



Procurement Procedures & Protocol:

- All purchases go thru the procurement office for review and issue of PO (excluding some service contracts... e.g., utilities, heat, light, power, insurance...etc.)
- Purchases outside the purchasing department must be presented to the Procurement Manager for review and issue of PO... note these purchases, if necessary, should include a “Purchase Request Form” signed by the Executive Director
- Any & all LCTA credit card purchases (including Amazon Business purchases) must have a PO issued by the procurement office
- All signed credit card purchase orders must be forwarded to the Director of Finances’ office with all supporting documentation for timely payment.

LCTA procurements are governed by Rules, Regulations & Guidelines from:

- FTA Best Practices Procurement Manual (BPPM)
- Federal Transit Administration (FTA) Circular 4220.1F.
- USA DOT / FTA Master Agreement
- PennDOT/DGS (PA Dept. of General Services) Procurement Handbook
- State of Pennsylvania Procurement Code - 62 Pa. Cons. Stat.-i
- Pennsylvania Municipal Authorities Association (PMAA)
- LCTA Purchasing Regulations & Procurement Manual (PRPM)
- LCTA Code of Ethics & Financial Policies and Procedures

Full and open competition is the guiding principle of procurement requirements and practices.

Updated 2026 Bid Thresholds for All Public Contracts and Purchases

Federal Procurement Thresholds (As of January 2026, federal thresholds include):

- Micro-Purchase Threshold: \$15,000
- Simplified Acquisition Threshold: \$350,000 (effective for awards on or after October 1, 2025)

Where state and federal requirements differ, the most restrictive applicable threshold shall govern the procurement.

State Procurement Thresholds — Commonwealth of Pennsylvania (Effective January 1, 2026):

Thresholds Required for Bidding and Quotations:

- a. Less than \$13,200: No competitive bidding or price quotations are required.
- b. \$13,200 to \$24,500: A minimum of three (3) written or telephonic price quotations must be obtained and documented prior to award.
- c. Over \$24,500: Formal competitive bidding with public advertisement and notice must be conducted.

1. Applicability:

These thresholds apply to all procurements conducted by state agencies subject to the Pennsylvania Procurement Code unless a specific statute, regulation, or delegation provides otherwise.

2. Federal Funds:

When federal funds are used in whole or in part, procurement must comply with applicable federal procurement requirements in addition to state law. The most restrictive threshold (federal, state, or local policy) governs.

Pennsylvania Municipal Bid Limits (Effective January 1, 2026)

Pursuant to annual adjustments issued by the Pennsylvania Department of Labor & Industry, municipal purchasing and bidding thresholds are revised each year based on changes in the Consumer Price Index (CPI) for the twelve-month period ending September 30 of the prior year.

Under Pennsylvania law, increases to these thresholds are subject to a statutory cap of three percent (3%) per year.

Effective January 1, 2026, the following thresholds apply to municipalities, boroughs, townships, counties, and municipal authorities unless otherwise governed by a more restrictive statute or local ordinance:

1. Purchases and Contracts Below the Quotation Threshold

- Less than \$13,200
- No formal bidding or written/telephonic price quotations are required.

- Departments are encouraged to seek competitive pricing whenever practical.

2. Purchases and Contracts Requiring Price Quotations

- \$13,200 to \$24,500
- A minimum of three (3) written or telephonic price quotations must be obtained and documented.
- Award shall be made to the lowest responsible and responsive vendor, unless otherwise authorized by law.

3. Purchases and Contracts Requiring Formal Bidding

- Greater than \$24,500
- Formal competitive bidding is required.
- Public advertisement and notice shall be made in accordance with applicable municipal codes and regulations.
- Contracts shall be awarded to the lowest responsible and responsive bidder, unless an exception permitted by law applies.



Name of Bidder <hr style="border: 0; border-top: 1px solid black; margin: 10px 0;"/>
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Contract/Invitation/Request Number: _____

CERTIFICATION TO FEDERAL GOVERNMENT REQUIRED CLAUSES (FTA)

AFFIRMATION OF THE BIDDER'S AUTHORIZED REPRESENTATIVE

Name of Bidder: _____

Name and Relationship of Authorized Representative: _____

BY SIGNING BELOW, on behalf of the Bidder, I declare that the Bidder has duly authorized me to make this certification and bind the Bidder's compliance. Thus, the Bidder agrees to comply with all Federal statutes and regulations, and follow applicable Federal directives, and comply with the requirements of these clauses as indicated on the ensuing pages, Federal Government Required Clauses (FTA).

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

In signing this document, I declare that the foregoing certification and any other statements made by me on behalf of the Bidder are true and correct.

Signature: _____ Date: _____

Name (print) _____ Authorized
Representative of Applicant



FTA Required Clauses

1. No Federal Government Obligations to Third Parties
2. Program Fraud and False or Fraudulent Statements or Related Acts
3. Access to Records and Reports
4. Federal Changed
5. Termination
6. Civil Rights (title VI, ADA, EEO except special DOL EEO clause for construction projects)
7. Special DOL EEO Clause for Construction Projects
8. Veteran Employment Preference
9. Disadvantaged Business Enterprise (DBE's)/Prompt Payment
10. Incorporation of Federal Transit Administration (FTA) Terms
11. Government-wide Debarment and Suspension
12. Buy America
13. Breaches and Dispute Resolution
14. Lobbying
15. Environmental Standards and Practices
16. Energy Conservation
17. Cargo Preference
18. Fly America Requirements
19. Davis-Bacon Act and Copeland Anti-Kickback Act
20. Contract Work Hours and Safety Standards Act
21. Bonding Requirements
22. Seismic Safety
23. Transit Employee Protective Arrangements
24. Charter Service/School Bus Operations
25. Drug and Alcohol Abuse Testing
26. Patent and Rights Data
27. Conformance with ITS National Architecture
28. Access Requirements for Persons with Disabilities
29. Safe Operation of Motor Vehicles

