



Victoria F. Sheehan
Commissioner

THE STATE OF NEW HAMPSHIRE
DEPARTMENT OF TRANSPORTATION



William Cass, P.E.
Assistant Commissioner

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
State House
Concord, NH 03301

Bureau of Rail & Transit
October 23, 2019

REQUESTED ACTION

Authorize the Department of Transportation to pay an amount not to exceed \$832,500.00 to Advance Transit, Inc. Wilder, Vermont, (Vendor 166573), to procure two (2) replacement transit buses effective upon Governor and Council approval through June 30, 2021. 92% Federal Funds, 8% Capital General Funds.

Funding for this agreement is available in the following accounts in Fiscal Year 2020:

	<u>FY 2020</u>
04-96-96-964010-2916 Public Transportation 072-500575 Grants to Non-Profits-Federal	\$ 765,000.00
04-096-096-960030-7547 Capital Projects 034-500160 Major Equipment	\$31,055.00
04-096-096-960030-1673 Capital Projects 034-500160 Major Equipment	\$36,445.00

EXPLANATION

The Department has approved a request for Federal Transit Administration (FTA) Section 5339 Bus & Bus Facilities Program funding from Advance Transit, Inc. to replace two (2) public transit vehicles that are used in the provision of public transit service. Advance Transit, Inc. is a private, non-profit organization that provides rural public transportation, including transportation for seniors and individuals with disabilities, in the Upper Valley region of New Hampshire and Vermont. Approximately three-fourths of Advance Transit's ridership and service is in New Hampshire and one-fourth in Vermont. Each state's share of Advance Transit's funding is based on a Memorandum of Understanding (MOU) signed by the transit system and the two states that has been in effect since September 30, 1993.

The Department released a public notice on October 19, 2018 announcing the availability of funding from the FTA Section 5339 Bus and Bus Facilities program. Proposals were solicited from public

agencies and private non-profit organizations engaged in public transportation services. Five transit agencies applied by the November 20, 2018 deadline and all five transit agencies were awarded funds for eligible projects. The five transit agencies are: Advance Transit, Inc., Southwestern Community Services, University of New Hampshire Wildcat Transit, Community Action Program Belknap-Merrimack Counties, and Tri-County Community Action Program.

Section 5339 funds awarded to Advance Transit, Inc. will be used for the procurement of two (2) heavy-duty, 30 to 34 foot, 25-passenger, diesel, transit buses. The new vehicles will replace existing transit vehicles that will have met their minimum useful life at time of delivery and will enable Advance Transit's fleet of vehicles to continue to operate at optimal efficiency, thus providing the quality service that their riders have come to expect. Advance Transit will purchase the buses using FTA procurement guidelines upon Governor and Council approval, thus requiring the entirety of the contract to be encumbered in SFY2020. NHDOT will reimburse Advance Transit once vehicle delivery has taken place, approximately 12 – 16 months after the issuance of a purchase order.

A project evaluation committee consisting of three Department staff from the NHDOT Bureau of Rail and Transit reviewed and scored the 5339 applications submitted for projects. The evaluation committee members included: Fred Butler (Public Transportation Administrator), Michael Pouliot (Transportation Specialist), and Carol Spottiswood (Transit Project Coordinator). Each reviewer evaluated and scored applications based on criteria as indicated in the application materials. Every application met the Department's criteria for inclusion in its public transit funding plan and will be awarded separate amounts for the aforementioned transit systems. The evaluation matrix and scores are provided below for reference:

1	This capital request describes how it effectively addresses a demonstrated community need.	10%
2	The applicant has the fiscal and technical capacity and adequate budget to operate service associated with this capital request.	15%
3	The applicant has successful experience in providing transportation services.	15%
4	The applicant demonstrates involvement in and support for the project, financial and otherwise, on the part of citizens and local government. (e.g., letters of support, willing to provide local match >20%, etc.)	10%
5	Is the request for a replacement or expansion? If replacement, has the existing vehicle or facility to be replaced met its useful life?	10%
6	The applicant articulates a long-term commitment to continue the project beyond the availability of the requested grant funds, e.g., ongoing maintenance costs.	10%
7	The applicant successfully demonstrates service efficiency and effectiveness, measured in ridership, service miles and hours, costs, and fare recovery. New applicants must demonstrate the ability to measure performance and achieve goals.	15%
8	The applicant complies with relevant Federal and state regulations, and has a history of compliance with regulations and reporting requirements. New applicants must demonstrate sufficient resources for compliance.	15%

Transit System	Score	Status
Advance Transit		
Two (2) Transit Buses 30-34 feet, 25/2 wc passenger, diesel	88.8%	Awarded
Southwestern Community Services		
One (1) Small Cutaway Bus, 14/2 wc passenger, gasoline	87.3%	Awarded
University of NH/Wildcat Transit		
Two (2) Heavy Duty Bus Lifts	85.8%	Awarded
Community Action Program Belknap-Merrimack Counties		
One (1) Small Cutaway Bus, 12/2 wc passenger, gasoline	78.8%	Awarded

Tri-County Community Action Program		
One (1) Cutaway Bus, 22/2 wc passenger, gasoline	78.3%	Awarded

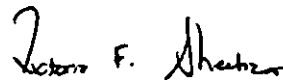
The total project cost is \$900,000.00, which includes \$765,000.00 (85%) FTA Section 5339 funds, \$67,500.00 (7.5%) State Capital match and \$67,500.00 (7.5%) local agency match. This contract reflects only the Federal and State portions of the project for a total contract amount of \$832,500.00. Advance Transit, Inc. will procure the buses following Federal procurement guidelines and the Department will hold title to the buses until their disposition. Advance Transit will be listed as the owner on the vehicle title and the NH Department of Transportation will be identified as the lien holder. Advance Transit, Inc. will pay the vendor(s) for the vehicles and will submit an invoice for reimbursement to the Department.

In the event that Federal Funds are unavailable, additional general funds will not be requested to support this program.

The Agreement has been approved by the Attorney General as to form and execution and the Department has verified that the necessary funds are available. Copies of the fully executed Agreement are on file at the Secretary of State's Office and the Department of Administrative Services' Office, and subsequent to Governor and Council approval will be on file at the Department of Transportation.

Your approval of this resolution is respectfully requested.

Sincerely,



Victoria F. Sheehan
Commissioner

Attachment


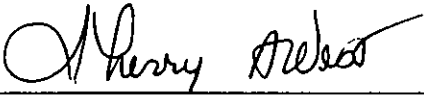
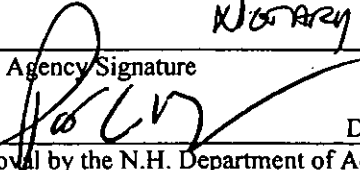
Notice: This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

AGREEMENT

The State of New Hampshire and the Contractor hereby mutually agree as follows:

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name NH Department of Transportation		1.2 State Agency Address PO Box 483, 7 Hazen Dr., Concord, NH 03220-0483	
1.3 Contractor Name Advance Transit, Inc.		1.4 Contractor Address PO Box 1027, Billings Farm Road, Wilder VT 05088	
1.5 Contractor Phone Number 802-295-1824	1.6 Account Number 04-96-96-964010-2916-072-500575 & 04-96-96-960030-7547-034-500160 & 04-96-96-960030-1673-034-500160	1.7 Completion Date June 30, 2021	1.8 Price Limitation \$832,500.00
1.9 Contracting Officer for State Agency Michelle Winters, Administrator, Bureau of Rail & Transit		1.10 State Agency Telephone Number 603-271-2468	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory Matt Osborn, President	
1.13 Acknowledgement: State of <u>Vermont</u> , County of <u>Windsor</u> On <u>9th October 2019</u> before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace [Seal] 		SHERRY A. WEST Notary Public, State of Vermont Commission No. 157-0000375	
1.13.2 Name and Title of Notary or Justice of the Peace <u>Notary</u>			
1.14 State Agency Signature  Date: <u>10/30/19</u>		1.15 Name and Title of State Agency Signatory <u>Patrick C. Henney</u> Director Aeronautics, Rail and Transit	
1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.17 Approval by the Attorney General (Form, Substance and Execution) (if applicable) By: <u>Emily C. Garig</u> On: <u>Dec 3, 2019</u>			
1.18 Approval by the Governor and Executive Council (if applicable) By: _____ On: _____			

2. EMPLOYMENT OF CONTRACTOR/SERVICES TO BE PERFORMED. The State of New Hampshire, acting through the agency identified in block 1.1 ("State"), engages contractor identified in block 1.3 ("Contractor") to perform, and the Contractor shall perform, the work or sale of goods, or both, identified and more particularly described in the attached EXHIBIT A which is incorporated herein by reference ("Services").

3. EFFECTIVE DATE/COMPLETION OF SERVICES.

3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, if applicable, this Agreement, and all obligations of the parties hereunder, shall become effective on the date the Governor and Executive Council approve this Agreement as indicated in block 1.18, unless no such approval is required, in which case the Agreement shall become effective on the date the Agreement is signed by the State Agency as shown in block 1.14 ("Effective Date").

3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed. Contractor must complete all Services by the Completion Date specified in block 1.7.

4. CONDITIONAL NATURE OF AGREEMENT.

Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds, and in no event shall the State be liable for any payments hereunder in excess of such available appropriated funds. In the event of a reduction or termination of appropriated funds, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to terminate this Agreement immediately upon giving the Contractor notice of such termination. The State shall not be required to transfer funds from any other account to the Account identified in block 1.6 in the event funds in that Account are reduced or unavailable.

5. CONTRACT PRICE/PRICE LIMITATION/PAYMENT.

5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT B which is incorporated herein by reference.

5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.

5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.

5.4 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8.

6. COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS/ EQUAL EMPLOYMENT OPPORTUNITY.

6.1 In connection with the performance of the Services, the Contractor shall comply with all statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal opportunity laws. This may include the requirement to utilize auxiliary aids and services to ensure that persons with communication disabilities, including vision, hearing and speech, can communicate with, receive information from, and convey information to the Contractor. In addition, the Contractor shall comply with all applicable copyright laws.

6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of race, color, religion, creed, age, sex, handicap, sexual orientation, or national origin and will take affirmative action to prevent such discrimination.

6.3 If this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all the provisions of Executive Order No. 11246 ("Equal Employment Opportunity"), as supplemented by the regulations of the United States Department of Labor (41 C.F.R. Part 60), and with any rules, regulations and guidelines as the State of New Hampshire or the United States issue to implement these regulations. The Contractor further agrees to permit the State or United States access to any of the Contractor's books, records and accounts for the purpose of ascertaining compliance with all rules, regulations and orders, and the covenants, terms and conditions of this Agreement.

7. PERSONNEL.

7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform the Services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.

7.2 Unless otherwise authorized in writing, during the term of this Agreement, and for a period of six (6) months after the Completion Date in block 1.7, the Contractor shall not hire, and shall not permit any subcontractor or other person, firm or corporation with whom it is engaged in a combined effort to perform the Services to hire, any person who is a State employee or official, who is materially involved in the procurement, administration or performance of this

Agreement. This provision shall survive termination of this Agreement.

7.3 The Contracting Officer specified in block 1.9, or his or her successor, shall be the State's representative. In the event of any dispute concerning the interpretation of this Agreement, the Contracting Officer's decision shall be final for the State.

8. EVENT OF DEFAULT/REMEDIES.

8.1 Any one or more of the following acts or omissions of the Contractor shall constitute an event of default hereunder ("Event of Default"):

8.1.1 failure to perform the Services satisfactorily or on schedule;

8.1.2 failure to submit any report required hereunder; and/or

8.1.3 failure to perform any other covenant, term or condition of this Agreement.

8.2 Upon the occurrence of any Event of Default, the State may take any one, or more, or all, of the following actions:

8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely remedied, terminate this Agreement, effective two (2) days after giving the Contractor notice of termination;

8.2.2 give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor;

8.2.3 set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default; and/or

8.2.4 treat the Agreement as breached and pursue any of its remedies at law or in equity, or both.

9. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

9.1 As used in this Agreement, the word "data" shall mean all information and things developed or obtained during the performance of, or acquired or developed by reason of, this Agreement, including, but not limited to, all studies, reports, files, formulae, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs, computer printouts, notes, letters, memoranda, papers, and documents, all whether finished or unfinished.

9.2 All data and any property which has been received from the State or purchased with funds provided for that purpose under this Agreement, shall be the property of the State, and shall be returned to the State upon demand or upon termination of this Agreement for any reason.

9.3 Confidentiality of data shall be governed by N.H. RSA chapter 91-A or other existing law. Disclosure of data requires prior written approval of the State.

10. **TERMINATION.** In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall deliver to the Contracting Officer, not later than fifteen (15) days after the date of termination, a report ("Termination Report") describing in detail all Services performed, and the contract price earned, to and including the date of termination. The form, subject matter, content, and number of copies of the Termination Report shall be identical to those of any Final Report described in the attached EXHIBIT A.

11. **CONTRACTOR'S RELATION TO THE STATE.** In the performance of this Agreement the Contractor is in all respects an independent contractor, and is neither an agent nor an employee of the State. Neither the Contractor nor any of its officers, employees, agents or members shall have authority to bind the State or receive any benefits, workers' compensation or other emoluments provided by the State to its employees.

12. **ASSIGNMENT/DELEGATION/SUBCONTRACTS.** The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written notice and consent of the State. None of the Services shall be subcontracted by the Contractor without the prior written notice and consent of the State.

13. **INDEMNIFICATION.** The Contractor shall defend, indemnify and hold harmless the State, its officers and employees, from and against any and all losses suffered by the State, its officers and employees, and any and all claims, liabilities or penalties asserted against the State, its officers and employees, by or on behalf of any person, on account of, based or resulting from, arising out of (or which may be claimed to arise out of) the acts or omissions of the Contractor. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant in paragraph 13 shall survive the termination of this Agreement.

14. INSURANCE.

14.1 The Contractor shall, at its sole expense, obtain and maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:

14.1.1 comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$1,000,000 per occurrence and \$2,000,000 aggregate; and

14.1.2 special cause of loss coverage form covering all property subject to subparagraph 9.2 herein, in an amount not less than 80% of the whole replacement value of the property.

