

Tuolumne County Transit Advertising Agreement  
**Exhibit B - FTA & DOT Required Provisions**

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1. Antitrust Claims. The **CONTRACTOR** by signing this agreement hereby certifies that if these services or goods are obtained by means of a competitive bid, the **CONTRACTOR** shall comply with the requirements of the Government Codes Sections set out below.
  - A. The Government Code Chapter on Antitrust claims contains the following definitions:
    1. "Public purchase" means a purchase by means of competitive bids of goods, services, or materials by the TCTA or any of its political subdivisions or public agencies on whose behalf the Attorney General may bring an action pursuant to subdivision (c) of Section 16750 of the Business and Professional Code.
    2. "Public purchasing body" means the TCTA or the subdivision of agency making a public purchase. Government Code Section 4550.
  - B. The **CONTRACTOR** agrees to assign to the purchasing body all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. 15) or under the Cartwright Act (Chapter 2 (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, materials, or services by the **CONTRACTOR** for sale to the purchasing body pursuant to the bid. Such assignment shall be made and become effective at the time the purchasing body tenders final payment to the **CONTRACTOR**. Government Code Section 4552.
2. Child Support Compliance Act. "For any Agreement in excess of \$100,000, the **CONTRACTOR** acknowledges in accordance with Public Contract Code 7110, that:
  - A. The **CONTRACTOR** recognizes the importance of child and family support obligations and shall fully comply with all applicable California Department of Transportation and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with section 5200) of Part 5 of Division 9 of the Family Code; and
  - B. The **CONTRACTOR**, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department."
3. Procurements. All procurements, including local procurement of supplies, equipment, construction, and services shall be conducted in accordance with the Procurement Standards set forth in FTA's implementing regulations of 49 CFR Part 18, "Uniform Administrative Requirements for Grants and Cooperative Agreements to California Department of Transportation and Local Governments" and 2 CFR Part 225 or 49 CFR Part 19, "Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Educations,

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Hospitals, and Other Non-profit Organizations” and 2 CFR Part 230 and FTA Circular 4220.1F, “Third-Party Contracting Guidance.”

4. Exclusionary or Discriminatory Specifications. Apart from inconsistent requirements imposed by Federal statute or regulations, the **CONTRACTOR** agrees that it will comply with the requirements of 49 U.S.C. Section 5323(h)(2) by refraining from using any Federal assistance funds awarded to TCTA on behalf of the California Department of Transportation to support procurements using exclusionary or discriminatory specifications.
5. Buy America. The **CONTRACTOR** shall comply with the Buy America requirements of 49 USC 5323(j) and 49 CFR Part 661 for all procurements of steel, iron and manufactured products used in PROJECT. Buy America requirements apply to all purchases, including materials and supplies funded as operating costs, if the purchase exceeds the threshold for small purchases (currently \$100,000). Separate requirements for rolling stock are set out at 49 USC 5323(j)(2)(c) and 49 CFR 661.11. Rolling stock must be assembled in the United States and have a 60 percent domestic content.
6. U.S. Flag Requirements.
  - A. Shipments by Ocean Vessel. For third-party agreements that may involve equipment, materials, or commodities which may be transported by ocean vessels, the **CONTRACTOR** and subcontractors must comply with 46 U.S.C. Section 55303 and 46 CFR Part 381, “Cargo Preference-U.S. Flag Vessels.”
  - B. Shipments by Air Carrier. For third-party agreements that may involve shipments of federally assisted property by air carrier, the **CONTRACTOR** and subcontractors must comply with the “Fly America” Act and 49 U.S.C. Section 40118, “Use of United California Department of Transportations Flag Air Carriers,” and 41 CFR Sections 301-10.131 through 301-10.143.
  - C. Project Travel. In accordance with Section 5 of the International Air Transportation Fair Competitive Practices Act of 1973, as amended, (“Fly America” Act), 49 U.S.C. 40118 and 41 CFR Part 301-10, the **CONTRACTOR** and all subcontractors are required to use U.S. Flag air carriers for U.S. Government-financed international air travel and transportation, to the extent such service is available or applicable.
7. Vehicle Operator Licensing (Transit Operation & Rolling Stock Only). The **CONTRACTOR** is required to comply with all applicable requirements of the Federal Motor Carrier Safety Administration regulations and the California Vehicle Code including, but not limited to, the requirement that all vehicle operators have a valid State of California driver’s license, including any special operator license that may be necessary for the type of vehicle operated.

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8. Record Keeping. The **CONTRACTOR** and all subcontractors shall maintain all books, documents, papers, accounting records, and other evidence pertaining to the performance of this Agreement. All parties shall make such materials available at their respective offices at all reasonable times during the performance period and for three (3) years from the date of final payment under this Agreement and all subagreements.
9. Accounting Records. The **CONTRACTOR** shall establish and maintain separate accounting records and reporting procedures specified for the fiscal activities of the **PROJECT**. The **CONTRACTOR'S** accounting system shall conform to generally accepted accounting principles (GAAP) and uniform standards that may be established by California Department of Transportation. All records shall provide a breakdown of total costs charged to the **PROJECT** including properly executed payrolls, time records, invoices and vouchers.
10. Examination of Records. The TCTA, the California Department of Transportation's Audits Office, the California Department of Transportation Auditor General, and any duly authorized representative of the Federal government shall have access to any books, records, and documents of the **CONTRACTOR** and its subcontractors that are pertinent to this Agreement for audits, examinations, excerpts, and transactions, and copies thereof shall be furnished if requested. The **CONTRACTOR** shall include a clause to this effect in every subagreement entered into relative to the **PROJECT**.
11. Debarment and Suspension. The **CONTRACTOR** agrees as follows:
  - A. The **CONTRACTOR** agrees to comply with the requirements of Executive Order Nos. 12549 and 12689, "Debarment and Suspension," 31 U.S.C. Section 6101 note; and U.S. DEPARTMENT OF TRANSPORTATION regulations on Debarment and Suspension and 49 CFR Part 29.
  - B. Unless otherwise permitted by the California Department of Transportation, the **CONTRACTOR** agrees to refrain from awarding any third-party agreement of any amount to or entering into any sub-agreement of any amount with a party included in the "U.S. General Services Administration's (U.S. GSA) List of Parties Excluded from Federal procurement or Non-procurement Program," implementing Executive Order Nos. 12549 and 12689, "Debarment and suspension" and 49 CFR Part 29. The list also include the names of parties debarred, suspended, or otherwise excluded by agencies, and contractors declared ineligible for agreement award under statutory or regulatory authority other than Executive Order Nos. 12549 and 12689.
  - C. Before entering into any subcontracts with any subcontractor, the **CONTRACTOR** agrees to obtain a debarment and suspension certification from each prospective recipient containing information about the debarment and suspension status and other specific information of that awarding agency and its "principals," as defined at 49 CFR Part 29.

