



**CHATTANOOGA AREA REGIONAL TRANSPORTATION AUTHORITY
& THE CHATTANOOGA PARKING AUTHORITY**

BOARD MEETING AGENDA

January 16, 2025, 10:00 AM ET

1. **Call to Order**
2. **Quorum Call**
3. **Moment of Silence & Pledge of Allegiance**
4. **Public Comment**
5. **Recognitions**
6. **Adoption of Minutes** [\(page 2\) -A](#)
7. **CEO Report:** Charles D. Frazier
8. **Consent Agenda**
 - A. Financial Report: Sonja Sparks [\(page 17\) - I](#)
 - B. Statistical Report: Philip Pugliese [\(page 20\) - I](#)
 - C. Operations Update: Jeff Smith [\(page 24\) - I](#)
9. **Action Items:**
 - A. Catoosa County Subrecipient Agreement: Annie Powell [\(page 27\) - A](#)
 - B. Procurement Report: Annie Powell [\(page 61\) - A](#)
10. **New Business**
11. **Old Business**
 - A. Dolly Parton Imagination Library: Charles D. Frazier
12. **Adjournment**

MINUTES OF THE BOARD OF DIRECTORS MEETING OF
THE CHATTANOOGA AREA REGIONAL TRANSPORTATION AUTHORITY

AND

THE CHATTANOOGA PARKING AUTHORITY

December 19, 2024

The regular meeting of the Board of Directors of the Chattanooga Area Regional Transportation Authority (CARTA) and the Chattanooga Parking Authority was held Thursday, December 19, 2024, starting at 10:00 a.m., at the Board Building, 1617B Wilcox Blvd. Chattanooga, TN 37406. The meeting was held in accordance with Section 4, Paragraphs 1 and 2 of the ordinances creating the Authority and pursuant to the notice advertised in the Chattanooga Times Free Press on December 01, 2024. The following Board members were in attendance and constituted a quorum: Johan de Nysschen, Chairman; Charita Allen, Treasurer; Arcie D. Reeves, Secretary; Stephen Culp, Corey Evatt, Bill Nye, Daniela Peterson, and LeAndrea Sanderfur. The following persons were also in attendance: Charles Frazier, Chief Executive Officer; Sonja Sparks, Chief Financial Officer; Jeff Smith, Chief Operating Officer; Scott Wilson, Chief of Staff; Rachael Ruiz, Legal Counsel, Miller & Martin; Dena Franklin, Payroll & A/R Administrator; and various media and guests. Mr. de Nysschen called the meeting to order and declared a quorum present.

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Mr. de Nysschen opened the meeting with a moment of silent reflection followed by Mr. Frazier leading the Pledge of Allegiance. Mr. de Nysschen next opened the meeting for public comments or questions. There were none.

Mr. de Nysschen called on Mr. Wilson to present the December 2024 Ambassador Award. Mr. Wilson recognized the Incline Railway team; Darryl Baker, Chris Crowe, Houston Duke, Michael Freman, Kyle Green, Alexander Harrah, Roger Hayes, Matthew Higgins, Michael Knox, Travis Leake, Cody Pace and Elaine Schlicht; for their remarkable actions taken on December 7, 2024. Mr. Wilson stated that when fire threatened the Lookout Mountain Incline Railway, a 129-year-old historic landmark, the team worked tirelessly for four (4) consecutive days to protect and preserve a piece of Chattanooga's history for future generations. Each person exemplified what it meant to be a CARTA employee: (i) putting service above self, (ii) showing unwavering dedication to community, and (iii) working together as one unified team.

Next, Mr. Frazier announced the inaugural Pinnacle Leadership Award, an award representing the highest echelon of leadership within CARTA. Mr. Frazier stated that in times of crisis, true leaders emerge. They inspire, they act, and they protect what matters most. Matthew Higgins was presented with the inaugural Pinnacle Leadership Award for his quick thinking and courageous actions during the fire at the Incline Railway, over thirty-five (35) years of service and embodying the qualities CARTA values the most: courage, integrity, and an unwavering commitment to excellence.

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Mr. de Nysschen expressed his personal gratitude and that of the board of directors to Matthew Higgins stating that he made a remarkable contribution towards preserving a culture heritage for the community.

Mr. de Nysschen then stated that all members had been sent a copy of the November 21, 2024, board meeting minutes and asked if there were any additions, corrections, or comments. There being none, a motion was made by Ms. Allen and seconded by Ms. Sanderfur, followed by a vote to approve the minutes. The motion was unanimously approved.

Mr. de Nysschen called on Mr. Wilson to introduce a special presentation by the AIM Center. The AIM Center is a nonprofit organization that helps adults in the Chattanooga region live productive lives while managing serious mental illness. Mr. Wilson stated that the artwork being presented illustrates the longstanding partnership between CARTA and the AIM Center, Chattanooga's leading psychosocial rehabilitation facility. Mr. Wilson further stated that CARTA has been proud to support the AIM Center's mission by providing essential transportation services to their members helping to ensure they can access the Center's life-changing programs and services.

Mr. Wilson introduced Ms. Leandra Naylor, Program Director of the AIM Center, and Randall Jones Sr., a two (2) year participant in the AIM Center's art studio. Mr. Jones presented an assemblage artwork piece depicting the historic Incline Railway. Mr. Wilson expressed CARTA's gratitude that the artwork will be on loan for the next six (6) months while the work to

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restore and reopen the Incline Railway is underway and serves as a powerful reminder of what makes the Incline a treasured part of the community's identity and history.

Mr. de Nysschen then called on Mr. Frazier to present the CEO report. Mr. Frazier reported that CARTA participated in the MainX24 parade, showcasing CARTA's electric bus that has been co-branded with the City of Chattanooga. Mr. Frazier expressed his gratitude to the CARTA employees and Mr. Evatt who participated in the 24-hour event held on Main Street.

Mr. Frazier reported next that CARTA is fully engaged in Plan Chattanooga, a comprehensive planning initiative led by the Chattanooga Regional Planning Agency (RPA) and that CARTA's three (3) mobility domains will be integral components of the planning initiative. The domains are (i) fixed route, paratransit and microtransit, (ii) parking and shuttle networks, and (iii) a mobility hub network. Mr. Frazier reported that the plan will include a mobility layer highlighting growth plans for CARTA's three (3) mobility domains in each of the eight (8) areas defined in the initiative.

Mr. Frazier provided an update on the First Hour Free parking pilot program. Mr. Frazier stated that the program officially launched on December 2, 2024, beginning with a free parking day on December 1st, 2024, at both Shuttle Park North and South garages. The program offers the first hour of parking free of charge, making downtown Chattanooga more accessible to residents and visitors alike. The primary goal of the pilot project is to provide the public with safe, clean, and affordable parking downtown helping to drive economic growth.

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Mr. Frazier then announced a new initiative in partnership with Mayor Kelly's office where he and Brent Matthews, CPA director, will take the lead in creating a downtown parking strategy that will include private lot and garage owner/operators. The first meeting was held the week of December 16th with Mayor Kelly and representatives from AAA, Omega, Laz, Brightbase, Republic Parking, and the RiverCity Company in attendance. Attendees collaborated on making downtown parking more convenient for the public. Considering the new initiative, CARTA has temporarily paused the Modii parking wayfinder app rollout to ensure technology integration. Mr. de Nysschen requested clarification on what challenges local parking owner/operators face to which Mr. Frazier replied signage, state law changes, and technology.

Mr. Frazier further reported (i) conducting the second windshield tour with District 8 Councilwoman Marvene Noel, (ii) participating in News Channel 3's Share Your Christmas food drive whereas of 5 PM Friday, CARTA was the largest donor with 2,178 pounds of food collected from three (3) days of food for fare donations, and (iii) hosting an employee holiday gathering in the maintenance break room sponsored by Cindy Beale, Southern Credit Union CEO and General Manager. The event was complete with food, prize giveaways, and special appearances by the Grinch and Santa. Mr. Frazier also reported testing a new Ford E-Transit electric passenger van on loan from partners at Model1 for the next ninety (90) days. Mr. Frazier encouraged board members and guests to tour the vehicle, provide feedback and utilization suggestions at the conclusion of the board meeting.

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Lastly, Mr. Frazier provided an update on the Incline Railway fire. Mr. Frazier stated that there were no injuries, no damage to the upper or lower stations or either of the two vehicles, and that CARTA's insurance will address the damaged assets as well as net lost revenue incurred during the shutdown. The assessment and reconstruction processes are underway and include a large team of internal and external resources. Externally, CARTA is engaged with McGriff, its insurance broker; Public Entity Partners, its insurance provider; Lucas Hammond, claim adjuster; CSR (Civil, Structural, Railroad and Environmental Industries) Engineering, on-call engineering partner; Railworks, rail installation vendor; Brooksville, vehicle manufacturer, and others. The internal resource group includes the Incline team, Matthew Higgins, Brent Matthews, Scott Wilson, Sonja Sparks and Mr. Frazier. Mr. Frazier advised that Scott Wilson is working to attain an emergency declaration to potentially provide relief funding and that the team is working to receive an approximate five hundred-thousand-dollar (\$500,000) insurance claim advance to begin the restoration process.

Damages to the Incline include approximately 1,100 feet of rail, over 200 rail ties with associated guard rail timber and over 5,100 feet of 1 ½" cable. Replacement cost for the cable is estimated at just over eighty-five thousand dollars (\$85,000). Mr. Frazier stated that an emergency procurement request for the cable replacement cost is being made due to a twelve (12) week manufacturing lead time. Replacement costs for the rail and timber were not known at the time of the meeting. As the reconstruction process and phasing are being assessed by the

engineering team, overall costs to rebuild and the final timeframe are currently unknown. The public and board of directors will be kept informed as additional information becomes available. It is anticipated that the timeframe to bring the Incline safely back online will be several months. Mr. Frazier expressed his gratitude to Mr. Nye for his knowledge, support, and availability during the Incline fire.

Mr. de Nysschen asked if there were any comments or questions about the CEO report. Mr. Culp stated the windshield program is an exemplary program, the information brochure is well organized, and very beneficial for City Council members providing district specific transit service information that may be unknown but very valuable. Mr. Culp then asked if there were any opportunities to improve the Incline during the rebuilding process, to which Mr. Frazier replied that any potential improvements must be made within insurance coverage guidelines for loss revenue. Mr. de Nysschen asked if there were additional windshield tours planned for the coming year, to which Mr. Frazier replied yes, and the board is invited to attend both the monthly windshield tours and transit tours. Mr. de Nysschen asked if there were lessons learned during the Incline fire in terms of fire prevention to which Mr. Frazier replied yes, specifically to continue with the first responders training exercises. Mr. Frazier then stated because of the fire and with assistance from CARTA's legal team, the land beneath the Incline Railway tracks has been confirmed to be owned by CARTA. Mr. Frazier advised that a collaboration of first responders from Lookout Mountain, Chattanooga, and CARTA, has been planned but not scheduled to

formally document the event timeline of the Incline fire and to develop an emergency response plan for any potential future events. Mr. Culp asked what strengths were learned regarding from the Incline fire, to which Mr. Frazier responded that the safety measures that are in place worked as planned. This has the potential to dispel public fears and myths in the community and it provides the opportunity to educate the community about safety measures that are in place, regularly performed maintenance at the Incline Railway and the expertise of the staff. Mr. Evatt noted that public perception of CARTA and public transportation has positively shifted and there has been significant progress made in the year since Mr. Frazier joined the CARTA leadership team. Ms. Allen asked if there was an anticipated re-open date for the Incline, to which Mr. Frazier replied that currently “no” due to unknown reconstruction needs and supply availability, but it is anticipated be in the spring of 2025. The public will be kept informed through signage, social media, and regular website updates as information becomes available. Mr. Frazier further stated that there will be educational and community engagement opportunities throughout the reconstruction process.

Under “Consent Agenda” Mr. de Nysschen asked if there were any comments or questions regarding the financial, statistical, or operations reports provided in the board packet sent electronically on December 13, 2024.

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Mr. de Nysschen next asked Ms. Sparks for clarification on parking and shuttle revenues being under budget to which Ms. Sparks replied that during the month it was under budget seventeen thousand dollars (\$17,000) due to a decrease in lot and enforcement revenue. She further explained that amounts for enforcement included a onetime four (4) months' worth payment to Chargepoint equal to twenty-one thousand dollars (\$21,000) due to the timing of invoice receipt. Mr. Matthews stated the financials included a portion of CARTA's management salaries, which potentially skewed amounts. Mr. de Nysschen requested a more detailed line-item financial breakdown be provided going forward. Mr. de Nysschen then stated the delta between revenue and expenses for Care-A-Van and CARTA GO is problematic. Mr. de Nysschen requested leadership to accelerate the planned long-term detailed sustainability analysis of services focusing on revenue vs. expenses and bring them into alignment with an action plan to address differences. Mr. de Nysschen further requested Mr. Frazier tap into revenue resources to assist with supporting areas served outside of CARTA's coverage area. Mr. Frazier stated leadership will respond to Mr. de Nysschen's concerns in the following order: (i) verify parking financials, (ii) review the revenue recovery ratios presented at the December committee meeting one-on-one, and (iii) present the FY26 draft budget for review at the January committee meeting. Mr. Evatt asked for clarification specifically to the Care-A-Van service being known to operate at a loss noting the service was performing better than budgeted to which Mr. de Nysschen confirmed. Mr. de Nysschen requested that the loss be considered when addressing

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operational effectiveness as Care-A-Van is very necessary and a cornerstone of CARTA's community service.

