(s).

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

GROUP 01. ASSURANCES REQUIRED FOR EACH APPLICANT

You must select the following assurances in Group 01.

A. Assurance of Authority of the Applicant and Its Representative. Both you and the Applicant's attorney who sign these certifications, assurances, and agreements, affirm that both the Applicant and you as its authorized representative may, under their State, local, or Indian tribal law and regulations, and the Applicant's bylaws or internal rules, undertake the following activities on behalf of the Applicant.

1. Execute and file its application for Federal funds,
2. Execute and file its certifications, assurances, and agreements binding its compliance, and
3. Execute Grant Agreements or Cooperative Agreements, or both, with FTA.

B. *Standard Assurances.* The Applicant assures that:

1. It has sufficient authority under its State, local, or Indian tribal law, regulations by-laws and internal rules to carry out each FTA funded project as required by Federal laws and regulations,
2. It will comply with all applicable Federal statutes and regulations to carry out any FTA funded project,
3. It is under a continuing obligation to comply with the terms and conditions of the FTA Grant Agreement or Cooperative Agreement for the project, including the FTA Master Agreement incorporated by reference and made part of the latest amendment to Grant Agreement or Cooperative Agreement,
4. It recognizes that Federal laws and regulations may be modified from time to time and those modifications may affect project implementation,
5. It understands that Presidential executive orders and Federal directives, including Federal policies and program guidance, may be issued concerning matters affecting the Applicant or its project, and
6. It agrees that the most recent Federal laws, regulations, and directives will apply to the project, unless FTA determines otherwise in writing.

C. Intergovernmental Review Assurance. This assurance does not apply to Indian tribe or organization or a tribal organization that applies for funding under FTA's Tribal Transit Program, 49 U.S.C. 5311(c)(1). The Applicant assures that it has or will submit each Federal funding application to the appropriate State and local agencies for intergovernmental review to facilitate compliance with U.S. Department of Transportation (U.S. DOT) regulations, "Intergovernmental Review of Department of Transportation Programs and Activities," 49 CFR part 17.

D. *Nondiscrimination Assurance.*

1. The Applicant assures that it will comply with the following laws and United States will be denied the benefits of, or otherwise be subjected to discrimination in any U.S. DOT or FTA funded program or activity (particularly in the level and quality of transportation services and transportation-related benefits on the basis of race, color, national origin, creed, sex, or age:

- a. Federal transit law, specifically 49 U.S.C. 5332 (prohibiting discrimination on the basis of race, color, creed, national origin, sex, or age, and in employment or business opportunity),
- b. Title VI of the Civil Rights Act of 1964, as amended, 42 U.S.C. 2000d, and
- c. U.S. DOT regulations, "Nondiscrimination in Federally-Assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act," 49 CFR part 21.

2. As required by 49 CFR 21.7, the Applicant assures that:

a. It will comply with 49 U.S.C. 5332, 42 U.S.C. 2000d, and 49 CFR part 21 in the manner:

- (1) It conducts each project,
- (2) It undertakes property acquisitions, and
- (3) It operates the project facilities, including:
 - (a) Its entire facilities, and
 - (b) Its facilities operated in connection with its project,

b. This assurance applies to its entire project and entire facilities, including facilities operated in connection with its project,

c. It will promptly take the necessary actions to carry out this assurance, including:

- (1) Notifying the public that discrimination complaints about transportation-related services or benefits may be filed with U.S. DOT or FTA, and
- (2) Submitting information about its compliance with these provisions to U.S. DOT or FTA upon their request,

d. If it transfers FTA funded real property, structures, or improvements to another party, any deeds and instruments recording that transfer will contain a covenant running with the land assuring nondiscrimination:

- (1) While the property is used for the purpose that the Federal funding is extended,
- (2) While the property is used for another purpose involving the provision of similar services or benefits,

e. The United States has a right to seek judicial enforcement of any matter arising under:

- (1) Title VI of the Civil Rights Act, 42 U.S.C. 2000d,
- (2) U.S. DOT regulations, 49 CFR part 21, and
- (3) This assurance,

f. It will make any changes in its Title VI implementing procedures as U.S. DOT or FTA may request to comply with:

- (1) Title VI of the Civil Rights Act, 42 U.S.C. 2000d,
- (2) U.S. DOT regulations, 49 CFR part 21, and
- (3) Federal transit law, 49 U.S.C. 5332,

g. It will extend the requirements of 49 U.S.C. 5332, 42 U.S.C. 2000d, and 49 CFR part 21 to each third party participant, including:

- (1) Any subrecipient,
- (2) Any transferee,
- (3) Any third party contractor or subcontractor at any tier,
- (4) Any successor in interest,
- (5) Any lessee, or
- (6) Any other participant in the project,

h. It will include adequate provisions to extend the requirements of 49 U.S.C. 5332, 42 U.S.C. 2000d, and 49 CFR part 21 to each third party agreement, including:

- (1) Each subagreement,
- (2) Each property transfer agreement,
- (3) Each third party contract or subcontract at any tier,
- (4) Each lease, or
- (5) Each participation agreement,

i. The assurances it has made will remain in effect for the longest of the following:

- (1) As long as Federal funding is extended to the project,
- (2) As long as the Project property is used for a purpose for which the Federal funding is extended,
- (3) As long as the Project property is used for a purpose involving the provision of similar services or benefits, or
- (4) As long as the Applicant retains ownership or possession of the project property.

E. *Assurance of Nondiscrimination on the Basis of Disability.*

1. The Applicant assures that it and its project implementation and operations will comply with all applicable requirements of:

- a. The Rehabilitation Act of 1973, as amended, 29 U.S.C. 794, et seq.,
- b. The Americans with Disabilities Act of 1990, as amended, 42 U.S.C. 12101 et seq., c. U.S. DOT regulations, specifically 49 CFR parts 27, 37, and 38, and
- d. Any other applicable Federal laws that may be enacted or Federal regulations that may be promulgated,

2. As required by U.S. DOT regulations, "Nondiscrimination on the Basis of Handicap in Programs and Activities Receiving or Benefiting from Federal Financial Assistance," 49 CFR part 27, specifically 49 CFR 27.9, the Applicant assures that:

a. The following prohibition against discrimination on the basis of disability is a condition to the approval or extension of any FTA funding awarded to:

- (1) Construct any facility,
- (2) Obtain any rolling stock or other equipment,
- (3) Undertake studies,
- (4) Conduct research, or
- (5) Participate in or obtain any benefit from any FTA administered program,

b. In any program or activity receiving or benefiting from Federal funding FTA or any entity within U.S. DOT administers, no otherwise qualified people with a disability will, because of their disability, be:

- (1) Excluded from participation,
- (2) Denied benefits, or
- (3) Otherwise subjected to discrimination.

F. *Suspension and Debarment.*

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

1. U.S. DOT regulations, "Nonprocurement Suspension and Debarment," 2 CFR part 1200, which adopts and supplements the provisions of U.S. Office of Management and Budget (U.S. OMB) "Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement)," 2 CFR part 180, permit certifications to assure the Applicant acknowledges that:

2. The Applicant certifies to the best of its knowledge and belief that it, its principals, and first tier subrecipients:

a. Are eligible to participate in covered transactions of any Federal department or agency and are not presently:

- (1) Debarred,
- (2) Suspended,
- (3) Proposed for debarment,
- (4) Declared ineligible, or
- (5) Voluntarily excluded, or
- (6) Disqualified,

b. Have not within a three-year period preceding its latest application or proposal been convicted of or had a civil judgment rendered against any of them for:

- (1) 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,
- (2) Violation of any Federal or State antitrust statute, or
- (3) Commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making any false statement, or receiving stolen property,

c. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses listed in the preceding Section 2.b of this certification,

d. Have not had one or more public transactions (Federal, State, or local) terminated for cause or default within a three-year period preceding this certification,

e. Will promptly provide any information to the FTA if at a later time any information contradicts the statements of subparagraphs (1) through (4) above, and

f. Will treat each lower tier contract or lower tier subcontract under the Project as a covered lower tier contract for purposes of 2 CFR part 1200 and 2 CFR part 180 if it:

- (1) Equals or exceeds \$25,000,
- (2) Is for audit services, or
- (3) Requires the consent of a Federal official,

g. Will require that each covered lower tier contractor and subcontractor:

- (1) Comply with the Federal requirements of 2 CFR part 1200 and 2 CFR part 180, and
- (2) Assure that each lower tier participant in the Project is not presently declared by any Federal department or agency to be:
 - (a) Debarred from participation in the federally funded project,
 - (b) Suspended from participation in the federally funded project,
 - (c) Proposed for debarment from participation in the federally funded project,
 - (d) Declared ineligible to participate in the federally funded project,
 - (e) Voluntarily excluded from participation in the federally funded project, or
 - (f) Disqualified from participation in the federally funded Project.

3. The Applicant will provide a written explanation indicated on its Signature Page or a page attached in FTA's TEAM if it or any of its principals, including any of its first tier subrecipients or lower tier participants, is unable to certify to the preceding statements in this certification. G. U.S. OMB Assurances in SF-424B and SF-424D. (These assurances are consistent with U.S. OMB assurances required in SF-424B and SF-424D.) 1. Administrative Activities. The Applicant assures that:

G. U.S. OMB Assurances in SF-424B and SF-424D. (These assurances are consistent with U.S. OMB assurances required in SF-424B and SF-424D.)

1. **Administrative Activities.** The Applicant assures that:

a. For every project described in any application it submits, it has adequate resources to properly plan, manage, and complete the project, including:

- (1) The legal authority to apply for Federal funding, and
- (2) The institutional capability,
- (3) The managerial capability, and
- (4) The financial capability (including funds sufficient to pay the non-Federal share of project cost).

b. It will give access and the right to examine project-related materials, including but not limited to:

- (1) FTA,
- (2) The Comptroller General of the United States, and,
- (3) If appropriate, the State, through any authorized representative,

c. It will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.

d. It will establish safeguards to prohibit employees from using their positions for a purpose that:

- (1) Results in a personal or organizational conflict of interest, or personal gain, or
- (2) Presents the appearance of a personal or organizational conflict of interest or personal gain.

2. **Project Specifics.** The Applicant assures that:

a. Following receipt of FTA award, it will begin and complete Project work within the applicable time periods,

b. For FTA funded construction projects:

- (1) It will comply with FTA provisions concerning the drafting, review, and approval of construction plans and specifications
- (2) It will to the extent practicable provide and maintain competent and adequate engineering supervision at the construction site to assure that the completed work conforms with the approved plans and specifications,
- (3) It will include a covenant in the title of federally funded real property acquired to assure nondiscrimination during the useful life of the project,
- (4) To the extent FTA requires, it will record the Federal interest in the title to FTA assisted real property or interests in real property, and
- (5) To the extent practicable, without permission and instructions from FTA, it will not alter the site of the FTA funded construction project or facilities by:
 - (a) Disposing of the underlying real property or other interest in the site and facilities,
 - (b) Modifying the use of the underlying real property or other interest in the site and facilities, or
 - (c) Changing the terms of the underlying real property title or other interest in the site and facilities

c. It will furnish progress reports and other information as FTA or the State may require.

3. **Statutory and Regulatory requirements.** The Applicant assures that:

a. It will comply with all applicable Federal statutes relating to nondiscrimination including, but not limited to the:

- (1) Prohibitions against discrimination on the basis of race, color, or national origin of Title VI of the Civil Rights Act, 42 U.S.C. 2000d,
- (2) Prohibitions against discrimination on the basis of sex of:
 - (a) Title IX of the Education Amendments of 1972, as amended, 20 U.S.C. 1681-1683, and 1685-1687, and
 - (b) U.S. DOT regulations, "Nondiscrimination on the Basis of Sex in Education Programs or Activities Receiving Federal Financial Assistance," 49 CFR part 25,
- (3) Prohibitions against discrimination on the basis of age in federally assisted programs of the Age Discrimination Act of 1975, as amended, 42 U.S.C. 6101-6107,
- (4) Section 504 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. 794, which prohibits discrimination on the basis of disability,
- (5) Prohibitions against discrimination on the basis of disability of Section 504 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. 794,
- (6) Nondiscrimination requirements relating to the sale, rental, or financing of housing of Title VIII of the Civil Rights Act, 42 U.S.C. 3601 *et seq.*,
- (7) Prohibitions against discrimination on the basis of drug abuse of the Drug Abuse Office and Treatment Act of 1972, as amended, 21 U.S.C. 1101 *et seq.*,
- (8) Prohibitions against discrimination on the basis of alcohol abuse of the Comprehensive Alcohol Abuse and Alcoholism Prevention Act of 1970, as amended, 42 U.S.C. 4541 *et seq.*,
- (9) Confidentiality requirements for the records of alcohol and drug abuse patients of the Public Health Service Act, as amended, 42 U.S.C. 290dd-2, and
- (10) Nondiscrimination provisions of any other statute(s) that may apply to the project,

b. Regardless of whether Federal funding has been provided for any of the real property acquired for Project purposes, it will provide for fair and equitable treatment of displaced persons or persons whose property is acquired as a result of federally assisted programs, and:

(1) It has the necessary legal authority under State and local law to comply with:

- (a) The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, (Uniform Relocation Act) 42 U.S.C. 4601 *et seq.*, as specified by sections 210 and 305 of that Act, 42 U.S.C. 4630 and 4655, respectively, and
- (b) U.S. DOT regulations, "Uniform Relocation Assistance and Real Property Acquisition for Federal and Federally Assisted Programs," 49 CFR part 24, specifically 49 CFR 24.4.

(2) It has complied with or will comply with the Uniform Relocation Act and implementing U.S. DOT regulations including but not limited to doing the following:

- (a) It will adequately inform each affected person of the benefits, policies, and procedures provided for in 49 CFR part 24,

(b) As required by 42 U.S.C. 4622, 4623, and 4624, and 49 CFR part 24, it will provide fair and reasonable relocation payments and assistance for displacement, resulting from any FTA funded project, of:

- 1 Families and individuals,
- 2 Partnerships, corporations, or associations,

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- (c) As provided by 42 U.S.C. 4625 and 49 CFR part 24, it will provide relocation assistance programs offering the services described in to the U.S. DOT regulations to such displaced:
- 1 Families and individuals,
 - 2 Partnerships, corporations, or associations,
- (d) As required by 42 U.S.C. 4625(c)(3), within a reasonable time before displacement it will make available comparable replacement dwellings to families and individuals,
- (e) It will:
- 1 Carry out the relocation process to provide displaced persons with uniform and consistent services, and
 - 2 Make available replacement housing in the same range of choices with respect to such housing to all displaced persons regardless of race, color, religion, or national origin,
- (f) It will be guided to the greatest extent practicable under State law, by the real property acquisition policies of 42 U.S.C. 4651 and 4652,
- (g) It will pay or reimburse property owners for their necessary expenses as specified in 42 U.S.C. 4653 and 4654, understanding that FTA will provide Federal funding for its eligible costs of providing payments for those expenses, as required by 42 U.S.C. 4631,
- (h) It will execute the necessary implementing amendments to third party contracts and subagreements financed with FTA funding, and
- (i) It will execute, furnish, and be bound by such additional documents as FTA may determine necessary to effectuate or implement these assurances, and
- (j) It will incorporate these assurances by reference into and make them a part of any third party contract or subagreement, or any amendments thereto, relating to any FTA funded project involving relocation or land acquisition, and
- (k) It will provide in any affected document that these relocation and land acquisition provisions must supersede any conflicting provisions,
- c. To the extent practicable, it will comply with the Lead-Based Paint Poisoning Prevention Act, 42 U.S.C. 4831(b), which prohibits the use of leadbased paint in the construction or rehabilitation of residence structures,
- d. It will, to the extent practicable, comply with the protections for human subjects involved in research, development, and related activities supported by Federal funding of:
- (1) The National Research Act, Pub. L. 93-348, July 12, 1974, as amended, 42 U.S.C. 289 et seq., and (2) U.S. DOT regulations, "Protection of Human Subjects," 49 CFR part 11,
- e. It will, to the extent practicable, comply with the labor standards and protections for federally funded projects of:
- (1) The Davis-Bacon Act, as amended, 40 U.S.C. 3141 et seq.,
 - (2) Sections 1 and 2 of the Copeland "Anti-Kickback" Act, as amended, 18 U.S.C. 874, and 40 U.S.C. 3145, respectively,
 - (3) The Contract Work Hours and Safety Standards Act, as amended, 40 U.S.C. 3701 et seq.,
- f. It will, to the extent practicable, comply with any applicable environmental standards that may be prescribed to implement the following Federal laws and executive orders, including but not limited to the following:
- (1) It will comply with the institution of environmental quality control measures under the National Environmental Policy Act of 1969, as amended, 42 U.S.C. 4321-4335 and Executive Order No. 11514, as amended, 42 U.S.C. 4321 note,
 - (2) It will comply with notification of violating facilities pursuant to Executive Order No. 11738, 42 U.S.C. 7606 note,
 - (3) It will comply with protection of wetlands pursuant to Executive Order No. 11990, 42 U.S.C. 4321 note,
 - (4) It will comply with evaluation of flood hazards in floodplains in accordance with Executive Order No. 11988, 42 U.S.C. 4321 note,
 - (5) It will comply with an assurance of project consistency with the approved State management program developed pursuant to the requirements of the Coastal Zone Management Act of 1972, as amended, 16 U.S.C. 1451-1465,
 - (6) It will comply with Conformity of Federal actions to State (Clean Air) Implementation Plans under section 176(c) of the Clean Air Act of 1955, as amended, 42 U.S.C. 7401-7671q,
 - (7) It will comply with protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended, 42 U.S.C. 300f-300j-6,
 - (8) It will comply with protection of endangered species under the Endangered Species Act of 1973, as amended, 16 U.S.C. 1531-1544, and
 - (9) It will comply with environmental protections for Federal transportation programs, including, but not limited to, protections for parks, recreation areas, or wildlife or waterfowl refuges of national, State, or local significance or any land from a historic site of national, State, or local significance to be used in a transportation project as required by 49 U.S.C. 303(b) and 303(c),
 - (10) It will comply with protection of the components of the national wild and scenic rivers systems, as required under the Wild and Scenic Rivers Act of 1968, as amended, 16 U.S.C. 1271-1287, and
- (11) It will comply with and facilitate compliance with
- (a) Section 106 of the National Historic Preservation Act of 1966, as amended, 16 U.S.C. 470f,
 - (b) The Archaeological and Historic Preservation Act of 1974, as amended, 16 U.S.C. 469-469c, and
 - (c) Executive Order No. 11593 (identification and protection of historic properties), 16 U.S.C. 470 note,
- g. To the extent practicable, it will comply with Federal requirements for the care, handling, and treatment of warm blooded animals held or used for research, teaching, or other activities supported by Federal funding of:
- (1) The Animal Welfare Act, as amended, 7 U.S.C. 2131 et seq., and
 - (2) U.S. Department of Agriculture regulations, "Animal Welfare," 9 CFR subchapter A, parts 1, 2, 3, and 4,
- h. To the extent practicable, before accepting delivery of any FTA funded building it will obtain a certificate of compliance with the seismic design and construction requirements of U.S. DOT regulations, "Seismic Safety," 49 CFR part 41, specifically 49 CFR 41.117(d),
- i. To the extent practicable, it and its subrecipients located in special flood hazard areas will comply with section 102(a) of the Flood Disaster Protection Act of 1973, as amended, 42 U.S.C. 4012a(a), by:
- (1) Participating in the Federal flood insurance program,
 - (2) Purchasing flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more,
- j. To the extent practicable, it will comply with:
- (1) The Hatch Act, 5 U.S.C. 1501-1508, 7324-7326, which limits the political activities of State and local agencies and their officers and employees whose primary employment activities are financed in whole or part with Federal funds including a Federal loan, grant agreement, or cooperative agreement, and
 - (2) 49 U.S.C. 5307(k)(2) and 23 U.S.C. 142(g), which provide an exception from Hatch Act restrictions for a nonsupervisory employee of a public transportation system (or of any other agency or entity performing related functions) receiving FTA funding to whom the Hatch Act does not otherwise apply,
- k. It will have performed the financial and compliance audits as required by:
- (1) The Single Audit Act Amendments of 1996, 31 U.S.C. 7501 et seq.,
 - (2) U.S. OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations," Revised, and
 - (3) The most recent applicable U.S. OMB A-133 Compliance Supplement provisions for the U.S. DOT, and l. It will, to the extent practicable, comply with all applicable provisions of all other Federal laws or regulations, and follow Federal directives governing the project, except to the extent that FTA has expressly approved otherwise in writing.

GROUP 02. LOBBYING CERTIFICATION

You must select the following certifications in Group 02 because ADOT's cooperative agreement exceeds \$100,000, or a loan (including a line of credit), loan guarantee, or loan insurance exceeding \$150,000, except if you are applying on behalf of an Indian tribe, tribal organization, or other Indian organization.

As required by 31 U.S.C. 1352 and U.S. DOT regulations, "New Restrictions on Lobbying," specifically 49 CFR 20.110, you and your Applicant understand that:

- a. The lobbying restrictions of your certification apply to your Applicant's requests for:
 - (1) \$100,000 or more in Federal funding for a grant or cooperative agreement, and
 - (2) \$150,000 or more in Federal funding for a loan, line of credit, or loan guarantee,
- b. Its certification covers the lobbying activities of:
 - (1) It,
 - (2) Its principals, and
 - (3) Its first tier subrecipients:

Therefore, on behalf of your Applicant, you certify to the best of your knowledge and belief, that:

1. No Federal appropriated funds have been or will be paid by or on its behalf to any person:
 - a. To influence or attempt to influence:
 - (1) An officer or employee of any Federal agency,
 - (2) A Member of Congress, an employee of a member of Congress, or an officer or employee of Congress,
 - b. Regarding the award of a:
 - (1) Federal grant or cooperative agreement, or
 - (2) Federal loan, line of credit, loan guarantee, or loan insurance
2. It will submit a complete OMB Standard Form-LLL, "Disclosure of Lobbying Activities (Rev. 7-97)," in accordance with its instructions, if any funds other than Federal appropriated funds have been or will be paid to any person:
 - a. To influence or attempt to influence:
 - (1) An officer or employee of any Federal agency,
 - (2) A Member of Congress, an employee of a Member of Congress, or an officer or employee of Congress, or

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- b. Regarding any application for a:
- (1) Federal grant or cooperative agreement,
 - (2) Federal loan, line of credit, loan guarantee, or loan insurance, and
3. It will include the language of this certification in the award documents for all subawards at all tiers including, but not limited to:
- a. Subcontracts,
 - b. Subgrants,
 - c. Subagreements, and
 - d. Third party contracts under a:
 - (1) Federal grant or cooperative agreement, or
 - (2) Federal loan, line of credit, loan guarantee, or loan insurance, and
4. It understands that:
- a. This certification is a material representation of fact that the Federal Government relies on, and b. It must submit this certification before the Federal Government may award funding for a transaction covered by 31 U.S.C. 1352, including a:
 - (1) Federal grant or cooperative agreement, or
 - (2) Federal loan, line of credit, loan guarantee, or loan insurance, and
5. It also understands that any person who does not file a required certification will be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

GROUP 03. PROCUREMENT COMPLIANCE

You must select Group 03, especially if your Applicant is a State, local, or Indian tribal government with a certified procurement system, as provided in 49 CFR 18.36(g)(3)(ii).

The Applicant certifies that its procurements and procurement system will comply with all applicable Federal laws and regulations in accordance with applicable Federal directives, except to the extent FTA has approved otherwise in writing.

GROUP 04. PROTECTIONS FOR PRIVATE TRANSPORTATION PROVIDERS

Applies to awards for 49 U.S.C. chapter 53 funding to:

- Acquire property of a private transit operator, or
- Operate public transit in competition with or in addition to a private transit provider

As required by 49 U.S.C. 5323(a)(1), the Applicant certifies that:

1. Before it:
 - a. Acquires the property or an interest in the property of a private provider of public transportation, or
 - b. Operates public transportation equipment or facilities:
 - (1) In competition with transportation service provided by an existing public transportation company, or
 - (2) In addition to transportation service provided by an existing public transportation company,
2. It has or will have:
 - a. Determined that the funding is essential to carrying out a program of projects as required by 49 U.S.C. 5303, 5304, and 5306,
 - b. Provided for the participation of private companies engaged in public transportation to the maximum extent feasible, and
 - c. Paid just compensation under State or local law to the company for any franchise or property acquired.

GROUP 05. PUBLIC HEARING

Applies to awards for 49 U.S.C. chapter 53 funding for a capital project that will substantially affect a community or its transit service.

As required by 49 U.S.C. 5323(b), the Applicant certifies that:

1. Before submitting an application for a capital project that:
 - a. Will substantially affect:
 - (1) A community, or
 - (2) The public transportation service of a community, and
 - b. Also will affect:
 - (1) Significant economic interests,
 - (2) Significant social interests, or
 - (3) Significant environmental interests, It will:
 - (1) Provide an adequate opportunity for public review and comment on the project, after giving notice that:
 - (a) Includes a concise description of the proposed project; and
 - (b) Has been published in a newspaper of general circulation in the geographic area the project.
 - (2) Hold a public hearing on the project if the project affects:
 - (a) Significant economic interests,
 - (b) Significant social interests, or
 - (c) Significant environmental interests,
2. It will have considered the economic, social, and environmental effects of the project, and
3. It will have determined that the project is consistent with official plans for developing the community.

GROUP 06. ACQUISITION OF ROLLING STOCK FOR USE IN REVENUE SERVICE

Applies to awards for 49 U.S.C. chapter 53 funding to acquire any rolling stock for use in revenue service.

The Applicant certifies that in procuring revenue service rolling stock, it will comply with:

1. Federal transit law, specifically 49 U.S.C. 5323(m),
2. FTA regulations, "Pre-Award and Post-Delivery Audits of Rolling Stock Purchases," 49 CFR part 663, specifically 49 CFR 663.7, as modified by amendments authorized by section 3023(k) of SAFETEA-LU, including the requirements to:
 - a. Conduct or cause to be conducted the required preaward and post delivery reviews, and
 - b. Maintain on file the certifications required by 49 CFR part 663, subparts B, C, and D.