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D. Before entering into any third-party agreement exceeding \$25,000, the **CONTRACTOR** agrees to obtain a debarment and suspension certification from each third-party contractor containing information about the debarment and suspension status of that third-party contractor and its "principals," as defined at 49 CFR 29.105(p). The **CONTRACTOR** also agrees to require each third-party contractor to refrain from awarding any third-party sub-agreement of any amount (at any tier) to a debarred or suspended subcontractor, and to obtain a similar certification from any third-party subcontractor (at any tier) seeking an agreement exceeding \$25,000.

12. Compliance with Federal Statutes. During the performance of this Agreement, the **CONTRACTOR**, its assignees and successors in interest, agree to comply with all Federal statutes and regulations applicable to grantee recipients under the Federal Transit Act, including, but not limited to the following:

A. Race, Color, Creed, National Origin, Sex - In accordance with Title VI of the Civil Rights Act, as amended, 42 U.S.C. § 2000e, and Federal transit laws at 49 U.S.C. § 5332, the **CONTRACTOR** agrees to comply with all applicable equal employment opportunity requirements of U.S. Department of Labor (U.S. DOL) regulations, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," 41 C.F.R. Parts 60 et seq., (which implement Executive Order No. 11246, "Equal Employment Opportunity," as amended by Executive Order No. 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," 42 U.S.C. § 2000e note), and with any applicable Federal statutes, executive orders, regulations, and Federal policies that may in the future affect construction activities undertaken in the course of the PROJECT. The **CONTRACTOR** agrees to take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, creed, national origin, sex, or age. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. In addition, the **CONTRACTOR** agrees to comply with any implementing requirements the California Department of Transportation may issue.

B. Nondiscrimination. The **CONTRACTOR**, with regard to the work performed by it during the agreement term shall act in accordance with Title VI. Specifically, the **CONTRACTOR** shall not discriminate on the basis of race, color, national origin, religion, sex, age, or disability in the selection and retention of subcontractors, including procurement of materials and leases of equipment. The **CONTRACTOR** shall not participate either directly or indirectly in the discrimination prohibited by Section 21.5 of the U.S. DEPARTMENT OF TRANSPORTATION's Regulations, including employment practices when the agreement covers a program whose goal is employment. Further, In accordance with Section 102 of the Americans with Disabilities Act, as amended, 42 U.S.C. § 12112, the **CONTRACTOR** agrees that it will comply with the requirements of U.S. Equal Employment Opportunity

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Commission, "Regulations to Implement the Equal Employment Provisions of the Americans with Disabilities Act," 29 C.F.R. Part 1630, pertaining to employment of persons with disabilities. In addition, the **CONTRACTOR** agrees to comply with any implementing requirements the California Department of Transportation may issue.

- C. Solicitations for Subagreements Including Procurements of Materials and Equipment. In all solicitations, either by competitive bidding or negotiation by the **CONTRACTOR** for work to be performed under a subagreement, including procurements of materials or leases of equipment, each potential subcontractor or supplier shall be notified by the **CONTRACTOR** of the subcontractor's obligations under this Agreement and the Regulations relative to nondiscrimination on the grounds of race, color, or national origin.
- D. Information and Reports. The **CONTRACTOR** 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 the TCTA or the California Department of Transportation to be pertinent to ascertain compliance with such Regulations or directives. Where any information required of a **CONTRACTOR** is in the exclusive possession of another who fails or refuses to furnish this information, the **CONTRACTOR** shall so certify to the TCTA or the California Department of Transportation as appropriate, and shall set forth what efforts it has made to obtain the information.
- E. In accordance with 49 CFR Part 26 and as described in FTA Circular 4702.1, and the California Department of Transportation Title VI Program Plan, and upon request from the TCTA, the **CONTRACTOR** shall comply with the following reporting requirements. The **CONTRACTOR** is also responsible for ensuring compliance of each third-party contractor at any tier of the PROJECT.
1. Provide an Annual Title VI Certification and Assurance.
  2. Establish and maintain Title VI complaint procedures.
  3. Record Title VI investigations, complaints, and lawsuits.
  4. Provide meaningful access to Limited English Proficient Persons.
  5. Notify beneficiaries of protection under Title VI.
  6. Provide additional information upon request.
  7. Prepare and submit a Title VI Report.
  8. Guidance on conducting an Analysis of Construction PROJECT'S.
  9. Guidance on promoting Inclusive Public Participation.
- F. Sanctions for Noncompliance. In the event of the **CONTRACTOR**'s noncompliance with the nondiscrimination provisions of this Agreement, the TCTA shall impose such agreement sanctions as it or the California Department of Transportation may determine to be appropriate, including, but not limited to:

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1. Withholding of payments to the **CONTRACTOR** under the Agreement until the **CONTRACTOR** complies, and/or
  2. Cancellation, termination or suspension of the Agreement, in whole or in part.
- G. Incorporation of Provisions. The **CONTRACTOR** shall include the provisions of these paragraphs A through F in every subagreement, including procurements of materials and leases of equipment, unless exempt by the Regulations or directives issued pursuant thereto. The **CONTRACTOR** will take such action with respect to any subcontractor or procurement as the TCTA or the California Department of Transportation may direct as a means of enforcing such provisions including sanctions for noncompliance; provided, however, that in the event a **CONTRACTOR** becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, the **CONTRACTOR** may request the TCTA to enter into such litigation to protect the interest of the TCTA, and, in addition, the **CONTRACTOR** may request the United California Department of Transportations to enter into such litigation to protect the interests of the United California Department of Transportations.
13. Disadvantaged Business Enterprise. The **CONTRACTOR** agrees to comply with U.S. Department of Transportation regulations, "Participation by Disadvantaged Enterprises in Department of Transportation Financial Assistance Programs", 49 CFR Part 26 and will cooperate with California Department Of Transportation with regard to maximum utilization of disadvantaged business enterprises, and will use its best efforts to ensure that disadvantaged business enterprises shall have the maximum opportunity to compete for sub contractual work under this Agreement.
  14. Section 504 and Americans with Disabilities Act Program Requirements. The **CONTRACTOR** will comply with 49 C.F.R. Parts 27, 37 and 38, implementing the Americans with Disabilities Act and Section 504 of the Rehabilitation Act or 1973, 29 U.S.C. Section 794, as amended.
  15. Public Lands. The **CONTRACTOR** agrees to refrain from using in its PROJECT any publicly owned land from a park, recreation area, or wildlife or waterfowl refuge of National, California Department of Transportation, or local significance as determined by the Federal, California Department of Transportation, or local officials having jurisdiction thereof, and also refrain from using in its PROJECT any land from a historic site of National, California Department of Transportation, or local significance unless the Federal Government makes the specific findings as required by 49 U.S.C. § 303.
  16. Energy Conservation. The **CONTRACTOR** agrees to comply with the mandatory energy efficiency standards and policies within the applicable California Department of Transportation energy conservation plans issued in compliance with the Energy Policy and Conservation Act, 42, U.S.C. § 6321 *et seq.*

17. Conflict of Interest.

- A. In accordance with 41 U.S.C. § 22, no member of or delegate to the Congress of the United California Department of Transportations shall be admitted to any share or part of this Agreement or to any benefit arising there from.
- B. The **CONTRACTOR** certifies that its employees and the officers of its governing body shall avoid any actual or potential conflicts of interest, and that no officer or employee who exercises any functions or responsibilities in connection with this Agreement shall have any personal financial interest or benefit which either directly or indirectly arises from this Agreement.
- C. The **CONTRACTOR** shall establish safeguards to prohibit its employees or its officers from using their positions for a purpose which could result in private gain or which gives the appearance of being motivated for private gain for themselves or others, particularly those with whom they have family, business, or other ties.
- D. The **CONTRACTOR** will not be awarded an agreement if the financial interests are held by a current officer or employee of the TCTA. Additionally, an agreement will not be awarded to an officer or employee of the TCTA to provide goods and service. Likewise, the **CONTRACTOR** officials and employees shall also avoid actions resulting in or creating an appearance of:
  - 1. Using an official position for private gain;
  - 2. Giving preferential treatment to any particular person;
  - 3. Losing independence or impartiality;
  - 4. Affecting adversely the confidence of the public or local officials in the integrity of the program.
- E. Former TCTA employees will not be awarded an agreement for 2 years from the date of separation if that employee had any part of the decision making process relevant to this agreement, or for 1 year from the date of separation if that employee was in a policy making position in the same general subject area as the proposed agreement within the 12-month period to his or her separation from TCTA.
- F. Neither the **CONTRACTOR** nor any of its employees, suppliers or subcontractors shall enter into any agreement, subagreement, or arrangement in connection with the PROJECT or any property included or planned to be included in the PROJECT, in which any member, officer, or employee of the **CONTRACTOR** or its subcontractor, during the PROJECT term and for one year thereafter, has any direct or indirect conflict of interest.

If any such present or former member, officer, or employee involuntarily acquires or had acquired prior to the beginning of the PROJECT term any such interest, and if such interest is immediately disclosed to the **CONTRACTOR** and such disclosure is entered upon the Minutes of the **CONTRACTOR's** written report to the TCTA of such interest, the TCTA, may waive the conflict of interest; provided that the officer or employee shall not participate in any action by the **CONTRACTOR** or the locality relating to such agreement, subagreement, or arrangement.

- G. No member, officer, or employee of the **CONTRACTOR** or of the locality during the PROJECT term or for one year thereafter shall have any interest, direct or indirect, in this Agreement or the proceeds thereof.
- H. The provisions of this subsection shall not be applicable to any agreement between the **CONTRACTOR** and its fiscal depositories or to any agreement for utility services, the rates for which are fixed or controlled by a governmental agency.

18. Lobbying.

- A. The **CONTRACTOR** agrees that it will not use Federal assistance funds to support lobbying. In accordance with 31 U.S.C. and U.S. DEPARTMENT OF TRANSPORTATION Regulations, "New Restrictions on Lobbying," 49 C.F.R. Part 20, if the bid is for an award of \$100,000 or more, the TCTA will not make any Federal assistance available to the **CONTRACTOR** until the TCTA has received the **CONTRACTOR's** certification that the **CONTRACTOR** has not and will not use Federal appropriated funds to pay any person or organization 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 the awarding of any Federal grant, cooperative agreement or any other Federal award from which funding for the PROJECT is originally derived, consistent with 31 U.S.C. Section 1352, and;
- B. If applicable, 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 Federal 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 shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with the form instructions.
- C. The **CONTRACTOR** shall require that the language of these paragraphs A through C be included in the award documents for all sub-awards at all tiers (including subagreements, sub-grants, and agreements under grants, loans, and cooperative agreements) which exceed \$100,000 and that all awarding agencies shall certify and disclose accordingly.

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This Agreement is a material representation of facts upon which reliance was placed when this Agreement was made or entered into. Signing of this Agreement is a prerequisite for making or entering into this Agreement imposed by Section 1352, Title 31, U. S. Code. Any person who fails to comply with these provisions shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

19. Program Fraud and False or Fraudulent California Department of Transportation or Related Acts.

- A. The **CONTRACTOR** acknowledges that the provisions of the Program Fraud Civil Remedies Act of 1986, as amended, 31 U.S.C. § 3801 et. seq. and U.S. DEPARTMENT OF TRANSPORTATION regulations, "Program Fraud Civil Remedies," 49 C.F.R. Part 31, apply to its actions pertaining to this PROJECT. Upon execution of an underlying agreement, the **CONTRACTOR** certifies or affirms the truthfulness and accuracy of any California Department of Transportation it has made, it makes, it may make, or causes to be made, pertaining to that underlying agreement or the Federally assisted PROJECT for which this contracted work is being performed. In addition to other penalties that may be applicable, the **CONTRACTOR** further acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, California Department of Transportation, submission, or certification, the Federal Government reserves the right to impose the penalties of the Program Fraud Civil Remedies Act of 1986 on the **CONTRACTOR** to the extent the Federal Government deems appropriate.
- B. The **CONTRACTOR** also acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, California Department of Transportation, submission, or certification to the Federal Government under an agreement connected with a PROJECT that is financed in whole or in part with Federal assistance originally awarded by the California Department of Transportation under the authority of 49 U.S.C. § 5307, the Government reserves the right to impose the penalties of 18 U.S.C. § 1001 and 49 U.S.C. § 5307(n)(1) on the **CONTRACTOR**, to the extent the Federal Government deems appropriate.
- C. The **CONTRACTOR** agrees to include the above two clauses in each subagreement financed in whole or in part with Federal assistance provided by the California Department of Transportation. It is further agreed that these clauses shall not be modified, except to identify the subcontractor who will be subject to the provisions.