Mr. de Nysschen asked if there were additional questions or observations regarding the financial report. There being none, a motion was made by Mr. Evatt and seconded by Ms. Reeves followed by a vote to approve the Financial Report portion of the Consent Agenda items as received, read, understood, and accepted. The motion was unanimously approved.

Mr. de Nysschen next asked if there were any questions or concerns regarding the Statistical Report. There being none, a motion was made by Mr. Culp and seconded by Ms. Allen followed by a vote to approve the Statistical Report portion of the Consent Agenda items as received, read, understood, and accepted. The motion was unanimously approved.

Under "Action Items" Mr. de Nysschen called on Ms. Powell to present the procurement report. Ms. Powell advised that staff recommended the Board approve the monthly procurement report including new contracts over \$50,000 and a report on new emergency procurements as indicated. Included in Ms. Powell's procurement overview was a contract for a five-year (5) agreement with five (5) consultants across eight (8) different categories. Each category has a prime consultant associated with the award, and consultants were eligible to be awarded for up to three (3) categories. Each category will have a not to exceed contract amount for the five-year (5) period. Updates will be communicated as needed each year during the annual budget process. The contract is task-order based; examples of task orders expected to be

authorized include creation of a strategic long-range plan, a comprehensive operational analysis, creation of a master plan for the Incline Railway, ITS management and planning services, and safety management system implementation.

Ms. Powell stated that on May 21, 2024, CARTA released a formal Request for Proposals (RFP) for transit general technical assistance consulting on-call services. CARTA advertised this procurement in the Chattanooga Times-Free Press, included a web classified ad in Mass Transit, included a notice and link to the RFP on CARTA's website, and sent the RFP to fourteen (14) interested proposers. The number of proposals returned was nine (9).

Ms. Powell reported that staff recommends the following consultant contracts be approved: (i) Transit Operations & Service Planning: Arcadis Professional Services (USA) Inc. in an amount not to exceed \$1,825,000, (ii) People Training will be separated into two future procurements – one for a learning management system and one for workforce development consulting services, (iii) Business Services: CDM Smith, Inc. in an amount not to exceed \$800,000, (iv) Transit Management Support: EXP U.S. Services, Inc. in an amount not to exceed \$600,000, (v) Design & Construction Services: Kimley-Horn in an amount not to exceed \$1,100,000, (vi) Transit Vehicles and Maintenance Support (Bus and Rail): EXP U.S. Services, Inc. in an amount not to exceed \$500,000, (vii) Facility Assessment & Design: Kimley-Horn in an amount not to exceed \$550,000, (viii) Transit Technology Support: Arcadis Professional Services (USA) Inc. in an amount

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not to exceed \$1,000,000, and (ix) Transit Safety, Training, and Security Planning: ATG, LLC in an amount not to exceed \$680,000.

Ms. Powell reported next that CARTA has awarded an emergency procurement and issued a purchase order to Ashley Sling, Inc. in the amount of \$85,470 for Incline cables severed by fire on December 7, 2024. This is the same cost as the existing cables that were ordered in 2023 to complete the required maintenance on the Incline cable system. The lead time for receipt is currently estimated at twelve (12) weeks.

Ms. Reeves voiced appreciation to CARTA staff for securing on call services allowing for an expediated response to needs as they arise. Mr. de Nysschen requested clarification on the five (5) year contract term to which Ms. Powell responded that five (5) years is typical for service contracts, removing the necessity of repeating the RFP process yearly. It also locks in the compensation rates. Ms. Powell confirmed the requested funds will be reviewed and addressed during the budget planning and approval process. Mr. de Nysschen next requested clarification on the Design and Construction category of the request to which Mr. Frazier responded these services are set up for an expediated reaction to anticipated needs within the next five (5) years with four (4) to five (5) projects planned in the near future which have received funding approval through the capital budget. Mr. de Nysschen asked Ms. Allen if she supported the request to which she replied in the affirmative.

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Mr. de Nysschen asked if there were any additional questions regarding Ms. Powell's request. There being none, a motion was made by Ms. Reeves and seconded by Ms. Peterson followed by a vote to approve. The item was unanimously approved.

Mr. de Nysschen next called on Ms. Sparks to present the Cost-of-Living Adjustment (COLA) request. Ms. Sparks advised that staff recommends the Board approve CARTA's Administrative Employee Cost of Living Adjustment (COLA). Ms. Sparks stated that approval of this adjustment will allow CARTA to provide a two percent (2%) wage increase to thirty-five (35) administrative (non-union) employees excluding members of the Executive Leadership Team (ELT), the Management Leadership Team (MLT), new hires as of July 1, 2024, and those that received pay adjustments as part of the 2024 reorganization. The effective date will be January 1, 2025, and the fiscal impact is \$44,310 annually. The recently approved ATU union contract provided a four percent (4%) wage increase for union employees. Going forward, wage increases for non-union administrative employees will be dependent on performance reviews.

Mr. de Nysschen requested clarification as to why a four percent (4%) increase was approved for union employees in contrast to the two percent (2%) request for administrative employees who face the same increase in financial challenges. Mr. Frazier responded that the jobs duties for union employees are different from administrative employees and internally CARTA hasn't had the human resources to complete a proper pay analysis for administrative roles but on average CARTA is at the market rate based on the limited wage evaluations performed for

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similar positions in Chattanooga. Mr. de Nysschen stated that offering market competitive compensation is an integral part of attracting, building and retaining the key talent that's necessary to reshape CARTA into a high-performance organization and support Mr. Frazier's vision for CARTA.

Mr. de Nysschen asked if there were any additional questions or comments regarding Ms. Sparks' request. There being none, a motion was made by Ms. Reeves and seconded by Ms. Peterson followed by a vote to approve. The item was unanimously approved.

Under "Old Business" Mr. de Nysschen asked Mr. Meredith to present information on CARTA's Token Transit mobile ticket rollout. Mr. Meredith reported that on December 16th, 2024, CARTA launched Token Transit, a mobile app designed to streamline bus pass purchases allowing riders to purchase bus passes directly from their mobile phones. The key features of Token Transit are iOS and Android functionality, riders can purchase and use electronic transit tickets for fixed route, CARTA GO and Care-A-Van on mobile devices, easy validation for drivers with no cash exchange, convenient fare payment can be made via a credit card or Cash App, and bus passes can be sent via email to family and friends directly from the Token Transit website. Mr. Meredith further reported that an instructional video is currently playing in the drivers lounge in addition to providing instructional handouts to train drivers. The launch included a press release, social media posts, and a CARTA produced how-to video, along with brochures and rack cards.

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Mr. Evatt stated he was pleased with the app's ease of use advising he had purchased a twenty-four (24) hour and seven (7) day pass via the app. Mr. Evatt suggested riders be made aware of the expiration risk when activating a single use pass too soon. Ms. Strickland, ATU President, advised that riders are allowed to ride if passes have recently expired, and drivers are trained to use the number nine (9) key in these instances. This is a policy that has been in place. Ms. Peterson requested to know whether the app is available to Spanish speaking riders to which Mr. Meredith responded yes. Mr. Frazier stated that staff will do a full evaluation of app related materials to ensure they are translated for the Spanish speaking community.

Mr. de Nysschen inquired if there were any other business items that need to be addressed. There being no further business, a motion was made to adjourn. The meeting was adjourned.

TO: CARTA Board of Directors

FROM: Sonja Sparks
Chief Financial Officer

SUBJECT: Financial Report

RECOMMENDED ACTION

Staff recommends that the Board approve CARTA's financial reports for the month ending December 2024.

HIGHLIGHTS, ANALYSIS AND CONCLUSIONS

December, 2024

- Revenue for the month was \$1,929,015 compared to the budgeted \$2,257,978
 - Incline revenues were under budget \$273,733 due to the temporary closing for repairs from the fire. We do have business interruption insurance that will cover loss revenue.
- Expenses for the month were \$2,320,954 compared to the budgeted \$2,393,132.
 - Transit expense under budget variance of \$64,566 is from an under budget variance in professional maintenance services of \$31,881, maintenance of \$19,890 and software maintenance of \$10,876.
 - Incline expense is under budget \$74,366 due to an under-budget variance in all expenses due to the temporary closure. Staff continues to work on repairs, but no overtime or temporary staff is incurred.
- The December Parking Report indicates receipts from parking meter and enforcement reflected net revenue of \$27,573 and when combined with net shuttle costs of (\$150,002), created a net of (\$122,429). Total net parking revenue for the month (adding in surface lot and garage revenues and expenses) reflected a net revenue of \$21,056.

CARTA
Variance Report
For the Six Months Ending Tuesday, December 31, 2024

| | <u>MONTHLY ACTUAL</u> | <u>MONTHLY BUDGET</u> | <u>VARIANCE</u> | <u>YTD ACTUAL</u> | <u>YTD BUDGET</u> | <u>VARIANCE</u> |
|----------------------|---------------------------|---------------------------|------------------|-----------------------|-----------------------|------------------|
| TRANSIT | | | | | | |
| Revenues | \$1,223,184 | \$1,243,972 | (\$20,788) | \$7,349,341 | \$7,463,830 | (\$114,489) |
| Expenses | <u>1,405,223</u> | <u>1,469,789</u> | <u>(64,566)</u> | <u>8,260,112</u> | <u>9,168,735</u> | <u>(908,623)</u> |
| NET | (182,040) | (225,818) | 43,778 | (910,771) | (1,704,905) | 794,134 |
| SHUTTLE | | | | | | |
| Revenues | \$133,049 | \$146,504 | (\$13,456) | \$912,135 | \$879,026 | \$33,110 |
| Expenses | <u>196,187</u> | <u>211,932</u> | <u>(15,746)</u> | <u>1,271,546</u> | <u>1,271,593</u> | <u>(47)</u> |
| NET | (63,138) | (65,428) | 2,290 | (359,410) | (392,568) | 33,157 |
| INCLINE | | | | | | |
| Revenues | \$137,264 | \$410,996 | (\$273,733) | \$2,584,833 | \$2,879,115 | (\$294,281) |
| Expenses | <u>158,001</u> | <u>232,366</u> | <u>(74,366)</u> | <u>1,337,133</u> | <u>1,394,198</u> | <u>(57,065)</u> |
| NET | (20,737) | 178,630 | (199,367) | 1,247,700 | 1,484,917 | (237,216) |
| CARE-A-VAN | | | | | | |
| Revenues | \$95,662 | \$86,260 | \$9,402 | \$517,894 | \$517,559 | \$335 |
| Expenses | <u>304,330</u> | <u>260,795</u> | <u>43,535</u> | <u>1,749,087</u> | <u>1,827,269</u> | <u>(78,182)</u> |
| NET | (208,669) | (174,535) | (34,134) | (1,231,194) | (1,309,710) | 78,517 |
| PARKING | | | | | | |
| Revenues | \$339,857 | \$370,246 | (\$30,388) | \$2,238,651 | \$2,221,473 | \$17,178 |
| Expenses | <u>257,213</u> | <u>218,249</u> | <u>38,963</u> | <u>1,517,267</u> | <u>1,352,624</u> | <u>164,643</u> |
| NET | 82,644 | 151,996 | (69,352) | 721,384 | 868,850 | (147,465) |
| CARTA - Total | | | | | | |
| Revenues | \$1,929,015 | \$2,257,978 | (\$328,963) | \$13,602,855 | \$13,961,003 | (\$358,148) |
| Expenses | <u>2,320,954</u> | <u>2,393,132</u> | <u>(72,178)</u> | <u>14,135,145</u> | <u>15,014,420</u> | <u>(879,275)</u> |
| NET | (391,939) | (135,154) | (256,785) | (532,290) | (1,053,417) | 521,127 |

DECEMBER 2024 PARKING REPORT

| | <u>Meters</u> | <u>Shuttle</u> | <u>Lots</u> | <u>Garages</u> |
|---------------------------------|-------------------------|---------------------|------------------|-------------------|
| Revenues | \$ 180,881 | \$ - | \$ 73,640 | \$ 128,362 |
| Enforcement | \$ 88,481 | \$ - | \$ - | \$ - |
| Donations | \$ - | \$ 450 | \$ - | \$ - |
| Advertising | \$ - | \$ - | \$ - | \$ - |
| Rental | \$ - | \$ 800 | \$ - | \$ 3,436 |
| Fed/State Grants | \$ - | \$ - | \$ - | \$ - |
| Total Revenue | \$ 269,362 | \$ 1,250 | \$ 73,640 | \$ 131,798 |
| Onstreet Enforcement Expenses | \$ 241,789 | \$ - | \$ - | \$ - |
| Shuttle Expenses | \$ - | \$ 151,252 | \$ - | \$ - |
| Lot Expense | \$ - | \$ - | \$ 17,018 | \$ - |
| Garage Expense | \$ - | \$ - | \$ - | \$ 44,935 |
| Total Expense | \$ 241,789 | \$ 151,252 | \$ 17,018 | \$ 44,935 |
| Net Revenue | \$ 27,573 | \$ (150,002) | \$ 56,622 | \$ 86,863 |
| Net Meters & Shuttle | \$ (122,429) | | | |
| Total Parking | \$ <u>21,056</u> | | | |

TO: CARTA Board of Directors

FROM: Philip Pugliese
Director of Planning

SUBJECT: Statistical Report

RECOMMENDED ACTION

Staff recommend that the Board accept CARTA's statistical report for the month ending December 2024 as information to the Board.