GROUP 07. ACQUISITION OF CAPITAL ASSETS BY LEASE

Applies to awards for 49 U.S.C. chapter 53 funding to acquire capital assets by lease.

As required by FTA regulations, "Capital Leases," 49 CFR part 639, specifically 639.15(b)(1) and 639.21, if the Applicant acquires any capital asset by lease financed with Federal funding authorized under 49 U.S.C. chapter 53, the Applicant certifies as follows:

1. It will not use Federal funding authorized under 49 U.S.C. chapter 53 to finance the cost of leasing any capital asset until:
 - a. It performs calculations demonstrating that leasing the capital asset would be more cost-effective than purchasing or constructing a similar asset, and
 - b. It completes these calculations before the later of:
 - (1) Entering into the lease, or
 - (2) Receiving a capital grant for the asset, and
2. It will not enter into a capital lease for which FTA can provide only incremental Federal funding unless it has adequate financial resources to meet its future lease obligations if Federal funding is not available.

GROUP 08. BUS TESTING

Applies to awards for 49 U.S.C. chapter 53 funding to acquire any new or newly configured bus or a bus with new major components.

The Applicant certifies that:

1. It will comply with Federal transit law, specifically 49 U.S.C. 5318,
2. FTA regulations, "Bus Testing," 49 CFR part 665, specifically 49 CFR 665.7, requires that
 - a. Before:
 - (1) Spending any Federal funds to acquire:
 - (a) The first bus of any new bus model,
 - (b) The first bus with a new major change in configuration or components, or
 - (2) Authorizing final acceptance of a new bus model or a bus model with a major change in components or configuration:
 - b. It will:
 - (1) Ensure that the bus model has been tested at FTA's bus testing facility, and
 - (2) Have received a copy of the test report prepared on the bus model.

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GROUP 09. CHARTER SERVICE AGREEMENT

Applies to awards for funding to acquire or operate transit facilities and equipment, unless Applicant qualifies for an exception under Federal law and regulations.

As required by 49 U.S.C. 5323(d) and (g) and FTA regulations, "Charter Service," 49 CFR part 604, specifically 49 CFR 604.4, the Applicant understands and agrees that:

1. Except in certain circumstances described in its regulations, FTA's "Charter Service" regulations restrict transportation by charter service using facilities and equipment acquired by FTA for transportation projects with Federal funding derived from:
 - (1) Federal transit laws, 49 U.S.C. chapter 53, or
 - (2) 23 U.S.C. §§ 133 or 142,
2. FTA's charter service restrictions extend to:
 - a. The Applicant when it becomes a recipient of Federal funding under:
 - (1) Federal transit laws, 49 U.S.C. chapter 53, or
 - (2) 23 U.S.C. §§ 133 or 142,
 - b. Any third party participant that receives Federal funding derived from:
 - (1) Federal transit laws, 49 U.S.C. chapter 53, or (2) 23 U.S.C. §§ 133 or 142,
 - c. A third party participant includes a:
 - (1) Subrecipient at any tier,
 - (2) Lessee,
 - (3) Third party contractor or subcontractor at any tier, and
 - (4) Other participant in the project,
3. Neither the Applicant nor any third party participant involved in its Project will engage in charter service operations, except as permitted under:
 - a. Federal transit laws, specifically 49 U.S.C. 5323(d) and (g),
 - b. FTA regulations, "Charter Service," 49 C.F.R. Part 604,
 - c. Any other Federal Charter Service regulations, or
 - d. Federal directives, except as FTA determines otherwise in writing.
4. The Applicant agrees that the latest Charter Service Agreement it has selected in its latest annual Certifications and Assurances is incorporated by reference in and made part of the underlying Agreement accompanying an award of FTA funding.
5. The Applicant agrees that:
 - a. FTA may require corrective measures or impose remedies on it or any subrecipient that has engaged in a pattern of violations of FTA's Charter Service regulations by:
 - (1) Conducting charter operations prohibited by Federal transit laws and FTA's Charter Service regulations, or
 - (2) Otherwise violating the Applicant's Charter Service Agreement it has elected in its latest annual Certifications and Assurances.
 - b. These corrective measures and remedies may include:
 - (1) Barring it or any third party participant operating public transportation under the Project that has provided prohibited charter service from receiving FTA funds, or
 - (2) Withholding an amount of Federal funds as provided by Appendix D to FTA's Charter Service regulations.

GROUP 10. SCHOOL TRANSPORTATION AGREEMENT

Applies to awards for funding to acquire or operate transit facilities and equipment, unless Applicant qualifies for an exception under Federal law and regulations.

As required by 49 U.S.C. 5323(f) and (g) and FTA regulations, "School Bus Operations," 49 CFR part 605, to the extent consistent with 49 U.S.C. 5323(f) and (g), the Applicant understands and agrees that:

1. FTA's "School Bus Operations" regulations restrict school bus service as defined in the FTA regulations using facilities and equipment acquired with Federal funding derived from:
 - (1) Federal transit laws, 49 U.S.C. chapter 53, or
 - (2) 23 U.S.C. §§ 133 or 142,
2. FTA's school bus operations restrictions extend to:
 - a. The Applicant when it becomes a recipient of Federal funding under:
 - (1) Federal transit laws, 49 U.S.C. chapter 53, or
 - (2) 23 U.S.C. §§ 133 or 142,
 - b. Any third party participant that receives Federal funding derived from:
 - (1) Federal transit laws, 49 U.S.C. chapter 53, or
 - (2) 23 U.S.C. §§ 133 or 142,
 - c. A third party participant includes a:
 - (1) Subrecipient at any tier,
 - (2) Lessee,
 - (3) Third party contractor or subcontractor at any tier, and
 - (4) Other participant in the project,
3. Neither the Applicant nor any third party participant involved in its Project will engage in school transportation operations in competition with private operators of school transportation, except as permitted under:
 - a. Federal transit laws, specifically 49 U.S.C. § 5323(f) and (g),
 - b. FTA regulations, "School Bus Operations," 49 C.F.R. Part 605, to the extent consistent with 49 U.S.C. § 5323(f) and (g),
 - c. Any other Federal School Transportation regulations, or
 - d. Federal directives, except as FTA determines otherwise in writing.
4. The Applicant agrees that the latest School Transportation Agreement it has selected in its latest annual Certifications and Assurances is incorporated by reference in and made part of the underlying Agreement accompanying an award of FTA funding.
5. The Applicant agrees that FTA will bar the Applicant or any third party participant that has violated this School Transportation Agreement from receiving Federal transit funding in an amount FTA considers appropriate.

GROUP 11. DEMAND RESPONSIVE SERVICE

Applies to awards for demand responsive service and to awards for 49 U.S.C. chapter 53 funding to acquire non rail transit vehicles.

As required by U.S. DOT regulations, "Transportation Services for Individuals with Disabilities (ADA)," 49 CFR part 37, specifically 49 CFR 37.77(d), the Applicant certifies that:

1. The following public transportation services it offers are equivalent in level and quality of service:
 - a. Its demand responsive service offered to individuals with disabilities, including individuals who use wheelchairs,
 - b. Its service offered to individuals without disabilities,
2. Viewed in its entirety, the Applicant's service for individuals with disabilities is:
 - a. Provided in the most integrated setting feasible, and
 - b. Equivalent to the service it offers individuals without disabilities with respect to:
 - (1) Response time,
 - (2) Fares,
 - (3) Geographic service area,
 - (4) Hours and days of service,
 - (5) Restrictions on trip purpose,
 - (6) Availability of information and reservation capability, and
 - (7) Constraints on capacity or service availability.

GROUP 12. ALCOHOL MISUSE AND PROHIBITED DRUG USE

You must select the following certification if FTA regulations, "Prevention of Alcohol Misuse and Prohibited Drug Use in Transit Operations," 49 CFR part 655, require Applicant to provide a certification concerning its activities to prevent alcohol misuse and prohibited drug use in its public transportation operations.

As required by FTA regulations, "Prevention of Alcohol Misuse and Prohibited Drug Use in Transit Operations," specifically 49 CFR part 655, subpart I, the Applicant certifies that it:

1. Has established and implemented:
 - a. An alcohol misuse program and
 - b. An anti-drug program, and
2. Has complied with or will comply with all applicable requirements of this part.

GROUP 13. INTEREST AND OTHER FINANCING COSTS

Applies to awards to reimburse interest or other financing costs with Urbanized Area Formula Program, Capital Investment Program, or Paul S. Sarbanes Transit in Parks Program funding

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The Applicant certifies that:

1. It will not seek reimbursement for interest or other financing costs:
 - a. Unless it is eligible to receive Federal funding for those costs,
 - b. Its records demonstrate that it has used reasonable diligence in seeking the most favorable financing terms underlying those costs, to the extent FTA may require, and
2. It will comply with:
 - a. Urbanized Area Formula Program interest provisions of 49 U.S.C. 5307(g)(3),
 - b. Capital Investment Program provisions of 49 U.S.C. 5309(g)(2)(B)(iii),
 - c. Capital Investment Program provisions of 49 U.S.C. 5309(g)(3)(B)(iii),
 - d. Capital Investment Program provisions of 49 U.S.C. 5309(i)(2)(C), and
 - e. Paul S. Sarbanes Transit in Parks Program provisions of 49 U.S.C. 5320(h)(2)(C).

GROUP 14. INTELLIGENT TRANSPORTATION SYSTEMS

Applies to awards for an Intelligent Transportation Systems (ITS) project or a project in support of an ITS project. An Applicant for ITS project funding that fails to provide this assurance, without providing other documentation assuring its commitment to comply with applicable Federal ITS standards and protocols, may be ineligible for award of Federal funding for that ITS project.

As used in this assurance, the term Intelligent Transportation Systems (ITS) project is defined to include any project

that in whole or in part finances the acquisition of technologies or systems of technologies that provide or significantly contribute to the provision of one or more ITS user services as defined in the "National ITS Architecture." The Applicant assures that:

1. As provided in subsection 5307(c) of SAFETEA-LU, 23 U.S.C. 512 note:
 - a. "Intelligent transportation system projects carried out using funds made available from the Highway Trust Fund, including funds made available under this subtitle to deploy intelligent transportation system technologies, [will] conform to the national architecture, applicable standards or provisional standards, and protocols developed under subsection (a) [of section 5307 of SAFETEA-LU]."
 - b. ITS standards will not apply if it obtains an exception to subsection 5307(c) of SAFETEA-LU, 23 U.S.C. 512 note.
2. It will use its best efforts to assure that any ITS project it undertakes will not preclude interface with other intelligent transportation systems in the Region, if supported with Federal funding not derived from:
 - a. Title 49, United States Code, or
 - b. Title 23, United States Code.
3. To facilitate compliance with subsection 5307(c) of 23 U.S.C. 512 note, except as the Federal Government determines otherwise in writing, the Applicant assures that it will comply with:
 - a. FTA Notice, "FTA National ITS Architecture Policy on Transit Projects," 66 FR 1455, January 8, 2001, specifically:
 - (1) Applicable provisions of Section V (Regional ITS Architecture), and
 - (2) Section VI (Project Implementation), and
 - b. Other FTA policies that may be issued in connection with any ITS project it undertakes financed with funds authorized under Title 49 or Title 23, United States Code,

GROUP 15. URBANIZED AREA FORMULA PROGRAM

Applies to awards for Urbanized Area Formula Program funding, 49 U.S.C. 5307. Applicant is ultimately responsible for compliance with its certifications and assurances even though a subrecipient, lessee, third party contractor, or other participant may participate in that project, unless FTA determines otherwise in writing. Consequently, we strongly encourage Applicant to take the appropriate measures including, but not limited to, obtaining sufficient documentation from each subrecipient, to assure the validity of all certifications and assurances it has made. Each Applicant is required by 49 U.S.C. 5307(d)(1)(J) to spend at least one (1) percent of its Urbanized Area Formula Program funding for public transportation security projects, unless it has certified that such expenses are not necessary. Information about its intentions must be recorded in the "Security" tab page of the TEAM-Web "Project Information" window when it submits its Urbanized Area Formula Program application in TEAM-Web.

We may not award Urbanized Area Formula Program funding to any Applicant that is required by 49 U.S.C. 5307(d)(1)(K) to spend one (1) percent of its Urbanized Area Formula Program funding for eligible transit enhancements unless its quarterly report for the fourth quarter of the preceding Federal fiscal year has been submitted to FTA and includes the required list or sufficient information to demonstrate that the Designated Recipients in its area together have spent one (1) percent of the amount of Urbanized Area Formula Program funding made available to them for transit enhancement projects or have included the same information in a separate report attached in TEAM-Web.

The following certifications apply to each Applicant for funding under the Urbanized Area Formula Program authorized under 49 U.S.C. 5307. The Applicant certifies that:

1. As required by 49 U.S.C. 5307(d)(1)(A), it has or will have the:
 - a. Legal capacity to carry out its proposed projects,
 - b. Financial capacity to carry out its proposed projects,
 - c. Technical capacity to carry out its proposed projects,
 - d. Safety aspects of its proposed projects, and
 - e. Security aspects of its proposed projects,
2. As required by 49 U.S.C. 5307(d)(1)(B), it has or will have satisfactory continuing control over the use of project equipment and facilities,
3. As required by 49 U.S.C. 5307(d)(1)(C), it will maintain the project equipment and facilities adequately,
4. As required by 49 U.S.C. 5307(d)(1)(D), it will ensure that the following individuals will be charged not more than fifty (50) percent of the peak hour fare for transportation during non-peak hours using or involving project facilities or equipment supported under 49 U.S.C. 5307:
 - a. Elderly individuals,
 - b. Individuals with disabilities, or
 - c. Individuals presenting a Medicare card issued to himself or herself pursuant to title II or title XVIII of the Social Security Act (42 U.S.C. 401 *et seq.* or 42 U.S.C. 1395 *et seq.*),
5. As required by 49 U.S.C. 5307(d)(1)(E), when carrying out a procurement under 49 U.S.C. 5307, it will:
 - a. Use competitive procurement (as defined or approved by FTA),
 - b. Not use exclusionary or discriminatory specifications in its procurements,
 - c. Comply with applicable Buy America laws, and
 - d. Comply with the:
 - (1) General provisions for FTA programs of 49 U.S.C. 5323, and
 - (2) Third party procurement requirements of 49 U.S.C. 5325,
6. As required by 49 U.S.C. 5307(d)(1)(F), it has complied with or will comply with 49 U.S.C. 5307(c) because it:
 - a. Has informed or will inform the public of the amounts of its Urbanized Area Formula Program funds available under 49 U.S.C. 5307, and the projects it proposes to undertake,
 - b. Has developed or will develop, in consultation with interested parties including private transportation providers, the projects proposed to be funded,
 - c. Has published or will publish a list of its projects in a way that affected citizens, private transportation providers, and local elected officials will have an opportunity to examine and submit comments on the proposed projects and its performance,
 - d. Has provided or will provide an opportunity for a public hearing to obtain the views of citizens on the proposed projects,
 - e. Has assured or will assure that the proposed projects provide for coordination of transportation services assisted under 49 U.S.C. 5336 with federally assisted transportation services supported by the Federal Government source other than U.S. DOT,
 - f. Has considered or will consider the comments and views received, especially those of private transportation providers, in preparing its final list of projects, and
 - g. Has made or will make the final list of projects available to the public,
7. As required by 49 U.S.C. 5307(d)(1)(G), it:
 - a. Has or will have the amount of funds required for the local share,
 - b. Will provide the local share funds from approved non-Federal sources except as permitted by Federal law, and
 - c. Will provide the local share funds when needed,
8. As required by 49 U.S.C. 5307(d)(1)(H), it will comply with:
 - a. The requirements of 49 U.S.C. 5301(a) for public transportation systems that:
 - (1) Maximize the safe, secure, and efficient mobility of people,
 - (2) Minimize environmental impacts, and,
 - (3) Minimize transportation-related fuel consumption and reliance on foreign oil,
 - b. The requirements of 49 U.S.C. 5301(d) for special efforts to:
 - (1) Design public transportation for elderly individuals and individuals with disabilities, and
 - (2) Provide public transportation for elderly individuals and individuals with disabilities, and
 - c. The requirements of 49 U.S.C. 5303—5306 for:
 - (1) Metropolitan and State Planning, and
 - (2) Private enterprise participation,

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9. As required by 49 U.S.C. 5307(d)(1)(I), it has a locally developed process to solicit and consider public comment before:
- a. Raising a fare, or
 - b. Implementing a major reduction of public transportation,
10. As required by 49 U.S.C. 5307(d)(1)(J), if it serves an urbanized area with a population of at least 200,000:
- a. Each fiscal year, it will spend at least one (1) percent of its 49 U.S.C. 5307 funding for public transportation security projects (limited to capital projects in the case of an Applicant serving an urbanized area with a population of 200,000 or more), or
 - b. That fiscal year, it will certify that such expenses for transportation security projects are not necessary,
 - c. Public transportation security projects include:
 - (1) Increased lighting in or adjacent to a public transportation system (including bus stops, subway stations, parking lots, and garages),
 - (2) Increased camera surveillance of an area in or adjacent to that system,
 - (3) Emergency telephone line or lines to contact law enforcement or security personnel in an area in or adjacent to that system, and
 - (4) Any other project intended to increase the security and safety of an existing or planned public transportation, and
11. As required by 49 U.S.C. 5307(d)(1)(K), if it serves an urbanized area with a population of at least 200,000:
- a. Each fiscal year, it or all the Recipients of 49 U.S.C. 5307 funding in its urbanized area will spend at least one (1) percent of that funding for transit enhancements, as defined in 49 U.S.C. 5302(a),
 - b. It will include in its quarterly report for the fourth quarter of the preceding Federal fiscal year a list of the projects during that Federal fiscal year using those 49 U.S.C. 5307 funds, and
 - c. The report of its transit enhancement projects is or will be incorporated by reference and made part of its certifications and assurances.

GROUP 16. CLEAN FUELS GRANT PROGRAM

Applies to awards for Clean Fuels Grant Program funding, 49 U.S.C. 5308. Applicant itself is ultimately responsible for compliance with its certifications and assurances even though a subrecipient, lessee, third party contractor, or other participant may participate in that project, unless FTA determines otherwise in writing. Consequently, we strongly encourage Applicant to take the appropriate measures including, but not limited to, obtaining sufficient documentation from each subrecipient, to assure the validity of all certifications and assurances it has made.

The following certifications apply to each Applicant for funding under the Clean Fuels Grant Program authorized under 49 U.S.C. 5308:

1. As required by FTA regulations, "Clean Fuels Grant Program, 49 CFR part 624, specifically 49 CFR 624.7, the Applicant certifies it will operate vehicles purchased with Federal funding provided under the Clean Fuels Grant Program, 49 U.S.C. 5308 only with clean fuels.
2. Under 49 U.S.C. 5308(d)(1), the requirements of 49 U.S.C. 5307 apply to the Clean Fuels Grant Program. To comply with those requirements, as specified under 49 U.S.C. 5307(d)(1), the Applicant certifies that:
 - a. As required by 49 U.S.C. 5307(d)(1)(A), it has or will have the:
 - (1) Legal capacity to carry out its proposed projects,
 - (2) Financial capacity to carry out its proposed projects,
 - (3) Technical capacity to carry out its proposed projects,
 - (4) Safety aspects of its proposed projects, and
 - (5) Security aspects of its proposed projects,
 - b. As required by 49 U.S.C. 5307(d)(1)(B), it has or will have satisfactory continuing control over the use of project equipment and facilities,
 - c. As required by 49 U.S.C. 5307(d)(1)(C), it will maintain the project equipment and facilities adequately,
 - d. As required by 49 U.S.C. 5307(d)(1)(D), it will ensure that the following individuals will be charged not more than fifty (50) percent of the peak hour fare for transportation during non-peak hours using or involving project facilities or equipment supported under 49 U.S.C. 5308:
 - (1) Elderly individuals,
 - (2) Individuals with disabilities, or
 - (3) Individuals presenting a Medicare card issued to himself or herself pursuant to title II or title XVIII of the Social Security Act (42 U.S.C. 401 et seq. or 42 U.S.C. 1395 et seq.),
 - e. As required by 49 U.S.C. 5307(d)(1)(E), when carrying out a procurement under 49 U.S.C. 5308, it will:
 - (1) Use competitive procurement (as defined or approved by FTA),
 - (2) Not use exclusionary or discriminatory specifications in its procurements,
 - (3) Comply with applicable Buy America laws, and
 - (4) Comply with the general provisions for FTA programs of 49 U.S.C. 5323, and
 - (5) Comply with the third party procurement requirements of 49 U.S.C. 5325,
 - f. As required by 49 U.S.C. 5307(d)(1)(F), it has complied with or will comply with 49 U.S.C. 5307(c) because it:
 - (1) Has informed or will inform the public of the amounts of its Clean Fuels Grant Program funds available under 49 U.S.C. 5308, and the projects it proposes to undertake,
 - (2) Has developed or will develop, in consultation with interested parties including private transportation providers, the projects proposed to be funded,
 - (3) Has published or will publish a list of its projects in a way that affected citizens, private transportation providers, and local elected officials will have an opportunity to examine and submit comments on the proposed projects and its performance,
 - (4) Has provided or will provide an opportunity for a public hearing to obtain the views of citizens on the proposed projects,
 - (5) Has assured or will assure that the proposed projects provide for coordination of transportation services assisted under 49 U.S.C. 5336 with federally assisted transportation services supported by a Federal government source other than U.S. DOT,
 - (6) Has considered or will consider the comments and views received, especially those of private transportation providers, in preparing its final list of projects, and
 - (7) Has made or will make the final list of projects available to the public,
 - g. As required by 49 U.S.C. 5307(d)(1)(G), it:
 - (1) Has or will have the amount of funds required for the local share,
 - (2) Will provide the local share funds from approved non-Federal sources except as permitted by Federal law, and
 - (3) Will provide the local share funds when needed,
 - h. As required by 49 U.S.C. 5307(d)(1)(H), it will comply with:
 - (1) The requirements of 49 U.S.C. 5301(a) for public transportation systems that:
 - (a) Maximize the safe, secure, and efficient mobility of people,
 - (b) Minimize environmental impacts, and
 - (c) Minimize transportation-related fuel consumption and reliance on foreign oil,
 - (2) The requirements of 49 U.S.C. 5301(d) for special efforts to:
 - (a) Design public transportation for elderly individuals and individuals with disabilities, and
 - (b) Provide public transportation for elderly individuals and individuals with disabilities, and
 - (3) The requirements of 49 U.S.C. 5303—5306 for:
 - (a) Metropolitan and State Planning, and
 - (b) Private enterprise participation, and
 - i. As required by 49 U.S.C. 5307(d)(1)(I), it has a locally developed process to solicit and consider public comment before:
 - (1) Raising a fare, or
 - (2) Implementing a major reduction of public transportation.

GROUP 17. ELDERLY INDIVIDUALS AND INDIVIDUALS WITH DISABILITIES FORMULA GRANT PROGRAM AND PILOT PROGRAM

Applies to awards as the direct Applicant for Elderly Individuals and Individuals with Disabilities Formula Grant Program funding 49 U.S.C. 5310, and, if qualified, for Elderly Individuals and Individuals with Disabilities Pilot Program funding, subsection 3012(b) of SAFETEA-LU. Only a State or a State organization acting as the Recipient on behalf of a State may be a direct recipient of this funding. Your State or State organization Applicant is ultimately responsible for compliance with its certifications and assurances even though a subrecipient, lessee, third party contractor, or other participant may participate in that project, unless FTA determines otherwise in writing. Consequently, we strongly encourage your State or State organization Applicant to take the appropriate measures including, but not limited to, obtaining sufficient documentation from each subrecipient, to assure the validity of all certifications and assurances it has made.

The following certifications and assurances apply to each State or State organization serving as Applicant for funding and each subrecipient of funding under the Elderly Individuals and Individuals with Disabilities Formula Grant Program authorized under 49 U.S.C. 5310, and the Elderly Individuals and Individuals with Disabilities Pilot Program authorized under subsection 3012(b) of SAFETEA-LU.