20. Agreements Involving Federal Privacy Act Requirements. The following requirements apply to the **CONTRACTOR** and its employees that administer any system of records on behalf of the Federal Government under any agreement:

- A. The **CONTRACTOR** agrees to comply with, and assures the compliance of its employees with, the information restrictions and other applicable requirements of the Privacy Act of 1974, 5 U.S.C. § 552a. Among other things, the **CONTRACTOR** agrees to obtain the

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express consent of the Federal Government before the **CONTRACTOR** or its employees operate a system of records on behalf of the Federal Government. The **CONTRACTOR** understands that the requirements of the Privacy Act, including the civil and criminal penalties for violation of that Act, apply to those individuals involved and that failure to comply with the terms of the Privacy Act may result in termination of the underlying Agreement.

- B. The **CONTRACTOR** also agrees to include these requirements in each subagreement to administer any system of records on behalf of the Federal Government financed in whole or in part with Federal assistance provided by the California Department of Transportation.
21. Drug-Free Workplace. The **CONTRACTOR** certifies by signing this Agreement that it will provide a drug-free workplace, and shall establish policy prohibiting activities involving controlled substances in compliance with Government code Section 8355, et seq. The **CONTRACTOR** is required to include the language of this Paragraph in award documents for all sub-awards at all tiers (including subagreements, agreements under grants, and cooperative agreements) and that all awarding agencies shall disclose accordingly. To the extent the **CONTRACTOR**, any third-party contractor at any tier, any awarding agency at any tier, or their employees, perform a safety sensitive function under the PROJECT, the **CONTRACTOR** agrees to comply with, and assure the compliance of each affected third-party contractor any tier, each affected awarding agency at any tier, and their employees with 49 U.S.C. Section 5331, and FTA regulations, "Prevention of Alcohol Misuse and Prohibited Drug use in Transit Operations," 49 CFR Part 655.
22. Charter Service Operations (Transit Operation & Rolling Stock Only). The **CONTRACTOR** agrees to comply with 49 U.S.C. Section 5323(d) and 49 CFR Part 604, which provides that recipients and awarding agencies of FTA assistance are prohibited from providing charter service using federally funded equipment or facilities if there is at least one private charter operator willing and able to provide the service, except under one of the exceptions listed at 49 CFR-Subpart B. Any charter service provided under one of the exceptions must be "incidental," i.e., it must not interfere with or detract from the provision of mass transportation. The **CONTRACTOR** assures and certifies that the revenues generated by its incidental charter bus operations (if any) are, and shall remain, equal to or greater than the cost (including depreciation on Federally assisted equipment) of providing the service. The **CONTRACTOR** understands that the requirements of 49 CFR Part 604 will apply to any charter service provided, the definitions in 49 CFR part 604 apply to this agreement, and any violation of this agreement may require corrective measures and the imposition of penalties, including debarment from the receipt of further Federal assistance for transportation.
23. School Bus Operations (Transit Operation & Rolling Stock Only). Pursuant to 49 U.S.C. 5323(F) and 49 CFR Part 605, the **CONTRACTOR** agrees that it and all its subcontractors will: (1) engage in school transportation operations in competition with private school transportation operators only to the extent permitted by an exception provided by 49 U.S.C. 5323 (f) and implementing

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regulations, and (2) comply with requirements of 49 CFR Part 605 before providing any school transportation using equipment or facilities acquired with Federal assistance awarded by FTA and authorized by 49 U.S.C. Chapter 53 or Title 23 U.S.C. for transportation projects. The **CONTRACTOR** understands that the requirements of 49 CFR Part 605 will apply to any school transportation it provides, that the definitions of 49 CFR part 605 apply to any school transportation agreement, and a violation of this agreement may require corrective measures and the imposition of penalties, including debarment from the receipt of further Federal assistance for transportation.

24. Use of \$1 Coins. As applicable, and to comply with Section 104 of the Presidential \$1 Coin Act of 2006, 31 U.S.C. Section 5312(p), the **CONTRACTOR** must ensure that FTA assisted property that requires the use of coins or currency in public transportation service or supporting service be fully capable of accepting and dispensing \$1 coins.
25. Protection of Animals. The **CONTRACTOR** must ensure that all third-party contractors providing services involving the use of animals must comply with the Animal Welfare Act, 7 U.S.C. Sections 2131 et seq. and Department of Agriculture regulations, "Animal Welfare," 9 CFR Subchapter A, Parts 1, 2, 3, and 4.
26. Additional Termination Clauses.
- A. Termination for Convenience. When it is in the TCTA best interest, the TCTA reserves the right to terminate this Agreement, in whole or in part, at any time by providing a ten (10) day written notice to the **CONTRACTOR**. The **CONTRACTOR** shall be paid its costs, including agreement close-out costs, and profit on work performed up to the time of termination. The **CONTRACTOR** shall promptly submit its termination claim to the TCTA. If the **CONTRACTOR** has any property in its possession belonging to the TCTA, the **CONTRACTOR** will account for the same, and dispose of it in the manner the TCTA directs.
  - B. Lack of Beneficial Results. This Agreement may also be terminated if the TCTA and the **CONTRACTOR** agree that its continuation would not produce beneficial results commensurate with the further expenditure of funds or if there are inadequate funds to operate the PROJECT equipment or otherwise complete the PROJECT.
  - C. Termination for Default. The TCTA may terminate this Agreement upon a finding that the **CONTRACTOR** has not made satisfactory progress toward procuring the PROJECT equipment, services, salary and wages, as appropriate, within twelve (12) months of execution of this Agreement, has not billed for operating assistance funds within twelve (12) months of execution of this Agreement, or that the **CONTRACTOR** is otherwise not complying with the terms of this Agreement. Termination shall be by written notice specifying the reason for termination and giving the **CONTRACTOR** thirty (30) days to correct the default. The TCTA shall be the sole judge as to whether the **CONTRACTOR**'s corrective measures are adequate. If the **CONTRACTOR** fails to remedy to the TCTA's

satisfaction the breach or default or any of the terms, covenants, or conditions of this Agreement the TCTA shall have the right to terminate the Agreement without any further obligation to the **CONTRACTOR**. Any such termination for default shall not in any way operate to preclude the TCTA from also pursuing all available remedies against the **CONTRACTOR**.