HIGHLIGHTS, ANALYSIS AND CONCLUSIONS

December was a challenging month for ridership in total, but the annual calendar ridership ended the year with 3.6% increase over 2023 calendar year with a 10.6% increase in Route 4, 13.2% increase on Route 13 leading the way.

- The Avondale/Glenwood area on Route 10 finished the year down 16% despite very strong growth from August to October. Planning is evaluating how best to reconfigure service in this area.
- Weekday CARTA GO ridership is up 6% for the month year-over-year and also up 6% month-over-month while total ridership has leveled off with 1% growth both month-over-month and year-over-year. However, for the 2024 calendar year, total ridership has increased 11.8% over 2023.
- Total Shuttle ridership continues with 19% growth year-over-year despite declines in December. North Shore Shuttle grew at 6% while St Elmo and Downtown were up 20% and 21%, respectively.
- Care-a-Van ridership returned to steady level following peak in November. The annual calendar ridership is up 8%.
- Incline ridership was affected by the damaging fire of December 7, 2025, and has been out of service since that date.
- Read and Ride Program completed 2024 with 11,975 trips from July1 to December 31, 2024.
- Token Transit Mobile Ticketing – 195 passes were activated in December by 80 unique users.

Chattanooga Area Regional Transportation Authority

Statistical Report

For the Period Ending December 31, 2024

| | <u>This Month</u> | <u>Month YR</u> <u>Ago</u> | <u>YTD</u> | <u>Prior YTD</u> |
|--------------------------------|-------------------|-------------------------------|----------------|------------------|
| <u>TRANSIT</u> | | | | |
| Ridership | 70,349 | 75,720 | 494,105 | 487,602 |
| Weekday Average - with Mocs | 2,833 | 3,115 | 3,283 | 3,246 |
| Weekday Average - without Mocs | 2,789 | 3,079 | 3,115 | 3,123 |
| Saturday Average | 1,818 | 1,952 | 2,068 | 2,124 |
| Sunday Average | 717 | 734 | 774 | 788 |
| Miles | 148,063 | 151,417 | 938,389 | 942,441 |
| Passengers/Mile | 0.48 | 0.50 | 0.53 | 0.52 |
| Accidents | 1 | 0 | 13 | 9 |
| Operating Cost/Rider | 12.40 | 11.16 | 10.32 | 9.69 |
| <u>SHUTTLE</u> | | | | |
| Ridership | 21,914 | 20,579 | 161,585 | 138,088 |
| Weekday Average | 775 | 741 | 925 | 781 |
| Saturday Average | 876 | 780 | 1,030 | 911 |
| Sunday Average | 427 | 371 | 558 | 502 |
| Miles | 17,123 | 17,095 | 104,252 | 97,575 |
| Passengers/Mile | 1.28 | 1.20 | 1.55 | 1.42 |
| Accidents | 0 | 0 | 1 | 3 |
| Operating Cost/Rider | 3.36 | 3.69 | 2.71 | 3.23 |
| <u>INCLINE</u> | | | | |
| Ridership | 2,252 | 31,960 | 231,998 | 281,512 |
| Net Revenue/Passenger | (9.21) | 1.08 | 5.38 | 2.95 |
| Days Down | 25 | 0 | 40 | 0 |
| <u>CARE-A-VAN</u> | | | | |
| Ridership | 4,652 | 3,794 | 28,825 | 25,712 |
| Miles | 62,535 | 44,044 | 337,405 | 296,884 |
| Turndowns | 0 | 0 | 0 | 7 |
| Accidents | 0 | 1 | 2 | 2 |
| Operating Cost/Rider | 55.09 | 59.94 | 49.00 | 47.98 |
| Passengers/Hour | 1.54 | 1.20 | 1.40 | 1.26 |
| <u>TOTAL CARTA</u> | | | | |
| Ridership | 99,167 | 132,053 | 916,513 | 932,914 |

*** Notes to the Statistical Report:**

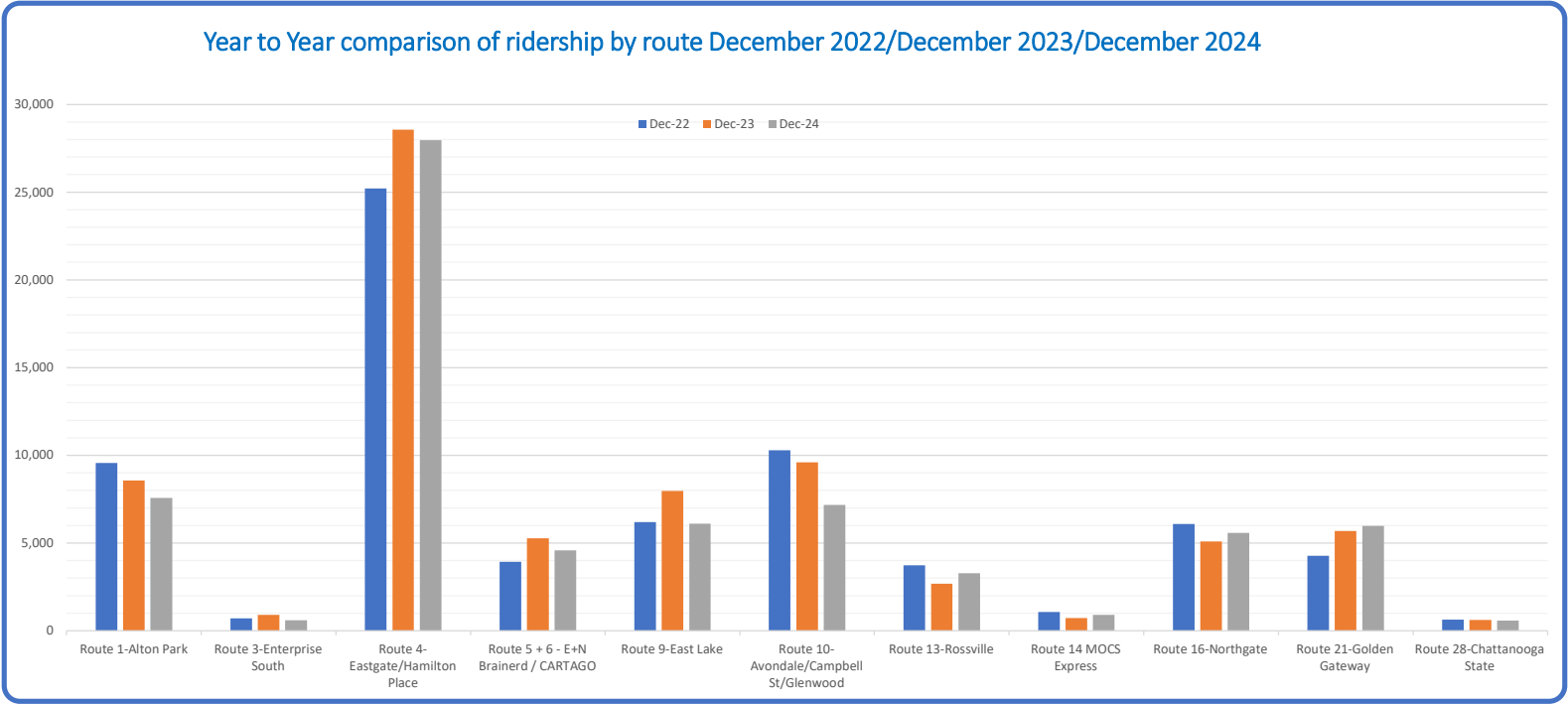
| | | | | |
|---------------------|-------|-------|--------|--------|
| North Shore Shuttle | 2,385 | 1,840 | 17,508 | 14,147 |
| MOCS Express | 917 | 722 | 21,559 | 15,541 |
| Bicycles Carried | 1,275 | 1,408 | 9,317 | 10,072 |
| Wheelchairs Carried | 887 | 1,064 | 6,611 | 7,491 |
| St.Elmo/Incline | 1,966 | 1,833 | 15,368 | 12,774 |

Days of Operation Transit, Care-A-Van, Shuttle

| | | |
|---------------------|-----------|-----------|
| Number of Weekdays | 21 | 20 |
| Number of Saturdays | 4 | 5 |
| Number of Sundays | 5 | 5 |
| | <u>30</u> | <u>30</u> |

Days of Operation Incline

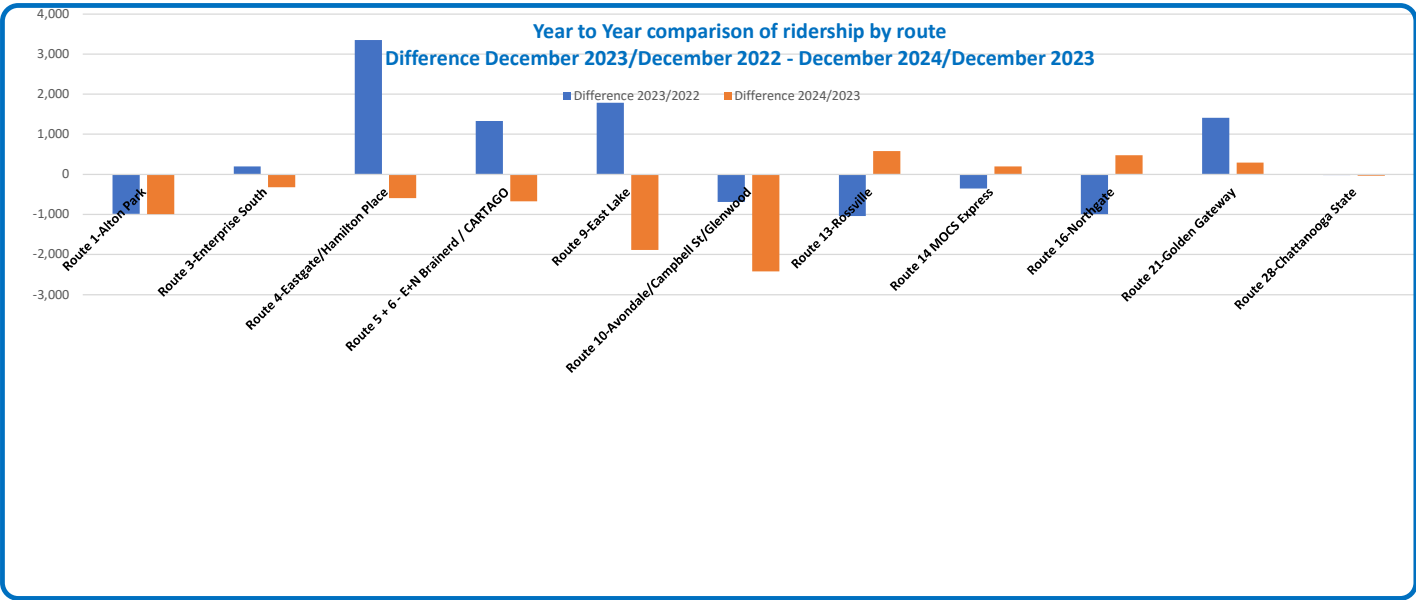
| | | |
|---------------------|----------|-----------|
| Number of Weekdays | 5 | 20 |
| Number of Saturdays | 0 | 5 |
| Number of Sundays | 1 | 5 |
| | <u>6</u> | <u>30</u> |



| | Dec-22 | Dec-23 | Dec-24 |
|--|--------|--------|--------|
|--|--------|--------|--------|

| | | | |
|---|--------|--------|--------|
| Route 1-Alton Park | 9,556 | 8,568 | 7,571 |
| Route 3-Enterprise South | 716 | 915 | 592 |
| Route 4-Eastgate/Hamilton Place | 25,215 | 28,569 | 27,973 |
| Route 5 + 6 - E+N Brainerd / CARTAGO | 3,937 | 5,267 | 4,591 |
| Route 9-East Lake | 6,195 | 7,984 | 6,100 |
| Route 10-Avondale/Campbell St/Glenwood | 10,286 | 9,595 | 7,178 |
| Route 13-Rossville | 3,733 | 2,695 | 3,280 |
| Route 14 MOCS Express | 1,074 | 722 | 917 |
| Route 16-Northgate | 6,092 | 5,099 | 5,576 |
| Route 21-Golden Gateway | 4,276 | 5,686 | 5,981 |
| Route 28-Chattanooga State | 636 | 620 | 590 |

Totals: 71,716 75,720 70,349



| | Difference 2023/2022 | Difference 2024/2023 |
|--|-------------------------|-------------------------|
| Route 1-Alton Park | -988 | -997 |
| Route 3-Enterprise South | 199 | -323 |
| Route 4-Eastgate/Hamilton Place | 3,354 | -596 |
| Route 5 + 6 - E+N Brainerd / CARTAGO | 1,330 | -676 |
| Route 9-East Lake | 1,789 | -1,884 |
| Route 10-Avondale/Campbell St/Glenwood | -691 | -2,417 |
| Route 13-Rossville | -1,038 | 585 |
| Route 14 MOCS Express | -352 | 195 |
| Route 16-Northgate | -993 | 477 |
| Route 21-Golden Gateway | 1,410 | 295 |
| Route 28-Chattanooga State | -16 | -30 |

4004 -5,371

TO: CARTA Board of Directors

FROM: Jeff Smith
Chief Operating Officer

SUBJECT: January Chief Operating Officer Report

RECOMMENDED ACTION

N/A – Information Only

HIGHLIGHTS, ANALYSIS AND CONCLUSIONS

Over the past several months, our operations and maintenance teams have successfully implemented several key initiatives while continuing to work on others critical to our mission.