1. The State or State organization Applicant assures that:
 - a. Each subrecipient is:
 - (1) Recognized under State law as a private nonprofit organization with the legal capability to contract with the State to carry out the proposed project, or

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- (2) A public body that has met the statutory requirements to receive Federal funding authorized for 49 U.S.C. 5310,
- b. The State or State organization Applicant can conclude from information in a private nonprofit subrecipient's application for 49 U.S.C. 5310 funding that:
- (1) The transit service provided or offered to be provided by existing public or private transit operators cannot meet the special needs of elderly individuals and individuals with disabilities, because it is:
- (a) Unavailable,
 - (b) Insufficient, or
 - (c) Inappropriate,
- c. As required by 49 U.S.C. 5310(d)(2)(A) and subsection 3012(b)(2) of SAFETEA-LU, the State certifies that, before it transfers funds to a project funded under 49 U.S.C. 5336, the project has been or will have been coordinated with private nonprofit providers of services under 49 U.S.C. 5310,
- d. As required by 49 U.S.C. 5310(d)(2)(C), the Applicant certifies that allocations to subrecipients 49 U.S.C. 5310 funding or subsection 3012(b) funding will be distributed on a fair and equitable basis, and
- e. As required by 49 U.S.C. 5310(d)(2)(B) and subsection 3012(b)(2) of SAFETEA-LU, the Applicant certifies that:
- (1) The projects it has selected or will select for funding under that program were derived from a public transit human services transportation plan that has been:
- (a) Locally developed, and
 - (b) Coordinated, and
- (2) That locally developed, coordinated plan was produced through a process that included:
- (a) Representatives of public, private, and nonprofit transportation providers,
 - (b) Representatives of public, private, and nonprofit human services providers, and
 - (c) Participation by the public.
2. As permitted by 49 U.S.C. 5310(d), the Federal Transit Administrator has selected certain requirements of 49 U.S.C. 5307 to be appropriate for the Elderly Individuals and Individuals with Disabilities Formula Grant Program authorized by 49 U.S.C. 5310, and the Elderly Individuals and Individuals with Disabilities Pilot Program authorized by subsection 3012(b) of SAFETEA-LU, 49 U.S.C. 5310 note, of which some require certifications. Therefore, as specified under 49 U.S.C. 5307(d)(1), the State or State organization Applicant certifies that:
- a. As required by 49 U.S.C. 5307(d)(1)(A), it and each subrecipient has or will have the:
- (1) Legal capacity to carry out its proposed projects,
 - (2) Financial capacity to carry out its proposed projects,
 - (3) Technical capacity to carry out its proposed projects,
 - (4) Safety aspects of its proposed projects, and
 - (5) Security aspects of its proposed projects,
- b. As required by 49 U.S.C. 5307(d)(1)(B), it and each subrecipient has or will have satisfactory continuing control over the use of project equipment and facilities,
- c. As required by 49 U.S.C. 5307(d)(1)(C), it and each subrecipient will maintain the project equipment and facilities adequately,
- d. As required by 49 U.S.C. 5307(d)(1)(E), when carrying out a procurement under the Elderly Individuals and Individuals with Disabilities Formula Grant Program authorized by 49 U.S.C. 5310, or the Elderly Individuals and Individuals with Disabilities Pilot Program authorized by subsection 3012(b) of SAFETEA-LU, 49 U.S.C. 5310 note, it and each subrecipient will:
- (1) Use competitive procurement (as defined or approved by FTA),
 - (2) Not use exclusionary or discriminatory specifications in its procurements,
 - (3) Comply with applicable Buy America laws, and
 - (4) Comply with the general provisions for FTA programs of 49 U.S.C. 5323, and
 - (5) Comply with the third party procurement requirements of 49 U.S.C. 5325,
- e. As required by 49 U.S.C. 5307(d)(1)(G), it and each subrecipient:
- (1) Has or will have the amount of funds required for the local share,
 - (a) As required by 49 U.S.C. 5310(c), and
 - (b) Subsections 3012(b)(3) and (4) of SAFETEA-LU, if applicable,
 - (2) Will provide the local share funds from approved non-Federal sources except as permitted by Federal law, and
 - (3) Will provide the local share funds when needed, and
- f. As required by 49 U.S.C. 5307(d)(1)(H), it and each subrecipient will comply with:
- (1) The requirements of 49 U.S.C. 5301(a) for public transportation systems that:
 - (a) Maximize the safe, secure, and efficient mobility of people,
 - (b) Minimize environmental impacts, and
 - (c) Minimize transportation-related fuel consumption and reliance on foreign oil,
 - (2) The requirements of 49 U.S.C. 5301(d) for special efforts to:
 - (a) Design public transportation for elderly individuals and individuals with disabilities, and (b) Provide public transportation for elderly individuals and individuals with disabilities, and
 - (3) The requirements of 49 U.S.C. 5303—5306 for:
 - (a) Metropolitan and State Planning, and
 - (b) Private enterprise participation.

GROUP 18. NONURBANIZED AREA FORMULA PROGRAM FOR STATES

Applies to awards for Nonurbanized Area Formula Program funding, 49 U.S.C. 5311(b). Applicant itself is ultimately responsible for compliance with its certifications and assurances even though a subrecipient, lessee, third party contractor, or other participant may participate in that project, unless FTA determines otherwise in writing. Consequently, we strongly encourage Applicant to take the appropriate measures including, but not limited to, obtaining sufficient documentation from each subrecipient, to assure the validity of all certifications and assurances it has made.

Only a State or a State organization acting as the Recipient on behalf of a State (State) may be a direct recipient of this Nonurbanized Area Formula Program funding. Separate certifications and assurances have been established in Group 22 for an Indian tribe that is an Applicant for Tribal Transit Program funding, 49 U.S.C. 5311(c)(1). The following certifications and assurances apply to each State or State organization serving as the Applicant for funding under the Nonurbanized Area Formula Program authorized under 49 U.S.C. 5311.

The Applicant assures that:

1. It has or will have the necessary legal, financial, and managerial capability to:
 - a. Apply, receive and disburse 49 U.S.C. 5311(c)(1) funding, and
 - b. Carry out each project, including the:
 - (1) Safety aspects of its proposed projects, and
 - (2) Security aspects of its proposed projects,
2. It has or will have satisfactory continuing control over the use of project equipment and facilities,
3. The project equipment and facilities will be adequately maintained,
4. As required by 49 U.S.C. 5311(b)(2)(C)(i), its program has provided for a fair distribution of Federal funding authorized for 49 U.S.C. 5311 within the State, including Indian reservations within the State,
5. As required by 49 U.S.C. 5311(b)(2)(C)(ii), its program provides or will provide the maximum feasible coordination of public transportation service to receive funding under 49 U.S.C. 5311 with transportation service assisted by other Federal sources,
6. The projects in its Nonurbanized Area Formula Program are included in:
 - a. The Statewide Transportation Improvement Program, and
 - b. To the extent applicable, a metropolitan Transportation Improvement Program,
7. It has or will have the amount of funds required for the local share, as required by 49 U.S.C. 5311(g), and
 - (2) Will provide the local share funds from approved non-Federal sources except as permitted by Federal law, and
 - (3) Will provide the local share funds when needed, and
8. As required by 49 U.S.C. 5311(f), each fiscal year:
 - a. It will spend at least fifteen (15) percent of its 49 U.S.C. 5311 funding available that fiscal year to develop and support intercity bus transportation within the State, with eligible activities including:
 - (1) Planning and marketing for intercity bus transportation,
 - (2) Capital grants for intercity bus shelters,
 - (3) Joint-use stops and depots,
 - (4) Operating grants through purchase-of-service agreements, userside subsidies, and demonstration projects, and

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- (5) Coordinating rural connections between small public transportation operations and intercity bus carriers, or
- b. It will provide to the Federal Transit Administrator a certification of the State's chief executive officer that:
- (1) After consulting with the affected intercity bus service providers about the intercity bus needs of the State,
 - (2) The State's intercity bus service needs are being met adequately.

GROUP 19. JOB ACCESS AND REVERSE COMMUTE (JARC) FORMULA GRANT PROGRAM

Applies to awards for Job Access and Reverse Commute (JARC) Formula Grant funding, 49 U.S.C. 5316. Applicant is ultimately responsible for compliance with its certifications and assurances even though a subrecipient, lessee, third party contractor, or other participant may participate in that project, unless FTA determines otherwise in writing. Consequently, we strongly encourage Applicant to take the appropriate measures including, but not limited to, obtaining sufficient documentation from each subrecipient, to assure the validity of all certifications and assurances it has made.

The following certifications and assurances apply to each Applicant for and subrecipient of funding under the Job Access and Reverse Commute (JARC) Formula Grant funding authorized under 49 U.S.C. 5316.

1. The Applicant certifies that:

- a. As required by 49 U.S.C. 5316(d)(4), it will make awards of JARC funding on a competitive basis following:
- (1) An area wide solicitation in cooperation with the appropriate metropolitan planning organization for applications for funding under 5316(c)(1)(A) (see 49 U.S.C. 5316(d)(1)), and
 - (2) A statewide solicitation for applications for JARC funding under 49 U.S.C. 5316(c)(1)(B) or 49 U.S.C. 5316(c)(1)(C), (see 49 U.S.C. 5316(d)(2)) and
- b. As required by 49 U.S.C. 5316(f)(2), any allocations to subrecipients of funding authorized under 49 U.S.C. 5316 will be distributed on a fair and equitable basis,
- c. As required by 49 U.S.C. 5316(g)(3):
- (1) The projects it has selected or will select for funding under that program were derived from a public transit human services transportation plan that has been:
 - (a) Locally developed, and
 - (b) Coordinated,
 - (2) That locally developed, coordinated plan was produced through a process that included:
 - (a) Representatives of public, private, and nonprofit transportation providers,
 - (b) Representatives of public, private, and nonprofit human services providers, and
 - (c) Participation by the public, and
- d. As required by 49 U.S.C. 5316(g)(2), before it transfers funds to a project funded under 49 U.S.C. 5336, that project has been or will have been coordinated with private nonprofit providers of services, and
- e. As required by 49 U.S.C. 5316(c)(3), before using funds apportioned for projects serving an area other than that for which funding was apportioned under 49 U.S.C. 5316(c)(1)(B) or (C):
- (1) The State's chief executive officer, or his or her designee, will have certified that all the JARC program objectives of 49 U.S.C. 5316 are being met in the area from which the funding would be derived,
 - (2) If the State has a statewide program for meeting the JARC program objectives of 49 U.S.C. 5316, the funds can be used for projects anywhere in the State.

2. Under 49 U.S.C. 5316(f)(1), the requirements of 49 U.S.C. 5307 apply to the JARC Program, authorized under 49 U.S.C. 5316. Therefore, as specified under 49 U.S.C. 5307(d)(1), the Applicant certifies that

- a. As required by 49 U.S.C. 5307(d)(1)(A), it and each subrecipient has or will have the:
- (1) Legal capacity to carry out its proposed projects,
 - (2) Financial capacity to carry out its proposed projects,
 - (3) Technical capacity to carry out its proposed projects,
 - (4) Safety aspects of its proposed projects, and
 - (5) Security aspects of its proposed projects,
- b. As required by 49 U.S.C. 5307(d)(1)(B), it and each subrecipient has or will have satisfactory continuing control over the use of project equipment and facilities,
- c. As required by 49 U.S.C. 5307(d)(1)(C), it and each subrecipient will maintain the project equipment and facilities adequately,
- d. As required by 49 U.S.C. 5307(d)(1)(D), it and each subrecipient will ensure that the following individuals will be charged not more than fifty (50) percent of the peak hour fare for transportation during non-peak hours using or involving project facilities or equipment supported under 49 U.S.C. 5316:
- (1) Elderly individuals,
 - (2) Individuals with disabilities, or
 - (3) Individuals presenting a Medicare card issued to himself or herself pursuant to title II or title XVIII of the Social Security Act (42 U.S.C. 401 et seq. or 42 U.S.C. 1395 et seq.),
- e. As required by 49 U.S.C. 5307(d)(1)(E), when carrying out a procurement under the JARC Program, 49 U.S.C. 5316, it will:
- (1) Use competitive procurement (as defined or approved by FTA),
 - (2) Not use exclusionary or discriminatory specifications in its procurements,
 - (3) Comply with applicable Buy America laws,
 - (4) Comply with the general provisions for FTA programs of 49 U.S.C. 5323, and
 - (5) Comply with the third party procurement requirements of 49 U.S.C. 5325,
- f. As required by 49 U.S.C. 5307(d)(1)(F), it and each subrecipient has complied with or will comply with 49 U.S.C. 5307(c) because it:
- (1) Has informed or will inform the public of the amount of its JARC Program funds available under 49 U.S.C. 5316, and the projects it proposes to undertake,
 - (2) Has developed or will develop, in consultation with interested parties including private transportation providers, the projects proposed to be funded,
 - (3) Has published or will publish a list of its projects in a way that affected citizens, private transportation providers, and local elected officials will have an opportunity to examine and submit comments on the proposed projects and its performance,
 - (4) Has provided or will provide an opportunity for a public hearing to obtain the views of citizens on the proposed projects,
 - (5) Has assured or will assure that the proposed projects provide for coordination of transportation services assisted under 49 U.S.C. 5336 with federally assisted transportation services supported by a Federal government source other than U.S. DOT,
 - (6) Has considered or will consider the comments and views received, especially those of private transportation providers, in preparing its final list of projects, and
 - (7) Has made or will make the final list of projects available to the public,
- g. As required by 49 U.S.C. 5307(d)(1)(G), it and each subrecipient:
- (1) Has or will have the amount of funds required for the local share,
 - (2) Will provide the local share funds from approved non-Federal sources except as permitted by Federal law, and
 - (3) Will provide the local share funds when needed,
- h. As required by 49 U.S.C. 5307(d)(1)(H), it and each subrecipient will comply with:
- (1) The requirements of 49 U.S.C. 5301(a) for public transportation systems that:
 - (a) Maximize the safe, secure, and efficient mobility of people,
 - (b) Minimize environmental impacts, and
 - (c) Minimize transportation-related fuel consumption and reliance on foreign oil,
 - (2) The requirements of 49 U.S.C. 5301(d) for special efforts to:
 - (a) Design public transportation for elderly individuals and individuals with disabilities, and
 - (b) Provide public transportation for elderly individuals and individuals with disabilities, and
 - (3) The requirements of 49 U.S.C. 5303—5306 for:
 - (a) Metropolitan and State Planning, and
 - (b) Private enterprise participation, and
- i. As required by 49 U.S.C. 5307(d)(1)(I), it and each subrecipient has a locally developed process to solicit and consider public comment before:
- (1) Raising a fare, or
 - (2) Implementing a major reduction of public transportation.

GROUP 20. NEW FREEDOM PROGRAM

Applies to awards for New Freedom Program funding, 49 U.S.C. 5317. Applicant is ultimately responsible for compliance with its certifications and assurances even though a subrecipient, lessee, third party contractor, or other participant may participate in that project, unless FTA determines otherwise in writing. Consequently, we strongly encourage Applicant to take the appropriate measures including, but not limited to, obtaining sufficient documentation from each subrecipient, to assure the validity of all certifications and assurances it has made.

1. The Applicant certifies that:

- a. As required by 49 U.S.C. 5317(d)(4), it will make awards of New Freedom funding on a competitive basis following:
- (1) An area-wide solicitation in cooperation with the appropriate metropolitan planning organization for applications for funding under 5317(c)(1)(A) (see 49 U.S.C. 5317(d)(1)), and
 - (2) A statewide solicitation for applications for JARC funding under 49 U.S.C. 5317(c)(1)(B) or 49 U.S.C. 5317(c)(1)(C), (see 49 U.S.C. 5317(d)(2)),

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- b. As required by 49 U.S.C. 5317(e)(2), any allocations to subrecipients of funding authorized under 49 U.S.C. 5317 will be distributed on a fair and equitable basis,
- c. As required by 49 U.S.C. 5317(f)(3):
- (1) The projects it has selected or will select for funding under that program were derived from a public transit human services transportation plan that has been:
 - (a) Locally developed, and
 - (b) Coordinated,
 - (2) That locally developed, coordinated plan was produced through a process that included:
 - (a) Representatives of public, private, and nonprofit transportation providers,
 - (b) Representatives of human services public, private, and nonprofit providers, and
 - (c) Participation by the public, and
- d. As required by 49 U.S.C. 5316(f)(2), before it transfers funds to a project funded under 49 U.S.C. 5336, that project has been or will have been coordinated with private nonprofit providers of services.
2. As permitted by 49 U.S.C. 5317(e)(1), the Federal Transit Administrator has selected certain requirements of 49 U.S.C. 5310 and 49 U.S.C. 5307 to be appropriate for the New Freedom Program, of which some require certifications. Therefore, as specified under 49 U.S.C. 5307(d)(1), the Applicant certifies that:
- a. As required by 49 U.S.C. 5307(d)(1)(A), it and each subrecipient has or will have the:
- (1) Legal capacity to carry out its proposed projects,
 - (2) Financial capacity to carry out its proposed projects,
 - (3) Technical capacity to carry out its proposed projects,
 - (4) Safety aspects of its proposed projects, and
 - (5) Security aspects of its proposed projects,
- b. As required by 49 U.S.C. 5307(d)(1)(B), it and each subrecipient has or will have satisfactory continuing control over the use of project equipment and facilities,
- c. As required by 49 U.S.C. 5307(d)(1)(C), it and each subrecipient will maintain the project equipment and facilities adequately,
- d. As required by 49 U.S.C. 5307(d)(1)(E), when carrying out a procurement under the New Freedom Program authorized by 49 U.S.C. 5317, it and each subrecipient will:
- (1) Use competitive procurement (as defined or approved by FTA),
 - (2) Not use exclusionary or discriminatory specifications in its procurements,
 - (3) Comply with applicable Buy America laws, and
 - (4) Comply with the general provisions for FTA programs of 49 U.S.C. 5323, and
 - (5) Comply with the third party procurement requirements of 49 U.S.C. 5325,
- e. As required by 49 U.S.C. 5307(d)(1)(G), it and each subrecipient:
- (1) Has or will have the amount of funds required for the local share,
 - (2) Will provide the local share funds from approved non-Federal sources except as permitted by Federal law, and
 - (3) Will provide the local share funds when needed, and
- f. As required by 49 U.S.C. 5307(d)(1)(H), it will comply with:
- (1) The requirements of 49 U.S.C. 5301(a) for public transportation systems that:
 - (a) Maximize the safe, secure, and efficient mobility of people,
 - (b) Minimize environmental impacts, and
 - (c) Minimize transportation-related fuel consumption and reliance on foreign oil,
 - (2) The requirements of 49 U.S.C. 5301(d) for special efforts to:
 - (a) Design public transportation for elderly individuals and individuals with disabilities, and (b) Provide public transportation for elderly individuals and individuals with disabilities, and
 - (3) The requirements of 49 U.S.C. 5303—5306 for:
 - (a) Metropolitan and State Planning, and
 - (b) Private enterprise participation.

GROUP 21. PAUL S. SARBANES TRANSIT IN PARKS PROGRAM

Applies to awards for Paul S. Sarbanes Transit in Parks Program (Parks Program) funding, 49 U.S.C. 5320.

The following certifications apply to each Applicant for funding under the Paul S. Sarbanes Transit in Parks Program (Parks Program) authorized under 49 U.S.C. 5320:

1. As required by 49 U.S.C. 5320(e)(D), the Applicant assures that it will consult with the appropriate Federal land management agency during the planning process.
 2. As permitted by 49 U.S.C. 5320(i), the Federal Transit Administrator has selected certain requirements of 49 U.S.C. 5307 to be appropriate for the Parks Program, of which some require certifications. Therefore as specified under 49 U.S.C. 5307(d)(1), the Applicant certifies that:
- a. As required by 49 U.S.C. 5307(d)(1)(A), it has or will have the:
- (1) Legal capacity to carry out its proposed projects,
 - (2) Financial capacity to carry out its proposed projects,
 - (3) Technical capacity to carry out its proposed projects,
 - (4) Safety aspects of its proposed projects, and
 - (5) Security aspects of its proposed projects,
- b. As required by 49 U.S.C. 5307(d)(1)(B), it has or will have satisfactory continuing control over the use of project equipment and facilities,
- c. As required by 49 U.S.C. 5307(d)(1)(C), it will maintain the project equipment and facilities adequately,
- d. As required by 49 U.S.C. 5307(d)(1)(E), when carrying out a procurement under the Parks Program, 49 U.S.C. 5320, it will:
- (1) Use competitive procurement (as defined or approved by FTA),
 - (2) Not use exclusionary or discriminatory specifications in its procurements,
 - (3) Comply with applicable Buy America laws, and
 - (4) Comply with the general provisions for FTA programs of 49 U.S.C. 5323, and
 - (5) Comply with the third party procurement requirements of 49 U.S.C. 5325,
- e. As required by 49 U.S.C. 5307(d)(1)(F) and 49 U.S.C. 5320(e)(2)(C), it has complied with or will comply with the requirements of 49 U.S.C. 5307(c). Specifically, it:
- (1) Has made available, or will make available, to the public information on the amounts available for the Parks Program, 49 U.S.C. 5320, and the projects it proposes to undertake,
 - (2) Has developed or will develop, in consultation with interested parties including private transportation providers, projects to be financed,
 - (3) Has published or will publish a list of proposed projects in a way that affected citizens, private transportation providers, and local elected officials have the opportunity to examine the proposed projects and submit comments on the proposed projects and the performance of the Applicant,
 - (4) Has provided or will provide an opportunity for a public hearing to obtain the views of citizens on the proposed projects,
 - (5) Has considered or will consider the comments and views received, especially those of private transportation providers, in preparing its final list of projects, and
 - (6) Has made or will make the final list of projects available to the public,
- f. As required by 49 U.S.C. 5307(d)(1)(G), it:
- (1) Has or will have the amount of funds required for the local share,
 - (2) Will provide the local share funds from approved non-Federal sources except as permitted by Federal law, and
 - (3) Will provide the local share funds when needed,
- g. As required by 49 U.S.C. 5307(d)(1)(H), it will comply with:
- (1) The requirements of 49 U.S.C. 5301(a) for public transportation systems that:
 - (a) Maximize the safe, secure, and efficient mobility of people,
 - (b) Minimize environmental impacts, and
 - (c) Minimize transportation-related fuel consumption and reliance on foreign oil,
 - (2) The requirements of 49 U.S.C. 5301(d) for special efforts to:
 - (a) Design public transportation for elderly individuals and individuals with disabilities, and
 - (b) Provide public transportation for elderly individuals with disabilities, and
 - (3) The requirements of 49 U.S.C. 5303—5306 for:
 - (a) Metropolitan and State Planning, and
 - (b) Private enterprise participation, and
- h. As required by 49 U.S.C. 5307(d)(1)(I), it has a locally developed process to solicit and consider public comment before:
- (1) Raising a fare, or
 - (2) Implementing a major reduction of public transportation.

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GROUP 22. TRIBAL TRANSIT PROGRAM

Applies to awards for Tribal Transit Program funds, 49 U.S.C. 5311(c)(1).

As permitted by 49 U.S.C. 5311(c)(1) the Federal Transit Administrator has established terms and conditions for direct grants funded under FTA's Tribal Transit Program authorized under 49 U.S.C. 5311(c)(1) for Indian tribal governments. To ensure compliance with those requirements, the Indian tribal government serving as the Applicant certifies and assures that:

1. It has or will have the necessary legal, financial, and managerial capability to:
 - a. Apply, receive and disburse 49 U.S.C. 5311(c)(1) funding, and
 - b. Carry out each project, including the:
 - (1) Safety aspects of its proposed projects, and
 - (2) Security aspects of its proposed projects,
2. It has or will have satisfactory continuing control over the use of project equipment and facilities,
3. The project equipment and facilities will be adequately maintained,
4. Its project will achieve maximum feasible coordination with transportation service assisted by other Federal sources,
5. It will:
 - a. Have a procurement system that complies with U.S. DOT regulations, "Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments," 49 C.F.R. part 18, specifically 49 CFR 18.36, or
 - b. Inform FTA promptly that its procurement system does not comply with those U.S. DOT regulations, and
6. It will comply with the certifications, assurances, and agreements in:
 - a. Group 08 (Bus Testing),
 - b. Group 09 (Charter Bus Agreement),
 - c. Group 10 (School Transportation Agreement),
 - d. Group 11 (Demand Responsive Service),
 - e. Group 12 (Alcohol Misuse and Prohibited Drug Use), and
 - f. Group 14 (National Intelligent Transportation Systems Architecture and Standards).

GROUP 23. TIFIA PROJECTS

Applies to awards for Transportation Infrastructure Finance and Innovation Act (TIFIA) credit assistance authorized under 23 U.S.C. chapter 6.