- D. Period of Performance Extension. If it is later determined by the TCTA that the **CONTRACTOR** had an excusable reason for not performing, such as a strike, fire, or flood, events which are not the fault of or are beyond the control of the **CONTRACTOR**, the TCTA, after setting up a new delivery of performance schedule, may allow the **CONTRACTOR** to continue work, or treat the termination as a termination for convenience.
- E. Mutual Termination. The PROJECT may also be terminated if the TCTA and the **CONTRACTOR** agree that its continuation would not produce beneficial results commensurate with the further expenditure of funds or if there are inadequate funds to operate the PROJECT equipment or otherwise complete the PROJECT.

27. Disputes. The TCTA and the **CONTRACTOR** shall deal in good faith and attempt to resolve potential disputes informally. If the dispute persists, the **CONTRACTOR** shall submit to the authorized TCTA Representative for this Agreement or designee a written demand for a decision regarding the disposition of any dispute arising under this Agreement. The TCTA Representative shall make a written decision regarding the dispute and will provide it to the **CONTRACTOR**. The **CONTRACTOR** shall have an opportunity to challenge the TCTA Representative's determination but must make that challenge in writing within ten (10) working days to the TCTA's Executive Director or his/her designee. If the **CONTRACTOR** challenge is not made within the ten (10) day period, the TCTA Representative shall become the final decision of the TCTA. The TCTA and the **CONTRACTOR** shall submit written, factual information and supporting data in support their respective positions. The decision of the TCTA shall be final, conclusive and binding regarding the dispute, unless the **CONTRACTOR** commences an action in court of competent jurisdiction to contest the decision in accordance with Division 3.6 of the California Government Code.

28. Third Party Procurement. In accordance with applicable U.S. Department of Transportation third-party procurement regulations in FTA Circular 4220.1F, "Third-Party Contracting Guidance," November 1, 2008, and any later revision thereto, the **CONTRACTOR** agrees that it may not use FTA assistance to support its procurements unless there is satisfactory compliance with Federal laws and regulations including but not limited to the following:

- A. To California Department of Transportation clearly that the final agreement award to any bidder requires prior written approval by the TCTA and that bids are consistent with the PROJECT equipment description identified in the Standard Agreement, Exhibit A, Scope of Work between California Department of Transportation and the TCTA.

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- B. To comply with applicable Federal laws and regulations including, but not limited to, Federal transit laws at 49 U.S.C. Chapter 53, FTA regulations, and other Federal laws and regulations that contain requirements applicable to FTA recipients and their FTA assisted procurements. Also, to include all required Federal procurement provisions in each subagreement financed in whole or in part with Federal assistance provided by FTA.
- C. For all agreements and subagreements financed with Federal assistance, to comply with cargo preference requirements of 46 U.S.C. § 1241 and 46 CFR Part 381 when agreements involve equipment, materials, or commodities which may be transported by ocean vessels.
- D. To comply with the requirements of 49 U.S.C. § 5323 (c) and FTA regulations, “Bus Testing”, 49 C.F.R. Part 665, and any revision thereto.
- E. To comply with the requirements of 49 U.S.C. § 5323(l) and FTA regulations, “Pre-Award and Post-Delivery Audits of Rolling Stock Purchases,” 49 C.F.R. Part 663, and any revision thereto.
- F. To comply with the requirements of 49 U.S.C. § 5325(b) to award a third-party agreement using a competitive procurement process.
- G. In accordance with 49 U.S.C. § 5325(e)(1), in the procurement of rolling stock, may not enter into a multi-year agreement to purchase additional rolling stock and replacement parts with options exceeding five (5) years after the date of the original agreement.
- H. To comply with 49 U.S.C. § 5325(f), agrees that any third-party agreement award it makes for rolling stock will be based on initial capital costs, or on performance, standardization, life cycle costs, and other factors, or on a competitive procurement process.
- I. To comply with the requirements of 49 U.S.C. Section 5323(m) and FTA regulations, “Pre-Award and Post-Delivery Audits of Rolling Stock Purchases, “ 49 CFR Part 663, and any revision thereto.
- J. To award a third-party agreement using a competitive procurement process in compliance with the requirements of 49 U.S.C. Section 5325.
- K. To comply with the requirements of 49 U.S.C. Section 5318(e) and FTA regulations, “Bus Testing”, 49 CFR Part 665, including the certification that before expending any Federal assistance to acquire the first bus of any new bus model or any bus model with a new major change in configuration or components or before authorizing final acceptance of that bus, that model of bus will have been tested at the ALTOONA Bus Research and Testing Center. The **CONTRACTOR** must obtain the final testing report and provide a copy of the report to the TCTA.