Our maintenance team has launched a comprehensive training curriculum, starting with the brake system, to ensure our mechanics develop the technical expertise needed to maintain our fleet at the highest standards. Fixed-route operations have already benefited from the introduction of a two-dispatcher system, with clearly defined roles to enhance coordination and real-time service management. Additionally, we have partnered with consultants to assess and refine dispatch workflows, computer aided dispatch software utilization, and manpower scheduling.

In our Care-A-Van team, we have successfully completed staff training on software and hardware, ADA compliance, and scheduling best practices. New technologies, such as real-time dispatch views and mobile data terminal monitoring and messaging, are now operational, enhancing safety and communication. Ongoing efforts include fine-tuning scheduling practices to maximize efficiency.

While there is still work ahead, these accomplishments reflect CARTA's dedication to innovation, service quality, and community impact.

Overview and Analysis

Maintenance

CARTA's maintenance team has identified twelve critical skill areas for mechanics, forming the foundation of a comprehensive training curriculum aimed at standardizing and enhancing technical proficiency. The program will begin with the brake system and expand to include:

- Air Conditioning/Heat: Diagnosing and repairing climate control systems to ensure passenger comfort.
- Air Systems, Tanks, and Lines: Understanding the functionality and safe repair of air systems integral to vehicle operation.
- Basic Electrical: Mastery of charging and cranking systems to maintain vehicle reliability.
- Brakes: Diagnosing and repairing brake systems to ensure safety.
- Cooling Systems: Repairing cooling systems to prevent overheating and maintain engine performance.

- Engines: Diagnosing gas and diesel engines, addressing common issues for improved longevity.
- Exhaust Systems: Identifying and fixing exhaust leaks to meet safety and environmental standards.
- Fuel Systems: Diagnosing and repairing issues to maintain efficiency and reliability.
- Hydraulics: Ensuring hydraulic systems operate effectively, particularly for lifts and other support systems.
- Lift and Ramp Systems: Diagnosing and repairing systems critical to ADA compliance.
- Steering and Suspension: Maintaining vehicle stability and steering precision.
- Transmissions: General maintenance to ensure smooth vehicle operation.

This structured curriculum supports the professional development of newly hired mechanics and elevates the overall capabilities of the maintenance team.

Fixed Route

CARTA is partnering with consultants to optimize its fixed-route operations through an in-depth assessment of systems and workflows. Key areas of focus include:

- Operations Assessment: Reviewing Clever CAD (computer-aided dispatch) and onboard systems to ensure effective utilization and accurate data collection, such as APC (Automatic Passenger Counter) data.
- Dispatch Optimization: Evaluating workflows, automating processes, and implementing strategic dispatching practices to improve service coordination.
- Manpower Scheduling: Analyzing current schedules and identifying areas for short-, mid-, and long-term improvements.
- To enhance operational efficiency, CARTA has introduced a two-dispatcher system, clearly defining roles:
 - Administrative Dispatcher: Focuses on scheduling, compliance, and administrative responsibilities, including assigning work, documenting schedule changes, updating payroll records, and ensuring adherence to labor agreements. This role also assists with driver run schedules, tracks driver activity, and manages detour documentation for seamless transitions during shift turnovers.
 - Logistics Dispatcher: Manages real-time operations by overseeing computer-aided dispatch (Clever CAD) and supervisory management systems, booking CARTA GO trips, and assigning vehicles and equipment. Responsibilities also include verifying driver readiness, monitoring detours, coordinating with road supervisors and emergency responders, and supporting on-time performance. This role ensures operational continuity by processing pre-trip forms, managing equipment functionality, and assisting with work line-ups.

Care-A-Van

The Care-A-Van team has completed a multi-step initiative to improve efficiency, compliance, and service delivery. Key advancements include:

- Staff Training Focused on:
 - Trapeze Software: Enhancing proficiency in scheduling and dispatch systems.
 - Mobile Data Terminals (MDTs): Ensuring operators use onboard systems effectively while maintaining HIPAA compliance.
 - Scheduling Best Practices: Training on subscription templates and efficient trip planning.
 - Regulatory Compliance: Education on ADA Civil Rights, Title VI, and FTA standards for paratransit services.
- Software and Hardware Enhancements:
 - Real-Time Dispatch Views: Enabled precise service monitoring and response.
 - Automatic Vehicle Locating (AVL): Improved safety and operational tracking.
 - HIPAA-Compliant MDT Messaging: Secured sensitive communications.
 - Onboard Time Integration: Ensured ADA-compliant travel times.
- Scheduling Improvements:
 - Trip Negotiations: Optimized rider schedules to enhance service efficiency.
 - Return Trip Scheduling: Required during initial trip requests to improve planning.
 - New Rider Application: Simplified onboarding for Care-A-Van services.

CARTA's initiatives across its maintenance, fixed route, and paratransit services demonstrate a commitment to improving technical expertise, operational efficiency, and rider satisfaction, ensuring the agency remains compliant and effective in delivering quality transit services.

TO: CARTA Board of Directors
Executive Committee

FROM: Annie Powell
Director of Grants and Procurement

SUBJECT: Approval of Catoosa County Subrecipient Agreement

RECOMMENDED ACTION

Staff recommends that the Board authorize the Chief Executive Officer (CEO) to negotiate and enter into a subrecipient agreement between CARTA and Catoosa County Government's Trans-Aid department for the provision of public transportation services within Catoosa County, Georgia.

ALIGNMENT WITH STRATEGIC GOALS

This action aligns with CARTA's strategic imperatives of connecting communities and empowering lives, building value as a community partner and of increasing grant awards and maintaining compliance with state and federal requirements.

SUMMARY OF NEED

Approval of this item will allow CARTA to formally enter into an Agreement with Catoosa County for the provision of public transportation services within Catoosa County, Georgia.

BACKGROUND AND HISTORY

When CARTA was first formed in 1973, it was authorized to provide transit service in Catoosa, Dade, and Walker counties in Georgia. Over time those governments ceased participating in CARTA. CARTA is not currently providing service within Georgia as the tort liability maximum is greater in Georgia than Tennessee, CARTA does not have dual vehicle tags for both Tennessee and Georgia, and Catoosa County has not joined CARTA in accordance with CARTA's by-laws or chosen to contract with CARTA for transit service. Approximately 30 years ago, Catoosa County began providing rural transit service through the Federal Transit Administration (FTA)'s Section 5311 – Formula Grants for Rural Areas program. During the most recent census, Catoosa County was determined to be an urbanized rather than rural operator and was no longer eligible for Section 5311 funds. Since CARTA receives Section 5307 – Urbanized Area Formula funds for Georgia populations, Catoosa County Trans-Aid is eligible for these funds. To ensure the continuation of public transit services within Catoosa County, staff is recommending a subrecipient agreement for Catoosa County Trans-Aid from July 1, 2024, through July 1, 2026, with yearly options to extend thereafter. In coordination with the Chattanooga-Hamilton County/North Georgia Metropolitan Planning Organization (MPO), CARTA will receive \$5,502,179 in Federal Highway (FHWA) funds from the Georgia Department of Transportation that will be transferred to FTA's Section 5307 program for use within Catoosa County, Georgia. Catoosa County will provide the required local match of \$3,775,545. CARTA will administer the transfer of funds to Catoosa County and conduct oversight over the use of funds as outlined in CARTA's Program Management Plan. CARTA will be responsible for reviewing various areas of Catoosa County's service including procurement, drug and alcohol testing, charter service, etc. Transfer of these funds will allow CARTA to fund Catoosa County's transit service for a period of time without causing a reduction in CARTA's operations that are currently funded with the entire amount of CARTA's yearly allocation of Section 5307 formula funds.

PROCUREMENT OVERVIEW

N/A

FISCAL IMPACT

N/A

DBE PARTICIPATION

N/A

INTERLOCAL AGREEMENT FOR PROVIDING GRANT FUNDING

THIS INTERLOCAL AGREEMENT FOR PROVIDING GRANT FUNDING is entered into on this (____) day of (____), 2025, by and between the Chattanooga Area Regional Transportation Authority, a public transit authority authorized under the provisions of Tennessee Code Annotated §7-56-101, *et seq.*, and created by the City of Chattanooga (“CARTA”), and Catoosa County, Georgia, a political subdivision of the State of Georgia (“Catoosa”).

RECITALS

WHEREAS, CARTA is the designated recipient for grant funding under the United States Department of Transportation Federal Transit Administration (“FTA”) Urbanized Area Formula Grants Program (Section 5307) codified at 49 U.S.C. 5307 (the “Program”); and

WHEREAS, in cooperation with the Chattanooga-Hamilton County/North Georgia Metropolitan Planning Organization (“MPO”), CARTA has applied for and has been awarded a grant contract from the FTA to receive a grant for transit capital, operating assistance, and transportation related planning in urbanized areas (the “5307 Grant Funds”); and

WHEREAS, 5307 Grant Funds may be used for public transportation capital projects, operating assistance, job access to reverse commute projects, and transportation-related planning; and

WHEREAS, during Catoosa’s fiscal year 2024, the FTA changed Catoosa’s classification under the Urbanized Area Formula Funding Program from “rural” to “small urban,” which change initially resulted in a loss of funding from the Georgia Department of Transportation (“GDOT”);

WHEREAS, as a result of the change in Catoosa’s FTA classification to small urban, Catoosa desires and MPO and CARTA have agreed, that Catoosa become a subrecipient of CARTA to receive 5307 Grant Funds; and

WHEREAS, due to the change in Catoosa’s classification to small urban, it now falls under the MPO, and in order to cover the needs of Catoosa until the next FTA grant funding cycle, MPO has located such federal funding as outlined in Exhibit A-1 attached hereto and incorporated herein, which can be designated to CARTA under its existing recipient relationship with FTA and passed through to Catoosa until additional 5307 Grant Funds become available; and

WHEREAS, as outlined in Exhibit A-2 attached hereto and incorporated herein, CARTA has or anticipates being awarded certain Section 5307 Grant Funds for its fiscal year 2025 and 2026, and has agreed to distribute a portion of those 5307 Grant Funds to Catoosa upon the terms and conditions herein contained; and

WHEREAS, in return for a portion of the 5307 Grant Funds budgeted for Catoosa, Catoosa agrees to comply with all applicable provisions of the Program and applicable laws and

regulations, and to otherwise perform the terms and conditions this Agreement, including, but not limited, the terms and conditions set forth on Exhibits B attached hereto and incorporated herein;

NOW, THEREFORE, in consideration of the matters described above and of the mutual benefits and obligations set forth in this Agreement, the parties hereby agree as follows:

1. **Award of Grant Funds to Catoosa as Subrecipient.** CARTA hereby confirms the pass-through of Catoosa's share of the Section 5307 Grant Funds from the FTA to Catoosa as a subrecipient of the Section 5307 Grant Funds awarded to CARTA, and CARTA will pass Catoosa's share of such funds through to Catoosa upon Catoosa's ongoing compliance with this Agreement.
2. **Administration of Funds; Matching Requirements.** Subject to the provisions of this Agreement, CARTA is responsible for the administration of Section 5307 Grant Funds once received from the FTA. In no event will CARTA be required to disburse any funds to Catoosa unless and until CARTA has received the applicable 5307 Grant Funds from the FTA. Each year, Catoosa will be responsible for providing a twenty percent (20%) local match for capital projects and a fifty percent (50%) local match for operating funds, and CARTA's obligation to pass through funding shall be conditioned upon Catoosa's satisfaction of such obligation.
3. **Amount of Funding.** CARTA has or will be awarded certain Section 5307 Grant Funds for fiscal year 2025 and 2026 in the amounts described on Exhibit A-2 attached hereto and incorporated herein, and has agreed to distribute such funds to Catoosa upon the terms and conditions herein contained, including but not limited to Catoosa's matching requirements as shown on Exhibit A-2.
4. **Term.** The term of this Agreement shall commence on October 1, 2024 (the "Commencement Date") and shall end on June 30, 2026, unless earlier terminated as provided herein (the "Initial Term"). Thereafter, provided Catoosa is not in default of any provisions of this Agreement, then this Agreement will automatically renew on the anniversary of the Commencement Date until such time Catoosa's share of the 5307 Grant Funds are expended (collectively the "Term").
5. **Maximum Liability of CARTA.** In no event shall the maximum liability of CARTA under this Agreement exceed the amount of Section 5307 Grant Funds allocated to Catoosa and actually disbursed in the current fiscal year.
6. **Limitation of Liability.** CARTA shall have no liability to Catoosa for any damage, personal injury, or property loss which arises out of or relates to the use of the 5307 Grant Funds. Up to the limits of liability set forth in the Georgia Tort Claims Act, Section 50-21-20 *et seq.*, Catoosa shall indemnify, defend, and hold harmless CARTA, and its affiliates, subsidiaries, officers, directors, employees, and agents (each an "Indemnified Party"),

from and against all causes of action, claims, damages, liens, demands, costs, expenses, and liabilities, including reasonable attorneys' fees, arising out of or in any way related to this Agreement and the receipt and usage of the funds passed through to Catoosa. This indemnification shall bind Catoosa, but shall not apply if any claim results solely from the gross negligence or willful misconduct of an Indemnified Party.