The following certifications apply to each Applicant for funding under the Transportation Infrastructure Finance and Innovation Act (TIFIA) Program authorized under 23 U.S.C. chapter 6:

1. Federal transit law, specifically 49 U.S.C. 5323(o) requires an Applicant for TIFIA credit assistance funded under 23 U.S.C. chapter 6 and its project to comply with 49 U.S.C. 5307. As required by 49 U.S.C. 5307(d)(1), the Applicant certifies that:
 - a. As required by 49 U.S.C. 5307(d)(1)(A), it has or will have the:
 - (1) Legal capacity to carry out its proposed projects,
 - (2) Financial capacity to carry out its proposed projects,
 - (3) Technical capacity to carry out its projects,
 - (4) Safety aspects of its proposed projects, and
 - (5) Security aspects of its proposed projects,
 - b. As required by 49 U.S.C. 5307(d)(1)(B), it has or will have satisfactory continuing control over the use of project equipment and facilities,
 - c. As required by 49 U.S.C. 5307(d)(1)(C), it will maintain the project equipment and facilities adequately,
 - d. As required by 49 U.S.C. 5307(d)(1)(D), it will ensure that the following individuals will be charged not more than fifty (50) percent of the peak hour fare for transportation during non-peak hours using or involving project facilities or equipment supported under 23 U.S.C. chapter 6:
 - (1) Elderly individuals,
 - (2) Individuals with disabilities, or
 - (3) Individuals presenting a Medicare card issued to himself or herself pursuant to title II or title XVIII of the Social Security Act (42 U.S.C. 401 et seq. or 42 U.S.C. 1395 et seq.),
 - e. As required by 49 U.S.C. 5307(d)(1)(E), when carrying out a procurement supported with TIFIA funding under 23 U.S.C. chapter 6, it will:
 - (1) Use competitive procurement (as defined or approved by FTA),
 - (2) Not use exclusionary or discriminatory specifications in its procurements,
 - (3) Comply with applicable Buy America laws, and
 - (4) Comply with the general provisions for FTA programs of 49 U.S.C. 5323, and
 - (5) Comply with the third party procurement requirements of 49 U.S.C. 5325,
 - f. As required by 49 U.S.C. 5307(d)(1)(F), it has complied or will comply with 49 U.S.C. 5307(c) because it:
 - (1) Has informed or will inform the public of the amounts of its TIFIA credit assistance available under 23 U.S.C. chapter 6, and the projects it proposes to undertake,
 - (2) Has developed or will develop, in consultation with interested parties including private transportation providers, the projects it proposes to fund,
 - (3) Has published or will publish a list of its projects in a way that affected citizens, private transportation providers, and local elected officials will have an opportunity to examine and submit comments on the proposed projects and its performance,
 - (4) Has provided or will provide an opportunity for a public hearing to obtain the views of citizens on the proposed projects,
 - (5) Has assured or will assure that the proposed projects provide for coordination of transportation services assisted under 49 U.S.C. 5336 with federally assisted transportation services supported by a Federal government source other than U.S. DOT,
 - (6) Has considered or will consider the comments and views received, especially those of private transportation providers, in preparing its final list of projects, and
 - (7) Has made or will make the final list of projects available to the public,
 - g. As required by 49 U.S.C. 5307(d)(1)(G), it:
 - (1) Has or will have the amount of funds required for the local share,
 - (2) Will provide the local share funds from approved non-Federal sources except as permitted by Federal law, and
 - (3) Will provide the local share funds when needed,
 - h. As required by 49 U.S.C. 5307(d)(1)(H), the Applicant will comply with:
 - (1) The requirements of 49 U.S.C. 5301(a) for public transportation systems that:
 - (a) Maximize the safe, secure, and efficient mobility of people,
 - (b) Minimize environmental impacts, and
 - (c) Minimize transportation-related fuel consumption and reliance on foreign oil,
 - (2) The requirements of 49 U.S.C. 5301(d) for special efforts to:
 - (a) Design public transportation for elderly individuals and individuals with disabilities, and
 - (b) Provide public transportation for elderly individuals and individuals with disabilities, and
 - (3) The requirements of 49 U.S.C. 5303-5306
 - (a) Metropolitan and State Planning, and
 - (b) Private enterprise participation,
 - i. As required by 49 U.S.C. 5307(d)(1)(I), it has a locally developed process to solicit and consider public comment before:
 - (1) Raising a fare, or
 - (2) Implementing a major reduction of public transportation,
 - j. As required by 49 U.S.C. 5307(d)(1)(J), if it serves an urbanized area with a population of at least 200,000:
 - (1) Each fiscal year it will spend at least one (1) percent of its funding attributed to 49 U.S.C. 5307 for public transportation security projects, or
 - (2) That fiscal year, it will certify that such expenses for transportation security projects are not necessary,
 - (3) Public transportation security projects include:
 - (a) Increased lighting in or adjacent to a public transportation system (including bus stops, subway stations, parking lots, and garages),
 - (b) Increased camera surveillance of an area in or adjacent to that system,
 - (c) Emergency telephone line or lines to contact law enforcement or security personnel in an area in or adjacent to that system, and
 - (d) Any other project intended to increase the security and safety of an existing or planned public transportation, and
 - k. As required by 49 U.S.C. 5307(d)(1)(K), if it serves an urbanized area with a population of at least 200,000:
 - (1) Each fiscal year, it or all the Recipients of 49 U.S.C. 5307 funding in its urbanized area will spend at least one (1) percent of that funding for transit enhancements, as defined at 49 U.S.C. 5302(a),
 - (2) It will include in its quarterly report for the fourth quarter of the preceding Federal fiscal year a list of the projects during that Federal fiscal year using those 49 U.S.C. 5307 funds, and
 - (3) The report of its transit enhancement projects is or will be incorporated by reference and made part of its certifications and assurances.

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2. Federal transit law at 49 U.S.C. 5323(o) requires an Applicant for TIFIA credit assistance funded under 23 U.S.C. chapter 6 and its project to comply with 49 U.S.C. 5309. As required by 49 U.S.C. 5309(g)(2)(B)(iii), 5309(g)(3)(B)(iii), and 5309(i)(2)(C), the Applicant certifies that it will not seek reimbursement for interest and other financing costs incurred in connection with the Project unless:

- a. It is eligible to receive Federal funding for those expenses, and
- b. Its records demonstrate that it has used reasonable diligence in seeking the most favorable financing terms underlying those costs, to the extent FTA may require.

GROUP 24. DEPOSITS OF FEDERAL FINANCIAL FUNDING TO STATE INFRASTRUCTURE BANKS

Applies to awards for 49 U.S.C. chapter 53 funding on behalf of a State Applicant that intends to deposit the funding in a State Infrastructure Bank (SIB). Unless we determine otherwise in writing, the State Applicant itself is ultimately responsible for compliance with its certifications and assurances even though the SIB and a subrecipient may participate in a project financed with our funds deposited in the SIB. Consequently, we encourage the Applicant to take appropriate measures to obtaining sufficient documents from the SIB and each subrecipient, to assure the validity of all certifications and assurances the State Applicant has made.

The following certifications apply to each Applicant for funding under the State Infrastructure Bank Program authorized under 23 U.S.C. 610. The State organization, serving as the Applicant for funding for its State Infrastructure Bank (SIB) Program, assures the agreement of both its SIB and each recipient of SIB funding (subrecipient) that each public transportation project financed with SIB funds will be administered in accordance with:

1. The applicable Federal laws establishing the various SIB programs since 1995:
 - a. Section 1602 of SAFETEA-LU, now codified in 23 U.S.C. 610, or
 - b. Section 1511 of TEA-21, 23 U.S.C. 181 note, or
 - c. Section 350 of the National Highway System Designation Act of 1995, as amended, 23 U.S.C. 181,
2. The Cooperative Agreement establishing the State's SIB program between:
 - a. The State Applicant and Federal parties (FHWA, FRA, and FTA), or
 - b. The State Applicant and Federal parties (FHWA and FTA),
3. The Grant Agreement with the State Applicant that provides FTA funding for the SIB, except that any provision of the FTA Master Agreement incorporated by reference into that Grant Agreement will not apply if it conflicts with any provision of:
 - a. Section 1602 of SAFETEA-LU, now codified in 23 U.S.C. 610,
 - b. Section 1511 of TEA-21, 23 U.S.C. 181 note, or section 350 of the National Highway System Designation Act of 1995, as amended, 23 U.S.C. 181 note, or
 - c. Federal guidance pertaining to the SIB Program,
 - d. The Cooperative Agreement establishing the State's SIB Program, or
 - e. The FTA Grant Agreement,
4. As required by 49 U.S.C. 5323(o), Federal transit laws, specifically 49 U.S.C. 5307 and 49 U.S.C. 5309, apply to any project under 49 U.S.C. chapter 53 that receives SIB support or financing under 23 U.S.C. 610 (or any support from 23 U.S.C. 601-608.). Therefore:
 - a. To comply with 49 U.S.C. 5307, specifically 49 U.S.C. 5307(d)(1), the Applicant certifies that:
 - (1) As required by 49 U.S.C. 5307(d)(1)(A), it has or will have the:
 - (a) Legal capacity to carry out its proposed projects,
 - (b) Financial capacity to carry out its proposed projects,
 - (c) Technical capacity to carry out its proposed projects,
 - (d) Safety aspects of its proposed projects, and
 - (e) Security aspects of its proposed projects,
 - (2) As required by 49 U.S.C. 5307(d)(1)(B), it has or will have satisfactory continuing control over the use of project equipment and facilities,
 - (3) As required by 49 U.S.C. 5307(d)(1)(C), it will maintain the project equipment and facilities adequately,
 - (4) As required by 49 U.S.C. 5307(d)(1)(D), it will ensure that the following individuals will be charged not more than fifty (50) percent of the peak hour fare for transportation during non-peak hours using or involving project facilities or equipment supported under 23 U.S.C. chapter 6:
 - (a) Elderly individuals,
 - (b) Individuals with disabilities, or
 - (c) Individuals presenting a Medicare card issued to himself or herself pursuant to title II or title XVIII of the Social Security Act (42 U.S.C. 401 et seq. or 42 U.S.C. 1395 et seq.),
 - (5) As required by 49 U.S.C. 5307(d)(1)(E), when carrying out a procurement supported by the SIB program, 23 U.S.C. 610, it will:
 - (a) Use competitive procurement (as defined or approved by FTA),
 - (b) Not use exclusionary or discriminatory specifications in its procurements,
 - (c) Comply with applicable Buy America laws, and
 - (d) Comply with the general provisions for FTA programs of 49 U.S.C. 5323, and
 - (e) Comply with the third party procurement requirements of 49 U.S.C. 5325,
 - (6) As required by 49 U.S.C. 5307(d)(1)(F), it has complied with or will comply 49 U.S.C. 5307(c) because it:
 - (a) Has informed or will inform the public of the amounts of its SIB funding under 23 U.S.C. 610, and the projects it proposes to undertake,
 - (b) Has developed or will develop, in consultation with interested parties including private transportation providers, the projects proposed to be funded,
 - (c) Has published or will publish a list of its projects in a way that affected citizens, private transportation providers, and local elected officials will have an opportunity to examine and submit comments on the proposed projects and its performance,
 - (d) Has provided or will provide an opportunity for a public hearing to obtain the views of citizens on the proposed projects,
 - (e) Has assured or will assure that the proposed projects provide for coordination of transportation services assisted under 49 U.S.C. 5336 with federally assisted transportation services supported by a Federal government source other than U.S. DOT,
 - (f) Has considered or will consider the comments and views received, especially those of private transportation providers, in preparing its final list of projects, and
 - (g) Has made or will make the final list of projects available to the public,
 - (7) As required by 49 U.S.C. 5307(d)(1)(G), it:
 - (a) Has or will have the amount of funds required for the local share,
 - (b) Will provide the local share funds from approved non-Federal sources except as permitted by Federal law, and
 - (c) Will provide the local share funds when needed,
 - (8) As required by 49 U.S.C. 5307(d)(1)(H), the Applicant will comply with:
 - (a) The requirements of 49 U.S.C. 5301(a) for public transportation systems that:
 - 1 Maximize the safe, secure, and efficient mobility of people,
 - 2 Minimize environmental impacts, and
 - 3 Minimize transportation-related fuel consumption and reliance on foreign oil,
 - (b) The requirements of 49 U.S.C. 5301(d) for special efforts to:
 - 1 Design public transportation for elderly individuals and individuals with disabilities, and
 - 2 Provide public transportation for elderly individuals and individuals with disabilities, and
 - (c) The requirements of 49 U.S.C. 5303-5306 for:
 - 1 Metropolitan and State Planning, and
 - 2 Private enterprise participation,
 - (9) As required by 49 U.S.C. 5307(d)(1)(I), it has a locally developed process to solicit and consider public comment before:
 - (a) Raising a fare, or
 - (b) Implementing a major reduction of public transportation,
 - (10) As required by 49 U.S.C. 5307(d)(1)(J), if it will be using 49 U.S.C. 5307 funds and it serves an urbanized area with a population of at least 200,000:
 - (a) Each fiscal year, it will spend at least one (1) percent of its 49 U.S.C. 5307 funding for public transportation security projects, or
 - (b) That fiscal year, it will certify that such expenses for transportation security projects are not necessary,
 - (c) Public transportation security projects include:
 - 1 Increased lighting in or adjacent to a public transportation system (including bus stops, subway stations, parking lots, and garages),
 - 2 Increased camera surveillance of an area in or adjacent to that system,
 - 3 Emergency telephone line or lines to contact law enforcement or security personnel in an area in or adjacent to that system, and
 - 4 Any other project intended to increase the security and safety of an existing or planned public transportation project, and
 - (11) As required by 49 U.S.C. 5307(d)(1)(K), if it will be using 49 U.S.C. 5307 funds and it serves an urbanized area with a population of at least 200,000:
 - (a) Each fiscal year, it or all the Recipients of 49 U.S.C. 5307 funding in its urbanized area will spend at least one (1) percent of that funding for transit enhancements, as defined in 49 U.S.C. 5302(a),

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(b) It will include in its quarterly report for the fourth quarter of the preceding Federal fiscal year a list of the projects during that Federal fiscal year using those 49 U.S.C. 5307 funds, and

(c) The report of its transit enhancement projects is or will be incorporated by reference and made part of its certifications and assurances.

b. To comply with 49 U.S.C. 5309, specifically 49 U.S.C. 5309(g)(2)(B)(iii), 5309(g)(3)(B)(iii), and 5309(i)(2)(C), the Applicant certifies that it will not seek reimbursement for interest and other financing costs incurred in connection with the Project unless:

(1) It is eligible to receive Federal funding for those expenses, and

(2) Its records demonstrate that it has used reasonable diligence in seeking the most favorable financing terms underlying those costs, to the extent FTA may require.

3. Federal guidance that may be issued and amendments thereto, unless FTA has provided written approval of an alternative procedure or course of action.

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding ("MOU") is made and entered into effective as of the ____ day of _____, 20____ (the "Effective Date"), by and between the Northern Arizona Intergovernmental Public Transportation Authority, a body politic and corporate of the State of Arizona ("NAIPTA"), and the Northern Arizona Council of Governments-Area Agency on Aging, ("NACOG-AAA"). NAIPTA and NACOG-AAA may be referred to in this MOU collectively as the Parties, and each individually as a Party.

RECITALS

A. NAIPTA is an intergovernmental public transportation authority formed pursuant to Arizona Revised Statutes ("A.R.S.") Section 28-9101 et seq. and the Master IGA dated March 14, 2006 by and between Coconino County; Yavapai County; the City of Flagstaff; the City of Sedona; Northern Arizona University; and Cottonwood. Pursuant to A.R.S. §28-9124(A). NACOG-AAA is an organization established under the Older Americans Act of 1965 (OAA) to respond to the needs of Older Adults; and

B. NAIPTA and NACOG-AAA wish to cooperate in exploring a partnership to better facilitate the mobility of seniors (60+) and disabled persons in Verde Valley, Arizona, in accordance with the terms of this MOU, and pursuant to all applicable laws, including but not limited to the Americans with Disabilities Act ("ADA"), the Health Insurance Portability and Accountability Act ("HIPPA"), and the Standards for Privacy of Individually Identifiable Health Information ("Privacy Rules") attached hereto as Exhibit "A"; and

C. As an initial step in establishing a partnership, the Parties wish to set forth the terms and conditions pursuant to which they will cooperatively fund and implement a program, similar to other such programs established and operated by NAIPTA (the "Project"); and

D. The Parties anticipate that their activities in implementing the Project will include (but may not be limited to), conducting a survey of the transit needs of the elderly disabled; exchanging technical data relating to the Project, including but not limited to standardization of services and conducting a conformity assessment; participating in courses, workshops, exhibitions and other joint meetings; and identifying; and seeking additional partnerships to improve the viability and sustainability of the Project.

AGREEMENTS

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

1. The Project. The Project will include two service provisions:
 - 1.1. A transportation voucher program similar but not identical to the program currently operated in the City of Flagstaff for NAIPTA Para-transit clients ("Voucher Program").
 - 1.2. A trips program ("Trips Program") that includes transporting seniors to/from the Verde Valley Senior Center, and providing trips for seniors for essential and non-essential needs, provided that such trips and activities are acceptable to both Parties and meet transportation criteria set forth by the Federal Transit Administration and the State of Arizona Department of Economic Security – Division of Aging & Adult Services ("DAAS").
 - 1.3. Joint activities that support the Project, including but not limited to courses, workshops and exhibitions agreed to by the Parties. Such joint activities may be described in Addendums to this

MOU, and the attachment of such Addendums, in the discretion of the staffs of both Parties, may not require a modification of this MOU.

2. NAIPTA's Responsibilities. NAIPTA will:

- 2.1. Contribute 50% of the cost of the Project, up to a maximum of \$58,000.00.
- 2.2. Enter into contracts with local, qualified providers to provide services for the Program.
- 2.3. Determine the fee structure for the Project.
- 2.4. Otherwise establish and administer the Project, except as otherwise specifically set forth in this MOU.
- 2.5. Collect, maintain and provide monthly invoices to NACOG-AAA by the 10th of each month. Reports shall include Expense and Unit totals, and Social Service Report client data:
 - 2.5.1. Expense and Unit Totals for all programs
 - 2.5.2. Voucher Program
 - 2.5.2.1. NAIPTA costs (personnel and operating)
 - 2.5.2.2. Total vouchers & cost
 - 2.5.2.3. Units served (unduplicated riders)
 - 2.5.2.4. Total trips
 - 2.5.3. Trips Program
 - 2.5.3.1. Program costs (personnel and operating)
 - 2.5.3.2. Trip Type (i.e. medical, social/recreational, shopping, meal service)
 - 2.5.3.3. Total Trips
 - 2.5.3.4. Units served (unduplicated riders)
 - 2.5.4. Social Service Report
 - 2.5.4.1. Total unduplicated riders receiving NACOG services
- 2.6 Provide to NACOG insurance documents that meet specified limits as set forth in the NACOG General Provisions Section 3.05 and DES Special Provisions Section 16. DES and NACOG shall be indemnified and held harmless by Contractor.
- 2.7 Provide NACOG a current IRS W-9 Form (Vendor Authorization Form) prior to receiving reimbursement for services.
- 2.8 Follow fingerprint clearance requirements and guidelines as set forth by the DES - DAAS Policy # 1930.1, ARS Statute 46-141 and NACOG AAA Provider Procedure for Background Clearance.
- 2.9 Provide adequate training to all divers and those directly associated with the transportation service by the guidelines set forth in the DES Provisions.
- 2.10 Follow all guidelines for vehicle maintenance by the guidelines set forth in the DES Provisions.

- 2.11 Obtain approval from the NACOG AAA Director to use specified Subcontractor(s).
 - 2.12 Ensure Subcontractors must follow Insurance and Fingerprint clearance guidelines as set forth in the NACOG General Provisions and DES Provisions.
 - 2.13 NAIPTA will consult with NACOG-AAA regularly regarding the development and evaluation of the Project.
3. NACOG-AAA's Responsibilities. NACOG-AAA will:
- 3.1. Contribute 50% of the cost of the Project, up to a maximum of \$10,000.00 in Fiscal Year 2012, with a possible additional \$5,000.00, to be determined by NACOG-AAA.
 - 3.2. Review in a timely fashion and provide timely feedback to NAIPTA regarding the Project.
 - 3.3. Pay NAIPTA monthly for NACOG's costs incurred in running the Project up to, but not to exceed, 110% of the monthly budget allocation.
 - 3.4. Reserve the right to re-evaluate its funding contribution.
1. Cooperation. NACOG-AAA and NAIPTA will cooperate in programs and undertakings intended to enhance the pilot taxi voucher program, which may include but are not limited to:
- 1.1. Joint or cooperative programs that utilize the local senior centers and local AHCCCS providers;
 - 1.2. Mutual cooperation in regional organizations relating to standardization, conformity assessment and ADA Compliances;
 - 1.3. Organizations of and participation in courses, workshops, exhibitions and other joint meetings of mutual interest;
 - 1.4. Exchange of technical data and information relating to standardization, conformity assessment while using HIPPA privacy rules;
 - 1.5. To survey the needs of the elderly 60+ and disabled in order improve their standards of life; and
 - 1.6. Other forms of cooperation as agreed by the Parties, including meetings between the two Parties on a regular basis.
- Cooperative activities are subject to the availability of funds and personnel, as determined by each Party in its sole discretion
2. Term. This MOU shall be effective until June 30, 2012 unless terminated earlier by either Party, upon ninety (90) days' prior written notice to the other Party, provided that the duration of projects started prior to such termination, and fully funded, shall not be affected by such termination. The term of this MOU may also be renewed with written consent of both parties, and is subject to availability of funding.
3. Records and Audit Rights. Each Party's work and accounting records (hard copy, as well as computer readable data, and any other supporting evidence deemed necessary by the other Party to substantiate charges and claims related to this MOU) shall be open to inspection and subject to audit and/or reproduction by authorized representatives of the other Party, to adequately permit evaluation and verification of the performance and cost of the work, and to conduct and prepare all audits and reports

required by law. Representatives of each Party shall be afforded access, at all reasonable times and places, to all of the other Party's records and personnel, pursuant to the provisions of this Section, throughout the term of this MOU (including Renewal Terms), and for a period of five (5) years after last or final payment. Pre-merger. Once we merge, this is moot

4. Public Records and Confidentiality. The Parties understand and agree that documents in the possession of NAIPTA are subject to the Arizona Public Records Law, and that some documents may be confidential under the ADA, HIPPA, or other provisions of law. The Parties agree that they will consult with each other before any records or information derived from cooperative activities under this MOU is disclosed. However, in the event that the Parties cannot agree on whether information and/or records are subject to disclosure by law, the attorney for the Party served with a request for information and/or records will make the determination whether disclosure is required, and such disclosure shall not be considered to be a breach of this MOU, and no liability shall accrue to the disclosing Party.

5. General Provisions.

5.1. Incorporation of Recitals and Exhibits. The Recitals are acknowledged by the Parties to be substantially true and correct, and are hereby incorporated as agreements of the Parties. All exhibits referenced herein and attached hereto, are hereby incorporated into this MOU.

5.2. Entire Agreement. This MOU constitutes the entire understanding of the Parties and supersedes all previous representations, written or oral, with respect to the services specified herein. This MOU may not be modified or amended, except by written documents, signed by authorized representatives of each Party.

5.3. Arizona Law. This MOU shall be governed and interpreted according to the laws of the State of Arizona.

5.4. Modifications. Except as otherwise specifically provided in this MOU, any amendment, modification or variation from the terms of this MOU shall be in writing and shall be effective only after written approval of all Parties.

5.5. Compliance with Immigration Laws and Regulations. Pursuant to the provisions of A.R.S. §41-4401, each Party warrants to the other Party that the warranting Party and all its subconsultants are in compliance with all Federal Immigration laws and regulations that relate to their employees and with the E-Verify Program under A.R.S. §23-214(A). Each Party acknowledges that a breach of this warranty by the warranting Party or any of its subconsultants is a material breach of this MOU subject to penalties up to and including termination of this MOU or any subcontract. Each Party retains the legal right to inspect the papers of any employee of the other Party or any subconsultant who works on this MOU to ensure compliance with this warranty.

A Party may conduct random verification of the employment records of the other Party and any of its subconsultants to ensure compliance with this warranty.

A Party will not consider the other Party or any of its subconsultants in material breach of the foregoing warranty if the warranting Party and its subconsultants establish that they have complied with the employment verification provisions prescribed by 8 USCA § 1324(a) and (b) of the Federal Immigration and Nationality Act and the e-verify requirements prescribed by Arizona Revised Statutes § 23-214(A).

The provisions of this Article must be included in any contract a Party enters into with any and all of its subconsultants who provide services under this MOU or any subcontract. As used in this Section, "services" are defined as furnishing labor, time or effort in the State of Arizona by a

contractor or subcontractor. Services include construction or maintenance of any structure, building or transportation facility or improvement to real property.

5.6. Prohibition of Doing Business with Sudan and Iran. Pursuant to A.R.S. §§35-391.06 and 35-393-06, each Party hereby certifies to the other Party that the certifying Party does not have "scrutinized" business operations, as defined in A.R.S. §§35-391 and 35-393, in either Sudan or Iran. The certifying Party acknowledges that, in the event either of the certifications contained in this paragraph is determined by the other Party to be false, that Party may terminate this MOU and exercise other remedies as provided by law, in accordance with A.R.S. §§35-391.06 and 35-393-06.

[Signatures on Next Page]

IN WITNESS WHEREOF, the Parties have executed this MOU effective as of the Effective Date set forth above.

NACOG-AAA:

By: _____
Its: _____

NAIPTA:

By: _____
Its: _____

EXHIBIT “A”

TITLE 45 - PUBLIC WELFARE

SUBTITLE A - DEPARTMENT OF HEALTH AND HUMAN

CHAPTER I - SERVICES, GENERAL ADMINISTRATION

SUBCHAPTER C - ADMINISTRATIVE DATA STANDARDS AND RELATED REQUIREMENTS

PART 160 - GENERAL ADMINISTRATIVE REQUIREMENTS

subpart a - GENERAL PROVISIONS

160.103 - Definitions.

Except as otherwise provided, the following definitions apply to this subchapter: Act means the Social Security Act.

ANSI stands for the American National Standards Institute.

Business associate: (1) Except as provided in paragraph (2) of this definition, business associate means, with respect to a covered entity, a person who: (i) On behalf of such covered entity or of an organized health care arrangement (as defined in 164.501 of this subchapter) in which the covered entity participates, but other than in the capacity of a member of the workforce of such covered entity or arrangement, performs, or assists in the performance of: (A) A function or activity involving the use or disclosure of individually identifiable health information, including claims processing or administration, data analysis, processing or administration, utilization review, quality assurance, billing, benefit management, practice management, and repricing; or (B) Any other function or activity regulated by this subchapter; or (ii) Provides, other than in the capacity of a member of the workforce of such covered entity, legal, actuarial, accounting, consulting, data aggregation (as defined in 164.501 of this subchapter), management, administrative, accreditation, or financial services to or for such covered entity, or to or for an organized health care arrangement in which the covered entity participates, where the provision of the service involves the disclosure of individually identifiable health information from such covered entity or arrangement, or from another business associate of such covered entity or arrangement, to the person.

(2) A covered entity participating in an organized health care arrangement that performs a function or activity as described by paragraph (1)(i) of this definition for or on behalf of such organized health care arrangement, or that provides a service as described in paragraph (1)(ii) of this definition to or for such organized health care arrangement, does not, simply through the performance of such function or activity or the provision of such service, become a business associate of other covered entities participating in such organized health care arrangement.

(3) A covered entity may be a business associate of another covered entity.

CMS stands for Centers for Medicare & Medicaid Services within the Department of Health and Human Services.

Compliance date means the date by which a covered entity must comply with a standard, implementation specification, requirement, or modification adopted under this subchapter.

Covered entity means: (1) A health plan.

(2) A health care clearinghouse.

(3) A health care provider who transmits any health information in electronic form in connection with a transaction covered by this subchapter.

Disclosure means the release, transfer, provision of, access to, or divulging in any other manner of information outside the entity holding the information.

EIN stands for the employer identification number assigned by the Internal Revenue Service, U.S. Department of the Treasury. The EIN is the taxpayer identifying number of an individual or other entity (whether or not an employer) assigned under one of the following: (1) 26 U.S.C. 6011(b), which is the portion of the Internal Revenue Code dealing with identifying the taxpayer in tax returns and statements, or corresponding provisions of prior law.

(2) 26 U.S.C. 6109, which is the portion of the Internal Revenue Code dealing with identifying numbers in tax returns, statements, and other required documents.