14.2 The policies described in subparagraph 14.1 herein shall be on policy forms and endorsements approved for use in the State of New Hampshire by the N.H. Department of Insurance, and issued by insurers licensed in the State of New Hampshire.

14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or his or her successor, a certificate(s) of insurance for all insurance required under this Agreement. Contractor shall also furnish to the Contracting Officer identified in block 1.9, or his or her successor, certificate(s) of insurance for all renewal(s) of insurance required under this Agreement no later than thirty (30) days prior to the expiration date of each of the insurance policies. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference. Each certificate(s) of insurance shall contain a clause requiring the insurer to provide the Contracting Officer identified in block 1.9, or his or her successor, no less than thirty (30) days prior written notice of cancellation or modification of the policy.

15. WORKERS' COMPENSATION.

15.1 By signing this agreement, the Contractor agrees, certifies and warrants that the Contractor is in compliance with or exempt from, the requirements of N.H. RSA chapter 281-A ("*Workers' Compensation*").

15.2 To the extent the Contractor is subject to the requirements of N.H. RSA chapter 281-A, Contractor shall maintain, and require any subcontractor or assignee to secure and maintain, payment of Workers' Compensation in connection with activities which the person proposes to undertake pursuant to this Agreement. Contractor shall furnish the Contracting Officer identified in block 1.9, or his or her successor, proof of Workers' Compensation in the manner described in N.H. RSA chapter 281-A and any applicable renewal(s) thereof, which shall be attached and are incorporated herein by reference. The State shall not be responsible for payment of any Workers' Compensation premiums or for any other claim or benefit for Contractor, or any subcontractor or employee of Contractor, which might arise under applicable State of New Hampshire Workers' Compensation laws in connection with the performance of the Services under this Agreement.

16. WAIVER OF BREACH. No failure by the State to enforce any provisions hereof after any Event of Default shall be deemed a waiver of its rights with regard to that Event of Default, or any subsequent Event of Default. No express failure to enforce any Event of Default shall be deemed a waiver of the right of the State to enforce each and all of the provisions hereof upon any further or other Event of Default on the part of the Contractor.

17. NOTICE. Any notice by a party hereto to the other party shall be deemed to have been duly delivered or given at the time of mailing by certified mail, postage prepaid, in a United States Post Office addressed to the parties at the addresses given in blocks 1.2 and 1.4, herein.

18. AMENDMENT. This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Executive Council of the State of New Hampshire unless no

such approval is required under the circumstances pursuant to State law, rule or policy.

19. CONSTRUCTION OF AGREEMENT AND TERMS.

This Agreement shall be construed in accordance with the laws of the State of New Hampshire, and is binding upon and inures to the benefit of the parties and their respective successors and assigns. The wording used in this Agreement is the wording chosen by the parties to express their mutual intent, and no rule of construction shall be applied against or in favor of any party.

20. THIRD PARTIES. The parties hereto do not intend to benefit any third parties and this Agreement shall not be construed to confer any such benefit.

21. HEADINGS. The headings throughout the Agreement are for reference purposes only, and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.

22. SPECIAL PROVISIONS. Additional provisions set forth in the attached EXHIBIT C are incorporated herein by reference.

23. SEVERABILITY. In the event any of the provisions of this Agreement are held by a court of competent jurisdiction to be contrary to any state or federal law, the remaining provisions of this Agreement will remain in full force and effect.

24. ENTIRE AGREEMENT. This Agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire Agreement and understanding between the parties, and supersedes all prior Agreements and understandings relating hereto.

ADVANCE TRANSIT, INC.

EXHIBITS TO CONTRACT

EXHIBIT A Project Equipment

EXHIBIT B Project Description

Certificate of Good Standing

Certificate of Corporate Vote

Certificate of Insurance

Federally Required Clauses

2 CFR Part 200

Financial Statement

Board of Directors

Key Personnel

Resumes

ADVANCE TRANSIT INC.

EXHIBIT A

SCOPE OF SERVICE

A.1. The Contractor, Advance Transit, Inc. (hereinafter the "Contractor") will procure two (2) 30-34 foot heavy duty, low-floor diesel engine transit buses. The transit vehicles are an eligible capital expense under Federal Transit Administration (FTA) guidelines and will replace two existing transit vehicles that have exceeded their minimum useful life. The replacement vehicles are needed to continue to efficiently and effectively provide public transit service in the NH Upper Valley area.

The contract will provide funding through the NH Department of Transportation (NHDOT), from the FTA Section 5339 Bus and Bus Facilities Program, for 85% of the cost to purchase two (2) transit vehicles, not to exceed \$765,000 Federal. State capital funds will pay half of the non-federal match (7.5%), not to exceed a maximum of \$67,500. The remaining balance of the non-federal portion, \$67,500, will be provided by the Contractor.

The Contractor may submit a written request to NHDOT's Commissioner or designee (hereinafter the "NHDOT") to modify the type and/or quantity of capital buses detailed in the scope and budget, provided that said changes are within the contract budget amount. Said written request must contain sufficient details to support and substantiate the requested change(s). Within 30 days of receipt of the Contractor's written request, NHDOT will provide a written decision to the Contractor as to whether or not approval is granted.

Advance Transit will purchase the capital equipment in compliance with all applicable Federal regulations and guidance including FTA Circular 4220.1F, "Third Party Contracting Guidance," or most recent.

EXHIBIT B

BUDGET

B.1 The total contract amount is \$832,500 and is comprised of FTA Section 5339 funds (\$765,000) and State Capital Match (\$67,500), whereas the total project cost is \$900,000 and includes additional local matching funds (\$67,500) to be provided by Advance Transit. The tables below summarize the funds:

		FUNDING			
ITEM	Qty	FTA 5339 Funds	State Capital Match	Agency Match	Total Project
Replacement 30-foot heavy duty, low-floor Diesel engine transit bus	2	\$765,000	\$67,500	\$67,500	\$900,000
		FTA 5339	State Capital	Agency	Total
Contract Funds		\$765,000	\$67,500	\$00.00	\$832,500
Project Costs		\$765,000	\$67,500	\$67,500	\$900,000

B.2 The Contractor shall submit appropriate procurement documentation to the State for review and approval prior to any procurement. Upon approval, the Contractor may proceed with the procurement and submit an invoice to the NHDOT for reimbursement of project expenses in compliance with Federal guidance, including FTA Third Party Procurement guidelines and FTA Circular 4220.1F or most recent.

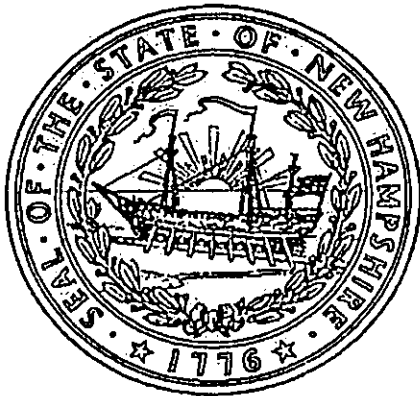
State of New Hampshire
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that ADVANCE TRANSIT, INC. is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on January 12, 1984. I further certify that all fees and documents required by the Secretary of State's office have been received and is in good standing as far as this office is concerned; and the attached is a true copy of the list of documents on file in this office.

Business ID: 52688

Certificate Number: 0004481979



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 1st day of April A.D. 2019.

A handwritten signature in cursive script, appearing to read "William M. Gardner".

William M. Gardner
Secretary of State

ADVANCE TRANSIT, INC.

ABSTRACT OF CORPORATE MINUTES

The following is a true abstract from minutes of the meeting of the Board of Directors of Advance Transit, Inc. on April 25, 2019 which meeting was duly called at which a quorum was present:

On a motion duly made and seconded, it was voted to approve the following Omnibus Grant Resolution:

WHEREAS, this Corporation is reliant upon diverse sources of funding for its activities and for the fulfillment of its purpose of providing a transportation network for the towns of the Upper Valley of New Hampshire and Vermont, including without limitation funding provided by the Federal government, the State of New Hampshire and the State of Vermont;

WHEREAS, such funding is made available to the Corporation through various grants and awards, including without limitation annual grants of Federal Transit Administration Funding, all of which grants and awards are contingent upon the execution by the Corporation of certain contracts, acceptances, certifications, assurances, and affirmations by the Corporation and its officers, and the compliance by the Corporation with all laws, regulations, requirements and guidance applicable to such grants and awards, including without limitation all federal laws, regulations and requirements, and applicable federal guidance;

NOW, THEREFORE, BE IT


RESOLVED, that it is in the best interest of the Corporation to enter into all agreements, contracts, acceptances, and other agreements or documents required or requested by the federal government, and/or the states of New Hampshire and Vermont, and provide all certifications, certificates, acceptances, assurances, affirmations and/or other documents required or requested by any of the federal government, New Hampshire and/or Vermont, for the Corporation to be eligible for, and obtain, the funding required or useful for the support of its operations, and to comply with all laws, regulations, requirements and guidance applicable to such grants and awards, including without limitation all federal laws, regulations and requirements, and applicable federal guidance, and that furthermore the entry by the Corporation into all such agreements, contracts, acceptances and other agreements or documents, and the provision of all such certifications, certificates, acceptances, assurances, affirmations and other documents required or requested in connection, and the performance by the Corporation of all obligations set forth in any of the same, including compliance with applicable law, regulations, requirements and guidance, are hereby directed and approved by the Board of Directors;

FURTHER RESOLVED, that Matt Osborn, as the duly elected President of the Corporation, and any person who may hereafter succeed Mr. Osborn as the duly elected President of the Corporation, is hereby authorized and directed to execute and deliver, on behalf of the Corporation, any and all agreements, contracts, acceptances, documents, certifications, assurances, affirmations or other documents approved by the foregoing resolution, and to take whatever additional actions he may from time to time deem necessary, desirable or convenient to carry out the purposes of the foregoing resolution; and

FURTHER RESOLVED, that any actions taken by any officer of the Corporation prior to the date hereof in furtherance of the foregoing resolutions are hereby ratified, authorized and adopted on behalf of the Corporation.

I certify the foregoing vote is still in effect and has not been revoked, rescinded or modified.

I further certify that Matt Osborn is the duly elected President of this corporation and still qualified and serving in such capacity.


Van J. Chesnut
Assistant Secretary


10/9/19
(Date)

"No corporate seal."

STATE OF VERMONT
COUNTY OF WINDSOR

On 10/9/19, before the undersigned officer personally appeared the person identified in the foregoing certificate, known to me (or satisfactorily proven) to be the Assistant Secretary of the corporation identified in the foregoing certificate, and acknowledge that he executed the foregoing certificate.

In witness whereof I hereunto set my hand and official seal.


Notary Public



ADVATRA-01

RCARLILE

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
6/21/2019

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES OWNED BY THE INSURED. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Hickok & Boardman, Inc. 346 Shelburne Rd Burlington, VT 05401	CONTACT NAME: Rita Carlile	FAX (AC. No.): (802) 658-0541	
	PHONE (AC. No. Ext): (802) 383-1608	E-MAIL ADDRESS: rcarlile@hbinsurance.com	
INSURED Advance Transit, Inc. PO Box 1027 Wilder, VT 05088	INSURER(S) AFFORDING COVERAGE		NAIC #
	INSURER A: National Interstate Ins Co		32620
	INSURER B: Union Ins Co		25844
	INSURER C:		
	INSURER D:		
	INSURER E:		

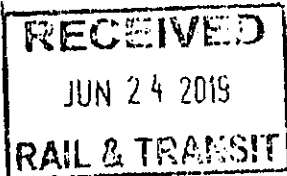
COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PROJ. <input type="checkbox"/> LOC OTHER:			GLR 0242225-05	7/1/2019	7/1/2020	EACH OCCURRENCE \$ 5,000,000 DAMAGE TO RENTED PREMISES (Ea. occurrence) \$ 300,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 5,000,000 GENERAL AGGREGATE \$ 5,000,000 PRODUCTS - COMP/OP AGG \$ 5,000,000
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY			CAR 0242225-05	7/1/2019	7/1/2020	COMBINED SINGLE LIMIT (Ea. accident) \$ 5,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	<input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTIONS \$						EACH OCCURRENCE \$ AGGREGATE \$
B	<input type="checkbox"/> WORKERS COMPENSATION AND EMPLOYERS' LIABILITY <input type="checkbox"/> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	WCA5153288-14	7/1/2019	7/1/2020	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
A	Physical Damage			CAR 0242225-05	7/1/2019	7/1/2020	Comp Ded. 1,000
A	Physical Damage			CAR 0242225-05	7/1/2019	7/1/2020	Coll Ded. 1,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
2017 Freightliner FXCC76 VIN# WDPPF4CC6H9724205

New Hampshire Department of Transportation Bureau of Rail & Transit is Loss Payee for above referenced vehicle



CERTIFICATE HOLDER

CANCELLATION

New Hampshire Department of Transportation
Bureau of Rail & Transit
PO Box 483
Concord, NH 03302

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

J. de Souza



ADVATRA-01

RCARLILE

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
6/21/2019

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES OW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

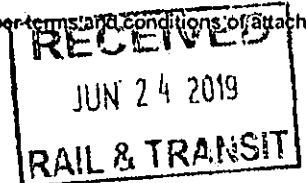
PRODUCER Hickok & Boardman, Inc. 346 Shelburne Rd Burlington, VT 05401	CONTACT NAME: Rita Carlile		
	PHONE (A.C. No. Ext): (802) 383-1608	FAX (A.C. No.): (802) 658-0541	
	E-MAIL Address: rcarlile@hbinsurance.com		
INSURED Advance Transit, Inc. PO Box 1027 Wilder, VT 05088	INSURER(S) AFFORDING COVERAGE		NAIC #
	INSURER A: National Interstate Ins Co		32620
	INSURER B: Union Ins Co		25844
	INSURER C: Tokio Marine Specialty Insurance Company		23850
	INSURER D:		
	INSURER E:		
INSURER F:			

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIC PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO JCCT <input type="checkbox"/> LOC OTHER:	X		GLR 0242225-05	7/1/2019	7/1/2020	EACH OCCURRENCE \$ 5,000,000 DAMAGE TO RENTED PREMISES (EA OCCUR/PCP) \$ 300,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 5,000,000 GENERAL AGGREGATE \$ 5,000,000 PRODUCTS - COMP/OP AGG \$ 5,000,000
	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY			CAR 0242225-05	7/1/2019	7/1/2020	COMBINED SINGLE LIMIT (EA ACCIDENT) \$ 5,000.0 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	<input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	WCA5153288-14	7/1/2019	7/1/2020	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
C	Pollution Liability			STEP011823-00	7/1/2019	7/1/2020	\$1,000,000 per Claim
C	Excess Employer Liab			PUB636631	7/1/2019	7/1/2020	\$0 Retention 4,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
 Additional Insured status applies for The New Hampshire Department of Transportation on the General Liability policy per terms and conditions of attached form CG 2010 04/13.