7. **Use.** Catoosa may use Section 5307 Grant Funds for planning, engineering, design and evaluation of transit projects and other technical transportation-related studies; capital investments in bus and bus-related activities such as replacement, overhaul and rebuilding of buses, crime prevention and security equipment and construction of maintenance and passenger facilities; and capital investments in new and existing fixed guideway systems including rolling stock, overhaul and rebuilding of vehicles, station infrastructure, track, signals, communications, and computer hardware and software. In addition, associated transit improvements, workforce development activities, and certain expenses associated with mobility management programs are eligible under the program. Vehicles purchased with the Section 5307 Grant Funds must be maintained and used for the intended purpose under which they were purchased. Maximum use of vehicles is encouraged, first for program related purposes, then other federal programs and project purposes. Vehicles procured using Section 5307 Grant Funds may not be used for charter services, unless those services are exclusively designed to meet the needs of targeted populations (the elderly, those with disabilities and/or those of low-income). Catoosa is responsible for ensuring that it is maintaining continuing control over vehicles and that the vehicles are being utilized for eligible public transit purposes.

Catoosa will be responsible for completing its own procurement process and documenting compliance with FTA requirements prior to ordering any vehicles with Section 5307 funds.

If any vehicles are to be removed from service prior to the end of their useful life, Catoosa must notify CARTA prior to doing so. Catoosa will remit the federal share of the un-depreciated value of the vehicles to CARTA. If vehicles are to be removed from service at the end of (or after) their useful life, Catoosa will notify CARTA.

Catoosa will maintain an inventory list of all purchases made under the Section 5307 program. CARTA will require Catoosa to submit annual reports to ensure that funds are used in accordance with Program requirements.

8. **Maintenance.** Catoosa is responsible for ensuring that all purchases with federal funds are maintained and used in accordance with the Program. CARTA will require subrecipients to follow at a minimum manufacturer's suggested maintenance schedules to maintain good working order. CARTA may require Catoosa to perform pre-trip inspections of vehicles. CARTA may, but is not required to, audit maintenance, purchasing, and accounting records of Catoosa and may inspect books, records, and vehicles during on-site visits.

9. **Disposition at End of Useful Life.** Section 5307 subrecipients will follow FTA guidelines for determining when a vehicle has reached the end of its useful life. A subrecipient may dispose of or utilize the vehicle for another purpose when the vehicle has attained its useful life. Useful life varies depending on the vehicle type. Consult FTA Circular 5010.1D “Grant Management Requirements” for vehicle useful life guidelines.

10. **Audit.** Subrecipients are required to obtain audits of their expenditures and operations annually by an independent audit firm if their agency has expended in excess of \$500,000 in federal funds. A copy of the audit report will be submitted to CARTA. CARTA may, but is not required to, review the audit reports for compliance with the applicable OMB circular. Catoosa is required to resolve any audit findings.

11. **Amendment and Termination.** If for any reason the FTA requires an amendment in the Section 5307 grant, or for any reason terminates the Section 5307 grant, Catoosa agrees to cooperate with such amendment and/or termination and will execute all such documents required by CARTA for such purposes. In the event the FTA terminates the Section 5307 grant to CARTA, this Agreement shall simultaneously terminate.

12. **Severability.** If any provision of this Agreement, or portion thereof, shall be held invalid, inoperative or unenforceable, the remainder of this Agreement, or the application of such provision or portion thereof to any other persons or circumstances, shall not be affected thereby. The terms of this Agreement may be modified or amended only in writing signed by both CARTA and Catoosa.

13. **Jury Waiver.** CARTA AND Catoosa hereby waive trial by jury in any action, proceeding, or counterclaim brought by either party against the other on any matters in any way arising out of or connected with this Agreement, the relationship of CARTA and Catoosa, or the enforcement of any remedy under any applicable law, rule, statute, order, code, or ordinance.

14. **Notices.** Any notice, approval or other communication required hereunder shall be deemed given if mailed by registered mail or certified mail addressed to the proper addresses at their addresses set forth herein, or to such other address as last designated by such addressee in a notice. The address for each party at the commencement of this Agreement shall be as follows:

Catoosa County

With a copy to: County Attorney

AND Chattanooga Area Regional Transportation Authority
Attention: Chief Executive Officer
1617 Wilcox Boulevard
Chattanooga, TN 37406

With a copy to: Miller & Martin PLLC
Attention: Rachael W. Ruiz, Esq,
832 Georgia Avenue, Suite 1200
Chattanooga, TN 37402

15. **Attorneys' Fees.** In the event of any default under the terms of this Agreement or any dispute regarding its items and conditions or enforcement, the defaulting party agrees to reimburse the prevailing party for all expenses and costs, including reasonable attorneys' fees, incurred in enforcing the terms hereof. Such reimbursement shall include all legal expenses incurred, whether enforcing is sought by suit or otherwise.
16. **No Assignment.** It is expressly understood and agreed that this Agreement is personal to CARTA and Catoosa and that neither party will have the right, power or authority to assign this Agreement or any portion thereof.
17. **Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall be an original but all of which together shall constitute but one and the same instrument.

[Signatures On Following Page]

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

**CHATTANOOGA AREA REGIONAL
TRANSPORTATION AUTHORITY**

CATOOSA COUNTY, GEORGIA

Charles Frazier
Chief Executive Officer

Name: _____
Title: _____

Exhibit A-1:
MPO Catoosa County Urban Transit Service Funding Summary

| <u>Catoosa County Urban Transit Service Funding Summary from MPO</u> | | | | | |
|--|--|----------------------|------------------------|--------------------|-------------------------------|
| <u>Type of Work/Project</u> | <u>Funding Source</u> | <u>Total Funding</u> | <u>Federal Portion</u> | <u>Local Match</u> | <u>Authorization Deadline</u> |
| <u>Operations</u> | <u>Surface Transportation Block Grant Program ("STBG")</u> | <u>\$6,400,000</u> | <u>\$3,200,000</u> | <u>3,200,000</u> | <u>N/A</u> |
| <u>Capital Bus Purchase</u> | <u>STBG</u> | <u>\$1,000,000</u> | <u>\$800,000</u> | <u>\$200,000</u> | <u>N/A</u> |
| <u>Capital Bus Purchase</u> | <u>Carbon Reduction Program</u> | <u>\$266,391</u> | <u>\$213,113</u> | <u>\$53,278</u> | <u>9/30/25</u> |
| <u>Capital Bus Stop Shelters and Signage</u> | <u>Transportation Alternative Program</u> | <u>\$1,611,333</u> | <u>\$1,289,066</u> | <u>\$322,267</u> | <u>9/30/25</u> |
| <u>Totals</u> | | <u>\$9,277,724</u> | <u>\$5,502,179</u> | <u>3,775,545</u> | <u>9/30/25</u> |

Exhibit A-1:
CARTA Catoosa County Urban Transit Service Funding Summary

| July 1, 2024 through September 30, 2024 | | | | | |
|---|-----------------|---------------|-----------------|-------------|------------------------|
| Type of Work/Project | Funding Source | Total Funding | Federal Portion | Local Match | Authorization Deadline |
| Operations | 50% 5307 Grant | | | | 6/30/25 |
| | 50% Local Match | \$ _____ | \$ _____ | \$ _____ | |
| Capital Purchase | 80% 5307 Grant | | | | 6/30/25 |
| | 20% Local Match | \$ _____ | \$ _____ | \$ _____ | |
| Totals | | \$ _____ | \$ _____ | \$ _____ | 6/30/25 |

| October 1, 2024 through September 30, 2025 | | | | | |
|--|-----------------|---------------|-----------------|-------------|------------------------|
| Type of Work/Project | Funding Source | Total Funding | Federal Portion | Local Match | Authorization Deadline |
| Operations | 50% 5307 Grant | | | | 6/30/25 |
| | 50% Local Match | \$ _____ | \$ _____ | \$ _____ | |
| Capital Purchase | 80% 5307 Grant | | | | 6/30/25 |
| | 20% Local Match | \$ _____ | \$ _____ | \$ _____ | |
| Totals | | \$860,934.00 | \$ _____ | \$ _____ | 6/30/25 |

| October 1, 2025 through September 30, 2026 | | | | | |
|--|-----------------|---------------|-----------------|-------------|------------------------|
| Type of Work/Project | Funding Source | Total Funding | Federal Portion | Local Match | Authorization Deadline |
| Operations | 50% 5307 Grant | | | | 6/30/25 |
| | 50% Local Match | \$ _____ | \$ _____ | \$ _____ | |
| Capital Purchase | 80% 5307 Grant | | | | 6/30/25 |
| | 20% Local Match | \$ _____ | \$ _____ | \$ _____ | |
| Totals | | \$ _____ | \$ _____ | \$ _____ | 6/30/25 |

Exhibit B Subrecipient Clauses

CARTA and Catoosa acknowledge that CARTA is expected to be the initial recipient of the 5307 Grant Funds that are the subject of this Agreement in CARTA's named role as the direct grant recipient from FTA, and that MPO and CARTA will disburse a portion of those funds to Catoosa as an approved subrecipient of such funding in the amounts set forth in Exhibits A-1 and A-2, respectively. As a subrecipient Catoosa is subject to all applicable federal rules, regulations, procedures and contract provisions as if Catoosa were a direct recipient of such funding from the FTA. Accordingly, Catoosa acknowledges that all of the following shall be deemed as additional contract terms in this Agreement:

1. Incorporation of Federal Transit Administration (FTA) Terms

The provisions within include, in part, certain Standard Terms and Conditions required under the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR § 200), whether or not expressly set forth in the preceding contract provisions. All contractual provisions required by DOT, detailed in 2 CFR § 200 or as amended by 2 CFR § 1201, or the most recent version of FTA Circular 4220.1 are hereby incorporated by reference. Anything to the contrary herein notwithstanding, all mandated terms shall be deemed to control in the event of a conflict with other provisions contained in this Agreement. The subrecipient (i.e., Catoosa) shall not perform any act, fail to perform any act, or refuse to comply with any request which would cause a violation of the FTA terms and conditions.

2. Notice to Third Party Participants

Federal requirements that apply to CARTA or the Award, the accompanying Agreement, and any amendments thereto may change due to changes in federal law, regulation, other requirements, or guidance, or changes in the Agreement including any information incorporated by reference and made part of the Agreement; and

Applicable changes to those federal requirements will apply to each third party agreement and parties thereto at any tier.

3. Civil Rights Laws and Regulations

The following Federal Civil Rights laws and regulations apply to the Agreement.

- 1 **Federal Equal Employment Opportunity (EEO) Requirements.** These include, but are not limited to:
 - a) Nondiscrimination in Federal Public Transportation Programs. 49 U.S.C. § 5332, covering projects, programs, and activities financed under 49 U.S.C. Chapter 53, prohibits discrimination on the basis of race, color, religion, national origin, sex (including sexual orientation and gender identity), disability, or age, and prohibits discrimination in employment or business opportunity.
 - b) Prohibition against Employment Discrimination. Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. § 2000e, and Executive Order No. 11246, “Equal Employment Opportunity,” September 24, 1965, as amended, prohibit discrimination in employment on the basis of race, color, religion, sex, or national origin.
- 2 **Nondiscrimination on the Basis of Sex.** Title IX of the Education Amendments of 1972, as amended, 20 U.S.C. § 1681 et seq. and implementing Federal regulations, “Nondiscrimination on the Basis of Sex in Education Programs or Activities Receiving Federal Financial Assistance,” 49 C.F.R. part 25 prohibit discrimination on the basis of sex.
- 3 **Nondiscrimination on the Basis of Age.** The “Age Discrimination Act of 1975,” as amended, 42 U.S.C. § 6101 et seq., and Department of Health and Human Services implementing regulations, “Nondiscrimination on the Basis of Age in Programs or Activities Receiving Federal Financial Assistance,” 45 C.F.R. part 90, prohibit discrimination by participants in federally assisted programs against individuals on the basis of age. The Age Discrimination in Employment Act (ADEA), 29 U.S.C. § 621 et seq., and Equal Employment Opportunity Commission (EEOC) implementing regulations, “Age Discrimination in Employment Act,” 29 C.F.R. part 1625, also prohibit employment discrimination against individuals age 40 and over on the basis of age.
- 4 **Federal Protections for Individuals with Disabilities.** The Americans with Disabilities Act of 1990, as amended (ADA), 42 U.S.C. § 12101 et seq., prohibits discrimination against qualified individuals with disabilities in programs, activities, and services, and imposes specific requirements on public and private entities. Third party contractors must comply with their responsibilities under Titles I, II, III, IV, and V of the ADA in employment, public services, public accommodations, telecommunications, and other provisions, many of which are subject to regulations issued by other Federal agencies.