Electronic media means: (1) Electronic storage media including memory devices in computers (hard drives) and any removable/transportable digital memory medium, such as magnetic tape or disk, optical disk, or digital memory card; or (2) Transmission media used to exchange information already in electronic storage media. Transmission media include, for example, the internet (wide-open), extranet (using internet technology to link a business with information accessible only to collaborating parties), leased lines, dial-up lines, private networks, and the physical movement of removable/transportable electronic storage media. Certain transmissions, including of paper, via facsimile, and of voice, via telephone, are not considered to be transmissions via electronic media, because the information being exchanged did not exist in electronic form before the transmission.

Electronic protected health information means information that comes within paragraphs (1)(i) or (1)(ii) of the definition of protected health information as specified in this section.

Employer is defined as it is in 26 U.S.C. 3401(d).

Group health plan (also see definition of health plan in this section) means an employee welfare benefit plan (as defined in section 3(1) of the Employee Retirement Income and Security Act of 1974 (ERISA), 29 U.S.C. 1002(1)), including insured and self-insured plans, to the extent that the plan provides medical care (as defined in section 2791(a)(2) of the Public Health Service Act (PHS Act), 42 U.S.C. 300gg91(a)(2)), including items and services paid for as medical care, to employees or their dependents directly or through insurance, reimbursement, or otherwise, that: (1) Has 50 or more participants (as defined in section 3(7) of ERISA, 29 U.S.C. 1002(7)); or (2) Is administered by an entity other than the employer that established and maintains the plan.

HHS stands for the Department of Health and Human Services.

Health care means care, services, or supplies related to the health of an individual. Health care includes, but is not limited to, the following: (1) Preventive, diagnostic, therapeutic, rehabilitative, maintenance, or palliative care, and counseling, service, assessment, or procedure with respect to the physical or mental condition, or functional status, of an individual or that affects the structure or function of the body; and (2) Sale or dispensing of a drug, device, equipment, or other item in accordance with a prescription.

Health care clearinghouse means a public or private entity, including a billing service, repricing company, community health management information system or community health information system, and value-added networks and switches, that does either of the following functions: (1) Processes or facilitates the processing of health information received from another entity in a nonstandard format or containing nonstandard data content into standard data elements or a standard transaction.

(2) Receives a standard transaction from another entity and processes or facilitates the processing of health information into nonstandard format or nonstandard data content for the receiving entity.

Health care provider means a provider of services (as defined in section 1861(u) of the Act, 42 U.S.C. 1395x(u)), a provider of medical or health services (as defined in section 1861(s) of the Act, 42 U.S.C. 1395x(s)), and any other person or organization who furnishes, bills, or is paid for health care in the normal course of business.

Health information means any information, whether oral or recorded in any form or medium, that: (1) Is created or received by a health care provider, health plan, public health authority, employer, life insurer, school or university, or health care clearinghouse; and (2) Relates to the past, present, or future physical or mental health or condition of an individual; the provision of health care to an individual; or the past, present, or future payment for the provision of health care to an individual.

Health insurance issuer (as defined in section 2791(b)(2) of the PHS Act, 42 U.S.C. 300gg91(b)(2) and used in the definition of health plan in this section) means an insurance company, insurance service, or insurance organization (including an HMO) that is licensed to engage in the business of insurance in a State and is subject to State law that regulates insurance. Such term does not include a group health plan.

Health maintenance organization (HMO) (as defined in section 2791(b)(3) of the PHS Act, 42 U.S.C. 300gg91(b)(3) and used in the definition of health plan in this section) means a federally qualified HMO, an organization recognized as an HMO under State law, or a similar organization regulated for solvency under State law in the same manner and to the same extent as such an HMO.

Health plan means an individual or group plan that provides, or pays the cost of, medical care (as defined in section 2791(a)(2) of the PHS Act, 42 U.S.C. 300gg91(a)(2)).

(1) Health plan includes the following, singly or in combination: (i) A group health plan, as defined in this section.

(ii) A health insurance issuer, as defined in this section.

(iii) An HMO, as defined in this section.

(iv) Part A or Part B of the Medicare program under title XVIII of the Act.

(v) The Medicaid program under title XIX of the Act, 42 U.S.C. 1396, et seq.

(vi) An issuer of a Medicare supplemental policy (as defined in section 1882(g)(1) of the Act, 42 U.S.C. 1395ss(g)(1)).

(vii) An issuer of a long-term care policy, excluding a nursing home fixed-indemnity policy.

(viii) An employee welfare benefit plan or any other arrangement that is established or maintained for the purpose of offering or providing health benefits to the employees of two or more employers.

(ix) The health care program for active military personnel under title 10 of the United States Code.

(x) The veterans health care program under 38 U.S.C. chapter 17.

(xi) The Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) (as defined in 10 U.S.C. 1072(4)).

(xii) The Indian Health Service program under the Indian Health Care Improvement Act, 25 U.S.C. 1601, et seq.

(xiii) The Federal Employees Health Benefits Program under 5 U.S.C.

8902, et seq.

(xiv) An approved State child health plan under title XXI of the Act, providing benefits for child health assistance that meet the requirements of section 2103 of the Act, 42 U.S.C. 1397, et seq.

(xv) The Medicare+Choice program under Part C of title XVIII of the Act, 42 U.S.C. 1395w21 through 1395w28.

(xvi) A high risk pool that is a mechanism established under State law to provide health insurance coverage or comparable coverage to eligible individuals.

(xvii) Any other individual or group plan, or combination of individual or group plans, that provides or pays for the cost of medical care (as defined in section 2791(a)(2) of the PHS Act, 42 U.S.C. 300gg91(a)(2)).

(2) Health plan excludes: (i) Any policy, plan, or program to the extent that it provides, or pays for the cost of, excepted benefits that are listed in section 2791(c)(1) of the PHS Act, 42 U.S.C. 300gg91(c)(1); and (ii) A government-funded program (other than one listed in paragraph (1)(i)(xvi) of this definition): (A) Whose principal purpose is other than providing, or paying the cost of, health care; or (B) Whose principal activity is: (1) The direct provision of health care to persons; or (2) The making of grants to fund the direct provision of health care to persons.

Implementation specification means specific requirements or instructions for implementing a standard.

Individual means the person who is the subject of protected health information.

Individually identifiable health information is information that is a subset of health information, including demographic information collected from an individual, and: (1) Is created or received by a health care provider, health plan, employer, or health care clearinghouse; and (2) Relates to the past, present, or future physical or mental health or condition of an individual; the provision of health care to an individual; or the past, present, or future payment for the provision of health care to an individual; and (i) That identifies the individual; or (ii) With respect to which there is a reasonable basis to believe the information can be used to identify the individual.

Modify or modification refers to a change adopted by the Secretary, through regulation, to a standard or an implementation specification.

Organized health care arrangement means: (1) A clinically integrated care setting in which individuals typically receive health care from more than one health care provider; (2) An organized system of health care in which more than one covered entity participates and in which the participating covered entities: (i) Hold themselves out to the public as participating in a joint arrangement; and (ii) Participate in joint activities that include at least one of the following: (A) Utilization review, in which health care decisions by participating covered entities are reviewed by other participating covered entities or by a third party on their behalf; (B) Quality assessment and improvement activities, in which treatment provided by participating covered entities is assessed by other participating covered entities or by a third party on their behalf; or (C) Payment activities, if the financial risk for delivering health care is shared, in part or in whole, by participating covered entities through the joint arrangement and if protected health information created or received by a covered entity is reviewed by other participating covered entities or by a third party on their behalf for the purpose of administering the sharing of financial risk.

(3) A group health plan and a health insurance issuer or HMO with respect to such group health plan, but only with respect to protected health information created or received by such health insurance issuer or HMO that relates to individuals who are or who have been participants or beneficiaries in such group health plan; (4) A group health plan and one or more other group health plans each of

which are maintained by the same plan sponsor; or (5) The group health plans described in paragraph (4) of this definition and health insurance issuers or HMOs with respect to such group health plans, but only with respect to protected health information created or received by such health insurance issuers or HMOs that relates to individuals who are or have been participants or beneficiaries in any of such group health plans.

Protected health information means individually identifiable health information: (1) Except as provided in paragraph (2) of this definition, that is: (i) Transmitted by electronic media; (ii) Maintained in electronic media; or (iii) Transmitted or maintained in any other form or medium.

(2) Protected health information excludes individually identifiable health information in: (i) Education records covered by the Family Educational Rights and Privacy Act, as amended, 20 U.S.C. 1232g; (ii) Records described at 20 U.S.C. 1232g(a)(4)(B)(iv); and (iii) Employment records held by a covered entity in its role as employer.

Secretary means the Secretary of Health and Human Services or any other officer or employee of HHS to whom the authority involved has been delegated.

Small health plan means a health plan with annual receipts of \$5 million or less.

Standard means a rule, condition, or requirement: (1) Describing the following information for products, systems, services or practices: (i) Classification of components.

(ii) Specification of materials, performance, or operations; or (iii) Delineation of procedures; or (2) With respect to the privacy of individually identifiable health information.

Standard setting organization (SSO) means an organization accredited by the American National Standards Institute that develops and maintains standards for information transactions or data elements, or any other standard that is necessary for, or will facilitate the implementation of, this part.

State refers to one of the following: (1) For a health plan established or regulated by Federal law, State has the meaning set forth in the applicable section of the United States Code for such health plan.

(2) For all other purposes, State means any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, and Guam.

Trading partner agreement means an agreement related to the exchange of information in electronic transactions, whether the agreement is distinct or part of a larger agreement, between each party to the agreement. (For example, a trading partner agreement may specify, among other things, the duties and responsibilities of each party to the agreement in conducting a standard transaction.) Transaction means the transmission of information between two parties to carry out financial or administrative activities related to health care.

It includes the following types of information transmissions: (1) Health care claims or equivalent encounter information.

(2) Health care payment and remittance advice.

(3) Coordination of benefits.

(4) Health care claim status.

(5) Enrollment and disenrollment in a health plan.

(6) Eligibility for a health plan.

(7) Health plan premium payments.

(8) Referral certification and authorization.

(9) First report of injury.

(10) Health claims attachments.

(11) Other transactions that the Secretary may prescribe by regulation.

Use means, with respect to individually identifiable health information, the sharing, employment, application, utilization, examination, or analysis of such information within an entity that maintains such information.

Workforce means employees, volunteers, trainees, and other persons whose conduct, in the performance of work for a covered entity, is under the direct control of such entity, whether or not they are paid by the covered entity.

[65 FR 82798, Dec. 28, 2000, as amended at 67 FR 38019, May 31, 2002; 67 FR 53266, Aug. 14, 2002; 68 FR 8374, Feb. 20, 2003]

EXHIBIT B

NORTHERN ARIZONA COUNCIL OF GOVERNMENTS AREA AGENCY ON AGING

I. GENERAL PROVISIONS

AGENCY means the NACOG Area Agency on Aging

ANNEX A is the annex to this contract, which contains a description of the services to be delivered pursuant to this contract.

ANNEX B is the annex to this contract, which defines the contracted unit rate and/or reimbursement ceilings and outlines the reimbursement procedures pursuant to this contract.

CONTRACT means this Contract, between the Agency and the Provider, which is allowed under the contract between the Department of Economic Security, Aging and Adult Administration, and the NACOG Area Agency on Aging.

CONTRACT EXPENDITURES means expenditures made by the Provider during the term of this Contract and pursuant to the approved budget for contract services set forth in Annex B.

CONTRACT SERVICES means the services to be delivered by the Provider, which are so designated in Annex A.

DAYS means calendar days.

ELIGIBLE PERSONS means the persons determined eligible for services in accordance with the criteria and procedures set forth herein.

REIMBURSEMENT CEILING means the amount so designated in Annex B and is the maximum amount payable by the Agency to the Provider under this contract.

SPECIAL PROVISIONS means the section of this contract, which contains specific terms and conditions. If General Provisions and Special Provisions contradict, Special Provisions shall govern.

II. BASIC RIGHTS AND OBLIGATIONS OF THE AREA AGENCY ON AGING

SECTION 2.01 ADDITIONAL FUNDING SOURCES Any additional funding sources identified by the Agency, for the current contracted services, will be governed by these General and Special Provisions.

SECTION 2.02 MONITORING For all contracts or subcontracts, the Agency will monitor contract services delivered and facilities maintained by the provider or subcontractor to this contract and all provisions of Section 2.03 Visitation, Inspection and Copying shall apply.

SECTION 2.03 PROGRAM EVALUATION The Agency will be entitled during the term of the contract to evaluate Contract Services. Evaluation will assess the quality and impact of Contract Services, either in isolation or in comparison with other similar services, and will assess the Provider's progress and/or success in achieving the goals and objectives set forth in Annex A. All provisions of Section 2.03 Visitation, Inspection and Copying shall apply. Evaluation reports prepared pursuant to this Section will be made available to the Provider.

SECTION 2.04 VISITATION, INSPECTION AND COPYING Provider's or subcontractor's facilities, services, books and records (including but not limited to Contract Services) shall be available for visitation, inspections and copying by the Agency and any other appropriate agent of State or Federal Government.

At the direction of the Agency, visitation, inspection and copying may be at any time during regular business hours announced or unannounced. At the request of the Provider, any report(s) prepared pursuant to this section will be made available to the Provider. If the Agency deems it to be an emergency situation, it may at any time visit and inspect the Provider's or Subcontractor's facilities and services, as well as inspect and copy their books and records.

SECTION 2.05 TECHNICAL ASSISTANCE The Agency, upon request, will provide technical assistance to the Provider relative to the terms and conditions, policies and procedures governing this Contract. The Agency may, but shall not be obligated to provide technical assistance to the Provider in the administration of Contract Services. Notwithstanding the foregoing, the provider shall not be relieved of full responsibility and accountability for the provision of Contract Services in accordance with the terms and conditions set forth herein.

SECTION 2.06 PAYMENT FOR CONTRACT SERVICES The Agency shall reimburse the provider for contract expenditures in accordance with Section 4.04 Payment and Annex B of this contract.

SECTION 2.07 BUDGET REDUCTION The Agency may reduce or terminate this contract without further recourse, obligation or penalty to the event that insufficient amounts are appropriated by the State or Federal Government for the purposes of this Contract or in the event that appropriated amounts are reduced or eliminated by the state or federal government during the term of this contract.

SECTION 2.08 FINANCIAL AUDIT At any time during the term of this contract, or within five (5) years after termination of this contract, the provider's overall financial operations are subject to audit by the Agency and by any other appropriate agent of State or Federal Government. At the discretion of the Agency, a private firm retained for such purposes by the Agency or the Provider will perform a final audit. Final financial settlement of this Contract shall be contingent upon the final audit. A copy of final audit will be submitted to the Agency.

The Agency shall ensure that audits required pursuant to federal or state laws, rules or regulations are conducted as provided in the U.S.C. Section 7500 et. Seq. and A.R.S. Section 35-181.03 and any other applicable laws, rules, regulations and standards.

The Federal Single Audit Act of 1984 (p. 98-502) and OMB Circular A-122, require that a contractor with state and/or federal funds totaling \$300,000 or more to have a yearly audit conducted in accordance with the prescribed audit and reporting standards.

The Agency will require contractors with state and/or federal funds, more than or equal to \$300,000, to meet the prescribed audit and reporting requirements. Unless request by NACOG.

Those contractors with state and/or federal funds totaling at least \$50,000 but less than \$300,000 will be required to have an audit once every three years. The agency will determine the year that will need to be audited. The audit will be conducted in accordance with the same audit and reporting requirements. The two years wherein an audit is not required, will be subject to financial reviews from a Certified Public Accountant.

Those contractors with state and/or federal totaling less than \$50,000 will be subject to financial reviews from a Certified Public Accountant.

The audit must include a report on the financial statements, a report on internal controls, a report on compliance and schedule of federal financial assistance. The Agency's contract numbers and award amounts should be either included in the schedule of federal financial assistance or in a separate report submitted to the Office of Internal Audit.

III. BASIC RIGHTS AND OBLIGATIONS OF THE PROVIDER

SECTION 3.01 CONTRACT SERVICES The provider shall provide Contract Services to eligible persons and to the Agency in accordance with all terms and conditions of this contract.

SECTION 3.02 COMPLIANCE WITH LAWS, RULES AND REGULATIONS The provider shall comply with all applicable Federal, State and local laws, rules, regulations, standards and Executive Orders, without limitation to those designated within this contract. Provider, by execution of this contract, certifies that they have not been debarred or suspended by any federal agency.

The laws and regulations of the State shall govern the rights of the parties, the performance of this contract and any disputes there under. If any action relating to this contract is held invalid or unenforceable, the remaining provisions shall continue valid and enforceable to the full extent permitted by law. Any changes in the governing laws, rules and regulations during the term of this contract shall apply but do not require an amendment pursuant to Section 4.03 Amendments.

1. The provider shall comply with the laws, rules, regulations and standards contained within the Omnibus Budget Reconciliation Act of 1981 (Public Law 97-35) including Section 2352 "Title XX Block Grants"; Title 45 Code of Federal Regulations, Parts 74 and 96; and, the Arizona Title XX Social Services Plan.
2. The provider shall comply with the laws, rules, regulations and standards contained within Title III of the Older Americans Act, as amended; Title 45 Code of Federal Regulations, Parts 74 (except Subpart N); Title 45 of the Code of Federal Regulations Parts 1320, 1321, 1324, and 1326. In accordance with Title 45 code of Federal Regulations, Part 1321.51, the state agency shall afford the provider an opportunity for a hearing when required by the provisions of this part.
3. The provider shall comply with the provisions of A.R.S. Sections 45-251 through 46-253.

SECTION 3.03 CLIENT FEES AND PROGRAM INCOME Unless specified within Special Provisions, the provider shall impose no fees or charges of any kind upon recipients of contract services. Any program income generated and received by the provider as a result of contract services shall be disposed of and reported in accordance with applicable Agency policies and procedures and in accordance with applicable State or Federal regulations.

SECTION 3.04 ASSIGNMENTS AND SUBCONTRACTS No rights or obligations of the provider under this contract shall be assigned. No rights or obligations of the provider under this contract shall be subcontracted by the provider without prior written approval of the Agency. All subcontracts will incorporate the laws, rules and regulations governing this contract. The provider shall bear full responsibility for performance under all approved subcontracts, shall forward copies of such to the Agency and shall retain copies on file.

SECTION 3.05 INDEMNIFICATION AND INSURANCE Provider agrees to hold harmless NACOG and its departments, agencies, boards and commissions and all officers, agents, and employees thereof (hereinafter "indemnities"), each severally and separately, against any and all liabilities, demands, claims, damages, losses, costs and expense of whatsoever kind or nature including, without limitations, any and all direct and indirect costs of defense made against, incurred or suffered by; any such indemnities as a direct or indirect consequence of injury, sickness or disease, including death, to persons, injury to or destruction of property including without limitation, the loss of use of property or any other cause of action whatsoever arising out of, or resulting from, or which would not have occurred or existed but for this contract.

Provider shall maintain at all times during the term of this contract, an adequate limit, as determined by the Agency of comprehensive general liability and property insurance and automobile liability and property damage insurance naming Department of Economic Security and NACOG as an additional insured. Prior to execution of this contract, provider shall furnish the Agency a Certificate of Insurance. The Agency reserves the right to continue payments of premium, for which reimbursement with interest at the prime rate will be deducted from amounts due or subsequently due provider.

Also, prior to the execution of this contract, Provider shall furnish the Agency a Certificate of Insurance that assures that all personnel hired to deliver contract services will be covered through the Workers' Compensation and Employers' Liability Insurance.

SECTION 3.06 CONTRACT PERSONNEL Unless otherwise provided for, pursuant to Section 3.04 Assignments and Subcontracts, the personnel delivering contract services shall be employees or volunteers of the provider, shall satisfy any qualifications and carry out any duties set forth in Annex A, and shall work the hours and receive the compensation set forth in this contract. Personnel policies and

practices shall be uniform for all employees of the provider. Provider's employees shall not be considered officers, employees or agents of the State nor the Agency. Provider certifies that no individual or agent has been employed or retained to solicit or secure this contract for commission, percentage, brokerage or contingent fee except a bona fide employee maintained by the provider to secure business. When applicable, Contract personnel shall be fingerprinted and comply with all provisions of A.R.S. 46-141 as incorporated in Special Provisions.

SECTION 3.07 COMPLIANCE WITH NON-DISCRIMINATION LAWS Provider shall comply with Title VII of the Civil Rights Act of 1964, as amended, the Age Discrimination in Employment Act, and State Executive Order No. 75-5 which mandates that all persons, regardless of race, color, religion, sex, age, national origin or political affiliation, shall have equal access to employment opportunities. The provider shall comply with the Rehabilitation Act of 1973 as amended, which prohibits discrimination in the employment or advancement of employment of qualified persons because of physical or mental handicap. The Provider shall comply with the requirements of the Fair Labor Standards Act of 1938, as amended. The provider shall comply with Title IV of the Civil Rights Act of 1964, which prohibits the denial of benefits or no participation in contract services on the basis of race, color, or national origin. The provider shall comply with the requirements of Section 504 of the Rehabilitation Act of 1973, as amended, in delivering contract services.

SECTION 3.08 PROFESSIONAL STANDARDS AND LEVELS OF SERVICE The provider will deliver contract services in a humane and respectful manner, and in accordance with any and all applicable professional accreditation standards. The provider shall obtain and maintain all applicable licenses, permits and authority required to provide contract services.

The provider shall attain and maintain during the term of this contract the units of service set forth in Annex B.

SECTION 3.09 CONFIDENTIALITY Provider shall observe and abide by all applicable State and Federal statutes and regulations regarding use or disclosure information, including, but not limited to, information concerning applicants for and recipients of contract services.

SECTION 3.10 FAIR HEARINGS AND SERVICE RECIPIENT GRIEVANCES The provider shall advise all applicants for and recipients of contract services of their right, at any time and for any reason, to present to the Agency any grievances arising from the delivery of contract services, including but not limited to ineligibility determination, service reduction, suspension or termination, or quality of service.

SECTION 3.11 RATE OR BUDGET CERTIFICATION Provider certifies that the contract budget set forth in Annex B was prepared in accordance with applicable Agency guidelines and procedures. The provider further certifies that (a) the information which was provided to the Agency by the provider for use as a basis in approving the Annex B is accurate; (b) similar types of costs were accorded consistent accounting treatment in the development of Annex B; and (c) no costs are included in both direct and indirect costs. The provider certifies that funds received under this contract will be expended to achieve the purposes of this contract and to meet costs defined as allowable in applicable federal or state laws, rules, regulations and guidelines.

SECTION 3.12 COMPETITIVE BIDDING Provider is authorized to purchase the supplies and equipment itemized in Annex B for utilization in the delivery of contract service. Provider shall procure all such supplies and equipment at the lowest practicable cost, and shall purchase all non-expendable items, having a useful life of more than one year and an acquisition cost of more than \$300, through general accepted and reasonable competitive bidding processes.

SECTION 3.13 CONTRACT EQUIPMENT The provider is authorized to purchase equipment itemized in Annex B for utilization in the delivery of contract services. The provider shall maintain complete and up-to-date inventory records for all equipment purchased thereunder. The Agency shall retain an equitable interest, equal to a fair estimate of appraisal of current market value, in all equipment purchased under this or a predecessor contract. The Agency shall be included as a co-insured on any insurance policy, which covers equipment purchased under this or a predecessor contract.

The provider shall not dispose of any equipment purchased under this or a predecessor contract without the prior written consent of the Agency. Such consent, if given, may include direction as to means of disposition and utilization of proceeds including any necessary adjustments to Annex B.

SECTION 3.14 BOOKS AND RECORDS The provider shall keep adequate books and records relating to contract services and contract expenditures. Contract service records will be maintained in accordance with prescribed Agency policies and procedures. Financial records shall meet the following standards at a minimum: (1) adequately identify the service and application for contract and subcontract activities; (2) include personnel records which contain applications for employment, job titles and descriptions, hire and termination dates, wage rates, effective dates of personnel actions affecting any of these items; (3) include time and attendance records for individual employees to support all salaries and wages paid; (4) include records of the source of all receipts and the deposit of all funds received by the provider; (5) include original copies of invoices, statement, sales tickets, billings for services, etc., and a cash disbursement journal and canceled checks to reflect all disbursements applicable to the contract; (6) include a complete general ledger with accounts for the collection of all costs and/or fees applicable to the contract; (7) include a copy of the written, approved cost allocation plan to reflect the manner in which indirect costs were to be charged to the contract; and (8) include copies of lease/rental agreements, mortgages or other agreements which in any way may affect contract expenditures. Any such records not maintained shall mandate an audit exception in the amount of the inadequately documented expenditures.

Provider shall retain all such records and support documents for four years following termination of the contract or until after resolution of the final audit pursuant to Section 2.07 Financial Audit, whichever is the latter.

SECTION 3.15 REPORTING REQUIREMENTS No later than the 10th day following each month during the contract term, the provider shall submit to the Agency programmatic and financial reports in the form set forth in Annex B. Such reports shall cover contract services and contract expenditures for the preceding month and shall be certified as to their truth and accuracy by the provider. Failure to submit accurate and complete reports by the 10th day following the end of a month may result, at the option of the Agency, in forfeiture of right to payment.

No later than the 30th day following termination of this contract, provider shall submit to the Agency a final program and fiscal report. Failure to submit the final program and fiscal report within the above time period may result, at the option of the Agency, in forfeiture of right to final payment.

SECTION 3.16 SUPPORTING DOCUMENTS AND INFORMATION In addition to any documents, reports or information required by any other section of this contract, provider shall furnish the Agency with any further documents and information deemed necessary by the Agency.

SECTION 3.17 IDENTIFICATION OF FUNDING AND COPYRIGHTS All advertisements, publications and printed materials which are produced by the Provider and refer to contract services shall state that such services are funded under contract with the Agency, and where federal funds are involved, state by reference the specific funding source.