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- L. To require each bidder to certify that it has complied with 49 CFR 26, which requires each transit vehicle manufacturer to establish annual goals for the participation of disadvantaged business enterprise and to submit those goals to FTA for approval.
- M. To comply with 49 U.S.C. Section 5323(j), FTA's Buy America regulations at 49 CFR Part 661 and any amendments thereto, and any implementing guidance issued by FTA, with respect to each third-party agreement.
- N. To meet applicable regulations of 49 CFR Part 663 in the purchase of revenue rolling stock.
- O. To comply with all applicable standards, orders, or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. Section 7401 et. seq. and Clean Water Act, as amended, 33 U.S.C. Section 1251 et. seq. Agrees to report and require each third-party subcontractor at any tier to report any violation of these requirements resulting from any PROJECT implementation activity of a third-party subcontractor, or itself to FTA and the appropriate U.S. EPA Regional Office.
- P. To comply with U.S. Environmental Protection Agency (U.S. EPA), "Comprehensive Procurement Guideline for Products Containing Recovered Materials," 40 C.F.R. Part 247, which implements section 6002 of the Resource Conservation and Recovery Act, as amended, 42 U.S.C. § 6962. Accordingly, the **CONTRACTOR** agrees to provide a competitive preference for products and services that conserve natural resources, protect the environment, and are energy efficient, except to the extent that the Federal Government determines otherwise in writing.
- Q. To comply with mandatory standards and policies relating to energy efficiency, which are contained in the California Department of Transportation energy conservation, plan issued in compliance with the Energy Policy and Conservation Act.
- R. To the extent applicable, agrees to conform to the National Intelligent Transportation Systems (ITS) Architecture and Standards as required by SAFETEA-LU § 5307(c), 23 U.S.C. § 512 note, and follow the provisions of FTA Notice, "FTA National ITS Architecture Policy on Transit PROJECT'S," 66 Fed. Reg. 1455 et seq., January 8, 2001, and any other implementing directives FTA may issue at a later date, except to the extent FTA determines otherwise in writing.
- S. In accordance with 40 CFR Part 85, "Control of Air Pollution from Mobile Sources," 40 CFR Part 86, "Control of Air Pollution from New and In-Use Motor Vehicles and New and In-Use Motor Vehicle Engines," and 40 CFR Part 600, "Fuel Economy of Motor Vehicles, the **CONTRACTOR** must include provisions in all third-party agreement for procurement of

rolling stock to ensure compliance with applicable Federal air pollution control and fuel economy regulations.

- T. **CONTRACTOR** shall refer to FTA “Best Practices Procurement Manual” for additional procurement guidance on procurement processes and any omissions applicable to the PROJECT. The **CONTRACTOR’S** failure to comply with all mandates shall constitute a material breach of this Agreement.

29. Amendments to Federal, California Department of Transportation and Local Laws, Regulations and Directives. The terms of the most recent amendment to any Federal, California Department of Transportation, or local laws, regulations, FTA directives, and amendments to the grant or cooperative agreement that may be subsequently adopted, are applicable to the PROJECT to the maximum extent feasible, unless the California Department of Transportation provides otherwise in writing.

30. Disposition of Equipment. The disposition of all PROJECT equipment shall be made in accordance with the requirements set forth in FTA's implementing regulations of 49 CFR Part 18, "Uniform Administrative Requirements for Grants and Cooperative Agreements to California Department of Transportation and Local Governments" and FTA Circular 9040.1F or 49 CFR Part 19, "Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Educations, Hospitals, and Other Non-profit Organizations" and FTA Circular 9070.1F. Whenever any PROJECT equipment is withdrawn from the PROJECT for any reason, the **CONTRACTOR** shall immediately notify the TCTA. Should the PROJECT be terminated, all property procured under this agreement becomes property of the TCTA and may be transferred to other eligible contractors at the sole discretion of the TCTA. At the option of the TCTA, the **CONTRACTOR** shall do one of the following:

- A. Written Notice of Termination. The TCTA may terminate this agreement upon finding that the **CONTRACTOR** is not operating the PROJECT equipment in accordance with the project description in the Scope of Work, or that the **CONTRACTOR** is otherwise not complying with the terms of this agreement. Termination shall be by written notice specifying the reason for termination and giving the **CONTRACTOR** thirty (30) days to correct the default. The TCTA shall be the sole judge as to whether the **CONTRACTOR'S** corrective measures are adequate. If **CONTRACTOR** fails to remedy to TCTA's satisfaction the breach or default or any of the terms, covenants, or conditions of this agreement the TCTA shall have the right to terminate the agreement without any further obligation to the **CONTRACTOR**. Any such termination for default shall not in any way operate to preclude the TCTA from also pursuing all available remedies against **CONTRACTOR** and its sureties for said breach or default. Once an agreement has been terminated within the provisions of this section, the TCTA reserves the right to seize vehicles or equipment procured under this agreement.

- B. Remit to the TCTA the proportional amount of current market value that exceeds \$5,000 per unit at the time of disposition, if any, of PROJECT equipment which shall be based on the percentage of the FTA grant funds paid by **CONTRACTOR** under this agreement. Fair market value shall be deemed to be the value of the PROJECT equipment as determined by a competent appraisal at the time the equipment is withdrawn from use; and
  - C. Return the equipment to the TCTA in the same condition as when received by the **CONTRACTOR**, except for reasonable wear and tear resulting from its use. The parties shall thereupon determine the amount of compensation, if any, to be paid by the **CONTRACTOR** to the TCTA in order to avoid any TCTA liability to the California Department of Transportation or to others.
31. Insurance. While the PROJECT equipment is in the possession or control of the **CONTRACTOR**, the **CONTRACTOR** shall maintain adequate insurance protection against liability for damages for personal bodily injuries (including death), property damage, and vehicle damage as conditioned in this section.
- A. The minimum limits of liability, shown below in parts J and K, may be increased by the TCTA at any time upon thirty (30) days notice to the **CONTRACTOR**.
  - B. The **CONTRACTOR** shall place Vehicle Physical Damage, including collision and comprehensive (fire, theft, etc.) insurance for amounts equal to the actual cash value of each vehicle and any other equipment that is part of the PROJECT equipment, with deductibles acceptable to the TCTA. This insurance shall include a provision designating the California Department of Transportation as the Loss Payee for all purposes of adjusting, settling, or paying claims for damage to the insured vehicle(s).
  - C. The California Department of Transportation, its officers, employees, and agents shall be named as additional insured.
  - D. The California Department of Transportation will not be responsible for any premiums or assessments on the policy.
  - E. The **CONTRACTOR**, and/or third-party subcontractor, shall furnish to the TCTA, before delivery of the PROJECT vehicle(s) to the **CONTRACTOR**, a certificate of insurance issued by a company licensed to write such insurance in California.
  - F. Prior to the annual insurance policy expiration date, the **CONTRACTOR** shall furnish to the TCTA a new certificate of insurance or other written evidence of insurance satisfactory to the TCTA. At any time that such evidence of insurance has not been provided, the TCTA shall have the right immediately to take possession of the PROJECT equipment and to enter the property of the **CONTRACTOR** for this purpose.