Civil Rights and Equal Opportunity

Catoosa is an Equal Opportunity Employer. As such, Catoosa agrees to comply with all applicable Federal civil rights laws and implementing regulations. Apart from inconsistent requirements imposed by Federal laws or regulations, Catoosa agrees to

comply with the requirements of 49 U.S.C. § 5323(h) (3) by not using any federal assistance awarded by FTA to support procurements using exclusionary or discriminatory specifications. Under this Agreement, CARTA will at all times comply with the following requirements and shall include these requirements in each subcontract entered into as part thereof.

1. **Nondiscrimination.** In accordance with federal transit law at 49 U.S.C. § 5332, Catoosa agrees that it will not discriminate against any employee or applicant for employment because of race, color, religion, national origin, sex, disability, or age. In addition, CARTA agrees to comply with applicable Federal implementing regulations and other implementing requirements FTA may issue.
2. **Race, Color, Religion, National Origin, Sex.** In accordance with Title VII of the Civil Rights Act, as amended, 42 U.S.C. § 2000e et seq., and federal transit laws at 49 U.S.C. § 5332, Catoosa agrees to comply with all applicable equal employment opportunity requirements of U.S. Department of Labor (U.S. DOL) regulations, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," 41 C.F.R. chapter 60, and Executive Order No. 11246, "Equal Employment Opportunity in Federal Employment," September 24, 1965, 42 U.S.C. § 2000e note, as amended by any later Executive Order that amends or supersedes it, referenced in 42 U.S.C. § 2000e note. Catoosa agrees to take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, national origin, or sex (including sexual orientation and gender identity). Such action shall include, but not be limited to, the following: employment, promotion, demotion or transfer, recruitment or recruitment advertising, layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. In addition, Catoosa agrees to comply with any implementing requirements FTA may issue.
3. **Age.** In accordance with the Age Discrimination in Employment Act, 29 U.S.C. §§ 621- 634, U.S. Equal Employment Opportunity Commission (U.S. EEOC) regulations, "Age Discrimination in Employment Act," 29 C.F.R. part 1625, the Age Discrimination Act of 1975, as amended, 42 U.S.C. § 6101 et seq., 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, and Federal transit law at 49 U.S.C. § 5332, Catoosa agrees to refrain from discrimination against present and prospective employees for reason of age. In addition, Catoosa agrees to comply with any Implementing requirements FTA may issue.
4. **Disabilities.** In accordance with section 504 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. § 794, the Americans with Disabilities Act of 1990, as amended, 42 U.S.C. § 12101 et seq., the Architectural Barriers Act of 1968, as amended, 42 U.S.C. § 4151 et seq., and

federal transit law at 49 U.S.C. § 5332, Catoosa agrees that it will not discriminate against individuals on the basis of disability. In addition, Catoosa agrees to comply with any implementing requirements FTA may issue.

5. **Promoting Free Speech and Religious Liberty.** Catoosa shall ensure that federal funding is expended in full accordance with the U.S. Constitution, federal law, and statutory and public policy requirements: including, but not limited to, those protecting free speech, religious liberty, public welfare, the environment, and prohibiting discrimination.

4. Disadvantaged Business Enterprise (DBE)

It is the policy of CARTA and the United States Department of Transportation (“DOT”) that Disadvantaged Business Enterprises (“DBE’s”), as defined herein and in the federal regulations published at 49 C.F.R. part 26, shall have an equal opportunity to participate in DOT-assisted contracts.

Neither CARTA nor Catoosa shall 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 C.F.R. part 26 in the award and administration of DOT-assisted contracts. Failure by Catoosa to carry out these requirements is a material breach of this Agreement, which may result in the termination of this Agreement or such other remedy as the CARTA deems appropriate, which may include, but is not limited to:

Withholding monthly progress payments;

Assessing sanctions;

Liquidated damages; and/or

Disqualifying Catoosa from future bidding as non-responsible. 49 C.F.R. § 26.13(b).

Prime contractors are required to pay subcontractors for satisfactory performance of their contracts no later than 30 days from receipt of each payment CARTA makes to the prime contractor. 49 C.F.R. § 26.29(a).

Finally, for contracts with defined DBE contract goals, each FTA Recipient must include in each prime contract a provision stating that the contractor shall utilize the specific DBEs listed unless Catoosa obtains CARTA’s written consent; and that, unless CARTA’s consent is provided, Catoosa shall not be entitled to any payment for work or material unless it is performed or supplied by the listed DBE. 49 C.F.R. § 26.53(f) (1).

5. No Government Obligation to Third Parties

CARTA and Catoosa acknowledge and agree that, notwithstanding any concurrence by the Federal Government in or approval of the solicitation or award of the underlying Agreement, absent the express written consent by the Federal Government, the Federal Government is not a party to this Agreement and shall not be subject to any obligations or liabilities to the CARTA, Catoosa or any other party (whether or not a party to that agreement) pertaining to any matter resulting from the underlying Agreement. Catoosa agrees to include the above clause in each subcontract financed in whole or in part with federal assistance provided by CARTA. It is further agreed that the clause shall not be modified, except to identify the subcontractor who will be subject to its provisions.

6. Program Fraud and False or Fraudulent Statements and Related Acts

The Contractor acknowledges that the provisions of the Program Fraud Civil Remedies Act of 1986, as amended, 31 U.S.C. § 3801 et seq. and U.S. DOT regulations, "Program Fraud Civil Remedies," 49 C.F.R. part 31, apply to its actions pertaining to this project. Upon execution of the underlying contract, the 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 the FTA assisted project for which this contract work is being performed. In addition to other penalties that may be applicable, the Contractor further acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submission, or certification, the Federal Government reserves the right to impose the penalties of the Program Fraud Civil Remedies Act of 1986 on the Contractor to the extent the Federal Government deems appropriate.

The Contractor also acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submission, or certification to the Federal Government under a contract connected with a project that is financed in whole or in part with Federal assistance originally awarded by FTA under the authority of 49 U.S.C. § 5307 chapter 53, the Government reserves the right to impose the penalties of 18 U.S.C. § 1001 and 49 U.S.C. § 5307 on the Contractor, to the extent the Federal Government deems appropriate.

Catoosa agrees to include the above two clauses in each subcontract financed in whole or in part with Federal assistance provided by FTA. It is further agreed that the clauses shall not be modified, except to identify the subcontractor who will be subject to the provisions.

7. Prompt Payment

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. In addition, the contractor is required to return any retainage payments to those subcontractors within 30 days after the subcontractor's work related to this contract is satisfactorily completed.

Catoosa must promptly notify the Agency, 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 Agency.

8. Access to Records and Reports

a. Record Retention. Catoosa will retain, and will require its subcontractors of all tiers to retain, complete and readily accessible records related in whole or in part to the contract, including, but not limited to, data, documents, reports, statistics, leases, subcontracts, arrangements, other third party contracts of any type, and supporting materials related to those records.

b. Retention Period. Catoosa agrees to comply with the record retention requirements in accordance with 2 C.F.R. § 200.334. Catoosa shall maintain all books, records, accounts and reports required under this Agreement for a period of not less than three (3) years after the date of termination or expiration of this Agreement, except in the event of litigation or settlement of claims arising from the performance of this Agreement, in which case records shall be maintained until the disposition of all such litigation, appeals, claims or exceptions related thereto.

c. Access to Records. Catoosa agrees to provide sufficient access to FTA and its contractors to inspect and audit records and information related to performance of this contract in accordance with 2 CFR § 200.337.

d. Access to the Sites of Performance. Catoosa agrees to permit FTA and its contractors access to the sites of performance under this contract in accordance with 2 CFR § 200.337.

9. Energy Conservation

Catoosa agrees to comply with mandatory standards and policies relating to energy efficiency, which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (42 U.S.C. § 6201).

10. Safe Operation of Motor Vehicles

Seat Belt Use

Catoosa is encouraged to adopt and promote 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. The terms “company-owned” and “company-leased” refer to vehicles owned or leased either by Catoosa or CARTA.

Distracted Driving

Catoosa 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 Catoosa owns, leases, or rents, or a privately-owned vehicle when on official business in connection with the work performed under this Agreement.

11. Trafficking in Persons

Catoosa agrees that it and its employees that participate in CARTA’s 5307 Award, may not:

- (a) Engage in severe forms of trafficking in persons during the period of time that the CARTA’s 5307 Award is in effect;
- (b) Procure a commercial sex act during the period of time that the CARTA’s 5307 Award is in effect; or
- (c) Use forced labor in the performance of the CARTA’s 5307 Award or subagreements thereunder.

12. Federal Tax Liability and Recent Felony Convictions

- (1) Catoosa certifies that it:
 - (a) Does not have any unpaid federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, and that

is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability; and

- (b) Was not convicted of the felony criminal violation under any Federal law within the preceding 24 months.

If Catoosa cannot so certify, CARTA will refer the matter to FTA and not enter into any third party agreement with the third party participant without FTA's written approval.

- (2) Flow-Down. CARTA agrees to require Catoosa to flow this requirement down to participants at all lower tiers, without regard to the value of any subagreement.

13. Termination

Termination for Convenience (General Provision)

CARTA may terminate this contract, in whole or in part, at any time by written notice to Catoosa when it is in CARTA's best interest. Catoosa shall be paid its costs, including contract close-out costs, and profit on work performed up to the time of termination.

Catoosa shall promptly submit its termination claim to CARTA to be paid Catoosa. If Catoosa has any property in its possession belonging to CARTA, Catoosa will account for the same, and dispose of it in the manner CARTA directs.

Termination for Default [Breach or Cause] (General Provision)

If Catoosa fails to perform in the manner called for in the Agreement, or if Catoosa fails to comply with any other provisions of the Agreement, CARTA may terminate this Agreement for default. Termination shall be effected by serving a "Notice of Termination" setting forth the manner in which Catoosa is in default. Catoosa will be paid only the contract price for supplies delivered and accepted, or services performed in accordance with the manner of performance set forth in the Agreement, offset by any damage incurred by virtue of Catoosa's default. If it is later determined by CARTA that Catoosa 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 Catoosa, CARTA, after setting up a new delivery of performance schedule, may allow Catoosa to continue work, or treat the termination as a termination for convenience.

Opportunity to Cure

CARTA, in its sole discretion may, in the case of a termination for breach or default, allow Catoosa ten (10) days in which to cure the breach or default. In such case, the Notice of Termination will state the time period in which cure is permitted and other appropriate conditions.

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

Waiver of Remedies for any Breach

In the event that CARTA elects to waive its remedies for any breach by Catoosa of any covenant, term or condition of this Agreement, such waiver by CARTA shall not limit CARTA's remedies for any succeeding breach of that or of any other covenant, term, or condition of this Agreement.

Termination for Convenience (Professional or Transit Service Contracts)

CARTA, by written notice, may terminate this Agreement, in whole or in part, when it is in the CARTA's interest. If this Agreement is terminated, CARTA shall be liable only for payment under the payment provisions of this Agreement for services rendered before the effective date of termination.

14. Debarment and Suspension

Catoosa shall comply and facilitate compliance with U.S. DOT regulations, "Nonprocurement Suspension and Debarment," 2 C.F.R. 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 C.F.R. part 180. These provisions apply to each contract at any tier of \$25,000 or more, and to each contract at any tier for a federally required audit (irrespective of the contract amount), and to each contract at any tier that must be approved by an FTA official irrespective of the contract amount. As such, Catoosa shall verify

that its principals, affiliates, and subcontractors are eligible to participate in this federally funded contract and are not presently declared by any federal department or agency to be:

- a) Debarred from participation in any federally assisted award;
- b) Suspended from participation in any federally assisted award;
- c) Proposed for debarment from participation in any federally assisted award;
- d) Declared ineligible to participate in any federally assisted award;
- e) Voluntarily excluded from participation in any federally assisted award; or
- f) Disqualified from participation in any federally assisted award.

By signing and submitting its bid or proposal, Catoosa certifies as follows:

The certification in this clause is a material representation of fact relied upon which reliance was placed when this transaction was entered into by CARTA. If it is later determined by CARTA that Catoosa knowingly rendered an erroneous certification, in addition to other remedies available to CARTA, the Federal Government may pursue available remedies, including, but not limited to, suspension and/or debarment. The Catoosa agrees to comply with the requirements of 2 C.F.R. part 180, subpart C, as supplemented by 2 C.F.R. part 1200, while this offer is valid and throughout the period of any contract that may arise from this offer. Catoosa further agrees to include a provision requiring such compliance in its lower tier covered transactions.