The provider shall not copyright any materials or products developed through contract services or contract expenditures without prior written approval by the Agency. Upon approval, the agency shall have a non-exclusive irrevocable license to reproduce, publish or otherwise use or authorize the use of any copyrighted material.

SECTION 3.18 CONFLICT OF INTEREST Provider shall not make any payments, either directly or indirectly to any person partnership, corporation, trust, or any other organization which has a substantial interest in provider's organization or with which (or one of its directors, officers, owners, trust certificate holders or a relative thereof) has a substantial interest.

In addition to any other transactions, any request for approval of leases or rental agreements or purchase of real property in which there is a potential conflict of interest as set forth in Paragraph A of this section shall be accompanied by an independent commercial appraisal of fair market rental or

lease value.

For the purpose of this Section, the terms "substantial interest" and "relative" shall have the same meanings as in A.R.S. 38-502.

IV. BASIC RIGHTS AND OBLIGATIONS OF THE AGENCY AND THE PROVIDER

SECTION 4.01 NOTICES All notices under this contract shall be in writing and shall be directed to the persons and addresses specified for such purpose in Annex A or to such other persons and/or addresses as either party may designate to the other by notice.

SECTION 4.02 EXERCISE OF RIGHTS Failure to exercise any right, power or privilege under this contract shall not operate as a waiver thereof, nor shall a single or partial exercise thereof preclude any other or further exercise of that or any other right, power or privilege.

SECTION 4.03 AMENDMENTS Any change to this contract shall be carried out in accordance with amendment policies and procedures promulgated by the Agency, including the following:

A written amendment signed by both parties to this contract shall be required for every standard purpose listed below:

1. Whenever there is a change in reimbursement ceiling.
2. Whenever the term of this contract is extended and whenever the term is reduced without terminating the contract.
3. Whenever there is a change in contract services, the service delivery methodology as set forth in Annex A or the level of service as defined in Annex B.
4. In fixed rate and negotiated rate contracts, whenever there is a change in the rate.
5. In cost reimbursement or unit fee contracts, whenever any budget category in Annex B is increased or decreased by an amount equal to or greater than 10 percent during the term of this contract.

SECTION 4.04 PAYMENT The provider shall report contract expenditures to the Agency in the manner prescribed pursuant to Section 3.15 Reporting Requirements. Upon receipt of applicable, accurate, and complete reports, the Agency will authorize payment in accordance with the reimbursement method contained within Annex B no later than 30 days after receipt, subject to availability of funds.

If the provider is in any manner in default in the performance of any obligation under this contract, or if audit exceptions are identified, the Agency may, at its option and in addition to other available remedies, either adjust the amount of payment or withhold payment until satisfactory resolution of the default or exception. The provider shall have the right only to notice of the Agency's action of adjusting the amount of payment or withholding payment. The provider shall have the right to submit to the Agency a written explanation of its position on the proposed payment adjustment or payment withholding.

Under no circumstances will the Agency authorize payment to the provider that exceeds the reimbursement ceiling contained within Annex B without an amendment to this contract in accordance with Section 4.03 Amendments nor will the Agency authorize final payment to the provider until after receipt of final reports in accordance with Section 3.15 Reporting Requirements.

Section 4.05 PAYMENT RECOUPMENT Provider must reimburse the Agency upon demand or the Agency may deduct from future payments the following;

1. Any amounts received by provider from the Agency for contract services which have been inaccurately reported or are found to be unsubstantiated.
2. Any amounts paid by the provider to a subcontractor not authorized in writing by the Agency.
3. Any amount or benefit paid directly or indirectly to an individual or organization as specified in Section 3.18 Conflict of Interest.
4. Any amount paid by the Agency for services which either duplicate services covered by other specific grants and contracts, or amounts determined by the Agency as unallowable.
5. Any amounts expended for items or purposes determined unallowable by the Agency.
6. Any amounts paid by the Agency for which the provider's books, record, and other documents are not sufficient to clearly substantiate that those amounts were used by the provider to perform contract services as described in Annex A.
7. Any amount identified as a financial audit exception.

If any Agency determines by an audit that the provider has improperly spent any moneys paid to it under this contract, the provider agrees that the Agency immediately may record or obtain a lien in the amount of such determination against real property and any other assets of the provider, and the provider shall sign all documents the Agency deems necessary to perfect such liens.

Section 4.06 DEFAULT If the provider fails to comply with one or more provisions of this contract; the Agency may, by notice to the provider, specify a period of time not less than 14 days nor more than 60 days from receipt of notification by which such noncompliance must be remedied. The provider shall be notified that should such noncompliance fail to be remedied within the specified time period, the Agency may interrupt funding, amend, or terminate the contract.

Section 4.07 TERMINATION This contract may be terminated without cause upon 30 days notice by either party during the term of this contract. The Agency has the right to terminate this contract upon 24-hour notice when the Agency deems the health or welfare of the service recipients is endangered or provider noncompliance jeopardizes Federal Financial Participation. The State may cancel this contract as provided in A.R.S. 38-511. If not terminated by one of the above methods, this contract will terminate upon the expiration of the term of this contract as stated in Annex A.

Section 4.08 PREDECESSOR AND SUCCESSOR CONTRACTS. The execution or termination of this contract shall not be considered a waiver by the Agency of any and all rights it may have for damages suffered through a breach of this or a prior contract with the provider. The Agency has no obligation to renew this contract.

Section 4.09 RENEWABLE CONTRACT If so stated in the Special Provisions, this contract and all rights and obligations thereunder may be renewed in their entirety or in part for a period equal to the original contract term, but in no case longer than 12 months, upon agreement by the parties to this contract.

EXHIBIT C

SPECIAL PROVISIONS

NACOG AREA AGENCY ON AGING

I. DEFINITIONS

Area Agency on Aging is the organizational unit for Region III (hereinafter referred to as Agency) planning and service are designated to carry out the functions of the local plan on aging services in Apache, Coconino, Navajo, and Yavapai Counties.

II. BASIC RIGHTS AND OBLIGATIONS OF THE AGENCY

Section 2.08 Financial Audit. *All contractors are subject to the programmatic and fiscal monitoring requirements of each Agency program to ensure accountability of the delivery of all goods and services, as required under Single Audit.*

The Agency will require contractors with state and/or federal funds, more than or equal to \$100,000, to meet the prescribed audit and reporting requirements outlined in the General Provisions. Those contractors with state and/or federal funds totaling less than \$100,000 will be required to submit an annual Financial Review from a Certified Public Accountant.

Those contractors that have annual audits, due to the fiscal requirements of other funding sources, will be required to submit a copy to the Agency.

III. BASIC RIGHTS AND OBLIGATIONS OF THE PROVIDER

X Section 3.02 Compliance with Laws, Rules and Regulations

The provider shall comply with the laws, rules, regulations and standards contained within the Omnibus Budget Reconciliation Act of 1981 (Public Law 97-35) including Section 2352 "Title XX Block Grants"; Title 45 Code of Federal Regulations, Parts 74 and 96; and the Arizona Title XX Social Services Plan.

 X The provider shall comply with the laws, rules, regulations and standards contained within Title III of the Older Americans Acts, as amended; Title 45 Code of Federal Regulations, Parts 74 (except Subpart N); Title 45 of the Code of Federal Regulations Parts 1321, 1324 and 1326. In accordance with Title 45 Code of Federal Regulations, Part 1321.51, the Agency shall afford the provider an opportunity for a hearing when required by the provisions of this part.

 X The provider shall comply with the provisions of A.R.S. 46-251 through 46-253, Supplemental Payment Program.

Section 3.03 Client Fees and Program Income

The provider may impose fees upon recipients of the Contract Title XX funded service. A fee policy must have written approval by the Agency prior to implementation. The provider must comply with any restriction or stipulation set by the Agency. Income generated by client fees shall be used to expand program services.

X Section 3.05 Indemnification and Insurance

The provider shall comply with Rules 1 through 5 of NACOG Administrative Policy No. 100-110 *Workers' Compensation* requirements for Sub-contractors. **Section 3.07 Compliance with Non-Discrimination Laws.** (Tribal Intergovernmental Agreements) It shall be permissible for the provider to engage in preference in hiring pursuant to applicable Tribal codes, policies or procedures.

Section 3.08 Professional Standards and Level of Service

The provider will be required to utilize a standardized assessment process including an instrument which meets at a minimum certain functional status requirements established by the Agency prior to implementation or usage of an assessment instrument, the Agency will review and approve the instrument to be employed.

Section 3.15 Reporting Requirements

No later than the 10th day following each month during the contract term, the provider shall submit to the Agency, programmatic and financial reports in the form set forth in Annex B.

Section 3.18 Conflict of Interest

The provider shall comply with all pertinent federal lobbying and disclosure rules (31 U.S.C. Section 1352) and sign, copy and keep on file the *Lobbying Certification* form completed as part of this subcontract.

EXHIBIT D

State of Arizona Uniform Terms and Conditions

1 Definition of Terms. As used in this Solicitation and any resulting Contract, the terms listed below are defined as follows:

- 1.1 *"Attachment"* means any item the Solicitation requires the Offeror to submit as part of the Offer.
- 1.2 *"Contract"* means the combination of the Solicitation, including the Uniform and Special Instructions to Offerors, the Uniform and Special Terms and Conditions, and the Specifications and Statement or Scope of Work; the Offer and any Best and Final Offers; and any Solicitation Amendments or Contract Amendments.
- 1.3 *"Contract Amendment"* means a written document signed by the Procurement Officer that is issued for the purpose of making changes in the Contract.
- 1.4 *"Contractor"* means any person who has a Contract with the State.
- 1.5 *"Days"* means calendar days unless otherwise specified.
- 1.6 *"Exhibit"* means any item labeled as an Exhibit in the Solicitation or placed in the Exhibits section of the Solicitation.
- 1.7 *"Gratuity"* means a payment, loan, subscription, advance, deposit of money, services, or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value is received.
- 1.8 *"Materials"* means all property, including equipment, supplies, printing, insurance and leases of property but does not include land, a permanent interest in land or real property or leasing space.
- 1.9 *"Procurement Officer"* means the person, or his or her designee, duly authorized by the State to enter into and administer Contracts and make written determinations with respect to the Contract.
- 1.10 *"Services"* means the furnishing of labor, time or effort by a contractor or subcontractor which does not involve the delivery of a specific end product other than required reports and performance, but does not include employment agreements or collective bargaining agreements.
- 1.11 *"Subcontract"* means any Contract, express or implied, between the Contractor and another party or between a subcontractor and another party delegating or assigning, in whole or in part, the making or furnishing of any material or any service required for the performance of the Contract.
- 1.12 *"State"* means the State of Arizona and Department or Agency of the State that executes the Contract.
- 1.13 *"State Fiscal Year"* means the period beginning with July 1 and ending June 30,

2 Contract Interpretation

- 2.1 Arizona Law. The Arizona law applies to this Contract including, where applicable, the Uniform Commercial Code as adopted by the State of Arizona and the Arizona Procurement Code, Arizona Revised Statutes (A.R.S.) Title 41, Chapter 23, and its implementing rules, Arizona Administrative Code (A.A.C.) Title 2, Chapter 7.
- 2.2 Implied Contract Terms. Each provision of law and any terms required by law to be in this Contract are a part of this Contract as if fully stated in it.
- 2.3 Contract Order of Precedence. In the event of a conflict in the provisions of the Contract, as accepted by the State and as they may be amended, the following shall prevail in the order set forth below:
- 2.3.1 Special Terms and Conditions;
 - 2.3.2 Uniform Terms and Conditions;
 - 2.3.3 Statement or Scope of Work;
 - 2.3.4 Specifications;
 - 2.3.5 Attachments;
 - 2.3.6 Exhibits;
 - 2.3.7 Documents referenced or included in the Solicitation.
- 2.4 Relationship of Parties. The Contractor under this Contract is an independent Contractor. Neither party to this Contract shall be deemed to be the employee or agent of the other party to the Contract.
- 2.5 Severability. The provisions of this Contract are severable. Any term or condition deemed illegal or invalid shall not affect any other term or condition of the Contract.
- 2.6 No Parole Evidence. This Contract is intended by the parties as a final and complete expression of their agreement. No course of prior dealings between the parties and no usage of the trade shall supplement or explain any terms used in this document and no other understanding either oral or in writing shall be binding.
- 2.7 No Waiver. Either party's failure to insist on strict performance of any term or condition of the Contract shall not be deemed a waiver of that term or condition even if the party accepting or acquiescing in the nonconforming performance knows of the nature of the performance and fails to object to it.

3 Contract administration and operation.

- 3.1 Records. Under A.R.S. § 35-214 and § 35-215, the Contractor shall retain and shall contractually require each subcontractor to retain all data and other "records" relating to the acquisition and performance of the Contract for a period of five years after the completion of the Contract. All records shall be subject to inspection and audit by the State at reasonable times. Upon request, the Contractor shall produce a legible copy of any or all such records.
- 3.2 Non-Discrimination. The Contractor shall comply with State Executive Order No. 99-4 and all other applicable Federal and State laws, rules and regulations, including the Americans with Disabilities Act.
- 3.3 Audit. Pursuant to ARS § 35-214, at any time during the term of this Contract and five (5) years thereafter, the Contractor's or any subcontractor's books and records shall be subject to audit by the State and, where applicable, the Federal Government, to the extent that the books and records relate to the performance of the Contract or Subcontract.

- 3.4 Facilities Inspection and Materials Testing. The Contractor agrees to permit access to its facilities, subcontractor facilities and the Contractor's processes or services, at reasonable times for inspection of the facilities or materials covered under this Contract. The State shall also have the right to test, at its own cost, the materials to be supplied under this Contract. Neither inspection of the Contractor's facilities nor materials testing shall constitute final acceptance of the materials or services. If the State determines non-compliance of the materials, the Contractor shall be responsible for the payment of all costs incurred by the State for testing and inspection.
- 3.5 Notices. Notices to the Contractor required by this Contract shall be made by the State to the person indicated on the Offer and Acceptance form submitted by the Contractor unless otherwise stated in the Contract. Notices to the State required by the Contract shall be made by the Contractor to the Solicitation Contact Person indicated on the Solicitation cover sheet, unless otherwise stated in the Contract. An authorized Procurement Officer and an authorized Contractor representative may change their respective person to whom notice shall be given by written notice to the other and an amendment to the Contract shall not be necessary.
- 3.6 Advertising, Publishing and Promotion of Contract. The Contractor shall not use, advertise or promote information for commercial benefit concerning this Contract without the prior written approval of the Procurement Officer.
- 3.7 Property of the State. Any materials, including reports, computer programs and other deliverables, created under this Contract are the sole property of the State. The Contractor is not entitled to a patent or copyright on those materials and may not transfer the patent or copyright to anyone else. The Contractor shall not use or release these materials without the prior written consent of the State.
- 3.8 Ownership of Intellectual Property. Any and all intellectual property, including but not limited to copyright, invention, trademark, tradename, service mark, and/or trade secrets created or conceived pursuant to or as a result of this contract and any related subcontract ("Intellectual Property"), shall be work made for hire and the State shall be considered the creator of such Intellectual Property. The agency, department, division, board or commission of the State of Arizona requesting the issuance of this contract shall own (for and on behalf of the State) the entire right, title and interest to the Intellectual Property throughout the world. Contractor shall notify the State, within thirty (30) days, of the creation of any Intellectual Property by it or its subcontractor(s). Contractor, on behalf of itself and any subcontractor (s), agrees to execute any and all document(s) necessary to assure ownership of the Intellectual Property vests in the State and shall take no affirmative actions that might have the effect of vesting all or part of the Intellectual Property in any entity other than the State. The Intellectual Property shall not be disclosed by contractor or its subcontractor(s) to any entity not the State without the express written authorization of the agency, department, division, board or commission of the State of Arizona requesting the issuance of this contract.

4 Costs and Payments

- 4.1 Payments. Payments shall comply with the requirements of A.R.S. Titles 35 and 41, Net 30 days. Upon receipt and acceptance of goods or services, the Contractor shall submit a complete and accurate invoice for payment from the State within thirty (30) days.
- 4.2 Delivery. Unless stated otherwise in the Contract, all prices shall be F.O.B. Destination and shall include all freight delivery and unloading at the destination.
- 4.3 Applicable Taxes.
- 4.3.1 Payment of Taxes. The Contractor shall be responsible for paying all applicable

taxes.

4.3.2 State and Local Transaction Privilege Taxes. The State of Arizona is subject to all applicable state and local transaction privilege taxes. Transaction privilege taxes apply to the sale and are the responsibility of the seller to remit. Failure to collect such taxes from the buyer does not relieve the seller from its obligation to remit taxes.

4.3.3 Tax Indemnification. Contractor and all subcontractors shall pay all Federal, state and local taxes applicable to its operation and any persons employed by the Contractor. Contractor shall, and require all subcontractors to hold the State harmless from any responsibility for taxes, damages and interest, if applicable, contributions required under Federal, and/or state and local laws and regulations and any other costs including transaction privilege taxes, unemployment compensation insurance, Social Security and Worker's Compensation.

4.3.4 IRS W9 Form. In order to receive payment the Contractor shall have a current I.R.S. W9 Form on file with the State of Arizona, unless not required by law.

4.4 Availability of Funds for the Next State fiscal year. Funds may not presently be available for performance under this Contract beyond the current state fiscal year. No legal liability on the part of the State for any payment may arise under this Contract beyond the current state fiscal year until funds are made available for performance of this Contract.

4.5 Availability of Funds for the current State fiscal year. Should the State Legislature enter back into session and reduce the appropriations or for any reason and these goods or services are not funded, the State may take any of the following actions:

4.5.1 Accept a decrease in price offered by the contractor;

4.5.2 Cancel the Contract

4.5.3 Cancel the contract and re-solicit the requirements.

5 Contract changes

5.1 Amendments. This Contract is issued under the authority of the Procurement Officer who signed this Contract. The Contract may be modified only through a Contract Amendment within the scope of the Contract. Changes to the Contract, including the addition of work or materials, the revision of payment terms, or the substitution of work or materials, directed by a person who is not specifically authorized by the procurement officer in writing or made unilaterally by the Contractor are violations of the Contract and of applicable law. Such changes, including unauthorized written Contract Amendments shall be void and without effect, and the Contractor shall not be entitled to any claim under this Contract based on those changes.

5.2 Subcontracts. The Contractor shall not enter into any Subcontract under this Contract for the performance of this contract without the advance written approval of the Procurement Officer. The Contractor shall clearly list any proposed subcontractors and the subcontractor's proposed responsibilities. The Subcontract shall incorporate by reference the terms and conditions of this Contract.

5.3 Assignment and Delegation. The Contractor shall not assign any right nor delegate any duty under this Contract without the prior written approval of the Procurement Officer. The State shall not unreasonably withhold approval.

6 Risk and Liability

6.1. Risk of Loss: The Contractor shall bear all loss of conforming material covered under this

Contract until received by authorized personnel at the location designated in the purchase order or Contract. Mere receipt does not constitute final acceptance. The risk of loss for nonconforming materials shall remain with the Contractor regardless of receipt.

6.2 Indemnification

6.2.1 Contractor/Vendor Indemnification (Not Public Agency). The parties to this contract agree that the State of Arizona, its' departments, agencies, boards and commissions shall be indemnified and held harmless by the contractor for the vicarious liability of the State as a result of entering into this contract. However, the parties further agree that the State of Arizona, its' departments, agencies, boards and commissions shall be responsible for its' own negligence. Each party to this contract is responsible for its' own negligence.

6.2.2 Public Agency Language Only. Each party (as 'indemnitor') agrees to indemnify, defend, and hold harmless the other party (as 'indemnitee') from and against any and all claims, losses, liability, costs, or expenses (including reasonable attorney's fees) (hereinafter collectively referred to as 'claims') arising out of bodily injury of any person (including death) or property damage but only to the extent that such claims which result in vicarious/derivative liability to the indemnitee, are caused by the act, omission, negligence, misconduct, or other fault of the indemnitor, its' officers, officials, agents, employees, or volunteers."

6.3 Indemnification - Patent and Copyright. The Contractor shall indemnify and hold harmless the State against any liability, including costs and expenses, for infringement of any patent, trademark or copyright arising out of Contract performance or use by the State of materials furnished or work performed under this Contract. The State shall reasonably notify the Contractor of any claim for which it may be liable under this paragraph. If the contractor is insured pursuant to A.R.S. § 41-621 and § 35-154, this section shall not apply.

6.4 Force Majeure.

6.4.1 Except for payment of sums due, neither party shall be liable to the other nor deemed in default under this Contract if and to the extent that such party's performance of this Contract is prevented by reason of force majeure. The term "*force majeure*" means an occurrence that is beyond the control of the party affected and occurs without its fault or negligence. Without limiting the foregoing, force majeure includes acts of God; acts of the public enemy; war; riots; strikes; mobilization; labor disputes; civil disorders; fire; flood; lockouts; injunctions-intervention-acts; or failures or refusals to act by government authority; and other similar occurrences beyond the control of the party declaring force majeure which such party is unable to prevent by exercising reasonable diligence.

6.4.2 Force Majeure shall not include the following occurrences:

6.4.2.1 Late delivery of equipment or materials caused by congestion at a manufacturer's plant or elsewhere, or an oversold condition of the market;

6.4.2.2 Late performance by a subcontractor unless the delay arises out of a force majeure occurrence in accordance with this force majeure term and condition; or

6.4.2.3 Inability of either the Contractor or any subcontractor to acquire or maintain any required insurance, bonds, licenses or permits.

6.4.3 If either party is delayed at any time in the progress of the work by force majeure, the delayed party shall notify the other party in writing of such delay, as soon as is practicable and no later than the following working day, of the commencement thereof and shall specify the causes of such delay in such notice. Such notice shall be delivered or mailed certified-return receipt and shall make a specific reference to this article, thereby invoking its provisions. The delayed party shall cause such delay to cease as soon as practicable and shall notify the other party in writing when it has done so. The time of completion shall be extended by Contract Amendment for a period of time equal to the time that results or effects of such delay prevent the delayed party from performing in accordance with this Contract.

6.4.4 Any delay or failure in performance by either party hereto shall not constitute default hereunder or give rise to any claim for damages or loss of anticipated profits if, and to the extent that such delay or failure is caused by force majeure.

6.5 Third Party Antitrust Violations. The Contractor assigns to the State any claim for overcharges resulting from antitrust violations to the extent that those violations concern materials or services supplied by third parties to the Contractor, toward fulfillment of this Contract.

7 Warranties

7.1 Liens. The Contractor warrants that the materials supplied under this Contract are free of liens and shall remain free of liens.

7.2 Quality. Unless otherwise modified elsewhere in these terms and conditions, the Contractor warrants that, for one year after acceptance by the State of the materials, they shall be:

7.2.1 Of a quality to pass without objection in the trade under the Contract description;

7.2.2 Fit for the intended purposes for which the materials are used;

7.2.3 Within the variations permitted by the Contract and are of even kind, quantity, and quality within each unit and among all units;

7.2.4 Adequately contained, packaged and marked as the Contract may require; and

7.2.5 Conform to the written promises or affirmations of fact made by the Contractor.

7.3 Fitness. The Contractor warrants that any material supplied to the State shall fully conform to all requirements of the Contract and all representations of the Contractor, and shall be fit for all purposes and uses required by the Contract.

7.4 Inspection/Testing. The warranties set forth in subparagraphs 7.1 through 7.3 of this paragraph are not affected by inspection or testing of or payment for the materials by the State.

7.5 Year 2000.

7.5.1 Notwithstanding any other warranty or disclaimer of warranty in this Contract, the Contractor warrants that all products delivered and all services rendered under this Contract shall comply in all respects to performance and delivery requirements of the specifications and shall not be adversely affected by any date-related data Year 2000 issues. This warranty shall survive the expiration or

termination of this Contract. In addition, the defense of *force majeure* shall not apply to the Contractor's failure to perform specification requirements as a result of any date-related data Year 2000 issues.

7.5.2 Additionally, notwithstanding any other warranty or disclaimer of warranty in this Contract, the Contractor warrants that each hardware, software, and firmware product delivered under this Contract shall be able to accurately process date/time data (including but not limited to calculation, comparing, and sequencing) from, into, and between the twentieth and twenty-first centuries, and the years 1999 and 2000 and leap year calculations, to the extent that other information technology utilized by the State in combination with the information technology being acquired under this Contract properly exchanges date-time data with it. If this Contract requires that the information technology products being acquired perform as a system, or that the information technology products being acquired perform as a system in combination with other State information technology, then this warranty shall apply to the acquired products as a system. The remedies available to the State for breach of this warranty shall include, but shall not be limited to, repair and replacement of the information technology products delivered under this Contract. In addition, the defense of *force majeure* shall not apply to the failure of the Contractor to perform any specification requirements as a result of any date-related data Year 2000 issues.

7.6 Compliance With Applicable Laws. The materials and services supplied under this Contract shall comply with all applicable Federal, state and local laws, and the Contractor shall maintain all applicable license and permit requirements.

7.7 Survival of Rights and Obligations after Contract Expiration or Termination.

7.7.1 Contractor's Representations and Warranties. All representations and warranties made by the Contractor under this Contract shall survive the expiration or termination hereof. In addition, the parties hereto acknowledge that pursuant to A.R.S. § 12-510, except as provided in A.R.S. § 12-529, the State is not subject to or barred by any limitations of actions prescribed in A.R.S., Title 12, Chapter 5.

7.7.2 Purchase Orders. The Contractor shall, in accordance with all terms and conditions of the Contract, fully perform and shall be obligated to comply with all purchase orders received by the Contractor prior to the expiration or termination hereof, unless otherwise directed in writing by the Procurement Officer, including, without limitation, all purchase orders received prior to but not fully performed and satisfied at the expiration or termination of this Contract.

8 State's Contractual Remedies

8.1 Right to Assurance. If the State in good faith has reason to believe that the Contractor does not intend to, or is unable to perform or continue performing under this Contract, the Procurement Officer may demand in writing that the Contractor give a written assurance of intent to perform. Failure by the Contractor to provide written assurance within the number of Days specified in the demand may, at the State's option, be the basis for terminating the Contract under the Uniform Terms and Conditions or other rights and remedies available by law or provided by the contract.