CERTIFICATE HOLDER

CANCELLATION

New Hampshire Department of Transportation
 Bureau of Rail and Transit
 PO Box 483
 Concord, NH 03302

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

J. de Sutter



5339

Rolling Stock

\$ 765,000

Non-Competitive Quotation



pmaybennett
paula.bennett@dot.nh.gov

New Hampshire DOT
7 Hazen Dr
Concord, New Hampshire 03301
(603) 271-3734

<https://www.nh.gov/dot/>



Federal Clauses

Fly America Requirements – Applicability – all contracts involving transportation of persons or property, by air between the U.S. and/or places outside the U.S. These requirements do not apply to micro-purchases (\$10,000 or less, except for construction contracts over \$2,000). Contractor shall comply with 49 USC 40118 (the "Fly America" Act) in accordance with General Services Administration regulations 41 CFR 301-10, stating that recipients and subrecipients of Federal funds and their contractors are required to use US Flag air carriers for US Government-financed international air travel and transportation of their personal effects or property, to the extent such service is available, unless travel by foreign air carrier is a matter of necessity, as defined by the Fly America Act. Contractor shall submit, if a foreign air carrier was used, an appropriate certification or memorandum adequately explaining why service by a US flag air carrier was not available or why it was necessary to use a foreign air carrier and shall, in any event, provide a certificate of compliance with the Fly America requirements. Contractor shall include the requirements of this section in all subcontracts that may involve international air transportation.

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

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

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

Clean Water – Applicability – All Contracts and Subcontracts over \$150,000. Contractor shall comply with all applicable standards, orders or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 USC 1251 et seq. Contractor shall report each violation to the recipient and understands and agrees that the recipient shall, in turn, report each violation as required to FTA and the appropriate EPA Regional Office. Contractor shall include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with FTA assistance.

Bus Testing – Applicability – Rolling Stock/Turnkey Contractor (manufacturer) shall comply with 49 USC A5323(c) and FTA's implementing regulation 49 CFR 665 and shall perform the following:

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

Pre-Award & Post-Delivery Audit Requirements – Applicability – Rolling Stock/Turnkey Contractor shall comply with 49 USC 5323(l) and FTA's implementing regulation 49 CFR 663 and submit the following certifications:

1) Buy America Requirements: Contractor shall complete and submit a declaration certifying either compliance or noncompliance with Buy America. If contractor certifies compliance with Buy America, it shall submit documentation listing:

- A. Component and subcomponent parts of the rolling stock to be purchased identified by manufacturer of the parts, their country of origin and costs; and
- B. The location of the final assembly point for the rolling stock, including a description of the activities that will take place at the final assembly point and the cost of final assembly.
- C. Solicitation Specification Requirements: Contractor shall submit evidence that it will be capable of meeting the bid specifications.
- D. Federal Motor Vehicle Safety Standards (FMVSS): Contractor shall submit 1) manufacturer's FMVSS self-certification sticker information that the vehicle complies with relevant FMVSS or 2) manufacturer's certified statement that the buses will not be subject to FMVSS regulations.

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

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

1. Where the purchaser is not a State but a local government and is an FTA recipient or a subgrantee of FTA recipient in accordance with 49 CFR 18.36(i), contractor shall provide the purchaser, the FTA, the US Comptroller General or their authorized representatives access to any books, documents, papers and contractor records which are pertinent to this contract for the purposes of making audits, examinations, excerpts and transcriptions. Contractor shall also, pursuant to 49 CFR 633.17, provide authorized FTA representatives, including any PMO contractor, access to contractor's records and construction sites pertaining to a capital project, defined at 49 USC 5302(a)1, which is receiving FTA assistance through the programs described at 49 USC 5307, 5309 or 5311.
2. Where the purchaser is a State and is an FTA recipient or a subgrantee of FTA recipient in accordance with 49 CFR 633.17, contractor shall provide the purchaser, authorized FTA representatives, including any PMO Contractor, access to contractor's records and construction sites pertaining to a capital project, defined at 49 USC 5302(a)1, which receives FTA assistance through the programs described at 49 USC 5307, 5309 or 5311. By definition, a capital project excludes contracts of less than the simplified acquisition threshold currently set at \$250,000.
3. Where the purchaser enters into a negotiated contract for other than a small purchase or under the simplified acquisition threshold and is an institution of higher education, a hospital or other non-profit organization and is an FTA recipient or a subgrantee of FTA recipient in accordance with 49 CFR 19.48, contractor shall provide the purchaser, the FTA, the US Comptroller General or their authorized representatives, access to any books, documents, papers and record of the contractor which are directly pertinent to this contract for the purposes of making audits, examinations, excerpts and transcriptions.
4. Where a purchaser which is an FTA recipient or a subgrantee of FTA recipient in accordance with 49 USC 5325(a) enters into a contract for a capital project or improvement (defined at 49 USC 5302(a)1) through other than competitive bidding, contractor shall make available records related to the contract to the purchaser, the Secretary of USDOT and the US Comptroller General or any authorized officer or employee of any of them for the purposes of conducting an audit and inspection.
5. Contractor shall permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed.
6. Contractor shall maintain all books, records, accounts and reports required under this contract for a period of not less than three (3) years after the date of termination or expiration of this contract, except in the event of litigation or settlement of claims arising from the performance of this contract, in which case contractor agrees to maintain same until the recipient, FTA Administrator, US Comptroller General, or any of their authorized representatives, have disposed of all such litigation, appeals, claims or exceptions related thereto. Re: 49 CFR 18.39(i)(11).

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

Federal Changes – Applicability – All Contracts except micro-purchases (\$10,000 or less, except for construction contracts over \$2,000) Contractor shall comply with all applicable FTA regulations, policies, procedures and directives, including without limitation those listed directly or by reference in the Master Agreement between the recipient and FTA, as they may be amended or promulgated from time to time during the term of the contract. Contractor's failure to comply shall constitute a material breach of the contract.

Clean Air – Applicability – All contracts over \$150,000. 1) Contractor shall comply with all applicable standards, orders or regulations pursuant to the Clean Air Act, 42 USC 7401 et seq. Contractor shall report each violation to the recipient and understands and agrees that the recipient will, in turn, report each violation as required to FTA and the appropriate EPA Regional Office. 2) Contractor shall include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with FTA assistance

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

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

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

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

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

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

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

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

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

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

Government deems appropriate.

(2) If contractor makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submittal, or certification to the US Government under a contract connected with a project that is financed in whole or in part with FTA assistance under the authority of 49 USC 5307, the Government reserves the right to impose the penalties of 18 USC 1001 and 49 USC 5307(n)(1) on contractor, to the extent the US Government deems appropriate. (3) Contractor shall include the above two clauses in each subcontract financed in whole or in part with FTA assistance. The clauses shall not be modified, except to identify the subcontractor who will be subject to the provisions.

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

- a. Termination for Convenience (General Provision) the recipient may terminate this contract, in whole or in part, at any time by written notice to contractor when it is in the recipient's best interest. Contractor shall be paid its costs, including contract close-out costs, and profit on work performed up to the time of termination. Contractor shall promptly submit its termination claim to the recipient. If contractor is in possession of any of the recipient's property, contractor shall account for same, and dispose of it as the recipient directs.
- b. Termination for Default [Breach or Cause] (General Provision) If contractor does not deliver items in accordance with the contract delivery schedule, or, if the contract is for services, and contractor fails to perform in the manner called for in the contract, or if contractor fails to comply with any other provisions of the contract, the recipient may terminate this contract for default. Termination shall be effected by serving a notice of termination to contractor setting forth the manner in which contractor is in default. Contractor shall only be paid the contract price for supplies delivered and accepted, or for services performed in accordance with the manner of performance set forth in the contract. If it is later determined by the recipient that contractor had an excusable reason for not performing, such as a strike, fire, or flood, events which are not the fault of or are beyond the control of contractor, the recipient, after setting up a new delivery or performance schedule, may allow contractor to continue work, or treat the termination as a termination for convenience.
- c. Opportunity to Cure (General Provision) the recipient in its sole discretion may, in the case of a termination for breach or default, allow contractor an appropriately short period of time in which to cure the defect. In such case, the notice of termination shall state the time period in which cure is permitted and other appropriate conditions. If contractor fails to remedy to the recipient's satisfaction the breach or default or any of the terms, covenants, or conditions of this Contract within ten (10) days after receipt by contractor or written notice from the recipient setting forth the nature of said breach or default, the recipient shall have the right to terminate the Contract without any further obligation to contractor. Any such termination for default shall not in any way operate to preclude the recipient from also pursuing all available remedies against contractor and its sureties for said breach or default.
- d. Waiver of Remedies for any Breach In the event that the recipient elects to waive its remedies for any breach by contractor of any covenant, term or condition of this Contract, such waiver by the recipient shall not limit its remedies for any succeeding breach of that or of any other term, covenant, or condition of this Contract.
- e. Termination for Convenience (Professional or Transit Service Contracts) the recipient, by written notice, may terminate this contract, in whole or in part, when it is in the recipient's interest. If the contract is terminated, the recipient shall be liable only for payment under the payment provisions of this contract for services rendered before the effective date of termination.
- f. Termination for Default (Supplies and Service) If contractor fails to deliver supplies or to perform the services within the time specified in this contract or any extension or if the contractor fails to comply with any other provisions of this contract, the recipient may terminate this contract for default. The recipient shall terminate by delivering to contractor a notice of termination specifying the nature of default. Contractor shall only be paid the contract price for supplies delivered and accepted, or services performed in accordance with the manner or performance set forth in this contract. If, after termination for failure to fulfill contract obligations, it is determined that contractor was not in default, the rights and obligations of the parties shall be the same as if termination had been issued for the recipient's convenience.
- g. Termination for Default (Transportation Services) If contractor fails to pick up the commodities or to perform the services, including delivery services, within the time specified in this contract or any extension or if contractor fails to comply with any other provisions of this contract, the recipient may terminate this contract for default. The recipient shall terminate by delivering to contractor a notice of termination specifying the nature of default. Contractor shall only be paid the contract price for services performed in accordance with the manner of performance set forth in this contract. If this contract is terminated while contractor has possession of the recipient goods, contractor shall, as directed by the recipient, protect and preserve the goods until surrendered to the recipient or its agent. Contractor and the recipient shall agree on payment for the preservation and protection of goods. Failure to agree on an amount shall be resolved under the Dispute clause. If, after termination for failure to fulfill contract obligations, it is determined that contractor was not in default, the rights and obligations of the parties shall be the same as if termination had been issued for the recipient's convenience.
- h. Termination for Default (Construction) If contractor refuses or fails to prosecute the work or any separable part, with the diligence that will insure its completion within the time specified, or any extension, or fails to complete the work within this time, or if contractor fails to comply with any other provisions of this contract, the recipient may terminate this contract for default. The recipient shall terminate by delivering to contractor a notice of termination specifying the nature of default. In this event, the recipient may take over the work and complete it by contract or otherwise, and may take possession of and use any materials, appliances, and plant on the work site necessary for completing the work. Contractor and its sureties shall be liable for any damage to the recipient resulting from contractor's refusal or failure to complete the work within specified time, whether or not contractor's right to proceed with the work is terminated. This liability includes any increased costs incurred by the recipient in completing the work. Contractor's right to proceed shall not be terminated nor shall contractor be charged with damages under this clause if:
1. Delay in completing the work arises from unforeseeable causes beyond the control and without the fault or negligence of contractor. Examples of such causes include: acts of God, acts of the recipient, acts of another contractor in the performance of a contract with the recipient, epidemics, quarantine restrictions, strikes, freight embargoes; and
 2. Contractor, within 10 days from the beginning of any delay, notifies the recipient in writing of the causes of delay. If in the recipient's judgment, delay is excusable, the time for completing the work shall be extended. The recipient's judgment shall be final and conclusive on the parties, but subject to appeal under the Disputes clauses.
- If, after termination of contractor's right to proceed, it is determined that contractor was not in default, or that the delay was excusable, the rights and obligations of the parties will be the same as if termination had been issued for the recipient's convenience.
- i. Termination for Convenience or Default (Architect & Engineering) the recipient may terminate this contract in whole or in part, for the recipient's convenience or because of contractor's failure to fulfill contract obligations. The recipient shall terminate by delivering to contractor a notice of termination specifying the nature, extent, and effective date of termination. Upon receipt of the notice, contractor shall (1) immediately discontinue all services affected (unless the notice directs otherwise), and (2) deliver to the recipient all data, drawings, specifications, reports, estimates, summaries, and other information and materials accumulated in performing this contract, whether completed or in process. If termination is for the recipient's convenience, it shall make an equitable adjustment in the contract price but shall allow no anticipated profit on unperformed services. If termination is for contractor's failure to fulfill contract obligations, the recipient may complete the work by contract or otherwise and contractor shall be liable for any additional cost incurred by the recipient. If, after termination for failure to fulfill contract obligations, it is determined that contractor was not in default, the rights and obligations of the parties shall be the same as if termination had been issued for the recipient's convenience.
- j. Termination for Convenience or Default (Cost-Type Contracts) the recipient may terminate this contract, or any portion of it, by serving a notice of termination on contractor. The notice shall state whether termination is for convenience of the recipient or for default of contractor. If termination is for default, the notice shall state the manner in which contractor has failed to perform the requirements of the contract. Contractor shall account for any property in its possession paid for from funds received from the recipient, or property supplied to contractor by the recipient. If termination is for default, the recipient may fix the fee, if the contract provides for a fee, to be paid to contractor in proportion to the value, if any, of work performed up to the time of termination. Contractor shall promptly submit its termination claim to the recipient and the parties shall negotiate the termination settlement to be paid to contractor. If termination is for the recipient's convenience, contractor shall be paid its contract close-out costs, and a fee, if the contract provided for payment of a fee, in proportion to the work performed up to the time of termination. If, after serving a notice of termination for default, the recipient