15. Notification to FTA

If a current or prospective legal matter that may affect the Federal Government emerges, Catoosa must promptly notify the FTA Chief Counsel and FTA Regional Counsel for the Region in which the party is located. Catoosa must include a similar notification requirement in its Third Party Agreements and must require each Third Party Participant to include an equivalent provision in its subagreements at every tier, for any agreement that is a “covered transaction” according to 2 C.F.R. §§ 180.220 and 1200.220.

(1) The types of legal matters that require notification include, but are not limited to, a major dispute, breach, default, litigation, or naming the Federal Government as a party to litigation or a legal disagreement in any forum for any reason.

(2) Matters that may affect the Federal Government include, but are not limited to, the Federal Government’s interests in the Award, the Agreement, and any amendments thereto, or the

Federal Government's administration or enforcement of federal laws, regulations, and requirements.

Catoosa must promptly notify the U.S. DOT Inspector General in addition to the FTA Chief Counsel or Regional Counsel for the Region in which Catoosa is located, if Catoosa has knowledge of potential fraud, waste, or abuse. The notification provision applies if a person has or may have submitted a false claim under the False Claims Act, 31 U.S.C. § 3729 et seq., or has or may have committed a criminal or civil violation of law pertaining to such matters as fraud, conflict of interest, bribery, gratuity, or similar misconduct. This responsibility occurs whether the project is subject to this Agreement or another agreement between the Catoosa and FTA, or an agreement involving a principal, officer, employee, agent, or Third Party Participant of Catoosa. It also applies to subcontractors at any tier. Knowledge, as used in this paragraph, includes, but is not limited to, knowledge of a criminal or civil investigation by a Federal, state, or local law enforcement or other investigative agency, a criminal indictment or civil complaint, or probable cause that could support a criminal indictment, or any other credible information in the possession of the Catoosa.

16. Restrictions on Lobbying

Conditions on use of funds.

- (a) No appropriated funds may be expended by the recipient of a Federal contract, grant, loan, or cooperative agreement to pay any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with any of the following covered federal actions: the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
- (b) Each person who requests or receives from an agency a federal contract, grant, loan, or cooperative agreement shall file with that agency a certification, that the person has not made, and will not make, any payment prohibited by paragraph (a) of this section.
- (c) Each person who requests or receives from an agency a federal contract, grant, loan, or a cooperative agreement shall file with that agency a disclosure form if such person has made or has agreed to make any payment using nonappropriated funds (to include profits from any covered federal action), which would be prohibited under paragraph (a) of this section if paid for with appropriated funds.
- (d) Each person who requests or receives from an agency a commitment providing for the United States to insure or guarantee a loan shall file with that agency a statement, whether that person has made or has agreed to make any payment to influence or attempt to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with that loan insurance or guarantee.

- (e) Each person who requests or receives from an agency a commitment providing for the United States to insure or guarantee a loan shall file with that agency a disclosure form if that person has made or has agreed to make any payment to influence or attempt to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with that loan insurance or guarantee.

Certification and disclosure.

(a) Each person shall file a certification, and a disclosure form, if required, with each submission that initiates agency consideration of such person for:

- (1) Award of a federal contract, grant, or cooperative agreement exceeding \$100,000; or
- (2) An award of a federal loan or a commitment providing for the United States to insure or guarantee a loan exceeding \$150,000.

(b) Each person shall file a certification, and a disclosure form, if required, upon receipt by such person of:

- (1) A federal contract, grant, or cooperative agreement exceeding \$100,000; or
- (2) A federal loan or a commitment providing for the United States to insure or guarantee a loan exceeding \$150,000,

Unless such person previously filed a certification, and a disclosure form, if required, under paragraph (a) of this section.

(c) Each person shall file a disclosure form at the end of each calendar quarter in which there occurs any event that requires disclosure or that materially affects the accuracy of the information contained in any disclosure form previously filed by such person under paragraphs

(a) or (b) of this section. An event that materially affects the accuracy of the information reported includes:

- (1) A cumulative increase of \$25,000 or more in the amount paid or expected to be paid for influencing or attempting to influence a covered federal action; or
- (2) A change in the person(s) or individual(s) influencing or attempting to influence a covered federal action; or a change in the officer(s), employee(s), or member(s) contacted to influence or attempt to influence a covered federal action.

(d) Any person who requests or receives from a person referred to in paragraphs (a) or (b) of this section:

- (1) A subcontract exceeding \$100,000 at any tier under a federal contract;
- (2) A subgrant, contract, or subcontract exceeding \$100,000 at any tier under a federal grant;
- (3) A contract or subcontract exceeding \$100,000 at any tier under a federal loan exceeding \$150,000; or,
- (4) A contract or subcontract exceeding \$100,000 at any tier under a federal cooperative agreement,

Shall file a certification, and a disclosure form, if required, to the next tier above.

(e) All disclosure forms, but not certifications, shall be forwarded from tier to tier until received by the person referred to in paragraphs (a) or (b) of this section. That person shall forward all disclosure forms to the agency.

(f) Any certification or disclosure form filed under paragraph (e) of this section shall be treated as a material representation of fact upon which all receiving tiers shall rely. All liability arising from an erroneous representation shall be borne solely by the tier filing that representation and shall not be shared by any tier to which the erroneous representation is forwarded. Submitting an erroneous certification or disclosure constitutes a failure to file the required certification or disclosure, respectively. If a person fails to file a required certification or disclosure, the United States may pursue all available remedies, including those authorized by section 1352, title 31, U.S. Code.

17. Clean Air Act and Federal Water Pollution Control Act

Catoosa agrees to comply with all applicable standards, orders, or regulations issued pursuant to the Clean Air Act (42 U.S.C. § 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. § 1251-1387). Violations must be reported to FTA and the Regional Office of the Environmental Protection Agency. The following applies for contracts of amounts in excess of \$150,000:

Clean Air Act

- (1) Catoosa agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq.
- (2) Catoosa agrees to report each violation to CARTA and understands and agrees that Catoosa will, in turn, report each violation as required to assure notification to the Agency, Federal Emergency Management Agency, and the appropriate Environmental Protection Agency Regional Office.
- (3) Catoosa agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with federal assistance provided by FTA.

Federal Water Pollution Control Act

- (1) Catoosa agrees to comply with all applicable standards, orders or regulations

issued pursuant to the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq.

- (2) Catoosa agrees to report each violation to CARTA and understands and agrees that CARTA will, in turn, report each violation as required to assure notification to CARTA, Federal Emergency Management Agency, and the appropriate Environmental Protection Agency Regional Office.
- (3) Catoosa agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by FTA.”

18. Buy America Requirements

Catoosa agrees to comply with 49 U.S.C. 5323(j) and 49 C.F.R. part 661 and 2 CFR §200.322 Domestic preferences for procurements, which provide that Federal funds may not be obligated unless all 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 C.F.R. § 661.7.

Construction materials used in the project are subject to the domestic preference requirement of the Build America, Buy America Act, Pub. L. 117-58, div. G, tit. IX, §§ 70911 – 70927 (2021), as implemented by the U.S. Office of Management and Budget, the U.S. Department of Transportation, and FTA. The Recipient acknowledges that this agreement is neither a waiver of § 70914(a) nor a finding under § 70914(b).

Separate requirements for rolling stock are set out at 49 U.S.C. 5323(j)(2)(C), 49 U.S.C. § 5323(u) and 49 C.F.R. § 661.11. Domestic preferences for procurements

The bidder or offeror must submit to CARTA the appropriate Buy America certification. Bids or offers that are not accompanied by a completed Buy America certification will be rejected as nonresponsive. For more information, please see the FTA’s Buy America webpage at: <https://www.transit.dot.gov/buyamerica>

19. Violation and Breach of Contract

Disputes:

Disputes arising in the performance of this Agreement that are not resolved by agreement of the parties shall be decided in writing by the authorized representative of the agency. This decision shall be final and conclusive unless within ten (10) days from the date of receipt of its copy, Catoosa mails or otherwise furnishes a written appeal to the agencies authorized representative. In connection with any such appeal, Catoosa shall be afforded an opportunity to be heard and to offer evidence in support of its position. The decision of the agencies authorized representative shall be binding upon Catoosa and Catoosa shall abide by the decision.

Performance During Dispute:

Unless otherwise directed by the agencies authorized representative, Catoosa shall continue performance under this Agreement while matters in dispute are being resolved.

Claims for Damages:

Should either party to the Agreement suffer injury or damage to person or property because of any act or omission of the party or of any of its employees, agents or others for whose acts it is legally liable, a claim for damages therefore shall be made in writing to such other party within a reasonable time after the first observance of such injury or damage.

Remedies:

Unless this Agreement provides otherwise, all claims, counterclaims, disputes and other matters in question between the agencies authorized representative 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 State in which CARTA is located.

Rights and Remedies:

Duties and obligations imposed by the Agreement 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 CARTA or Catoosa shall constitute a waiver of any right or duty afforded any of them under the Agreement, 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.

20. Simplified Acquisition Threshold

Contracts for more than the simplified acquisition threshold, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. § 1908, or otherwise set by law, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate. (Note that the simplified acquisition threshold determines the procurement procedures that must be employed pursuant to 2 C.F.R. §§ 200.317–200.327. The simplified acquisition threshold does not exempt a procurement from other eligibility or processes requirements that may apply. For example, Buy America’s eligibility and process requirements apply to any procurement in excess of \$150,000. 49 U.S.C. § 5323(j)(13).)

21. Contract Work Hours and Safety Standards Act

- a. Applicability: This requirement applies to all FTA grant and cooperative agreement programs.
- b. Where applicable (see 40 U.S.C. § 3701), all contracts awarded by the non-federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. §§ 3702 and 3704, as supplemented by Department of Labor regulations at 29 C.F.R. Part 5. See 2 C.F.R. Part 200, Appendix II.
- c. Under 40 U.S.C. § 3702, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week.
- d. The requirements of 40 U.S.C. § 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.
- e. The regulation at 29 C.F.R. § 5.5(b) provides the required contract clause concerning compliance with the Contract Work Hours and Safety Standards Act:

Compliance with the Contract Work Hours and Safety Standards Act.

- (2) 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 forty 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 forty hours in such workweek.

- (3) Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the clause set forth in paragraph (1) of this section the contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), 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 paragraph (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 forty hours without payment of the overtime wages required by the clause set forth in paragraph (1) of this section.
- (4) Withholding for unpaid wages and liquidated damages. The agency shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the 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 and 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 paragraph (2) of this section.
- (5) Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (1) through (4) of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (1) through (4) of this section.”

22. Public Transportation Employee Protective Arrangements

Catoosa agrees to comply with the following employee protective arrangements of 49

U.S.C. § 5333(b):

1. U.S. DOL Certification. Under this Agreement or any Amendments thereto that involve public transportation operations that are supported with federal assistance, a certification issued by U.S. DOL is a condition of the Agreement.

2. Special Warranty. When the contract involves public transportation operations and is supported with federal assistance appropriated or made available for 49 U.S.C. § 5311, U.S. DOL will provide a Special Warranty for its Award, including its Award of federal assistance under the Tribal Transit Program. The U.S. DOL Special Warranty is a condition of the contract.

3. Special Arrangements. The conditions of 49 U.S.C. § 5333(b) do not apply to contractors providing public transportation operations pursuant to 49 U.S.C. § 5310. FTA reserves the right to make case-by-case determinations of the applicability of 49 U.S.C. § 5333(b) for all transfers of funding authorized under title 23, United States Code (flex funds), and make other exceptions as it deems appropriate, and, in those instances, any special arrangements required by FTA will be incorporated herein as required.

23. School Bus Operations

Catoosa agrees to comply with 49 U.S.C. 5323(f), and 49 C.F.R. part 604, and not engage in school bus operations using federally funded equipment or facilities in competition with private operators of school buses, except as permitted under:

1. Federal transit laws, specifically 49 U.S.C. § 5323(f);
2. FTA regulations, "School Bus Operations," 49 C.F.R. part 605;
3. Any other Federal School Bus regulations; or
4. Federal guidance, except as FTA determines otherwise in writing.

If Catoosa violates this School Bus Agreement, FTA may:

1. Bar the Contractor from receiving Federal assistance for public transportation; or
2. Require the contractor to take such remedial measures as FTA considers appropriate.

When operating exclusive school bus service under an allowable exemption, Catoosa may not use federally funded equipment, vehicles, or facilities.

Catoosa should include the substance of this clause in each subcontract or purchase under this Agreement that may operate public transportation services.

24. Charter Service

Catoosa agrees to comply with 49 U.S.C. 5323(d), 5323(r), and 49 C.F.R. part 604, which provides that recipients and subrecipients of FTA assistance are prohibited from providing charter service using federally funded equipment or facilities if there is at least one private charter operator willing and able to provide the service, except as permitted under:

1. Federal transit laws, specifically 49 U.S.C. § 5323(d);
2. FTA regulations, "Charter Service," 49 C.F.R. part 604;
3. Any other federal Charter Service regulations; or
4. Federal guidance, except as FTA determines otherwise in writing.