8.2 Stop Work Order.

8.2.1 The State may, at any time, by written order to the Contractor, require the Contractor to stop all or any part, of the work called for by this Contract for period(s) of days indicated by the State after the order is delivered to the Contractor. The order shall be specifically identified as a stop work order issued

under this clause. Upon receipt of the order, the Contractor shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the order during the period of work stoppage.

8.2.2 If a stop work order issued under this clause is canceled or the period of the order or any extension expires, the Contractor shall resume work. The Procurement Officer shall make an equitable adjustment in the delivery schedule or Contract price, or both, and the Contract shall be amended in writing accordingly.

8.3 Non-exclusive Remedies. The rights and the remedies of the State under this Contract are not exclusive.

8.4 Nonconforming Tender. Materials or services supplied under this Contract shall fully comply with the Contract. The delivery of materials or services or a portion of the materials or services that do not fully comply constitutes a breach of contract. On delivery of nonconforming materials or services, the State may terminate the Contract for default under applicable termination clauses in the Contract, exercise any of its rights and remedies under the Uniform Commercial Code, or pursue any other right or remedy available to it.

8.5 Right of Offset. The State shall be entitled to offset against any sums due the Contractor, any expenses or costs incurred by the State, or damages assessed by the State concerning the Contractor's non-conforming performance or failure to perform the Contract, including expenses, costs and damages described in the Uniform Terms and Conditions.

9 Contract Termination

9.1 Cancellation for Conflict of Interest. Pursuant to A.R.S. § 38-511, the State may cancel this Contract within three (3) years after Contract execution without penalty or further obligation if any person significantly involved in initiating, negotiating, securing, drafting or creating the Contract on behalf of the State is or becomes at any time while the Contract or an extension of the Contract is in effect an employee of or a consultant to any other party to this Contract with respect to the subject matter of the Contract. The cancellation shall be effective when the Contractor receives written notice of the cancellation unless the notice specifies a later time. If the Contractor is a political subdivision of the State, it may also cancel this Contract as provided in A.R.S. § 38-511.

9.2 Gratuities. The State may, by written notice, terminate this Contract, in whole or in part, if the State determines that employment or a Gratuity was offered or made by the Contractor or a representative of the Contractor to any officer or employee of the State for the purpose of influencing the outcome of the procurement or securing the Contract, an amendment to the Contract, or favorable treatment concerning the Contract, including the making of any determination or decision about contract performance. The State, in addition to any other rights or remedies, shall be entitled to recover exemplary damages in the amount of three times the value of the Gratuity offered by the Contractor.

9.3 Suspension or Debarment. The State may, by written notice to the Contractor, immediately terminate this Contract if the State determines that the Contractor has been debarred, suspended or otherwise lawfully prohibited from participating in any public procurement activity, including but not limited to, being disapproved as a subcontractor of any public procurement unit or other governmental body. Submittal of an offer or execution of a contract shall attest that the contractor is not currently suspended or debarred. If the contractor becomes suspended or debarred, the contractor shall immediately notify the State.

9.4 Termination for Convenience. The State reserves the right to terminate the Contract, in whole or in part at any time, when in the best interests of the State without penalty or recourse. Upon receipt of the written notice, the Contractor shall stop all work, as directed in the notice, notify all subcontractors of the effective date of the termination and minimize all further costs to the State. In the event of termination under this paragraph, all documents, data and reports prepared by the Contractor under the Contract shall become the property of and be delivered to the State upon demand. The Contractor shall be entitled to receive just and equitable compensation for work in progress, work completed and materials accepted before the effective date of the termination. The cost principles and procedures provided in A.A.C. R2-7-701 shall apply.

9.5 Termination for Default.

9.5.1 In addition to the rights reserved in the contract, the State may terminate the Contract in whole or in part due to the failure of the Contractor to comply with any term or condition of the Contract, to acquire and maintain all required insurance policies, bonds, licenses and permits, or to make satisfactory progress in performing the Contract. The Procurement Officer shall provide written notice of the termination and the reasons for it to the Contractor.

9.5.2 Upon termination under this paragraph, all goods, materials, documents, data and reports prepared by the Contractor under the Contract shall become the property of and be delivered to the State on demand.

9.5.3 The State may, upon termination of this Contract, procure, on terms and in the manner that it deems appropriate, materials or services to replace those under this Contract. The Contractor shall be liable to the State for any excess costs incurred by the State in procuring materials or services in substitution for those due from the Contractor.

9.6 Continuation of Performance Through Termination. The Contractor shall continue to perform, in accordance with the requirements of the Contract, up to the date of termination, as directed in the termination notice.

10 **Contract Claims.** All contract claims or controversies under this Contract shall be resolved according to A.R.S. Title 41, Chapter 23, Article 9, and rules adopted thereunder.

11 **Arbitration**

The parties to this Contract agree to resolve all disputes arising out of or relating to this contract through arbitration, after exhausting applicable administrative review, to the extent required by A.R.S. § 12-1518, except as may be required by other applicable statutes (Title 41).

EXHIBIT E

DEPARTMENT OF ECONOMIC SECURITY SPECIAL TERMS AND CONDITIONS

1. **Definition of Terms.** In addition to the terms and conditions defined in section 1 of the Uniform Terms and Conditions, the following shall apply:

As used in this Solicitation and any resulting Contract, the terms listed below are defined as follows:

- A. **"Equipment"** means all vehicles, furniture, machinery, electronic data processing (EDP) equipment, software and all other equipment costing \$1,000.00 or more, including all normal and necessary expenses incurred to make the equipment ready for its intended use (e.g., taxes, freight, installation, assembly and testing charges, etc.), and with a useful life of greater than one year. Equipment as used herein does not include real property (e.g., land, buildings, structures, or facilities' improvements).
- B. **"Department"** means the Arizona Department of Economic Security (DES), unless otherwise indicated.
- C. **"Effective Date"** means the date that the Procurement Officer signs the Offer and Acceptance form or other official contract form, unless another date is specifically stated in the contract.

2. **Audit.** In addition to the terms and conditions in section 3.3 of the Uniform Terms and Conditions, the following shall apply:

- A. In compliance with the Federal Single Audit Act (31 U.S.C. Sections 7501-7507), as amended by the Single Audit Act Amendments of 1996 (P.L. 104 to 156), Contractors designated as subrecipients, as prescribed by the President's Council on Integrity and Efficiency Position Statement No. 6, expending Federal funds from all sources totaling \$300,000 or more (\$500,000 for fiscal years ending after December 31, 2003), must have a yearly audit conducted in accordance with the audit and reporting standards as prescribed in OMB Circular A-133 (A-133). The audit must include the Reporting Package as outlined in A-133. The Department's contract numbers and award amounts must be included in a separate schedule, if not included on the Schedule of Federal Financial Assistance. A copy of the Audit Report, Management Letter and Auditors Opinion must be submitted to the Department's Office of Audit and Management Services within thirty (30) days after completion of the audit to the Department person designated to receive notices.
- B. All Contractors are subject to the programmatic and fiscal monitoring requirements of each Department program to insure accountability of the delivery of all goods and services, as required under the Federal Single Audit Act. A minimum fiscal requirement for all Contractors designated as vendors is an annual financial audit which includes Department contract numbers and award amounts. The Audit Report, Management Letter and Auditor's Opinion must be submitted to the Department person designated to receive notices within thirty (30) days after completion of the audit.
- C. As prescribed in OMB Circular A-133, for-profit subrecipients are subject to compliance requirements established by the Department. Methods to ensure compliance for Federal

awards made to for-profit subrecipients may include pre-award audits, Department monitoring during the contract, and post-award audits.

- D. Audits of non-profit corporations receiving Federal or State monies required pursuant to Federal or State law must be conducted as provided in 31 U.S.C. Section 7501 et seq. and A.R.S. Section 35-181.03 and any other applicable statutes, rules, regulations and standards.
3. **Availability of Funds.** The Department may reduce payments or terminate this contract without further recourse, obligation or penalty in the event that insufficient funds are appropriated or allocated. The Director of the Department shall have the sole and unfettered discretion in determining the availability of funds. The Department and the Contractor may mutually agree to reduce reimbursement to the Contractor when the payment type is Fixed Price with Price Adjustment by executing a contract amendment.
4. **Certification of Cost or Pricing Data.** By signing the offer and contract award form, the contract, change order, contract amendment or other official form, the Contractor is certifying that, to the best of the Contractor's knowledge and belief, any cost or pricing data submitted is accurate, complete and current as of the date submitted or other mutually agreed upon date. Furthermore, the price to the State shall be adjusted to exclude any significant amounts by which the State finds the price was increased because the Contractor-furnished cost or pricing data was inaccurate, incomplete or not current as of the date of certification. Such adjustment by the State may include overhead, profit or fees. The certifying of cost or pricing data does not apply when contract rates are set by law or regulation.
5. **Competitive Bidding.** The Contractor is authorized to purchase the supplies and equipment itemized in the contract for utilization in the delivery of contract services. Contractor shall procure all such supplies and equipment at the lowest practicable cost and shall purchase all non-expendable items having a useful life of more than one year and an acquisition cost of \$1,000 or more, through generally accepted and reasonable competitive bidding processes. Any procurement in violation of this provision shall be considered a financial audit exception.
6. **Compliance with Applicable Laws.** In addition to the terms and conditions in section 7.6 of the Uniform Terms and Conditions, the following shall apply:
- A. In accordance with A.R.S. §36-557 (Purchase of community developmental disabilities services; application; contracts; limitation), as applicable, all recipients of contract services shall have all of the same specified rights as they would have if enrolled in a service program operated directly by the State.
- B. Nothing in this contract shall be construed as a waiver of an Indian tribe's sovereign immunity; nothing shall be construed as an Indian tribe's consent to be sued, or as consent by an Indian tribe to jurisdiction of any State Court.
- C. The Contractor shall comply with the requirements related to reporting to a peace officer or child protective services incidents of crimes against children as specified in A.R.S. §13-3620.
- D. The Contractor shall comply with P.L. 101-121, Section 319 (31 U.S.C. section 1352) and 29 C.F.R. Part 93 which prohibit the use of Federal funds for lobbying and which state, in part: Except with the express authorization of Congress, the Contractor, its employees or agents, shall not utilize any Federal funds under the terms of this contract to solicit or influence, or to attempt to solicit or influence, directly or indirectly,

any member of Congress regarding pending or prospective legislation. Indian tribes, tribal organizations and any other Indian organizations are exempt from these lobbying restrictions with respect to expenditures that are specifically permitted by other Federal law.

7. **Confidentiality.** The Contractor shall observe and abide by all applicable State and Federal statutes, rules and regulations regarding the use or disclosure of information including, but not limited to, information concerning applicants for and recipients of contract services. To the extent permitted by law, the Contractor shall release information to the Department and the Attorney General's Office as required by the terms of this contract, by law or upon their request.
8. **Contract Extension.** The State has no obligation to extend or renew this contract. However, this contract may be extended or renewed for multiple periods, or may be established as a multi-year contract in its entirety or in part at the sole option of the State. The Department's Procurement Officer may exercise the Department's option to extend or renew the contract by unilateral contract amendment; a written amendment to the contract signed by both parties shall not be necessary. Any extension or renewal must be made prior to the end of the contract period specified in this contract.
9. **Contract Term.** The term of this contract shall be the period of time from the contract begin date to the contract termination date as awarded or extended. The begin date of the contract term is the date that the Contractor may start to provide services under this contract. The Contractor will not be paid or reimbursed for contract services provided prior to the begin date. However, payments or reimbursements shall not be made under this contract until the effective date of this contract.
10. **Cooperation.** The Department may undertake or award other contracts for additional work related to the work performed by the Contractor, and the Contractor shall fully cooperate with such other Contractors and State employees, and carefully fit its own work to such other Contractors' work. The Contractor shall not commit or permit any act which will interfere with the performance of work by any other Contractor or by State employees. The Contractor shall cooperate as the State deems necessary, with the transfer of work, services, case records and files performed or prepared by the Contractor to other Contractor(s).
11. **Equipment.**
 - A. If the Contractor is authorized to purchase equipment, it shall be itemized in the contract for utilization in the delivery of contract services. If equipment is purchased as authorized by this contract, the Contractor shall maintain complete and up-to-date inventory records for all equipment purchased hereunder. Equipment specifically designated within this contract, to be purchased in whole or part with the Department funds, shall be reported in accordance with Department inventory policies and procedures. The Contractor shall report equipment purchased with contract funds to the Department within thirty (30) days of purchase, perform an annual inventory of all equipment purchased with Department funds and submit the equipment inventory form to the Department person designated to receive notices.
 - B. The Department shall retain an equitable interest equal to the purchase price paid, or a fair estimate or appraisal of current market value, whichever is greater, in all equipment purchased under this contract. The Department shall be included as a co-insured on any insurance policy which covers equipment purchased under this contract.
 - C. The Contractor shall not dispose of any equipment purchased under this contract without the prior written consent of the Department during and after the contract term.

Such consent, if given, may include direction as to the means of disposition and the utilization of proceeds, including any necessary adjustments to the contract.

- D. Upon termination of this contract, any equipment purchased under this contract shall be disposed of as directed by the Department and, if sold, the Department shall be compensated in the amount of its equitable interest.

12. **Evaluation.** The Department may evaluate, and the Contractor shall cooperate in the evaluation of, contract services. Evaluation may assess the quality and impact of contract services, either in isolation or in comparison with other similar services, and assess the Contractor's progress and/or success in achieving the goals, objectives and deliverables set forth in this contract.

13. **Fair Hearings and Service Recipients' Grievances.**

- A. The Contractor shall advise all applicants for and recipients of contract services of their right, at any time and for any reason, to present to the Contractor and to the Department any grievances arising from the delivery of contract services, including, but not limited to, ineligibility determination, reduction of services, suspension or termination of services, or quality of services. The Department may assert its jurisdiction to hear the grievance or refer the matter to the appropriate authority.
- B. The Contractor, whenever authorized by law, shall maintain a formal system acceptable to and approved by the Department for reviewing and adjudicating grievances by service recipients or subcontractors arising from this contract.

14. **Fees and Program Income.** Unless specifically authorized in the contract, the Contractor shall impose no fees or charges of any kind upon recipients for contract services.

15. **Fingerprinting.** The provisions of A.R.S. § 46-141 (as may be amended) are hereby incorporated in their entirety as provisions of this contract. For reference, these provisions include, but are not limited to, the following:

- A. Personnel who are employed by the Contractor, whether paid or not, and who are required or allowed to provide services directly to juveniles shall have a valid class one or class two fingerprint clearance card issued pursuant to title 41, chapter 12, article 3.1, or shall apply for a class one or class two fingerprint clearance card within seven working days of employment.
- B. The provider shall assume the costs of fingerprint checks and may charge these costs to its fingerprinted personnel. The department may allow all or part of the costs of fingerprint checks to be included as an allowable cost in a contract.
- C. Except as provided in A.R.S. § 46-141, this contract may be cancelled or terminated immediately if a person employed by the Contractor and who has contact with juveniles certifies pursuant to the provisions of A.R.S. § 46-141 (as may be amended) that the person is awaiting trial or has been convicted of any of the offenses listed therein in this state, or of acts committed in another state that would be offenses in this state, or if the person does not possess or is denied issuance of a valid fingerprint clearance card.
- D. Personnel who are employed by any provider, whether paid or not, and who are required or allowed to provide services directly to juveniles shall certify on forms provided by the Department of Economic Security and notarized whether they are awaiting trial on or have ever been convicted of any of the offenses described in A.R.S. § 46-141 (F) (as may be amended).
- E. Personnel who are employed by any provider, whether paid or not, and who are required or allowed to provide services directly to juveniles shall certify on forms provided by the Department of Economic Security and notarized whether they have

ever committed any act of sexual abuse of a child, including sexual exploitation and commercial sexual exploitation, or any act of child abuse.

- F. Federally recognized Indian tribes or military bases may submit and the Department of Economic Security shall accept certifications that state that no personnel who are employed or who will be employed during the contract term have been convicted of, have admitted committing or are awaiting trial on any offense as described in A.R.S. § 46-141 (F) (as may be amended).

16. Indemnification and Insurance

INDEMNIFICATION CLAUSE:

The parties to this contract agree that the State of Arizona and the Department of Economic Security (DES) shall be indemnified and held harmless by Contractor for the vicarious liability of the State and/or DES as a result of entering into this contract. However, the parties further agree that the State of Arizona and DES shall each be responsible for its own negligence. Each party to this contract is responsible for its own negligence.

INSURANCE REQUIREMENTS:

Contractor and subcontractors shall procure and maintain until all of their obligations have been discharged, including any warranty periods under this Contract, are satisfied, insurance against claims for injury to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Contractor, his agents, representatives, employees or subcontractors.

The *insurance requirements* herein are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract. The State of Arizona and DES in no way warrant that the minimum limits contained herein are sufficient to protect the Contractor from liabilities that might arise out of the performance of the work under this contract by the Contractor, its agents, representatives, employees or subcontractors, and Contractor is free to purchase additional insurance.

- A. MINIMUM SCOPE AND LIMITS OF INSURANCE: Contractor shall provide coverage with limits of liability not less than those stated below.

1. **Commercial General Liability – Occurrence Form**

Policy shall include bodily injury, property damage, personal injury and broad form contractual liability coverage.

- General Aggregate \$2,000,000
- Products – Completed Operations Aggregate \$1,000,000
- Personal and Advertising Injury \$1,000,000
- Blanket Contractual Liability – Written and Oral \$1,000,000
- Fire Legal Liability \$ 50,000
- Each Occurrence \$1,000,000

- a. The policy shall be endorsed to **include coverage for sexual abuse and molestation.**
- b. The policy shall be endorsed to include the following additional insured language: ***“The State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees shall be named as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor”.***
- c. Policy shall contain a waiver of subrogation against the State of Arizona, its departments, agencies, boards, commissions, universities and its officers,

officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

2. **Automobile Liability**

Bodily Injury and Property Damage for any owned, hired, and/or non-owned vehicles used in the performance of this Contract.

Combined Single Limit (CSL) \$1,000,000

The policy shall be endorsed to include the following additional insured language: ***“The State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees shall be named as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor, involving automobiles owned, leased, hired or borrowed by the Contractor”.***

3. **Worker's Compensation and Employers' Liability**

Workers' Compensation	Statutory
Employers' Liability	
Each Accident	\$ 500,000
Disease – Each Employee	\$ 500,000
Disease – Policy Limit	\$1,000,000

- a. Policy shall contain a waiver of subrogation against the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.
- b. This requirement shall not apply to: Separately, EACH contractor or subcontractor exempt under A.R.S. 23-901, AND when such contractor or subcontractor executes the appropriate waiver (Sole Proprietor/Independent Contractor) form.

4. **Professional Liability (Errors and Omissions Liability)**

Each Claim	\$1,000,000
Annual Aggregate	\$2,000,000

- a. In the event that the professional liability insurance required by this Contract is written on a claims-made basis, Contractor warrants that any retroactive date under the policy shall precede the effective date of this Contract; and that either continuous coverage will be maintained or an extended discovery period will be exercised for a period of two (2) years beginning at the time work under this Contract is completed. The requirement for a policy Annual Aggregate of \$2,000,000 above under this paragraph 4 may also be substituted with an endorsement to the contractor's or subcontractor's (as the case may be) showing "Unimpaired Annual Aggregate \$1,000,000 for the Named Insured with respect to contracts with the State of Arizona, Department of Economic Security."
- b. Policy shall contain a waiver of subrogation against the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees for losses arising from work performed by or on

behalf of the Contractor.

- c. The policy shall cover professional misconduct or lack of ordinary skill for those positions defined in the Scope of Work of this contract.

- B. **ADDITIONAL INSURANCE REQUIREMENTS:** The policies shall include, or be endorsed to include, the following provisions:
1. The State of Arizona Department of Economic Security wherever additional insured status is required such additional insured shall be covered to the full limits of liability purchased by the Contractor, even if those limits of liability are in excess of those required by this Contract.
 2. The Contractor's insurance coverage shall be primary insurance with respect to all other available sources.
 3. The Additional Insured endorsement(s), where applicable to liability policies required under these provisions, and which extend policy rights to the State of Arizona (Contracting agency), shall insure only the vicarious liability to the extent stated in the Indemnification Clause.
- C. **NOTICE OF CANCELLATION:** Each insurance policy required by the insurance provisions of this Contract shall provide the required coverage and shall not be suspended, voided, canceled, or reduced in coverage or in limits except after thirty (30) days prior written notice has been given to the State of Arizona. Such notice shall be sent directly to **(State of Arizona Department Representative's Name & Address)** and shall be sent by certified mail, return receipt requested.
- D. **ACCEPTABILITY OF INSURERS:** Insurance is to be placed with duly licensed or approved non-admitted insurers in the state of Arizona with an "A.M. Best" rating of not less than A- VII. The State of Arizona in no way warrants that the above-required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.
- E. **VERIFICATION OF COVERAGE:** Contractor shall furnish the State of Arizona with certificates of insurance (ACORD form or equivalent approved by the State of Arizona) as required by this Contract. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.

All certificates and endorsements are to be received and approved by the State of Arizona before work commences. Each insurance policy required by this Contract must be in effect at or prior to commencement of work under this Contract and remain in effect for the duration of the project. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

All certificates required by this Contract shall be sent directly to **(State of Arizona Department Representative's Name and Address)**. The State of Arizona project/contract number and project description shall be noted on the certificate of insurance. The State of Arizona reserves the right to require complete, certified copies of all insurance policies required by this Contract at any time. **DO NOT SEND CERTIFICATES OF INSURANCE TO THE STATE OF ARIZONA'S RISK MANAGEMENT SECTION.**

- F. **SUBCONTRACTORS:** Contractors' certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall furnish to the State of Arizona separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum requirements identified above.

G. **APPROVAL:** Any modification or variation from the *insurance requirements* in this Contract shall be made by the Department of Administration, Risk Management Section, whose decision shall be final. Such action will not require a formal Contract amendment, but may be made by administrative action.

H. **EXCEPTIONS:** For any Contractor or subcontractor,

1. Which is a state university (in the State of Arizona), then the indemnification and insurance requirements set forth above shall not apply.
2. Which is a public entity (but not a state agency or state university referred to in paragraph H1 above) the indemnification and insurance requirements are replaced in their entirety by the following:

INDEMNIFICATION:

Each party (as "Indemnitor") agrees to indemnify, defend, and hold harmless the other party (as "Indemnitee") from and against any and all claims, losses, liability, costs, or expenses (including reasonable attorney's fees) (hereinafter collectively referred to as "Claims") arising out of bodily injury of any person (including death) or property damage, but only to the extent that such Claims which result in vicarious/derivative liability to the Indemnitee are caused by the act, omission, negligence, misconduct, or other fault of the Indemnitor, its officers, officials, agents, employees, or volunteers.

In addition, Contractor shall cause its contractor(s) and subcontractors, if any, to indemnify, defend, save and hold harmless the State of Arizona, any jurisdiction or agency issuing any permits for any work arising out of this Agreement, and their respective directors, officers, officials, agents, and employees (hereinafter referred to as "Indemnitee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys' fees, and costs of claim processing, investigation and litigation) (hereinafter referred to as "Claims") for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Contractor's contractor or any of the directors, officers, agents, or employees or subcontractors of such contractor. This indemnity includes any claim or amount arising out of or recovered under the Workers' Compensation Law or arising out of the failure of such contractor to conform to any federal, state or local law, statute, ordinance, rule, regulation or court decree. It is the specific intention of the parties that the Indemnitee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by such contractor from and against any and all claims. It is agreed that such contractor will be responsible for primary loss investigation, defense and judgment costs where this indemnification is applicable.

For subcontractors which are not public entities, insurance provisions A through G above shall apply.

3. Which is a Tribal government, the indemnification and insurance requirements are replaced in their entirety by the following:

Each party is responsible for its own negligence. Contractor is insured under the federal tort claims act.

4. Which does not perform professional services under certification or licensure, then paragraph A.4. Professional Liability above shall not be required with respect to such person(s).
5. Which does not provide professional services under certification or licensure to children or disabled persons, then paragraph A.1.a. above shall not apply.

17. Levels of Service.

- A. If the Contractor determines service recipient eligibility, the Contractor shall maintain and regulate the units or services set forth in this contract to ensure continuity and availability of services to eligible persons during the term of this contract and during any transition to a subsequent Contractor.
- B. The Department makes no guarantee to purchase specific quantities of goods or services, or to refer eligible persons as may be identified or specified herein. Further, it is understood and agreed that this contract is for the sole convenience of the Department and that the Department reserves the right to obtain like goods or services from other sources when such need is determined necessary by the Department.
- C. Any administration within the Department may obtain services under this contract.
- D. Contract services may be moved or expanded to other site locations within the geographic area awarded only by a written contract amendment.
- E. The Department makes no guarantee to purchase all of the service units authorized or to provide any number of referrals. If quantities of units are specified, they are estimates only and the Department may decrease and/or increase them by providing written notice to the Contractor.
- F. When the method of compensation for the service is **Fixed Price with Price Adjustment**, the contract may be amended, by mutual agreement, to purchase additional services by increasing the contract service budget and/or budget summary.

18. Monitoring. The Department may monitor the Contractor and/or subcontractor and they shall cooperate in the monitoring of services delivered, facilities and records maintained and fiscal practices.

19. Non-Discrimination. In addition to the terms and conditions in section 3.2 of the Uniform Terms and Conditions, the following shall apply:

- A. Unless exempt under Federal law the Contractor shall comply with Title VII of the Civil Rights Act of 1964 as amended. Contractor shall comply with the Age Discrimination in Employment Act. The Contractor shall comply with the Rehabilitation Act of 1973, as amended, which prohibits discrimination in the employment or advancement in employment of qualified persons because of physical or mental handicap. The Contractor shall comply with the requirements of the Fair Labor Standards Act of 1938, as amended.