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

Government-Wide Debarment and Suspension (Nonprocurement) – Applicability – Contracts over \$25,000 The Recipient agrees to the following:

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

Contracts Involving Federal Privacy Act Requirements – Applicability – When a grantee maintains files on drug and alcohol enforcement activities for FTA, and those files are organized so that information could be retrieved by personal identifier, the Privacy Act requirements apply to all contracts except micro-purchases (\$10,000 or less, except for construction contracts over \$2,000) The following requirements apply to the Contractor and its employees that administer any system of records on behalf of the Federal Government under any contract:

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

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

Civil Rights Requirements – Applicability – All contracts except micro-purchases (\$10,000 or less, except for construction contracts over \$2,000) The following requirements apply to the underlying contract:

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

a. Nondiscrimination in Federal Public Transportation Programs. The Recipient agrees to, and assures that each Third Party Participant will, comply with Federal transit law, 49 U.S.C. § 5332 (FTA's "Nondiscrimination" statute): (1) FTA's "Nondiscrimination" statute prohibits discrimination on the basis of: (a) Race, (b) Color, (c) Religion, (d) National origin, (e) Sex, (f) Disability, (g) Age, or (h) Gender identity and (2) The FTA "Nondiscrimination" statute's prohibition against discrimination includes: (a) Exclusion from participation, (b) Denial of program benefits, or (c) Discrimination, including discrimination in employment or business opportunity, (3) Except as FTA determines otherwise in writing: (a) General. Follow: 1 The most recent edition of FTA Circular 4702.1, "Title VI Requirements and Guidelines for Federal Transit Administration Recipients," to the extent consistent with applicable Federal laws, regulations, and guidance, and 2 Other applicable Federal guidance that may be issued, but (b) Exception for the Tribal Transit Program. FTA does not require an Indian Tribe to comply with FTA program-specific guidelines for Title VI when administering its projects funded under the Tribal Transit Program,

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

c. Equal Employment Opportunity. (1) Federal Requirements and Guidance. The Recipient agrees to, and assures that each Third Party Participant will, prohibit discrimination on the basis of race, color, religion, sex, or national origin, and: (a) Comply with Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. § 2000e et seq., (b) Facilitate compliance with Executive Order No. 11246, "Equal Employment Opportunity," as amended by Executive Order No. 11375, "Amending Executive Order No. 11246, Relating to Equal Employment Opportunity," 42 U.S.C. § 2000e note, (c) Comply with Federal transit law, specifically 49 U.S.C. § 5332, as stated in section a, and (d) Comply with FTA Circular 4704, 1 other applicable EEO laws and regulations, as provided in Federal guidance, including laws and regulations prohibiting discrimination on the basis of disability, except as the Federal Government determines otherwise in writing, (2) General. The Recipient agrees to: (a) Ensure that applicants for employment are employed and employees are treated during employment without discrimination on the basis of their: 1 Race, 2 Color, 3 Religion, 4 Sex, 5 Disability, 6 Age, or 7 National origin, (b) Take affirmative action that includes, but is not limited to: 1 Recruitment advertising, 2 Recruitment, 3 Employment, 4 Rates of pay, 5 Other forms of compensation, 6 Selection for training, including apprenticeship, 7 Upgrading, 8 Transfers, 9 Demotions, 10 Layoffs, and 11 Terminations, but (b) Indian Tribe. Title VII of the Civil Rights Act of 1964, as amended, exempts Indian Tribes under the definition of "Employer". (3) Equal Employment Opportunity Requirements for Construction Activities. In addition to the foregoing, when undertaking "construction" as recognized by the U.S. Department of Labor (U.S. DOL), the Recipient agrees to comply, and assures the compliance of each Third Party Participant, with: (a) U.S. DOL regulations, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," 41 C.F.R. chapter 60, and (b) Executive Order No. 11246, "Equal Employment Opportunity," as amended by Executive Order No. 11375, "Amending Executive Order No. 11246, Relating to Equal Employment Opportunity," 42 U.S.C. § 2000e note,

d. Disadvantaged Business Enterprise. To the extent authorized by applicable Federal law, the Recipient agrees to facilitate, and assures that each Third Party Participant will facilitate, participation by small business concerns owned and controlled by socially and economically disadvantaged individuals, also referred to as "Disadvantaged Business Enterprises" (DBEs), in the Project as follows: 1) Requirements. The Recipient agrees to comply with: (a) Section 1101(b) of Map-21, 23 U.S.C. § 101 note, (b) U.S. DOT regulations, "Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs," 49 C.F.R. part 26, and (c) Federal transit law, specifically 49 U.S.C. § 5332, as stated in section a, (2) Assurance. As required by 49 C.F.R. § 26.13(a), (b) DBE Program Requirements. Recipients receiving planning, capital and/or operating

assistance that will award prime third party contracts exceeding \$250,000 in a Federal fiscal year must: 1 Have a DBE program meeting the requirements of 49 C.F.R. part 26, 2 Implement a DBE program approved by FTA, and 3 Establish an annual DBE participation goal. (c) Special Requirements for a Transit Vehicle Manufacturer. The Recipient understands and agrees that each transit vehicle manufacturer, as a condition of being authorized to bid or propose on FTA-assisted transit vehicle procurements, must certify that it has complied with the requirements of 49 C.F.R. part 26, (d) The Recipient provides assurance that: The Recipient shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of any DOT-assisted contract or in the administration of its DBE program or the requirements of 49 C.F.R. part 26. The Recipient shall take all necessary and reasonable steps under 49 C.F.R. part 26 to ensure nondiscrimination in the award and administration of DOT-assisted contracts. The Recipient's DBE program, as required by 49 C.F.R. part 26 and as approved by DOT, is incorporated by reference in this agreement. Implementation of this program is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the Recipient of its failure to carry out its approved program, the Department may impose sanctions as provided for under 49 C.F.R. part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. § 1001 and/or the Program Fraud Civil Remedies Act of 1986, 31 U.S.C. § 3801 et seq., (2) Exception for the Tribal Transit Program. FTA exempts Indian tribes from the Disadvantaged Business Enterprise regulations at 49 C.F.R. part 26 under Map-21 and previous legislation,

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

f. Nondiscrimination on the Basis of Age. The Recipient agrees to comply with Federal prohibitions against discrimination on the basis of age, including: (1) The Age Discrimination in Employment Act (ADEA), 29 U.S.C. §§ 621 – 634, which prohibits discrimination on the basis of age, (2) U.S. Equal Employment Opportunity Commission (EEOC) regulations, "Age Discrimination in Employment Act," 29 C.F.R. part 1625, which implements the ADEA, (3) The Age Discrimination Act of 1975, as amended, 42 U.S.C. § 6101 et seq., which prohibits discrimination against individuals on the basis of age in the administration of programs or activities receiving Federal funds, (4) U.S. Health and Human Services regulations, "Nondiscrimination on the Basis of Age in Programs or Activities Receiving Federal Financial Assistance," 45 C.F.R. part 90, which implements the Age Discrimination Act of 1975, and (5) Federal transit law, specifically 49 U.S.C. § 5332, as stated in section a,

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

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

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

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

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

Breaches and Dispute Resolution – Applicability – All contracts over \$250,000 Disputes arising in the performance of this contract which are not resolved by agreement of the parties shall be decided in writing by the recipient's authorized representative. This decision shall be final and conclusive unless within ten days from the date of receipt of its copy, contractor mails or otherwise furnishes a written appeal to the recipient's CEO. In connection with such appeal, contractor shall be afforded an opportunity to be heard and to offer evidence in support of its position. The decision of the recipient's CEO shall be binding upon contractor and contractor shall abide by the decision. FTA has a vested interest in the settlement of any violation of Federal law including the False Claims Act, 31 U.S.C. § 3729.

Performance During Dispute - Unless otherwise directed by the recipient, contractor shall continue performance under this contract while matters in dispute are being resolved. Claims for Damages - Should either party to the contract suffer injury or damage to person or property because of any act or omission of the party or of any of his employees, agents or others for whose acts he is legally liable, a claim for damages therefore shall be made in writing to such other party within ten days after the first observance of such injury or damage.

Remedies - Unless this contract provides otherwise, all claims, counterclaims, disputes and other matters in question between the recipient and contractor

arising out of or relating to this agreement or its breach will be decided by arbitration if the parties mutually agree, or in a court of competent jurisdiction within the residing State.

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

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

- a. This contract is subject to the requirements of Title 49, Code of Federal Regulations, Part 26, Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs. The national goal for participation of Disadvantaged Business Enterprises (DBE) is 10%. The recipient's overall goal for DBE participation is listed elsewhere. If a separate contract goal for DBE participation has been established for this procurement, it is listed elsewhere.
- b. The contractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of this contract. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the municipal corporation deems appropriate. Each subcontract the contractor signs with a subcontractor must include the assurance in this paragraph (see 49 CFR 26.13(b)).
- c. If a separate contract goal has been established, Bidders/offers are required to document sufficient DBE participation to meet these goals or, alternatively, document adequate good faith efforts to do so, as provided for in 49 CFR 26.53.
- d. If no separate contract goal has been established, the successful bidder/offers will be required to report its DBE participation obtained through race-neutral means throughout the period of performance.
- e. The contractor is required to pay its subcontractors performing work related to this contract for satisfactory performance of that work no later than 30 days after the contractor's receipt of payment for that work from the recipient. In addition, the contractor may not hold retainage from its subcontractors or must return any retainage payments to those subcontractors within 30 days after the subcontractor's work related to this contract is satisfactorily completed or must return any retainage payments to those subcontractors within 30 days after incremental acceptance of the subcontractor's work by the recipient and contractor's receipt of the partial retainage payment related to the subcontractor's work.
- f. The contractor must promptly notify the recipient whenever a DBE subcontractor performing work related to this contract is terminated or fails to complete its work, and must make good faith efforts to engage another DBE subcontractor to perform at least the same amount of work. The contractor may not terminate any DBE subcontractor and perform that work through its own forces or those of an affiliate without prior written consent of the recipient.

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

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

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

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

Other Federal Requirements:

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

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

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

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

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

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

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

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

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

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

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

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

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

Geographic Information and Related Spatial Data - (NOT APPLICABLE TO THE TRIBAL TRANSIT PROGRAM) Any project activities involving spatial data or geographic information systems activities financed with Federal assistance are required to be consistent with the National Spatial Data Infrastructure promulgated by the Federal Geographic Data Committee, except to the extent that FTA determines otherwise in writing.

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

Federal Single Audit Requirements - For State Administered Federally Aid Funded Projects Only Non Federal entities that expend \$750,000 or more in a year in Federal awards from all sources are required to comply with the Federal Single Audit Act provisions contained in U.S. Office of Management and Budget (OMB) Circular No. A 133, "Audits of States, Local Governments, and Non Profit Organizations" (replaced with 2 CFR Part 200, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards" effective December 26, 2014 as applicable). Non Federal entities that expend Federal awards from a single source may provide a program specific audit, as defined in the Circular. Non Federal entities that expend less than the amount above in a year in Federal awards from all sources are exempt from Federal audit requirements for that year, except as noted in Sec. 215 (a) of OMB Circular A-133 Subpart B--Audits, records must be available for review or audit by appropriate officials of the cognizant Federal agency the New York State Department of Transportation, the New York State Comptrollers Office and the U.S. Governmental Accountability Office (GAO). Non Federal entities are required to submit a copy of all audits, as described above, within 30 days of issuance of audit report, but no later than 9 months after the end of the entity's fiscal year, to the New York State Department of Transportation, Contract Audit Bureau, 50 Wolf Road, Albany, NY 12232. Unless a time extension has been granted by the cognizant Federal Agency and has been filed with the New York State Department of Transportation's Contract Audit Bureau, failure to comply with the requirements of OMB Circular A-133 may result in suspension or termination of Federal award payments. Catalog of Federal Domestic Assistance (CFDA) Identification Number The municipal project sponsor is required to identify in its accounts all Federal awards received and expended, and the Federal programs under which they were received. Federal program and award identification shall include, as applicable, the CFDA title and number, award number and year, name of the Federal agency, and name of the pass through entity.

Veterans Preference - As provided by 49 U.S.C. 5325(k), to the extent practicable, the Recipient agrees and assures that each of its Subrecipients: (1) Will give a hiring preference to veterans, as defined in 5 U.S.C. § 2108, who have the skills and abilities required to perform construction work required under a third party contract in connection with a Capital Project supported with federal assistance appropriated or made available for 49 U.S.C. chapter 53, and (2) Will not require an employer to give a preference to any veteran over any equally qualified applicant who is a member of any racial or ethnic minority, female, an individual with a disability, or a former employee.