Catoosa agrees that if it engages in a pattern of violations of FTA's Charter Service regulations, FTA may require corrective measures or impose remedies on it. These corrective measures and remedies may include:

1. Barring it or any subcontractor operating public transportation under its Award that has provided prohibited charter service from receiving federal assistance from FTA;
2. Withholding an amount of federal assistance as provided by Appendix D to part 604 of FTA's Charter Service regulations; or
3. Any other appropriate remedy that may apply.

Catoosa should also include the substance of this clause in each subcontract that may involve operating public transit services.

25. Substance Abuse Requirements

Catoosa agrees to establish and implement a drug and alcohol testing program that complies with 49 C.F.R. part 655, produce any documentation necessary to establish its compliance with part 655, and permit any authorized representative of the United States Department of Transportation or its operating administrations, the State Oversight Agency, or Agency, to inspect the facilities and records associated with the implementation of the drug and alcohol testing program as required under 49 C.F.R. part 655 and review the testing process. Catoosa agrees further to certify annually its compliance with part 655 and to submit the Management Information System (MIS) reports to the Agency.

26. Conformance with ITS National Architecture

Intelligent Transportation Systems (ITS) projects shall conform to the National ITS Architecture and standards pursuant to 23 CFR § 940. Conformance with the National ITS Architecture is interpreted to mean the use of the National ITS Architecture to develop a regional ITS

architecture in support of integration and the subsequent adherence of all ITS projects to that regional ITS architecture. Development of the regional ITS architecture should be consistent with the transportation planning process for Statewide and Metropolitan Transportation Planning (49 CFR Part 613 and 621).

27. Prohibition on Certain Telecommunications and Video Surveillance Services or Equipment

a) Recipients and subrecipients are prohibited from obligating or expending loan or grant funds to:

- 1) Procure or obtain;
- 2) Extend or renew a contract to procure or obtain; or
- 3) Enter into a contract (or extend or renew a contract) to procure or obtain equipment, services, or systems that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. As described in Public Law 115-232, section 889, covered telecommunications equipment is telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities).

(i) For the purpose of public safety, security of government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities).

(ii) Telecommunications or video surveillance services provided by such entities or using such equipment.

(iii) Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country.

b) In implementing the prohibition under Public Law 115-232, section 889, subsection (f), paragraph (1), heads of executive agencies administering loan, grant, or subsidy programs shall prioritize available funding and technical support to assist affected businesses, institutions and organizations as is reasonably necessary for those affected entities to transition from covered communications equipment and services, to procure replacement

equipment and services, and to ensure that communications service to users and customers is sustained.

c) See Public Law 115-232, section 889 for additional information.

d) See also § 200.471.

28. Americans with Disabilities Act (ADA)

Catoosa agrees to comply with all applicable requirements of section 504 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. § 794, which prohibits discrimination on the basis of handicaps, with 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 persons with disabilities, including any subsequent amendments to that Act, and with 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 persons with disabilities, including any subsequent amendments to that Act. In addition, the contractor agrees to comply with any and all applicable requirements issued by the FTA, DOT, DOJ, U.S. GSA, U.S. EEOC, U.S. FCC, any subsequent amendments thereto and any other nondiscrimination statute(s) that may apply to the project.

29. Pre-Award and Post-Delivery Audits of Rolling Stock Purchases

Catoosa agrees to comply with 49 U.S.C. § 5323(m) and FTA's implementing regulation at 49 C.F.R. part 663. Catoosa shall comply with the Buy America certification(s) submitted with its proposal/bid. Catoosa agrees to participate and cooperate in any pre- award and post-delivery audits performed pursuant to 49 C.F.R. part 663 and related FTA guidance.

30. Bus Testing

Catoosa agrees to comply with the Bus Testing requirements under 49 U.S.C. 5318(e) and FTA's implementing regulation at 49 C.F.R. part 665 to ensure that the requisite testing is performed for all new bus models or any bus model with a major change in configuration or components, and that the bus model has achieved a passing score. Upon completion of the testing, the contractor shall obtain a copy of the bus testing reports from the operator of the testing facility and make that report(s) publicly available prior to final acceptance of the first vehicle by the recipient.

31. Air Pollution and Fuel Economy

Each third party contract to acquire rolling stock must include provisions to ensure compliance with applicable Federal air pollution control and fuel economy regulations, such as EPA regulations, "Control of Air Pollution from Mobile Sources," 40 CFR Part 85; EPA regulations, "Control of Air Pollution from New and In-Use Motor Vehicles and New and In-Use Motor Vehicle Engines," 40 CFR Part 86; and EPA regulations, "Fuel Economy of Motor Vehicles," 40 CFR Part 600.

Attachment 10 Lobbying Certification

The undersigned, being the _____ of Catoosa County, Georgia, certifies, to the best of his or her knowledge and belief, that:

(1) 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 an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for making lobbying contacts to an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form--LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions [as amended by "Government wide Guidance for New Restrictions on Lobbying," 61 Fed. Reg. 1413 (1/19/96). Note: Language in paragraph (2) herein has been modified in accordance with Section 10 of the Lobbying Disclosure Act of 1995 (P.L. 104-65, to be codified at 2 U.S.C. 1601, et seq .)]

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients 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.

Pursuant to 31 U.S.C. § 1352(c)(1)-(2)(A), any person who makes a prohibited expenditure or fails to file or amend a required certification or disclosure form shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such expenditure or failure.

_____, certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the Contractor understands and agrees that the provisions of 31 U.S.C. A 3801, et seq., apply to this certification and disclosure, if any.

_____ Signature of Catoosa's Authorized Official

_____ Name and Title of Catoosa's Authorized Official

_____ Date

Attachment 12

Certification Regarding Debarment, Suspension, and Other Responsibility Matters--Primary Covered Transactions

(1) The undersigned, on behalf of Catoosa, _____, certifies, to the best of its knowledge and belief, that it and its principals:

(a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any Federal department or agency;

(b) Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

(c) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and

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

(2) Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

_____, on behalf of Catoosa, certifies or affirms the truthfulness and accuracy of the contents of the statements submitted on or with this certification.

_____ Signature of Catoosa's Authorized Official

_____ Name and Title of Catoosa's Authorized Official

_____ Date

CARTA Internal Use Only

Procurement Officer determine status:

1. Contractor listed on Excluded Parties Listing Service (EPLS) (Y/N) _____

TO: CARTA Board of Directors
CARTA Executive Committee

FROM: Annie Powell
Director of Grants and Procurement

SUBJECT: Procurement Report

RECOMMENDED ACTION

Staff recommend that the Board approve the following requests related to procurement. Approval of procurements under Section A authorizes the Chief Executive Officer to enter contracts with recommended consultants.

A. Board Approval of New Procurements over \$50,000

1. Incline Marketing Services

- Requesting a one-year agreement with four one-year options for Incline Marketing services
- Recommended Consultant: Partnership Marketing Group
- Details: This is for a one-year agreement with four one-year options for Incline Marketing services including administration of an annual marketing plan for the Incline Railway; provision of creative design services, strategy, digital media, and publicity for promoting attendance to the Incline Railway; provision of regular reporting on Incline marketing activities; responsibility for updates/maintenance of the Incline Railway website and management of social media calendar; and provision of oversight and management of Incline Railway Southern Highlands Attractions and Lookout Mountain Attractions membership and marketing efforts
- Procurement Method: Request for Proposals
- Number of Bids/Proposals Returned: 3
- Term of Contract: one year with four one-year options

2. Incline Concessions and Ticket Sales Contract Extension for 1 year

- Requesting a one-year extension from the five one-year options associated with the current Incline Concessions and Ticket Sales contract
- Recommended Firm: See Rock City, Inc.
- Details: CARTA entered into a contract with See Rock City, Inc on March 1, 2020 for five years with options for five one-year extensions for concessions and ticket sales at the Lookout Mountain Incline Railway. This contract is due to expire at the end of February. See Rock City has requested a one-year extension for this contract at currently established payment terms.
- Procurement Method: Request for Proposals

B. Board Approval of the Use of the Request for Proposals Process

Staff requests approval for the following procurements to utilize the Request for Proposals process. The current scope of work for these procurements requires that evaluation criteria other than price be considered when awarding contracts for these services.

1. Actuary Services
2. HVAC Maintenance Services
3. Pest Control Services
4. Shelter Cleaning Services

5. Purchase of Replacement Elevator at Shuttle Park South

C. Report on Sole Source Procurements
N/A

D. Report on Emergency Procurements

1. Timber for the Lookout Mountain Incline Railway

- CARTA has issued a purchased order for replacement timber for the Incline Railway
- Recommended Firm: Bayou Forest Products
- Details: this is for the purchase of replacement timber that was damaged during the fire at the Incline Railway on December 7, 2024. The damaged timbers were identified by CARTA's 3rd party engineer, CSR Engineering.
- Procurement Method: CARTA has awarded an emergency procurement to Bayou Forest Products in the amount of \$74,467.01. Quotations were requested the week after the fire from several firms recommended by CSR Engineering. CARTA was able to get a second quote that was \$169,671.81.
- Lead time is currently estimated at 45-60 days.

ALIGNMENT WITH STRATEGIC GOALS

This action aligns with CARTA's strategic imperatives of Fiscal Accountability and Compliance.

SUMMARY OF NEED

Approval of this item will allow CARTA to enter agreements for the above item A1 and move forward with procurements for items B1-B5.

BACKGROUND AND HISTORY

On September 19, 2024, the CARTA Board of Directors formally adopted resolution 606, which established formal guidelines on the contracting authority of the Chief Executive Officer (CEO) and the Chief Financial Officer (CFO). Approval of this resolution set thresholds for contract execution authority at \$50,000 for the CEO and CFO. Any transactions above \$50,000 will require approval of the Board of Directors. This Procurement Report or an updated version thereof will be presented to the Board of Directors for approval of any contracts that meet this threshold.

Further, CARTA received recommendations from recent audits indicating that the Board of Directors should also approve the use of the Request for Proposal process instead of a sealed bid process and that CARTA staff should report on any sole source and emergency procurements that take place between each Board meeting. As reported in previous meetings, these items have been added to the Procurement Report as a template and will be reported in future Board meetings.

PROCUREMENT OVERVIEW

A1. Incline Marketing Services

- On October 7, 2024, CARTA released a formal Request for Proposals (RFP) for Incline Marketing Services. CARTA advertised this procurement in the Chattanooga Times-Free Press, included a notice and link to the RFP on CARTA's website, and sent the RFP to seven (7) interested proposers.
- CARTA utilized the following weighted evaluation criteria as part of this Request for Proposals process:
 - Experience and expertise of primary account executive: 25 points
 - Relevant overall experience and expertise of the firm: 25 points
 - Diversity of services offered by the proposed team: 15 points
 - Documented specialized expertise in transit or Incline Railway related services: 10 points

- Price proposal: 25 points
- A2. Incline Concessions and Ticket Sales Contract Extension for 1 year
- On January 27, 2020, CARTA released a formal Request for Proposals (RFP) for Incline Concessions and Ticket Sales. CARTA advertised this procurement in the Chattanooga Times-Free press; included a notice and link to the RFP on CARTA's website; and received one proposal from See Rock City, Inc.
 - On March 1, 2020, CARTA entered into a contract with See Rock City, Inc for Incline Concessions and Ticket sales for a five-year period with five one-year extensions.

FISCAL IMPACT

The fiscal impact of this action is listed below:

A1. Incline Marketing Services:

- Upon approval, CARTA will enter into a one-year agreement with four one-year options for Incline Marketing Services with Partnership Marketing Group for a yearly retainer of \$24,000. An overall marketing budget for the Incline will be determined for issuance of a purchase order and include such items as digital ads, social media services, billboards, entertainment video and ads, printing, art & design, website maintenance, etc. The average Incline Marketing budget has historically been approximately \$180,000 and includes the yearly retainer fee of Partnership Marketing Group. Partnership Marketing Group is responsible for keeping expenditures within the authorized budget for the year.
- CARTA will utilize operating funds for this procurement.

A2. Incline Concessions and Ticket Sales Contract Extension for 1 year

- Upon approval, CARTA will exercise one of the five one-year options for Incline Concessions and Ticket Sales with See Rock City, Inc. Revenues to CARTA associated with concessions are guaranteed for \$200,000 per year with variable revenue consisting of ten percent (10%) of the amount of See Rock City's gross receipts for the twelve-month period that exceeds the sum of \$700,000. For ticket sales, CARTA will continue to make a fixed payment of nine percent (9%) of total net monthly admission sales for the Incline Railway.
- CARTA will utilize operating funds for the ticket sales portion of this agreement.

DBE PARTICIPATION

- A1. Incline Marketing Services: A DBE goal was not applied to this contract. However, Partnership Marketing Group often utilizes a DBE firm for graphic design. The estimated budget for DBE expenditures is approximately 3% of the contract amount and will be tracked for reporting purposes.
- A2. Incline Concessions and Ticket Sales: A DBE goal was not applied to this contract.