- B. If Contractor is an Indian Tribal Government, Contractor shall comply with the Indian Civil Rights Act of 1968. It shall be permissible for an Indian Tribal Contractor to engage in Indian preference in hiring.
- C. The Contractor shall comply with Title VI of the Civil Rights Act of 1964, which prohibits the denial of benefits of or participation in contract services on the basis of race, color, or national origin. The Contractor shall comply with the requirements of Section 504 of the Rehabilitation Act of 1973, as amended, which prohibits discrimination on the basis of handicap, in delivering contract services; and with Title II of the Americans with Disabilities Act, and the Arizona Disability Act, which prohibit discrimination on the basis of physical or mental disabilities in the provision of contract programs, services and activities.
- D. The following shall be included in all publications, forms, flyers, etc. that are distributed to recipients of contract services:

“Under the Americans with Disabilities Act, the *(insert Contractor name here)* must make a reasonable accommodation to allow a person with a disability to take part in a program, service, or activity. For example, this means that if necessary, the *(insert Contractor name here)* must provide sign language interpreters for people who are deaf, a wheelchair accessible location, or enlarged print materials. It also means that the *(insert Contractor name here)* will take any other reasonable action that allows you to take part in and understand a program or activity, including making reasonable changes to an activity. If you believe that you will not be able to understand or take part in a program or activity because of your disability, please let us know of your disability needs in advance if at all possible. Please contact: *(insert Contractor contact person and phone number here)*”

20. Notices. In addition to the terms and conditions in section 3.5 of the Uniform Terms and Conditions, the following shall apply:

All notices shall reference the contract number.

The Contractor shall give written notice to the Department of changes to the following, and a written amendment to the contract shall not be necessary:

1. Change of address of business office;
2. Change of telephone number;
3. Changes in the name and/or address of the person to whom notices are to be sent;
4. Changes in contract-related personnel positions of the Contractor which do not affect staffing ratios, staff qualifications or specific individuals required under this contract;
5. Change in the name of the Contractor, where the ownership or responsible entity remains the same; or,
6. In a fixed price with price adjustment contract, whenever there is less than a 10% increase in any budget category; any such increase must be offset by an equal value decrease in another budget category or categories.

21. Payments. In addition to the terms and conditions in section 4.1 of the Uniform Terms and Conditions, the following shall apply:

- A. Payments shall be made according to the type of payment defined as follows:
1. **Rate (or) Fixed Price-** The Contractor is paid a specified amount for each unit of service or deliverable as designated in the contract, not to exceed the maximum number of authorized units if indicated by the Department for each contract service/deliverable.
 2. **Fixed Price with Price Adjustment** - Reimbursement to the Contractor is in accordance with actual, allowable costs incurred consistent with each service budget and/or budget summary not to exceed the service reimbursement ceiling. The Contractor shall furnish the Department with an accounting of actual costs incurred consistent with the categories set forth in the service budget. Budget categories, to include cost items in a category, may be deleted, added, or modified by a contract amendment, provided that the Total DES Service Cost shall not increase unless a price increase is permitted by renewal or extension of the contract.
- B. The Contractor shall report to the Department in the manner prescribed by the "Reporting Requirements" section of these terms and conditions. Upon receipt of applicable, accurate and complete reports, the Department shall authorize payment or reimbursement in accordance with the type of payment indicated by this contract.
- C. If the Contractor is in any manner in default in the performance of any obligation under this contract, or if audit exceptions are identified, the Department may, at its option and in addition to other available remedies, either adjust the amount of payment or withhold payment until satisfactory resolution of the default or exception.
- D. Under no circumstances shall the Department make payment to the Contractor that exceeds the contract or service reimbursement ceiling without an amendment to this contract. Under no circumstances shall the Department make payment to the Contractor for services performed prior to or after the term of the contract without timely extension or renewal of the contract.
- E. The Contractor may offer a price reduction adjustment at any time during the term of the contract. Any price reduction shall be executed by a contract amendment.

22. **Payment Recoupment.** The Contractor must reimburse the Department upon demand or the Department may deduct from future payments the following:

- A. Any amounts received by the Contractor from the Department for contract services which have been inaccurately reported or are found to be unsubstantiated;
- B. Any amounts paid by the Contractor to a subcontractor not authorized in writing by the Department;
- C. Any amount or benefit paid directly or indirectly to an individual or organization not in accordance with the "Substantial Interest" section of these terms and conditions;
- D. Any amounts paid by the Department for services which duplicate services covered or reimbursed by other specific grants, contracts, or payments;
- E. Any amounts expended for items or purposes determined unallowable by the Department when this contract provides for the reimbursement of costs, see the "**Unallowable Costs**" section of these terms and conditions;

- F. Any amounts paid by the Department for which the Contractor's books, records, and other documents are not sufficient to clearly substantiate that those amounts were used by the Contractor to perform contract services;
- G. Any amounts received by the Contractor from the Department which are identified as a financial audit exception;
- H. Any amounts paid or reimbursed in excess of the contract or service reimbursement ceiling;
- I. Any amounts paid to the Contractor which are subsequently determined to be defective pursuant to the "Certification of Cost or Pricing Data" section of these terms and conditions.
- J. Any payments made for services rendered before the contract begin date or after the contract termination date.

23. **Personnel.** The Contractor's personnel shall satisfy all qualifications, carry out all duties, and work the hours as set forth in this contract.

24. **Predecessor and Successor Contracts.** The execution or termination of this contract shall not be considered a waiver by the Department of any rights it may have for damages suffered through a breach of this or a prior contract with the Contractor.

25. **Professional Standards.** The Contractor shall deliver contract services in a humane and respectful manner and in accordance with any and all applicable professional accreditation standards. Levels of staff qualifications, professionalism, numbers of staff and individuals identified by name must be maintained as presented in the contract.

26. **Records.** In addition to the terms and conditions in section 3.1 of the Uniform Terms and Conditions, the following shall apply:

Contract service records will be maintained in accordance with this contract. Records shall, as applicable, meet the following standards:

- A. Adequately identify the service provided and each service recipient's application for contract and subcontract activities;
- B. Include personnel records which contain applications for employment, job titles and descriptions, hire and termination dates, a copy of the fingerprint clearance card, wage rates, and effective dates of personnel actions affecting any of these items;
- C. Include time and attendance records for individual employees to support all salaries and wages paid;
- D. Include records of the source of all receipts and the deposit of all funds received by the Contractor;
- E. Include original copies of invoices, statements, sales tickets, billings for services, deposit slips, etc., and a cash disbursement journal and cancelled checks to reflect all disbursements applicable to the contract;
- F. Include a complete general ledger with accounts for the collection of all costs and/or fees applicable to the contract; and,

- G. Include copies of lease/rental agreements, mortgages and/or any other agreements which in any way may affect contract expenditures.

Any such records not maintained shall mandate an audit exception in the amount of the inadequately documented expenditures.

27. Reporting Requirements.

- A. Unless otherwise provided in this contract, reporting shall adhere to the following schedule: no later than the 15th day following each month during the contract term the Contractor shall submit programmatic and financial reports to the Department in the form set forth in the contract. Failure to submit accurate and complete reports by the 15th day following the end of a month may result, at the option of the Department, in retention of payment. Failure to provide such report within 45 days following the end of a month may result, at the option of the Department, in a forfeiture of such payment.
- B. No later than the 45th day following the termination of this contract, Contractor shall submit to the Department a final program and fiscal report. Failure to submit the final program and fiscal report within the above time period may result, at the option of the Department, in forfeiture of final payment.
- C. All reports shall reference the contract number and be submitted to the person designated by the Department.

28. Subcontracts. In addition to the terms and conditions in section 5.2 of the Uniform Terms and Conditions, the following shall apply:

The Contractor shall provide copies of subcontracts relating to the provision of contract services to the Department upon request.

29. Substantial Interest Disclosure.

- A. Contractor shall not make any payments, either directly or indirectly, to any person, partnership, corporation, trust, or any other organization which has a substantial interest in Contractor's organization or with which Contractor (or one of its directors, officers, owners, trust certificate holders or a relative thereof) has a substantial interest, unless Contractor has made a full written disclosure of the proposed payments, including amounts, to the Department.
- B. Leases or rental agreements or purchase of real property which would be covered by Paragraph A of this section shall be in writing and accompanied by an independent commercial appraisal of fair market rental, lease, or purchase value, as appropriate.
- C. For the purpose of this Section, "relative" shall have the same meaning as in A.R.S. §38-502.

30. Supporting Documents and Information. In addition to any documents, reports or information required by any other section of this contract, Contractor shall furnish the Department with any further documents and information deemed necessary by the Department.

31. Technical Assistance. The Department may, but shall not be obligated to, provide technical assistance to the Contractor in the administration of contract services, or relating to the terms and conditions, policies and procedures governing this contract. Notwithstanding the foregoing,

the Contractor shall not be relieved of full responsibility and accountability for the provision of contract services in accordance with the terms and conditions set forth herein.

32. Termination for Any Reason.

- A. In the event the contract is terminated, with or without cause, or expires, the Contractor, whenever determined appropriate by the Department, shall assist the Department in the transition of services or eligible persons to other Contractors. Such assistance and coordination shall include, but not be limited to, the forwarding of program and other records as may be necessary to assure the smoothest possible transition and continuity of services. The cost of reproducing and forwarding such records and other materials shall be borne by the Contractor. The Contractor must make provisions for continuing all management/administrative services until the transition of services or eligible persons is complete and all other requirements of this contract are satisfied.
- B. In the event of termination or suspension of the contract by the Department, such termination or suspension shall not affect the obligation of the Contractor to indemnify the Department and the State for any claim by any other party against the State or Department arising from the Contractor's performance of this contract and for which the Contractor would otherwise be liable under this contract. To the extent such indemnification is excluded by A.R.S. §41-621 et seq. or an obligation is unauthorized under A.R.S. §35-154, the provisions of this paragraph shall not apply.
- C. In the event of early termination, any funds advanced to the Contractor shall be returned to the Department within ten (10) days after the date of termination or upon receipt of notice of termination of the contract, whichever is earlier.

33. Termination for Default. In addition to the terms and conditions in section 9.5 of the Uniform Terms and Conditions, the following shall apply:

This contract may immediately be terminated if the Department determines that the health or welfare or safety of service recipients is endangered.

34. Unallowable Costs. The cost principles set forth in the Code of Federal Regulations, 48 CFR, Chapter 1, Subchapter e, Part 31, (October 1, 1991), excluding later amendments and editions, on file with the Arizona Secretary of State and incorporated by this reference, shall be used to determine the allowability of incurred costs for the purpose of reimbursing costs under contract provisions that provide for the reimbursement of costs. Those costs which are specifically defined as unallowable therein will not be submitted for reimbursement by the Contractor and may not be reimbursed with Department funds.

In addition, the Contractor shall comply with the following publications, as applicable:

- A. OMB Circular A-87 for State, local and Indian Tribal Governments.
- B. OMB Circular A-122 for private non-profit organizations other than institutions of higher education, hospitals or others specified in A-122.
- C. OMB Circular A-21 for educational institutions.
- D. OMB Circular A-133 for audits of institutions of higher education and other non-profit institutions.

35. **Visitation, Inspection and Copying.** Contractor's or subcontractor's facilities, services and individuals served, books and records pertaining to the contract shall be available for visitation, inspection and copying by the Department and any other appropriate agent of the State or Federal Government. At the discretion of the Department, visitation, inspection and copying may be at any time during regular business hours, announced or unannounced. If the Department deems it to be an emergency situation, it may at any time visit and inspect the Contractor's or subcontractor's facilities, services and individuals served, as well as inspect and copy their contract-related books and records.
36. **Offshore Performance of Work Prohibited.** Due to security and identity protection concerns, all services under this contract shall be performed within the borders of the United States. All storage and processing of information shall be performed within the borders of the United States. This provision applies to work performed by subcontractors at all tiers.

EXHIBIT F

ARIZONA DEPARTMENT OF ECONOMIC SECURITY

AGING AND ADULT ADMINISTRATION

SPECIAL TERMS AND CONDITIONS

1. REPORTING REQUIREMENTS, Section 27 of the DES Special Terms and Conditions

The following replaces section A:

No later than the 30th day following the end of each month during the Contract Term, the Contractor shall submit to the Department programmatic and financial reports identified in the Aging and Adult Administration Policies and Procedures Manual Chapter 1600 and as may be amended periodically. Failure to submit accurate and complete reports by the 30th day following the end of a month may result, at the option of the Department, in retention of the next scheduled payment.

2. PAYMENT REQUIREMENTS, Section 21 of the DES Special Terms and Conditions

The following replaces Sections A.1. and A.2.

A. Payments shall be made according to the type of payment defined as follows:

1. Rate (or) Fixed price – The Contractor is paid a specified amount for each unit of service or deliverable as designated by the contract, not to exceed the maximum number of authorized units if indicated by the Department for each service/deliverable. The Department may authorize units in incremental amounts throughout the term of the contract by amending the contract or through the process of issuing release orders.
2. Fixed Price with Price Adjustment – Reimbursement to the Contractor is in accordance with actual, allowable costs incurred consistent with each service budget and/or budget summary not to exceed the service reimbursement ceiling. The Contractor shall furnish the Department with an accounting of actual costs incurred consistent with the categories set forth in the service budget. Budget categories, to include cost items in a category, may be deleted, added, or modified by a contract amendment or through the process of issuing release orders, provided that the Total DES Service Cost shall not increase unless a price increase is permitted by renewal or extension of the contract.

The following replaces Section D.

Under no circumstances shall the Department make payment to the Contractor that exceeds (a) the specified contract amount (rate or fixed price amount X number of authorized units) in the case of contracts entered into under Section A.1 (as amended) above or (b) the service reimbursement ceiling in the case of contracts entered into under Section A.2 (as amended) above, unless in either case, DES has issued a release order for additional units or funds, or the contract is amended. Under no circumstances shall the Department make payment to the Contractor for services performed prior to or after the term of the contract without timely extension or renewal of the contract.

The following replaces Section 20, 6.

5. In a fixed price with price adjustments contract, written amendment shall not be necessary to shift costs among budget categories. The contractor shall give written notice to the Department that includes justification for the changes and receive written approval by the Department. Any such increase must be offset by an equal decrease in any budget category and categories. A maximum of 3 adjustments can be made within any Alert period.

EXHIBIT G

NACOG AAA Provider Procedure for BACKGROUND CLEARANCE

1. All staff/volunteers that work directly with vulnerable adults in an unsupervised setting **MUST** be cleared in this process.
2. The following documentation must be completed and sent to NACOG AAA via Kurtis Kegley.
 - a. A **Central Registry** form must be completed. We will submit to Division of Children Youth and Families for a search. We will notify by phone or email when each person is cleared on this search. If a person is not cleared on Central Registry AAA will be notified and we will contact the individual directly.
 - b. **CRIMINAL HISTORY AFFIDAVIT** (original or copy) –original must be notarized.
 - c. A copy (**front and back**) of a valid “**LEVEL ONE fingerprint CLEARANCE card**”. This is to be obtained directly from DPS at provider/staff’s own cost.
 - d. **Note: This is the only card that is accepted. Old cards are not grandfathered in.**
3. Per the State Terms and conditions volunteers must clear **Central Registry and obtain valid LEVEL ONE fingerprint clearance card, and complete affidavit**) in order to provide direct services to vulnerable adults. You may **NOT** have staff/volunteers working directly with NACOG clients until all items are received and cleared. However, staff/volunteers may train under the direct supervision of an employee or volunteer that has been cleared.
4. If we find a provider in violation of procedure they will be given a corrective action to obtain the required items listed above.

Revised-Nov. 2011

[SB 1082](#)

ARS 46-141 A.

Each licensee granted by the department of economic security and each contract entered into between the department of economic security and any contract provider for the provision of services to juveniles OR VULNERABLE ADULTS shall provide that, as a condition of employment, personnel who are employed by the licensee or contractor, whether paid or not, and who are required or allowed to provide services directly to juveniles OR VULNERABLE ADULTS shall have a valid fingerprint clearance card issued pursuant to section 41-1758.07 or shall apply for a fingerprint clearance card within seven working days of employment.

Revised-Nov. 2011

City of Cottonwood, Arizona
City Council Agenda Communication



Meeting Date: January 17, 2012

Subject: Request for Position - Transportation Manager - Community Services Department

Department: Community Services (CAT - Cottonwood Area Transit System)

From: Richard Faust, Community Services General Manager

REQUESTED ACTION

Staff requests Council approval to authorize and advertise for the position of Transportation Manager within the Community Services Department for the administration and direction of all Cottonwood Area Transit and Verde Lynx Transit Services which will be re-integrated into the City management system beginning July 1, 2012. This position will need to be hired in mid to late February 2012 in order to move forward with all grant activities and assist the Community Services General Manager in the seamless transition of all CAT/Lynx staff, facilities, contracts and capital equipment transfers.

If the Council desires to approve this item the suggested motion is:

“I make a motion to approve the hiring of a Transportation Manager at a Range 45 to provide for transition/continuity of services and management of the CAT and Verde Lynx Transit systems”.

BACKGROUND

With the unfolding process of transfer of operations of two (2) transit systems from the Northern Arizona Intergovernmental Public Transportation Agency (NAIPTA), the City of Cottonwood is in need of hiring a “Transportation Manager” in order to provide for a seamless front-loading of all necessary management functions along with system controls and communication to State ADOT authorities and NACOG transportation officials. Grants will need comprehensive over-site with large amounts of time devoted to the implementation and careful application of grant requirements. Continuous devotion of time will be necessary in meetings with NAITPA Management personnel towards effecting goals towards the

transference of all financial, legal and community relations interests. In addition, the ever present need towards transition, management and supervision of approximately eleven (11) full time staff personnel along with four to five part-time staff will be required in order to provide functional system routes, vehicle service/maintenance, training, and coordination of a large transit system operation in accordance with all State/Federal standards for startup on July 1, 2012. The Transportation Manager will also need to coordinate and provide communications and effect monthly operation charts and management reports to Cottonwood, Clarkdale, Sedona, Yavapai County and State authorities for proper system management.

JUSTIFICATION/BENEFIT/ISSUES

Prior to NAIPTA Management of the CAT System, Cottonwood had a full time Transportation Manager onboard to effect all necessary operations of a moderate sized department program. With the addition of resources being added by way of Lynx personnel, capital equipment and new grant activities, the need is even greater to provide constant administrative, managerial and supervisory over-site and direction for this larger - more complex/comprehensive system.

COST/FUNDING SOURCE

Salary requirements for the position were identified by both the Administrative Services General Manager and Human Resources Manager at a Range 45. Due to increased duties and responsibilities of the position, it was felt that this position was more closely associated with the Library Manager in scope and management skills required for this type of operational over-site. Minimum Salary level will be \$45,056 with top level at \$65,331. The position description for the job was submitted to State ADOT authorities for their review and critique in hopes of receiving any additional requirements or needs with the position. State Authorities felt the task elements and structure of the job description was accurate and complete.

This position will probably need to be funded over the next seven (7) months without the normal assistance of Section 5311 Rural Transportation Grant funding. State ADOT officials however, have agreed to look for outside assistance with this endeavor in order to make the transition as smooth and seamless as possible for the City. This assistance would be available prior to the 2013 Grant going into effect on October 1, 2012. Currently, Rudy Rodriguez feels comfortable knowing that over \$200,000 in fund balance funding from NAIPTA will be returned to Cottonwood to assist with the re-establishment of the CAT/Lynx Transit systems.

REVIEWED BY

City Manager: _____

City Attorney: _____

ATTACHMENTS

- Transportation Manager Job Description



Job Description
Job Code: 191
Range: 45

TRANSPORTATION MANAGER

DEFINITION: Under executive direction of the Community Services General Manager, plans, directs, controls, and supervises the daily operations of the Cottonwood Area Transit and Verde Lynx Systems ensuring that the maximum numbers of people are provided transportation services in a safe and professional manner. Provides leadership, guidance and direction for all transit operators and dispatchers; and performs related duties as assigned.

CLASSIFICATION: This is an exempt, full-time, classified position with full benefits.

ESSENTIAL FUNCTIONS: Essential functions, as defined under the Americans with Disabilities Act, may include the following tasks, knowledge, skills and other characteristics. This list is ILLUSTRATIVE ONLY, and is not a comprehensive listing of all functions and tasks performed by incumbents of this classification.

TASKS:

Supervises the daily operations of the Cottonwood Area Transit (C.A.T.S.) and the Verde Lynx Systems providing transportation for the residents of Cottonwood, surrounding communities and all intra-city link services. Provides oversight and assists as needed in dispatching local calls for service for the Cottonwood Area Transit (CAT) and Verde Lynx System; receiving requests for services by telephone or in person; scheduling requests both independently or with the assistance of transit operators; maintaining advance schedules for transit operations; audits operator daily logs, cash receipts and all system ridership numbers weekly, monthly and annually.

Manages records of receipts and transmits monies to the Finance Department. Supervise all billing to clients on a daily basis, handles all administrative duties associated with the department; ensures that vehicle maintenance is performed each month as per state specifications and requirements.

Mentors staff providing guidance and direction as well as performance initiates all staff evaluations. Obtains and provides necessary ongoing training as established by state law. Establishes individual and group goals and objectives for the Cottonwood Area Transit System and Verde Lynx operations. Has responsibility for major personnel decisions (e.g. assists in hiring i.e. interviews and determines highest qualified candidates' for advertised positions; implements discipline, and assists in termination, etc.) meet with staff to delegate assignments, check work periodically and answer questions/concerns.

Oversees the preparation, representation, implementation, and administration of the city and state budgets; budgetary and fiscal reports to City Council and interested public groups; reviews and approves submittals to City and State officials for projects, expenditures and prepares all grants and grant activities; makes final determination of elements to be included in the budgets submitted to the City Council and State officials. Attends meetings on behalf of the city (regional and statewide) and represents the city and its leadership with outside agencies and prepares and defends budgets. Provides monthly fiscal tracking mechanisms to assure the department is working within its budget.

Maintains various monthly reports to provide information and statistics for operational reports to the various entities that provide funding as well as various municipal management staff; assigns work schedules according to client needs on a pre-scheduled basis; works in harmony with staff in other

Transportation Manager – (Continued)

departments to meet the needs of their riders; maintains fare schedules conducive to increasing the number of riders.

Attends meetings on behalf of the city and Cottonwood Area Transit (CAT) and Verde Lynx systems to support both systems i.e. Demand and Checkpoint Deviation. Promotes transportation for intercity/regional issues.

KNOWLEDGE, SKILLS, AND OTHER CHARACTERISTICS:

Knowledge of applicable federal, state, and local laws, ordinances, statutes, rules, regulations, policies, and procedures of transportation.

Knowledge of provisions of the Occupational Safety and Health Act.

Knowledge of various State and Federal Transportation Grant programs/activities

Knowledge of the traffic patterns in the Verde Valley.

Knowledge of safe driving techniques/defensive driving techniques.

Knowledge of drug and alcohol procedures/training etc.

Knowledge of resources for transportation activities.

Knowledge of passenger service and safety certifications.

Skill in operating various size transportation vehicles.

Skill in interacting with people with disabilities.

Skill in developing and maintaining effective interpersonal relations, leadership and resource management.

Skill in creating and maintaining official records.

Skill in developing and maintaining effective coalitions with various groups throughout the city.

Skill in performing multiple tasks at the same time.

PHYSICAL REQUIREMENT: This classification involves work of a sedentary nature with periods requiring driving and/or dispatching in nature that are not hazardous or excessive difficulties to the work performed. This classification while driving involves light to heavy lifting and carrying due to passengers/parcels as required on and off the van/wheelchair lift.

MINIMUM QUALIFICATIONS: The equivalent of a bachelor's degree from an accredited college or university with a major in transportation safety or a related field and three (3) years experience providing transportation services for the general public including two (2) years in a lead or supervisory role.

Employee's Signature: _____ Date: _____

Prepared by: Shirley Scott/DLP 4/21/2003

Reviewed by: _____

CLAIMS REPORT OF JANUARY 17, 2012

FUND TOTAL	VENDOR NAME	DESCRIPTION	TOTAL \$0.00
CLAIMS EXCEPTIONS REPORT OF JANUARY 17, 2012			
FUND	VENDOR NAME	DESCRIPTION	TOTAL
All	City of Cottonwood	Payroll 01/06/2012	\$395,820.80
All	APS	Utilities	\$27,935.70
Utilities	AZ Dept of Water Resources	2nd half of annual Municipality Fee	\$7,017.15
Utilities	Ferguson	Supplies	\$18,183.66
Gen	Larson Allen	Audit FY 2011	\$19,400.00
Gen	Motorola	PO 18987 radios	\$34,526.72
Gen	Proforce Law Enforcement	PO 19058 tasers	\$6,782.10
Gen	Sedona Fire District	Disptaching and Telecom Services January 2012	\$11,082.43
Gen	Sutton Law	Prosecuting Atty Fees	\$7,000.00
Capital	Tierra Verde Builders	PO19021 & PO19059 Old Court Demo and remodel	\$51,581.71
Gen	UNS Gas Inc	Utilities	\$5,219.14
All	APS	Utilities	\$36,132.07
Utilities	AGM Sales and Services	PO 18966 Generator	\$79,682.63
Gen	AZ State Treasurer	Court Fines	\$12,911.45
Utilities	Bentley Systems Inc	PO 19039 Water Reinstatement	\$5,307.84
Hurf	Canyon State Concrete Inc	Library Bus bays	\$18,533.00
Utilities	Environgen	PO 19033 Arsenic Maintenance	\$34,674.76
Gen	LN Curtis and sons	Po 19023 and hi-rise pack and nozzle	\$5,983.09
All	United Fuel	Fuel	\$8,579.97
All	UNS Gas Inc	Utilities	\$6,026.80
TOTAL			\$792,381.02