Safe Operation of Motor Vehicles

a. Seat Belt Use. The Recipient agrees to implement Executive Order No. 13043, "Increasing Seat Belt Use in the United States," April 16, 1997, 23 U.S.C. § 402 note, (62 Fed. Reg. 19217), by: (1) Adopting and promoting on-the-job seat belt use policies and programs for its employees and other personnel that operate company-owned vehicles, company-rented vehicles, or personally operated vehicles, and (2) Including a "Seat Belt Use" provision in each third party agreement related to the Award. b. Distracted Driving, Including Text Messaging While Driving. The Recipient agrees to comply with: (1) Executive Order No. 13513, "Federal Leadership on Reducing Text Messaging While Driving," October 1, 2009, 23 U.S.C. § 402 note, (74 Fed. Reg. 51225), (2) U.S. DOT Order 3902.10, "Text Messaging While Driving," December 30, 2009, and (3) The following U.S. DOT Special Provision pertaining to Distracted Driving: (a) Safety. The Recipient agrees to adopt and enforce workplace safety policies to decrease crashes caused by distracted drivers, including policies to ban text messaging while using an electronic device supplied by an employer, and driving a vehicle the driver owns or rents, a vehicle Recipient owns, leases, or rents, or a privately-owned vehicle when on official business in connection with the Award, or when performing any work for or on behalf of the Award, (b) Recipient Size. The Recipient agrees to conduct workplace safety initiatives in a manner commensurate with its size, such as establishing new rules and programs to prohibit text messaging while driving, re-evaluating the existing programs to prohibit text messaging while driving, and providing education, awareness, and other outreach to employees about the safety risks associated with texting while driving, and (c) Extension of Provision. The Recipient agrees to include the preceding Special Provision of section 34.b(3)(a) - (b) of this Master Agreement in its third party agreements, and encourage its Third Party Participants to comply with this Special Provision, and include this Special Provision in each third party subagreement at each tier supported with federal assistance.

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

The CFDA number for the Federal Transit Administration - Nonurbanized Area Formula (Section 5311) is 20.509. A Recipient covered by the Single Audit Act Amendments of 1996 and OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations," (replaced with 2 CFR Part 200, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards" effective December 26, 2014 as applicable) agrees to separately identify the expenditures for Federal awards under the Recovery Act on the Schedule of Expenditures of Federal Awards (SEFA) and the Data Collection Form (SF-SAC) required by OMB Circular A-133. The Recipient agrees to accomplish this by identifying expenditures for Federal awards made under Recovery Act separately on the SEFA, and as separate rows under Item 9 of Part III on the SF-SAC by CFDA number, and inclusion of the prefix "ARRA" in identifying the name of the Federal program on the SEFA and as the first characters in Item 9d of Part III on the SF-SAC.

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

Federal Certifications

CERTIFICATION AND RESTRICTIONS ON LOBBYING

I, MATT OSBORN, PRESIDENT, hereby certify (Name and title of official)
On behalf of ADVANCE TRANSIT, INC. that: (Name of Bidder/Company Name)

- o 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, and 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.
- o If any funds other than federal appropriated funds have been paid or will be paid to any person influencing or attempting to influence an officer or employee of any agency, a Member of Congress, and officer or employee of Congress, or an employee of a Member of Congress in connection with the federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form - LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- o The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including sub-contracts, sub-grants and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. § 1352 (as amended by the Lobbying Disclosure Act of 1995). Any person who fails to file the 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.

The undersigned certifies or affirms the truthfulness and accuracy of the contents of the statements submitted on or with this certification and understands that the provisions of 31 U.S.C. Section 3801, et seq., are applicable thereto.

Name of Bidder/Company Name ADVANCE TRANSIT, INC.
Type or print name MATT OSBORN
Signature of Authorized representative [Signature] Date 9/25/19
Signature of notary and SEAL [Signature]

GOVERNMENT-WIDE DEBARMENT AND SUSPENSION (NONPROCUREMENT)

Instructions for Certification: By signing and submitting this bid or proposal, the prospective lower tier participant is providing the signed certification set out below.

1. It will comply and facilitate compliance with U.S. DOT regulations, "Nonprocurement Suspension and Debarment," 2 CFR part 1200, which adopts and supplements the U.S. Office of Management and Budget (U.S. OMB) "Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement)," 2 CFR part 180,
2. To the best of its knowledge and belief, that its Principals and Subrecipients at the first tier:
 - 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
 5. Voluntarily excluded
 6. Disqualified
 - b. Its management has 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. Proposed for debarment commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making any false statement, or receiving stolen property
 - c. It is 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 subsection 2.b of this Certification,
 - d. It has 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. If, at a later time, it receives any information that contradicts the statements of subsections 2.a – 2.d above, it will promptly provide that information to FTA,
 - f. It will treat each lower tier contract or lower tier subcontract under its 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, and
 - g. It will require that each covered lower tier contractor and subcontractor:
 1. Comply and facilitate compliance with the Federal requirements of 2 CFR parts 180 and 1200, and
 2. Assure that each lower tier participant in its Project is not presently declared by any Federal department or agency to be:
 - a. Debarred from participation in its federally funded Project,
 - b. Suspended from participation in its federally funded Project,
 - c. Proposed for debarment from participation in its federally funded Project,
 - d. Declared ineligible to participate in its federally funded Project,
 - e. Voluntarily excluded from participation in its federally funded Project, or
 - f. Disqualified from participation in its federally funded Project, and
3. It will provide a written explanation as indicated on a page attached in FTA's TRAMS-Web or the Signature Page if it or any of its principals, including any of its first tier Subrecipients or its Third Party Participants at a lower tier, is unable to certify compliance with the preceding statements in this Certification Group.

Certification

Contractor ADVANCE TRANSIT, INC.
Signature of Authorized Official Matt Gibson Date 9/25/19
Name and Title of Contractor's Authorized Official MATT GIBSON PRESIDENT

PRE-AWARD CERTIFICATION FOR PROCUREMENT OF ROLLING STOCK (VENDOR)

PRE-AWARD AUDIT REQUIREMENTS

A recipient purchasing revenue service rolling stock with FTA funds must ensure that a pre-award audit under this part is complete before the recipient enters into a formal contract for the purchase of such rolling stock.

DESCRIPTION OF PRE-AWARD AUDIT

A pre-award audit under this part includes— (a) A Buy America certification; (b) A purchaser's requirements certification; and (c) Where appropriate, a manufacturer's Federal Motor Vehicle Safety certification information.

PRE-AWARD BUY AMERICA CERTIFICATION

For purposes of this part, a pre-award Buy America certification is a certification that the recipient keeps on file that:

- a. There is a letter from FTA which grants a waiver to the rolling stock to be purchased from the Buy America requirements under section 165(b)(1), (b)(2), or (b)(4) of the Surface Transportation Assistance Act of 1982, as amended; or
- b. The recipient is satisfied that the rolling stock to be purchased meets the requirements of section 165(a) or (b)(3) of the Surface Transportation Assistance Act of 1982, as amended, after having reviewed itself or through an audit prepared by someone other than the manufacturer or its agent documentation provided by the manufacturer which lists:
 1. The Component and subcomponent parts of the rolling stock that are produced in the United States is more than 60% for FY2016 and 2017, more than 65% for FY2018 and 2019, more than 70% for FY2020 of the cost of all components and subcomponents of the vehicle identified by the manufacturer; and
 2. The location of the final assembly must take place in the United States (49 CFR 661.11), including a description of the activities that will take place at the final assembly point and the cost of final assembly.

PRE-AWARD PURCHASERS REQUIREMENTS CERTIFICATION

For purposes of this part, a pre-award purchaser's requirements certification is a certification a recipient keeps on file that:

- a. The rolling stock the recipient is contracting for is the same product described in the purchaser's solicitation specification; and
- b. The proposed manufacturer is a responsible manufacturer with the capability to produce a vehicle that meets the recipient's specification set forth in the recipient's solicitation.

If buses or other rolling stock (including train control, communication, and traction power equipment) are being procured, the appropriate certificate as set forth below shall be completed and submitted by each bidder in accordance with the requirements in 49 CFR 661.13(b).

PRE-AWARD FMVSS COMPLIANCE CERTIFICATION

As required by Title 49 of the CFR, Part 663 – Subpart D, the recipient certifies that it received, at the pre-award stage, a copy of the manufacturers self-certification information stating that the buses will comply with the relevant Federal Motor Vehicle Safety Standards issued by the National Highway Traffic Safety Administration in Title 49 of the Code of Federal Regulations, Part 571.

Bidder or offeror Certificate of:

COMPLIANCE with Buy America and FMVSS Rolling Stock Requirements

As required by 49 CFR Part 663, the bidder or offeror hereby certifies that it will comply with the requirements of 49 U.S.C. 5323(j), and the applicable regulations of 49 CFR 661.11.

Company ADVANCE TRANSIT, INC.
Name MATT OSBORN Title PRESIDENT
Signature Matt Osborn Date 9/25/19

Bidder or offeror Certificate of:

NON-COMPLIANCE with Buy America and FMVSS Rolling Stock Requirements

As required by 49 CFR Part 663, the bidder or offeror hereby certifies that it cannot comply with the requirements of 49 U.S.C. 5323(j), but may qualify for an exception to the requirement consistent with 49 U.S.C. 5323(j)(2), as amended, and the applicable regulations in 49 CFR 661.7.

Company _____



Contract Agreement
New Hampshire Department of Transportation
And
Advance Transit, Inc.

The Subrecipient, Advance Transit, Inc. shall comply with all applicable federal laws, regulations, and requirements as outlined in the most recent Federal Transit Administration (FTA) Master Agreement and Federal Certifications and Assurances.

This subaward includes information required by 2 CFR Part 200 as follows:

Subrecipient Name: Advance Transit, Inc. Subrecipient DUNS number: 118080233

Federal Award Identification Number (FAIN): NH-2019-007

Type of Federal Award: Section 5339 Federal Award Date: 7/29/19

Period of Performance:

FFY: 2019 Start Date: 7/29/19 End Date: 6/30/21

Federal Funds Obligated by the Action:

For SFY: 2020 Section: 5339 Amount: \$765,000

Total Amount of Federal Funds Obligated to Subrecipient:

For SFY: 2020 Section: 5339 Amount: \$765,000

Total Amount of Federal Award:

Section: 5339 Amount: \$765,000

Catalog of Federal Domestic Assistance (CDFA) number: 20.526 FFY: 2019

Federal Award Project Description: FTA Section 5339 Bus & Bus Facilities Program

(As required to be responsive to the Federal Funding Accountability and Transparency Act (FFATA))

Is this award for research and development: No

Provide the indirect cost rate for the federal award: N/A

Name of Federal Awarding Agency: Federal Transit Administration

Grantee: New Hampshire Department of Transportation

Contact Information for Awarding Official:

Name: Patrick C. Herlihy Title: Director of Aeronautics, Rail & Transit

Email: Patrick.Herlihy@dot.nh.gov Phone: 603-271-2449

ADVANCE TRANSIT, INC.

**Audited Financial Statements,
Supplemental Financial Information, and
Reports on Compliance and Internal Control**

June 30, 2019 and 2018

ADVANCE TRANSIT, INC.

Table of Contents

	Page No.
INDEPENDENT AUDITORS' REPORT	1 - 2
AUDITED FINANCIAL STATEMENTS	
Statements of Financial Position	3
Statements of Activities and Changes in Net Assets	4 - 5
Statements of Cash Flows	6
Statements of Functional Expenses	7 - 8
Notes to financial statements	9 - 15
SUPPLEMENTAL FINANCIAL INFORMATION	
Schedule of expenditures of federal awards	16
Notes to schedule of expenditures of federal awards	17
REPORTS ON COMPLIANCE AND INTERNAL CONTROL	
Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in accordance with <i>Government Auditing Standards</i>	18 - 19
Independent Auditors' Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance and Report on the Schedule of Expenditures of Federal Awards Required by the <i>Uniform Guidance</i>	20 - 21
Schedule of findings and questioned costs	22

Graham & Graham, P.C.

Certified Public Accountants

Business Advisors & Management Consultants

The Solution Group

Independent Auditors' Report

To the Board of Directors of
Advance Transit, Inc.
Wilder, Vermont

Report on the Financial Statements

We have audited the accompanying financial statements of Advance Transit, Inc. (A New Hampshire non-profit organization), which comprise the statements of financial position as of June 30, 2019 and 2018, and the related statements of activities and changes in net assets, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

PO Box 886, 368 River Street, Springfield, VT 05156 802-885-5340 Fax 802-885-4999
15 North Main Street, Suite 204, Concord, NH 03301 603-225-2944 Fax 603-856-7635
174 Court Street, Laconia, NH 03246 603-527-8721 Fax 603-527-8187
Website: www.grahamcpa.com

Graham & Graham, P.C.

Certified Public Accountants

Business Advisors & Management Consultants

The Solution Group

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Advance Transit, Inc. as of June 30, 2019 and 2018, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters – Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 19, 2019, on our consideration of Advance Transit, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

Graham & Graham, P.C.