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- G. The **CONTRACTOR** shall provide the TCTA at least thirty (30) days notice of cancellation or material change of the vehicle insurance policy.
- H. Public Agency or For-Profit CONTRACTORS. The following terms apply to all **CONTRACTORS** who are defined as a Public Agency or For-Profit entity, regardless if they are providing the service as the prime contractor or subcontractor:
1. Property Damage: The **CONTRACTOR** shall place property damage, whether the property of one or more claimants, in an amount not less than one million five hundred thousand dollars (\$1,500,000) per occurrence (combined single limit) for property damage liability combined in respect to vehicles with seating capacity of fifteen (15) or less, or five million dollars (\$5,000,000) per occurrence for property damage liability combined in respect to vehicles with seating capacity of sixteen (16) or more.
  2. Bodily Injury: The **CONTRACTOR** shall place bodily injury in an amount not less than one million five hundred thousand dollars (\$1,500,000) per occurrence (combined single limit) in respect to vehicles with seating capacity of fifteen (15) or less, or five million dollars (\$5,000,000) per occurrence for bodily injury in respect to vehicles with seating capacity of sixteen (16) or more.
  3. Vehicle Physical Damage: The **CONTRACTOR** shall place Vehicle Physical Damage, including collision and comprehensive (fire, theft, etc.) insurance for amounts equal to the actual cash value of each vehicle and any other equipment that is part of the PROJECT equipment, with deductibles acceptable to the TCTA. This insurance shall include a provision designating the California Department of Transportation as the Loss Payee for all purposes of adjusting, settling, or paying claims for damage to the insured vehicle(s).
- I. Non-Profit Agencies: The following terms apply to all **CONTRACTORS** who are defined as a non-profit agency, regardless if they are providing the service as the prime contractor or subcontractor:
1. Property Damage: The **CONTRACTOR** shall place property damage, whether the property of one or more claimants, in an amount not less than one million dollars (\$1,000,000) per occurrence (combined single limit) for property damage liability combined in respect to vehicles with seating capacity of fifteen (15) or less, or one million five hundred thousand dollars (\$1,500,000) per occurrence for property damage liability combined in respect to vehicles with seating capacity of sixteen (16) or more.
  2. Bodily Injury: The **CONTRACTOR** shall place bodily injury in an amount not less than one million dollars (\$1,000,000) per occurrence (combined single limit) in

respect to vehicles with seating capacity of fifteen (15) or less, or one million five hundred thousand dollars (\$1,500,000) per occurrence for bodily injury in respect to vehicles with seating capacity of sixteen (16) or more.

3. Vehicle Physical Damage: The **CONTRACTOR** shall place Vehicle Physical Damage, including collision and comprehensive (fire, theft, etc.) insurance for amounts equal to the actual cash value of each vehicle and any other equipment that is part of the PROJECT equipment, with deductibles acceptable to the TCTA. This insurance shall include a provision designating the California Department of Transportation as the Loss Payee for all purposes of adjusting, settling, or paying claims for damage to the insured vehicle(s).

### 32. Potential Subcontractors

- A. No Relationship Between the California Department of Transportation and Third-Party Contractor. Nothing contained in this Agreement or otherwise, shall create any contractual relation, obligation or liability between the California Department of Transportation and any third-party contractors, and no third-party agreement shall relieve the **CONTRACTOR** of his responsibilities and obligations hereunder. The **CONTRACTOR** agrees to be as fully responsible to the California Department of Transportation for the acts and omissions of its third-party contractors and of persons either directly or indirectly employed by any of them as it is for the acts and omissions of persons directly employed by the **CONTRACTOR**. The **CONTRACTOR's** obligation to pay its third-party contractors is an independent obligation from the California Department of Transportation's obligation to make payments to the **CONTRACTOR**. As a result, the California Department of Transportation shall have no obligation to pay or to enforce the payment of any moneys to any third-party contractor.
- B. Third-Party Agreements and Subagreements Affected. To the extent applicable, Federal requirements extend to third-party contractors and their agreements at every tier, and to the subcontractors of third-party contractors and their subagreements at every tier. Accordingly, the **CONTRACTOR** agrees to include, and to require its third-party contractors to include appropriate clauses in each third-party agreement and each subagreement financed in whole or in part with financial assistance provided by FTA.
- C. No Federal Government Obligations to Third Parties. The **CONTRACTOR** agrees that, absent of the Federal Government's express written consent, the Federal Government shall not be subject to any obligations or liabilities to any contractor, any third-party contractor, or any other person not a party to the Grant Agreement in connection with the performance of the PROJECT. Notwithstanding any concurrence provided by the Federal Government in or approval of any solicitation, or third-party agreement, the Federal Government continues to have no obligation or liabilities to any party, including the **CONTRACTOR** or third-party contractor.

- D. Obligations on Behalf of the California Department of Transportation. The **CONTRACTOR** shall have no authority to agreement for or on behalf of, or incur obligations on behalf of the California Department of Transportation.
- E. TCTA Approval of All Third-Party Agreements. The TCTA shall approve in writing all proposed third-party agreements, Memorandums of Understanding (MOU), or similar documents relating to the performance of the Agreement prior to implementation. The **CONTRACTOR** agrees that it will not enter into any third-party agreements unless the same are approved in writing by the TCTA. Any proposed amendments to such third-party agreements must be approved by the TCTA prior to implementation.
33. Environmental Impact and Related Procedures (Construction Only). The **CONTRACTOR** assures and certifies that agreements involving the construction of public transportation project much comply with regulations of 23 CFR Part 771. NEPA and CEQA requirements.
34. Research, Development, Demonstration, Deployment, and Special Studies (Research or Data Development Only). In accordance with 37 CFR Part 401, 49 CFR Parts 18 and 19, the **CONTRACTOR** must comply with patent and rights in data requirements for federally assisted agreements involving experimental, developmental or research work. The TCTA reserve a royalty-free, nonexclusive and irrevocable right to the data, patents, and/or inventions produced under this agreement and has the irrevocable right to reproduce, publish, or otherwise use the work for Federal purposes and reserves the right to grant authority to others.
35. Third Party construction or facility improvement agreements.
- A. Davis-Bacon. In accordance with the requirements of 49 U.S.C. § 5333(a) and the implementing regulations of 29 CFR Part 5, the **CONTRACTOR** shall comply with the employee protection requirements of the Davis-Bacon Act for construction activities exceeding \$2,000 performed in connection with the PROJECT. The Davis-Bacon Act applies to agreements in excess of \$2,000 for construction, alteration, or repair of public buildings or public works and requires the inclusion of a clause that no laborer or mechanic employed directly upon the site of the work shall receive less than the prevailing wage rates as determined by the Secretary of Labor.
- B. Bonding. For agreements or subagreements exceeding \$100,000, the following bonding requirements must be included: Bid guarantee from each **CONTRACTOR** equivalent to five (5%) percent of the bid price; performance bond on the part of the **CONTRACTOR** for 100 percent of the agreement price; and payment bond in the amount of either (1) 50% of the agreement price if the agreement price is not more than \$1 million or, (2) 40% of the agreement price if the agreement price is more than \$1 million but not more than \$5 million, or (3) \$2.5 million if the agreement price is more than \$5 million.