Graham & Graham, P.C.
September 19, 2019
VT Reg. #92-0000282
NH Registration #659
ME Registration #FMF 10001129

PO Box 886, 368 River Street, Springfield, VT 05156 802-885-5340 Fax 802-885-4999
15 North Main Street, Suite 204, Concord, NH 03301 603-225-2944 Fax 603-856-7635
174 Court Street, Laconia, NH 03246 603-527-8721 Fax 603-527-8187
Website: www.grahamcpa.com

ADVANCE TRANSIT, INC.
 STATEMENTS OF FINANCIAL POSITION
 As of June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 1,647,666	\$ 1,513,349
Accounts receivable	81,519	373,950
Restricted municipal and contract pledges receivable	985,390	645,211
Pledges receivable	25,000	-
Prepaid expenses	137,392	113,313
Inventory	201,213	275,666
Total current assets	<u>3,078,180</u>	<u>2,921,489</u>
PROPERTY AND EQUIPMENT		
Land	263,358	263,358
Land improvements	47,804	47,804
Buildings and improvements	4,357,300	4,346,350
Transportation equipment	10,592,573	9,661,056
Communication and radio equipment	124,215	124,215
Office and shop equipment	739,695	725,748
	<u>16,124,945</u>	<u>15,168,531</u>
Less accumulated depreciation	5,085,166	6,885,383
Property and equipment, net	<u>11,039,779</u>	<u>8,283,148</u>
TOTAL ASSETS	<u>\$ 14,117,959</u>	<u>\$ 11,204,637</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 26,731	\$ 66,754
Accrued payroll expenses	199,544	187,569
Deferred revenue	1,607	8,824
Total current liabilities	<u>227,882</u>	<u>263,147</u>
Total liabilities	<u>227,882</u>	<u>263,147</u>
NET ASSETS		
Without donor restrictions		
Designated		
Capital reserve	69,335	-
Operating reserve	1,000,000	1,200,000
Undesignated	785,858	908,637
With donor restrictions	12,034,884	8,832,853
Total net assets	<u>13,890,077</u>	<u>10,941,490</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 14,117,959</u>	<u>\$ 11,204,637</u>

See Accompanying Notes to Financial Statements

ADVANCE TRANSIT, INC.
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
For the Year Ended June 30, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE AND SUPPORT			
Federal government: section 5311, operating	\$ 2,342,847	\$ -	\$ 2,342,847
Federal and state government: 5339/5311 capital	-	3,363,296	3,363,296
Federal government: RTAP	18,650	-	18,650
Contract	1,270,777	-	1,270,777
Municipal	-	985,390	985,390
State of Vermont	110,000	-	110,000
Gain or loss on disposals	22,992	-	22,992
Other	19,349	-	19,349
Donations	168,416	95,000	263,416
Net assets released from restrictions	1,618,207	(1,618,207)	-
Total revenue and support	<u>5,571,238</u>	<u>2,825,479</u>	<u>8,396,717</u>
EXPENSES			
Program Services			
Public and other transportation	4,842,561	-	4,842,561
Total program services	<u>4,842,561</u>	<u>-</u>	<u>4,842,561</u>
Support Services			
General and Administrative	534,372	-	534,372
Fundraising	71,197	-	71,197
Total support services	<u>605,569</u>	<u>-</u>	<u>605,569</u>
Total expenses	<u>5,448,130</u>	<u>-</u>	<u>5,448,130</u>
Change in net assets before transfers	123,108	2,825,479	2,948,587
Transfers of local share to restricted	(376,552)	376,552	-
Net assets, beginning of year	<u>2,108,637</u>	<u>8,832,853</u>	<u>10,941,490</u>
Net assets, end of year	<u>\$ 1,855,193</u>	<u>\$ 12,034,884</u>	<u>\$ 13,890,077</u>

See Accompanying Notes to Financial Statements

ADVANCE TRANSIT, INC.
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
For the Year Ended June 30, 2018

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE AND SUPPORT			
Federal government: section 5311, operating	\$ 1,993,138	\$ -	\$ 1,993,138
Federal and state government: 5339/5311 capital	-	2,472,183	2,472,183
Federal government: RTAP	7,091	-	7,091
Contract	1,244,837	-	1,244,837
Municipal	-	645,211	645,211
State of Vermont	110,000	-	110,000
State of New Hampshire	25,220	-	25,220
Gain or loss on disposals	24,910	-	24,910
Other	4,306	-	4,306
Donations	172,475	-	172,475
Net assets released from restrictions	1,289,622	(1,289,622)	-
Total revenue and support	<u>4,871,599</u>	<u>1,827,772</u>	<u>6,699,371</u>
EXPENSES			
Program Services			
Public and other transportation	4,179,100	-	4,179,100
Total program services	<u>4,179,100</u>	<u>-</u>	<u>4,179,100</u>
Support Services			
General and Administrative	622,900	-	622,900
Fundraising	62,447	-	62,447
Total support services	<u>685,347</u>	<u>-</u>	<u>685,347</u>
Total expenses	<u>4,864,447</u>	<u>-</u>	<u>4,864,447</u>
Change in net assets	7,152	1,827,772	1,834,924
Net assets, beginning of year	<u>2,101,485</u>	<u>7,005,081</u>	<u>9,106,566</u>
Net assets, end of year	<u>\$ 2,108,637</u>	<u>\$ 8,832,853</u>	<u>\$ 10,941,490</u>

See Accompanying Notes to Financial Statements

ADVANCE TRANSIT, INC.
 STATEMENTS OF CASH FLOWS
 For the Years Ended June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 2,948,587	\$ 1,834,924
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	932,448	637,650
Gain on disposal of equipment	(22,992)	(24,910)
(Increase) decrease in accounts receivable	292,431	(242,400)
(Increase) decrease in municipal and contract pledges receivable	(340,179)	(8,463.00)
(Increase) decrease in pledges receivable	(25,000)	-
(Increase) decrease in inventory	74,453	(11,253)
(Increase) decrease in prepaid expenses	(24,079)	(11,577)
Increase (decrease) in accounts payable	(40,401)	(20,527)
Increase (decrease) in accrued payroll expenses	11,975	13,995
Increase (decrease) in deferred revenue	(7,217)	7,660
Total adjustments	<u>851,439</u>	<u>340,175</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>3,800,026</u>	<u>2,175,099</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	(3,712,834)	(2,472,183)
Proceeds from the sale of equipment	47,125	36,910
NET CASH USED IN INVESTING ACTIVITIES	<u>(3,665,709)</u>	<u>(2,435,273)</u>
NET INCREASE (DECREASE) IN CASH	134,317	(260,174)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>1,513,349</u>	<u>1,773,523</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 1,647,666</u>	<u>\$ 1,513,349</u>

See Accompanying Notes to Financial Statements

ADVANCE TRANSIT, INC.
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2019

	Program Services		Support Services		Total Support Services	Total
	Public and Other Transportation	General and Administrative	Fundraising			
Expenses:						
Salaries	\$ 2,064,822	\$ 232,195	\$ 49,550	\$ 281,745	\$ 2,346,567	
Payroll Taxes	165,226	19,050	-	19,050	184,276	
Benefits	601,155	51,173	-	51,173	652,328	
Fuel	268,921	779	-	779	269,700	
Repairs	236,123	2,577	-	2,577	238,700	
RTAP Grant Expense	18,540	-	-	-	18,540	
Consulting	58,508	39,001	-	39,001	97,509	
Office Expense	60,692	78,096	21,647	99,743	160,435	
Insurance	270,389	15,058	-	15,058	285,447	
Travel	7,057	3,197	-	3,197	10,254	
Uniforms	23,449	-	-	-	23,449	
Capital Grant Planning Expense	30,915	-	-	-	30,915	
Building	135,131	-	-	-	135,131	
Parts Inventory Expense	62,430	-	-	-	62,430	
Depreciation	839,203	93,245	-	93,245	932,448	
Total expenses	\$ 4,842,561	\$ 534,372	\$ 71,197	\$ 605,569	\$ 5,448,130	

See Accompanying Notes to Financial Statements

ADVANCE TRANSIT, INC.
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2018

	Program Services		Support Services		Total
	Public and Other Transportation	General and Administrative	Fundraising	Total Support Services	
Expenses:					
Salaries	\$ 1,871,523	\$ 348,224	\$ 50,075	\$ 398,299	\$ 2,269,822
Payroll Taxes	142,060	27,801	-	27,801	169,861
Benefits	529,566	67,234	-	67,234	596,800
Fuel	211,134	2,139	-	2,139	213,273
Repairs	246,434	3,964	-	3,964	250,398
RTAP Grant Expense	5,685	-	-	-	5,685
Consulting	22,448	77,901	-	77,901	100,349
Office Expense	59,395	82,532	12,372	94,904	154,299
Insurance	251,360	10,314	-	10,314	261,674
Travel	6,748	2,791	-	2,791	9,539
Uniforms	19,247	-	-	-	19,247
Capital Grant Planning Expense	43,180	-	-	-	43,180
Building	139,449	-	-	-	139,449
Parts Inventory Expense	(6,779)	-	-	-	(6,779)
Depreciation	637,650	-	-	-	637,650
Total expenses	\$ 4,179,100	\$ 622,900	\$ 62,447	\$ 685,347	\$ 4,864,447

See Accompanying Notes to Financial Statements

ADVANCE TRANSIT, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018

NOTE 1 – NATURE OF ACTIVITIES

Advance Transit, Inc. (the “Organization”) is a voluntary, not-for-profit corporation incorporated under the laws of the State of New Hampshire and is organized exclusively for charitable and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended. Its mission is to provide a comprehensive transportation network for the several towns of the Upper Connecticut River Valley Region of New Hampshire and Vermont.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Organization are prepared on the accrual basis. Under the accrual basis, revenues and gains are recognized when earned, and expenses and losses are recognized when incurred. The significant accounting policies followed by the Organization are described below to enhance the usefulness of the financial statements to the reader.

Basis of Presentation

The Organization adheres to the Presentation of Financial Statements for not-for-profit organizations topic of the Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (FASB ASC 958-205). Under FASB ASC 958-205, the Organization is required to report information regarding its financial position and activities according to two classes of net assets. Descriptions of the two net asset categories are as follows:

Without donor restrictions – Those resources not subject to donor-imposed restrictions. The Board of Directors has discretionary control over these resources. Designated amounts represent those net assets that the board has set aside for a particular purpose.

With donor restrictions – Those resources subject to donor-imposed restrictions that will be satisfied by action of the Organization or by the passage of time.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all unrestricted, highly liquid investments with an initial maturity of three months or less to be cash equivalents.

ADVANCE TRANSIT, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Revenue Recognition

A substantial portion of the Organization's revenue and support is derived from cost reimbursement contracts with the States of New Hampshire and Vermont. Revenue and support is recognized when reimbursable expenditures are incurred. Payments are received, up to each of the contracts' respective cost limitations upon the Organization's submittal of written requests for reimbursement of allowable expenditures.

Contributions

Contributions received are recorded as unrestricted (without donor restrictions) or restricted (with donor restrictions) support, depending on the existence and/or nature of any donor restrictions.

All donor-restricted support is reported as an increase in restricted net assets, depending on the nature of the restriction. When a restriction expires, (that is, when a stipulated time restriction ends or a purpose restriction is accomplished), restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized.

Pledges

Unconditional promises to give, including capital campaign pledges, are recognized as revenues in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Promises to give are recorded at net realizable value if expected to be collected in one year and at fair value if expected to be collected in more than one year. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to an allowance based on its assessment of the amounts deemed collectible. It is the Organization's policy to charge off uncollectible receivables when management determines that the receivable will not be collected.

In order to ensure observance of limitations and restrictions placed on the use of resources available to Advance Transit, Inc., separate accounts are maintained for each activity. They are as follows:

Public and Other Transportation – accounts for revenue and expenses involved with operating fixed public transportation routes as well as other non-fixed routes open to the public and expenses for administration and direct trip reimbursement subcontracted by other agencies or programs.

Rural Transit Assistance Program – accounts for revenue and expenses associated with training in non-urbanized areas:

Income Taxes

Advance Transit, Inc. is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation.

ADVANCE TRANSIT, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

The Organization has adopted the provisions of FASB ASC 740, *Accounting for Income Taxes*. Accordingly, management has evaluated the Organization's tax positions and concluded that the Organization had maintained its tax-exempt status, does not have any significant unrelated business income and had taken no uncertain tax positions that require adjustment or disclosure in the financial statements.

The Organization's Forms 990, *Return of Organization Exempt from Income Tax*, for the years ending June 30, 2016, 2017, and 2018 are subject to examination by the IRS, generally for three years after they were filed.

Property and Equipment

The Organization records purchases of equipment at cost. Expenditures for property, plant and equipment with a cost greater than \$5,000 are capitalized. Depreciation and amortization are computed on the straight-line method based on the following useful lives. Expenditures for maintenance, repairs and improvements, which do not materially extend the useful lives of the assets, are expensed.

	<u>Years</u>
Buildings and improvements	10 – 50
Land improvements	15
Transportation equipment	5 – 12
Communication and radio equipment	5
Office and shop equipment	5 - 10

The Organization's facility and certain transportation equipment are subject to liens held by the States of New Hampshire and/or Vermont as agents for the Federal Transit Administration or other Federal agencies to provide for the compliance with grant requirements. The States of New Hampshire and/or Vermont also hold the title to any equipment while subject to a lien. Substantially all of the Organization's property and equipment, including related financing of these assets, are subject to these requirements. Therefore, the net assets related to property and equipment acquired through grants is reported as restricted.

Deferred revenue

The Organization records deferred revenue, which represents sponsorship and advertising income covering periods beyond June 30, 2019 and unearned sponsorship and municipal assistance received in advance.

Designation of Unrestricted Net Assets

It is the policy of the Board of Directors to review its plans for future property improvements and acquisitions, as well as other operating needs, from time to time and to designate appropriate sums of unrestricted net assets to assure adequate financing of such purposes.

ADVANCE TRANSIT, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018

NOTE 3 – CASH AND CATEGORIZED RISK

There are three categories of credit risk that apply to an organization's bank balances:

1. Insured by FDIC or collateralized with securities held by the government or by the government's agent in the government's name. In July 2010, Congress permanently increased the basic FDIC insurance coverage limit to \$250,000.
2. Collateralized with securities held by the pledging financial institution's trust department or agent in the government's name.
3. Uncollateralized.

Bank balances as of June 30, 2019 are categorized below to give an indication of the credit risk assumed at year end.

	Book Balance	Bank Balance
Insured deposits	\$ 1,146,288	\$ 1,343,890
Insured, short term certificate of deposit	501,262	501,262
Cash on hand	116	-
Uninsured	-	-
Total	\$ 1,647,666	\$ 1,845,152

Bank balances as of June 30, 2018 are categorized below to give an indication of the credit risk assumed at year end.

	Book Balance	Bank Balance
Insured deposits	\$ 1,513,199	\$ 1,589,844
Cash on hand	150	-
Uninsured	-	-
Total	\$ 1,513,349	\$ 1,589,844

NOTE 4 – ACCOUNTS RECEIVABLE

Accounts receivable include funds due the Organization under various grant award agreements.

Accounts receivable as of June 30, 2019 and 2018 consisted of the following:

	2019	2018
New Hampshire Department of Transportation	\$ 9,964	\$ 111,231
Vermont Agency of Transportation	19,108	121,267
Contracts	-	107,361
Federal and state excise tax	32,921	29,727
Bus sale proceeds	18,250	-
Bus sponsors	1,276	4,364
Total accounts receivable	\$ 81,519	\$ 373,950

**ADVANCE TRANSIT, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018**

NOTE 5 – RESTRICTED MUNICIPAL AND CONTRACT PLEDGES

	2019	2018
Contributions:		
Donor restricted contributions:		
Town of Hanover	\$ 136,683	\$ 132,702
Town of Hartford	79,362	77,050
Town of Norwich	13,514	13,120
City of Lebanon	121,221	117,690
Town of Enfield	5,253	5,100
Town of Canaan	9,270	9,000
Dartmouth Hitchcock Medical Center	115,087	111,735
Dartmouth College	505,000	178,814
Total contributions	\$ 985,390	\$ 645,211

NOTE 6 – LINE OF CREDIT

The Organization has available a bank line of credit for any amount up to \$200,000 at June 30, 2019 and 2018. The line of credit is due on demand and secured by the business assets of the Organization. Draws on the line of credit bear interest based on the Wall Street Journal Prime rate (currently indexed to 4.5%) for the year ended June 30, 2019 and 2018. There were no outstanding balances on this line of credit as of June 30, 2019 and 2018.

NOTE 7 – NET ASSETS

Board Designated Net Assets

In June 2016, the Board approved the establishment of a Board designated capital reserve fund. The purpose of the fund is to segregate \$200,000 to provide sufficient readily available funds to cover projected fiscal year grant local match amounts. During the fiscal year ended June 30, 2019, \$130,665 was spent on required local grant match amounts for capital assets acquired, leaving a remaining balance of \$69,335 at June 30, 2019.

In January 2016 the Board approved the establishment of a Board designated operating reserve fund. The purpose of the operating reserve fund is to segregate \$1 million to safeguard the Organization's ability to pursue its mission and goals, run its programs, provide stable employment, and maintain ongoing operations to offset the financial impact of sudden expense increases, one-time unbudgeted expenses, unanticipated losses in funding, temporary working capital requirements or uninsured losses. The amount of the operating reserve target minimum will be calculated annually as a part of the annual budget process by the Board of Directors Finance Committee.

The Executive Director, in consultation with the Treasurer and President of the Board, is delegated authority to use up to \$200,000 of operating reserves for policy designated needs.

ADVANCE TRANSIT, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018

NOTE 7 – NET ASSETS (Cont'd)

Net Assets with Donor Restrictions

Net assets with donor restrictions consist of equipment and vehicles purchased with restricted resources, thereby limiting the assets use to specified purposes throughout the useful life of the assets, foundation grant funds received to cover the startup costs of a planned giving fund, Town appropriations approved in 2019 but to be paid in 2020 and capital campaign pledges.

Net assets with donor restrictions are comprised of the following:

	<u>2019</u>	<u>2018</u>
Net property, plant and equipment funded with restricted resources	\$ 10,954,494	\$ 8,187,642
Capital campaign contributions	95,000	-
Municipal and contract pledges	<u>985,390</u>	<u>645,211</u>
Total	<u>\$ 12,034,884</u>	<u>\$ 8,832,853</u>

NOTE 8 – NET ASSETS RELEASED FROM RESTRICTIONS

Net assets released from restrictions are as follows:

	<u>2019</u>	<u>2018</u>
Purpose restrictions accomplished:		
Depreciation	\$ 948,991	\$ 637,650
Expiration of time restrictions on contributions receivable	645,211	636,748
Expiration of purpose restrictions on bus disposals	<u>24,005</u>	<u>15,224</u>
Total net assets released from restrictions	<u>\$ 1,618,207</u>	<u>\$ 1,289,622</u>

NOTE 9 – FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

NOTE 10 – RETIREMENT PLAN

The Organization sponsors a salary reduction contribution plan pursuant to Section 403(b) of the Internal Revenue Code, covering substantially all employees. Under the plan, employees contribute a specified percentage of their salary, or a fixed dollar amount, to the plan. The Organization may agree to make "non-elective" contributions or a matching contribution to their employees' 403(b) plans. The Organization may match the employee's contribution up to 25% of the first 5% of the amount deferred and may limit that match to a maximum of 5% of employee salary deferrals. For the years ended June 30, 2019 and 2018 employer contributions to the plan amounted to \$17,229 and \$8,136, respectively.

**ADVANCE TRANSIT, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018**

NOTE 11 – ECONOMIC DEPENDENCE

The Organization receives substantial grant/contract funds from the New Hampshire Department of Transportation and Vermont Agency of Transportation and is dependent upon this funding to support most of its activities and operations. This funding is renegotiated each year and is not guaranteed for future years beyond 2019. Loss of these funds could jeopardize the Organization's ability to continue its activities and operations.

NOTE 12—LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Organization's financial assets as of the balance sheet date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the balance sheet date. Donor-restricted amounts that are available for use within one year for general purposes include the estimated payment of municipal and contract pledges receivable as of June 30, 2019 of \$985,390.

	<u>June 30, 2019</u>	<u>June 30, 2018</u>
Financial assets consist of:		
Cash and cash equivalents	\$ 1,647,666	\$ 1,513,349
Accounts, municipal and pledges receivable	<u>1,091,909</u>	<u>1,359,317</u>
Total financial assets	2,739,575	2,872,666
Less those unavailable for general expenditures within one year, due to:		
Donor-restricted to purchase of property and equipment	<u>95,000</u>	<u>-</u>
 Financial assets available to meet cash needs for general expenditure within one year	 <u>\$ 2,644,575</u>	 <u>\$ 2,872,666</u>

As part of the Organization's liquidity management, it invests cash in excess of daily requirements in short-term investments through a sweep account arrangement with its primary bank.

NOTE 13 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through September 19, 2019, which is the date the financial statements were available to be issued, and has determined that no subsequent events have occurred that would require recognition or disclosure in the financial statements.

ADVANCE TRANSIT, INC.
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2019

Federal Grantor Agency and Program Title	CFDA Number	Pass-Through Identifying Number	Program or Award Amount	Awards Expended
U.S. Department of Transportation				
Major Programs:				
<u>State of New Hampshire Department of Transportation:</u>				
Bus and Bus Facilities Formula Program	20.526	NH-34-0003/NH-2016-002	\$ 181,900	\$ 181,900
Bus and Bus Facilities Formula Program	20.526	NH-34-0017/NH-2018-008	765,000	743,169
Bus and Bus Facilities Formula Program	20.526	NH-34-0002/NH-2017-007	700,854	700,854
<u>State of Vermont Agency of Transportation:</u>				
Bus and Bus Facilities Formula Program	20.526	FT201603-061	686,157	686,157
Bus and Bus Facilities Formula Program	20.526	FT201901-061	686,157	686,157
Bus and Bus Facilities Formula Program	20.526	FT201901-051	12,800	8,760
Subtotal CFDA 20.526				<u>3,006,997</u>
<u>State of New Hampshire Department of Transportation:</u>				
Formula Grants for Rural Areas	20.509	NH-18-X049/NH-2017-020/NH-2018-009	\$ 1,742,847	\$ 1,742,847
Formula Grants for Rural Areas	20.509	NH-18-X045	10,000	9,993
<u>State of Vermont Agency of Transportation:</u>				
Formula Grants for Rural Areas	20.509	FT201803-451	30,000	30,000
Formula Grants for Rural Areas	20.509	FT201806-451	200,000	200,000
Formula Grants for Rural Areas	20.509	FT201604-551	35,794	35,794
Formula Grants for Rural Areas	20.509	FT201709-551	53,000	53,000
Formula Grants for Rural Areas	20.509	FT201806-551	36,206	36,206
Formula Grants for Rural Areas	20.509	FT201803-931	245,000	245,000
Formula Grants for Rural Areas	20.509	FT201803-701	7,500	7,049
Formula Grants for Rural Areas	20.509	FT201604-051	24,400	22,003
Subtotal CFDA 20.509				<u>2,381,892</u>
Total Major Programs				<u>5,388,889</u>
Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research	20.505	FT201705-051	18,203	17,088
Total Other Programs				<u>17,088</u>
Total Expenditures of Federal Awards				<u>\$ 5,405,977</u>

ADVANCE TRANSIT, INC.
Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2019

NOTE 1 – REPORTING ENTITY

Advance Transit, Inc. (the “Organization”) is a voluntary, not-for-profit organization incorporated under the laws of the State of New Hampshire (RSA 292) and is engaged to provide a comprehensive transportation network for the several towns in the Upper Connecticut River Valley Region of New Hampshire and Vermont. The Organization was founded in January 1984 and is headquartered in Wilder, Vermont.

NOTE 2 – SCOPE OF THE AUDIT PURSUANT TO THE UNIFORM GUIDANCE

The Schedule of Expenditures of Federal Awards (the “Schedule”) presents the activity of all Federal award programs of Advance Transit, Inc. All Federal awards are received directly from Federal agencies as well as Federal awards passed through other government agencies or other entities are included in the schedule.

NOTE 3 – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards has been prepared in the format as set forth in *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

The Schedule is presented using the accrual basis of accounting. It includes all Federal awards to the Organization which had expenditure activity during the year ended June 30, 2019. Several programs are jointly funded by the State of Vermont and State of New Hampshire appropriations in addition to Federal Awards. The Schedule reflects only that part of the grant activity funded by Federal Awards. The Organization has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 4 – CATALOG OF FEDERAL DOMESTIC ASSISTANCE (CFDA) NUMBERS

The program titles and CFDA numbers were obtained from the 2018 Catalog of Federal Domestic Assistance.

Graham & Graham, P.C.

Certified Public Accountants

Business Advisors & Management Consultants

The Solution Group

Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in accordance with *Government Auditing Standards*

To the Board of Directors
Advance Transit, Inc.
Wilder, Vermont

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standard*, issued by the Comptroller General of the United States, the financial statements of Advance Transit, Inc. (the "Organization"), which comprise the statement of financial position as of June 30, 2019, and the related statements of activities and changes in net assets and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 19, 2019.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting ("internal control") to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Graham & Graham, P.C.

Certified Public Accountants

Business Advisors & Management Consultants

The Solution Group

Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in accordance with *Government Auditing Standards* (Continued)

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Graham & Graham, P.C.

Graham & Graham, P.C.

Springfield, Vermont

September 19, 2019

VT Registration #92-0000282

NH Registration #659

ME Registration #FMF 10001129

Graham & Graham, P.C.
Certified Public Accountants
Business Advisors & Management Consultants

The Solution Group

**Independent Auditors' Report on Compliance for Each Major Federal Program and on
Internal Control Over Compliance and Report on the Schedule of Expenditures of Federal
Awards Required by the Uniform Guidance**

To the Board of Directors
Advance Transit, Inc.
Wilder, Vermont

Report on Compliance for Each Major Federal Program

We have audited Advance Transit, Inc.'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Organization's major federal programs for the year ended June 30, 2019. The Organization's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Advance Transit, Inc.'s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Organization's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Organization's compliance.

Opinion on Each Major Federal Program

In our opinion, Advance Transit, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2019.

Graham & Graham, P.C.

Certified Public Accountants

Business Advisors & Management Consultants

 The Solution Group

Independent Auditors' Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance (Continued)

Report on Internal Control over Compliance

Management of the Organization is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Organization's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Graham & Graham, P.C.

Springfield, Vermont

September 19, 2019

VT Registration #92-0000282

NH Registration #659

ME Registration #FMF 10001129

ADVANCE TRANSIT, INC.
Schedule of Findings and Questioned Costs
Year Ended June 30, 2019

Section I – Summary of Auditors’ Report

Financial Statements

Type of auditors’ report issued:	Unqualified
Internal control over financial reporting:	
• Material Weakness(es) identified?	No
• Significant deficiency(ies) identified that are not considered to be material weaknesses.	No
Non-compliance material to the financial statements noted?	No

Federal Awards

Internal control over major programs:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified that are not considered to be material weakness(es)?	No
Type of auditors’ report issued on compliance for major programs:	Unqualified
Any audit findings disclosed that are required to be reported in accordance with section 200.516 of the Uniform Guidance?	No

Identification of Major Programs

Name of program or cluster	CFDA number
U.S. Department of Transportation – Bus and Bus Facilities Formula Program	20.526
U.S. Department of Transportation – Formal Grants for Rural Areas	20.509
Dollar threshold used to distinguish between Type A and Type B programs:	\$ 750,000
Auditee qualified as a low risk auditee under Section 200.520 of the Uniform Guidance:	Yes

Section II – Financial Statement Findings

No current year findings.

Section III – Federal Award Findings and Questioned Costs

No current or prior year findings

Advance Transit Officers and Directors

July 1, 2019

President	Vice President	Treasurer
Matt Osborn	Suzanne Prentiss	Robert Starkey
Member At-Large	Lebanon Member	Member At-Large
Secretary		
Jim Tonkovich	Mark Beliveau	Bethany Fleishman
Hartford Member	Hanover Member	Hartford Member
Jonathan D. Stearns	Demo Sofronas	Patrick O'Neill
Member At-Large	Norwich Member	Member At-Large
James L. Taylor	Robert Houseman	Nathan Miller
Enfield Member	Hanover	Member At-Large
Rebecca Owens		
Lebanon Member		

ADVANCE TRANSIT
SECTION 5311 CONTRACT
SFY 2020 - SFY 2021

Key Project Personnel
Salary Information
(Resumes attached)

Van J. Chesnut, Executive Director

Annual Salary \$113,921

Christopher Andreasson, Director of Transportation

Annual Salary \$80,433

Jennifer Baxter, Director of Finance and Administration

Annual Salary \$80,000

Van J. Chesnut

Experience

1987 – present Advance Transit, Inc. PO Box 1027, Wilder, VT 05088

Executive Director

CEO of regional nonprofit public transportation company located near Hanover, New Hampshire and Dartmouth College. Developed public/private partnerships and sponsorships to enable fare free fixed route transit, resulting in high ridership and service productivity not typically found in a rural area. Led planning, financing, and construction of capital improvements program including LEED certified operations center, and fleet upgrades including diesel-electric hybrid buses.

1984 – 1987 Cardinal Center Warsaw, Indiana

Director, Kosciusko Area Bus Service

Directed county-wide rural public transportation system for multi-program human services agency. Directed financing, acquisition, construction, and remodeling of operations center. Improved financial and systems management, instituted marketing programs resulting in increased public awareness and ridership.