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- C. Copeland Anti-Kickback. For agreements or subagreements exceeding \$100,000 and in accordance with 18 U.S.C. Section 874, Copeland “Anti-Kickback” Act, 29 CFR Part 3, the **CONTRACTOR** and Subcontractors on Public Building or Public Work Financed in Whole or in part by Loans or Grants from the United California Department of Transportations,” the **CONTRACTOR** and subcontractors are prohibited from inducing, by any means, any employee, to give up any part of his or her compensation to which he or she is otherwise entitled.
- D. Construction Safety. As prohibited by the safety requirements of Section 107 of the Agreement Work Hours and Safety Standards Act, 40 U.S.C. Section 3704 and 29 CFR Part 1926, “Safety and Health Regulations for Construction,” the **CONTRACTOR** and subcontractors must ensure safety at construction sites so that no laborer or mechanic shall be required to work in surroundings or under working conditions that are unsanitary, hazardous, or dangerous.
36. Registration Requirements (Recovery Act Agreements Only). The **CONTRACTOR** and all subcontractors must obtain a Dun and Bradstreet Data Universal Number (DUNS), (<http://www.dnb.com>), or update the existing DUNS record, and register with the Central Contractor Registration (CCR) (<http://www.ccr.gov>). The **CONTRACTOR** shall ensure that all third party contractors and subcontractors have a DUNS number and are registered in the Central Contractor Registration (CCR).
37. Certifications and Assurances (Recovery Act Agreements Only).
- A. The **CONTRACTOR** agrees to separately identify to subcontractor, and document at the time of agreement award and at the time of disbursement of funds, the Federal award number, Standard Agreement number, project title, and amount of Recovery Act funds.
- B. The **CONTRACTOR** must ensure each invoice submitted by subcontractors shall certify that the PROJECT items delivered and/or PROJECT work performed is authorized under the Recovery Act.
38. Additional Agreement Clauses (Recovery Act Agreements Only). The following agreement provisions must be included in all third party agreements involving Recovery Act funds. Model agreement clauses are available in the Federal Acquisition Regulation (FAR) website at, <http://www.arnet.gov/far/>.

<b>FAR Reference</b>	<b>Title</b>
FAR 52.203-15	Whistleblower Protections Under the American Recovery and Reinvestment Act of 2009 (Mar 2009)
FAR 52.204-11	American Recovery and Reinvestment Act – Reporting Requirements (Mar 2009)

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FAR 52.215-2	Audit and Records – Negotiation (Jun 1999), Alt. I (Mar 2009)
FAR 52.216-24	Limitation of Government Liability
FAR 52.225-23	Required Use of American Iron, Steel, and Other Manufactured Goods— Buy American Act – Construction Materials under Trade Agreements (Mar 2009)
FAR 52.225-24	Notice of Required Use of American Iron, Steel, and Other Manufactured Goods – Buy American Act – Construction Materials under Trade Agreements (Mar 2009)

39. Utilization of Small Business: **CONTRACTOR** shall to the maximum extent practicable give a preference to small business in the award of subagreements for projects funded by Recovery Act dollars.
40. Agreement Term Limitation (Rolling Stock Only). In accordance with 49 U.S.C. Section 5325(e)(1), **CONTRACTOR** understands that agreements for the procurement of rolling stock and replacement parts is limited to no more than five years under a single agreement, even though delivery may take place beyond five years from the date of the initial agreement.
41. Transit Employee Protective Agreements (Transit Operation Only). The **CONTRACTOR** agrees to the comply with applicable transit employee protective requirements as follows:
- A. The **CONTRACTOR** agrees to carry out the transit operations work on the underlying agreement in compliance with terms and conditions determined by the U.S. Secretary of Labor to be fair and equitable to protect the interests of employees employed under this agreement and to meet the employee protective requirements of 49 U.S.C. A 5333(b), and U.S. DOL guidelines at 29 CFR Part 215, and any amendments thereto.
  - B. The **CONTRACTOR** also agrees to include the applicable requirements in each subagreement involving transit operations financed in whole or in part with Federal assistance provided by FTA.
43. Useful Life Standard. In accordance with FTA Circular 5010.1D, the following Useful Life standards shall determine when PROJECT property will no longer be subject to monitoring and reporting requirements once the CONTRACTOR notifies the California Department of Transportation in writing. These criteria are subject to review by the 5310, 5311, 5316 or 5317 Branch Chief if either factor is less than the value shown herein.

Large Size, Heavy-Duty Transit Buses	12 years or 500,000 miles
Small Size, Heavy-Duty Transit Buses	10 years or 350,000 miles
Medium Size, Medium-Duty Transit Buses	7 years or 200,000 miles
Medium Size, Light-Duty Transit Buses	5 years or 150,000 miles

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Other Light-Duty Vehicles (Small Buses & Specialized Vans)	4 years or 100,000 miles
Facilities (Concrete, Steel, Frame and Construction)	40 years
Computers, GPS, AVL, Phone System	3 years
Fareboxes	10 years
Bus Shelters/Benches	5 years

In reference to rolling stock, while age and mileage are the primary criteria used to determine the useful life of vehicles, this determination is based on the date the vehicle was put into active service, not the actual model year of the vehicle.