1982-1984 City of Stevens Point Stevens Point, Wisconsin

Transit Manager

City Department head position responsible for employee supervision, service planning, grant writing and reporting. Initiated Transit Development Plan and Marketing Plan that resulted in increased public awareness and ridership.

1979-1982 United Developmental Services Columbus, Indiana

Transportation Manager

Department head position for five-county multi-program human services agency. Responsible for personnel supervision and training, fleet maintenance, budgeting, grants administration.

Education

Purdue University Bachelor of Arts degree awarded 1978. Personality and Social Psychology major, English minor.

Memberships and Honors

Founders Award, Received from Community Transportation Association of America (CTAA), 2009

Chair, New Hampshire Transit Association

Board of Directors, Vermont Public Transportation Association

Member, Upper Valley Transportation Management Association

Board of Directors, New England Transportation Institute and Museum

Transportation Research Board Panels:

TCRP A-19 Integrating School Bus and Public Transportation Services in Non-Urban Communities

TCRP A-19A(2) Vehicle Guide for Integrating School Bus and Public Transportation Services in Non-Urban Communities

TCRP C-19 Guidebook for Evaluating Fuel Choices for Post-2010 Transit Bus Procurements: Update of TCRP Report 38

International Transit Studies Program (ITSP) Mission 4, European Cities May, 1996

Member Hanover Rotary, Hanover New Hampshire

References

Furnished Upon Request

Jennifer M. Baxter

Objective

My objective is to secure a career position with an organization that has a purpose and mission that I relate to and respect. I want to work for an organization where I can contribute my knowledge and experience derived from years of finance and human resources administration.

Experience

February 18th – Present

Advance Transit

Director of Finance & Administration

Wilder Vermont

- Reporting to the Executive Director, I oversee all of the finance, payroll, banking, and accounting functions, as well as all the analysis, compliance, budgeting, and forecast reporting.
- Oversee and manage the 5311 Grant cost allocation, administration, and billing to two States.
- Responsible for all of the Human Resources of the organization, including but not limited to benefits administration, employee recruitment, employee retention, employee development, workforce planning, policy and procedures, employee On-boarding, and vendor negotiations and relationships.
- Currently identifying areas in the organization where software and technology can potentially eliminate duplicate processing, inefficient systems, wasted time and resources.

November 3, 2014 to February 1, 2019

Green Mountain at Fox Run

~~Director of Finance & Administration~~

Ludlow Vermont

- Reporting to the Executive Director, I manage all of the finance, payroll, banking, and all accounting functions, as well as all the analysis, compliance, and forecast reporting to keep the business on track to meet revenue and expense targets of a \$4 million dollar budget.
- Wrote a complete Policies & Procedures Manual for the entire accounting and finance processes.
- Responsible for all areas of the Human Resources Department for the organization, including the management of the 401K plan administration, health benefits, paid time off, performance appraisal system for all, a web based employee training program, and ensuring sound hiring policies and proper documentation of all employee relations matters.
- Directly manage five employees and six 1099 independent contractors
- Charged with the task of creating a new Employee Manual, a Policies and Procedures manual for all Human Resources related items, and the Policies & Procedures for Emergency Management, and our Environments of Care.
- Introduced and rolled out budgeting for five departments and created a system of procedures to ensure a smooth budgeting season that begins in September for the next calendar year.
- Implemented an employee performance appraisal system that is done annually in March for everyone. Implemented a new employee orientation program. Re-wrote job descriptions for all positions in 2018 as a precursor this year to the employee performance review system.

- Completed a six month study group program in the evening to earn my SHRM-CP (Society of Human Resources Management Certified Professional) certification. Valid till December 2020 and two thirds of the way through re-certification requirements needed by December 2020.

April 2014 to November 2014

Gifford Medical Center

Lead Accountant

Randolph Vermont

- Hired to assist with the setup of the Chart of Accounts and identifying how to separate expenses, income, and balance sheet items for a newly formed parent organization, Gifford Health Care that resulted from a new federal designation for Gifford Medical Center as an FQHC, Federal Qualified Health Care Center.
- Responsible for monthly closing entries to and from the two organizations to the General Ledger and in order to maintain separate Balance Sheets and Income Statements for each
- Responsible for making sure that direct and indirect expenses are allocated correctly to each organization
- Heavy use of Excel to manage data going into and out of the General Ledger
- Assisted with creating Budget FY15 files for each department within the hospital system
- Created a set of procedures for the existing Monthly Closing Accounting Entries
- Daily reconciliation of bank activity, checks cleared and deposits posted, to the hospital software

February 1, 2012 to April 2014

Town of Randolph

Staff Accountant

Randolph Vermont

-
- Responsible for draw downs, accounting and reconciliation, and progress reporting of twenty seven open Federal and State municipal, highway, FEMA, Cops, Homeland Security, Economic Development, and Community Development Grants.
 - Manage the Utility billing and collection of funds, and negotiation of payment agreements of water and sewer accounts for 1000 residents of Randolph that are on the public water and sewer systems.
 - Manage the Accounts Receivable for the Town of Randolph.
 - Assist as back-up for bi-weekly Payroll consisting of 50 union and non-union employees
 - Assist as back-up for semi-monthly Accounts Payable processing
 - Researched, Applied and Wrote a Grant application and budget with the USDOJ and COPS for a research and development Grant, that if approved will put police officers in schools on a part-time basis.
 - Bank account Reconciliations
 - Quarterly Department Budget Review
 - Monthly General Ledger balancing to sub-ledgers for Accounts Receivable and Accounts Payable
 - Daily General Ledger entries and adjusting entries
 - Created new or updated existing Procedure Manuals for town's own internal training use and for external Town auditor's verification of compliance with Checks and Balance Procedures and Procedures in general for Accounts Payable, Payroll, Accounts Receivable, and Utility Billing systems.

August 2006- October 2011

The Vermont Inn

Mendon Vermont

Innkeeper/Owner of a 16 room country Inn

Owned and operated the Inn and Restaurant. Personal areas of responsibility included guest relations, selling rooms, overseeing staff of 15, as well as managing all the accounting: accounts payable, receivable, banking. I handled the accounting functions and payroll using Quick Books... I also handled the marketing, website, and community public relations, and advertising.

- Researched and designed lodging packages for website that resulted in new lodging bookings
 - Implemented the Inn's first guest survey system for the hotel and restaurant allowing us to manage results and improve return visits
 - Oversaw successive upgrades of The Vermont Inn website with current travel industry trends: video, hyperlinks, improved photography, packages, blog, and social media networking links.
 - Reached out to new markets of travel with local universities, colleges, and local camps and schools which resulted in additional lodging bookings
 - Ramped up our international marketing by joining Discover New England and attending international tour operator conferences. Signed four new contracts for the Inn for the first time which resulted in additional lodging bookings.
 - Upgraded PMS system (property management system) to allow us to have more windows friendly features including for the first time in the Inn's history, e-mail capabilities for confirmation letters direct from the PMS system.
 - Created the Experience Central Vermont Blog using WordPress, the VermontInn Twitter account, and the VermontInn FaceBook page for marketing and communication to our current guests and future guests
 - Implemented the first e-mail direct marketing program using Constant Contact. Grew this marketing effort to a contact list with over 4000 contacts and a 30% open rate for e-mail blast and newsletters.
 - Member of the Killington Chamber of Commerce for 6 years and sat on Board of Directors for 2 years.
-

February 1993-July 2006

Diversified Lighting Associates, Inc.

Warminster PA

Controller

Started as an Assistant Controller and promoted to Controller for a growing lighting representative agency that expanded from thirty to fifty-five employees during my tenure there. Managed a five person support staff. Managed a team that was responsible for the sales reporting for all four branches. In addition, I oversaw all accounting: accounts payable, receivable, general ledger, and payroll. I was directly responsible for human resource related issues, including health insurance, 401k and FSA related issues

- Annual evaluation of group health plan which included many moves to plans that saved over \$10,000 in annual premiums one year.
- Implemented a move for our 401K plan from a single account system to a fund company that allowed separate individual accounts for each employee with on-line access, lower fund fees and administrative expenses
- Proposed, researched, sold, and implemented a FSA plan in 2005 that resulted in \$43,000 deferred taxable income with a 60% participation rate.
- Moved payroll from a phone-in payroll with Paychex in 2003 to a client based software system and then web based system allowing for improved efficiency
- Researched and oversaw the implementation of our DOS based Solomon III accounting system to a windows based Great Plains/Solomon IV application. The project was successful and came in under budget.

- Implemented a new sales employee expense report program for 40 sales rep employees that allowed for their Excel files to be imported directly into Solomon's AP accounting software.
- Improved month-end closing procedures with a sales tracking system, Oasis that allowed for monthly sales reporting and closings to be done more efficiently. This upgrade to the system allowed us to reduce staff by one and saved the organization \$40,000 in payroll.
- Negotiation of all vendor contracts ranging from office supplies to telephone providers and insurance companies
- Implemented a database program using DataEase to monitor the purchase and location of the largest cost of goods sold for the company: our sample lighting fixtures.
- Managed four Novell networks and fifty-five workstations throughout the company. Acted as a call center for trouble for the three remote locations. I handled daily workstation related repairs and software issues. This allowed us to use a network consultant only when needed instead of employing a full-time IT manager
- Assisted in the development of the company's first website in 2000 and maintained edits to the page using Microsoft FrontPage 2000.

June 1988 – February 1993

Market Direct America

Princeton NJ

Business Manager

I was hired as an Office Manager for growing telemarketing agency and within two years was promoted to Business Manager. Responsible for accounting, human resources, payroll, sales reporting and audit of commission checks from clients

- Moved payroll from a phone-in payroll with ADP to a client software based system for improved efficiency
 - Wrote an employee manual for the company
 - Attended Novell network training off-site for three days so that I could support two locations of Novell networks.
-
- Responsible for tracking sales and reconciling commission checks from our clients
 - Responsible for accounts payable, receivable, banking
 - Managed and processed payroll for up to fifty employees

Education –

Society of Human Resources Management– Certified Professional (SHRM-CP) –6 month study program completed in December 2016. 40 out of 60 CEUs earned, post certification, towards December '19 renewal.

Rutgers University – New Brunswick New Jersey 1992-1993

Middlesex County College -- Edison New Jersey 1985-1988

North Brunswick High School-North Brunswick New Jersey 1981-1985

RESUME

Mr. Christopher Andreasson

June 4, 2018

Education:

Bachelor of Arts, City College of New York, 1974

Computer Science Courses, Community College of VT, 1999-2000

Work History:

Advance Transit, Inc.

July 7, 2008 to present

Director of Transportation overseeing both the maintenance and bus operations of Advance Transit. I participate in the decisions regarding bus procurement and preparation of the RFP. I assist the Executive Director with decisions on personnel including recruiting and interviewing for new employment opportunities within Advance Transit as well as decisions regarding disciplinary action including termination of employment. I manage the maintenance of the building and grounds and perform the inspections as prescribed by the REM and state and federal law. I have the A&B certification for management of our 12,000

gallon underground fuel storage tank and train the employees associated with its use. I received certification from the Community Transportation Association as Advance Transit's Safety and Security Officer. In that role I accumulate data on accidents and incidents to evaluate preventative measures. This also includes evaluation of operations where an accident or incidence has not yet occurred but where there might be a potential for an occurrence. If there are reports of unsafe driver practices I, along with our Operations Manager, will investigate and take action when it is warranted. I have also prepared a Safety and Security Plan that provides a template for decisions regarding employee and passenger safety. I investigate customer complaints and attempt to resolve them with follow up with the employee(s) involved as well as the customer. I provide advice to the Executive Director concerning current routes as well as prospective new service. I helped develop and manage Advance Transit's passenger information systems.

Vermont Transit Co., Inc.

April 1, 2008 - June 30, 2008

I am Project Manager for the merger of Vermont Transit Co., Inc. into Greyhound Lines, Inc. based in Dallas, Texas. My duties include managing transition of accounting and Operational functions to Greyhound locations in Dallas, Texas as well as supervision of employee training including driver re-certification for all former Vermont Transit workers.

October 2000 - March 31, 2008

As General Manager, my duties included oversight of all operations including maintenance (14 employees and a fleet of up to 40 motor coaches), drivers (up to 60 full time operators) and accounting (including payroll). I made all scheduling decisions for routes that extended through 5 states and Canada. We operated 4 million miles annually with 8-12 million dollars in annual revenue. In the past three years I directed a consolidation of our company to improve its financial performance. This included elimination of poorer performing routes and speeding up of remaining services to attract

new riders. This involved the elimination of management positions and redirection of duties to remaining staff. I improved our revenue by 30% for every mile we operated and we completed our latest fiscal year ahead of plan in profit generated.

I worked with state transportation officials in both Vermont and New Hampshire that netted my company over \$400,000 in capital and operating assistance between 2001 and 2003.

1996-2000

As one of two Dispatchers my responsibility included assigning drivers and capacity planning. Also included in our duties was the development of driver work assignments. I transformed our workstations to a computer-based operation using Microsoft Excel and Access to automate various processes and improve efficiency. I also developed our first website for distributing fare and schedule information to our customers via the internet.

1974-1995

I was a motor coach operator based first in Burlington, VT and operated over 1.5 million miles with a 20 year safe driving award.

Other Work

Substitute Teacher Hartford Middle School, mid 1980s

Baseball Umpire, High School Varsity, Babe Ruth and Adult VT & NH leagues, 1990 to present.

Civic Activities:

Wilder Elementary PTA President, 1989

Appointed by Governor Dean as member of Governor's Rail Advisory Committee, Montpelier, VT 2001-2004

Appointed by Governor Douglas as member, Governor's Transportation Operations Advisory Council, Montpelier, VT 2005-2006.

Voted by Governor's Rail Advisory Council as member, Rail Infrastructure Subcommittee, 2004-present.

Appointed by Governor Douglas as member, Governor's Rail Advisory Committee, Montpelier, VT March 2008 to present.

Elected President in 2007 of the New England Bus Association.