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

31. Notice of Waste, Fraud and Abuse

FTA REQUIRED CLAUSES FOR THIRD PARTY CONTRACTORS AND SUB-AGREEMENTS

In order for LCTA to use FTA financial assistance to purchase/conduct capital projects LCTA, and the third party contractor(s) qualified to perform these projects, must comply with all applicable Federal requirements. FTA's Master Agreement contains a current description of statutory and regulatory requirements that may affect LCTA's procurement. Appendix D of FTA Circular 4220.1F contains matrices of the list of clauses and their appropriate uses in different procurement types. These clauses are not required for micro purchases, except for construction related contracts over \$2000 where Davis-Bacon is a requirement.

1. No Federal Government Obligation to Third Parties

(Applicable to ALL Contracts, except micro-purchases)

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

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

2. Program Fraud and False or Fraudulent Statements or Related Acts (Applicable to ALL Contracts, except micro-purchases)

(1) Civil Fraud: 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 CFR Part 31, apply to its actions pertaining to this project.

(2) Certification of Truthfulness: Upon execution of the underlying contract, the Contractor certifies and affirms the truthfulness and accuracy of any statement it has made, it makes, it may make, or causes to be made, pertaining to the underlying contract or FTA-assisted project for which this contract work is being performed.

(3) Penalties for False Information: In addition to other penalties that may be applicable, the Contractor acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submittal, or certification, the U.S. Government reserves the right to impose the penalties of the Program Fraud Civil Remedies Act (1986) on the Contractor to the extent the U.S. Government deems appropriate.

(4)**Criminal Fraud:** If the Contractor makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submittal, or certification to the U.S. Government under a contract connected with a project that is financed in whole or in part with FTA assistance under the authority of 49 U.S.C. § 5307, the Government reserves the right to impose the penalties of 18 U.S.C. § 1001 and 49 U.S.C. § 5307(n)(1) on the Contractor, to the extent the U.S. Government deems appropriate.

(5)**Flow-Down Requirement:** The Contractor shall include the above clauses in each subcontract financed in whole or in part with FTA assistance. The clauses shall not be modified, except to identify the subcontractor who will be subject to the provisions.

3. Access to Records and Reports (Applicable to ALL Contracts, except micro-purchases)

1. **Record Maintenance:** The contractor agrees to maintain satisfactory records of each project and activities related in whole or in part to its award, the accompanying underlying agreement, and any amendments thereto to the extent FTA requires, including, but not limited to:
 - Financial records, including records of assets received that implement the award, costs incurred that implement the award, and program income.
 - Other records needed for reports related to the award.
 - Formats for records, including electronic records, that are satisfactory to FTA.
 - Availability of records related to the award, ensuring accessibility for review and separation from other records not related to the award to the extent feasible.
2. **Access to Records:** The contractor agrees to provide, and assures that each subrecipient will agree to provide, sufficient access to inspect and audit records and information, including such records and information the contractor or its subrecipients may regard as confidential or proprietary, related to its award, the accompanying underlying agreement, and any amendments thereto to the U.S. Secretary of Transportation or the Secretary's duly authorized representatives, to the Comptroller General of the United States, and the Comptroller General's duly authorized representatives, and to the contractor and each of its subrecipients.
3. **Access to Sites of Performance:** The contractor agrees to permit, and to require its subrecipients to permit, FTA to have access to the sites of performance of its award, the accompanying underlying agreement, and any amendments thereto, and to make site visits as needed in compliance with the U.S. DOT Common Rules.
4. **Closeout:** Closeout of the award does not alter the record retention or access requirements of this section of this Master Agreement.

4. Federal Changes (Applicable to ALL Contracts, except micro-purchases)

(1)Compliance with Federal Requirements: The recipient agrees to comply with all applicable federal laws, regulations, and requirements, including those listed in the Master Agreement and any amendments thereto.

(2)Incorporation of Federal Requirements: The recipient agrees to incorporate applicable federal requirements into all contracts and subcontracts financed in whole or in part with FTA assistance.

(3)Flow-Down Requirements: The recipient agrees to ensure that all subrecipients and contractors comply with applicable federal requirements and that these requirements are included in all subcontracts and subagreements.

5. Termination

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

(1)**Termination for Convenience:** The recipient may terminate the contract, in whole or in part, at any time by written notice to the contractor when it is in the recipient's best interest. The contractor shall be paid its costs, including contract close-out costs, and profit on work performed up to the time of termination.

(2)**Termination for Default:** If the contractor does not deliver items in accordance with the contract delivery schedule, or if the contract is for services and the contractor fails to perform in the manner called for in the contract, or if the contractor fails to comply with any other provisions of the contract, the recipient may terminate the contract for default.

(3)**Opportunity to Cure:** The recipient, in its sole discretion, may allow the contractor an appropriately short period of time in which to cure the defect.

(4)**Waiver of Remedies for Any Breach:** In the event that the recipient elects to waive its remedies for any breach by the contractor of any covenant, term, or condition of the contract, such waiver by the recipient shall not limit its remedies for any succeeding breach of that or of any other term, covenant, or condition of the contract.

6. Civil Rights Requirements (Applicable to ALL Contracts, except micro-purchases)

During the performance of this contract, the Contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "Contractor"), agrees as follows:

A. Compliance with Regulations

The Contractor and any subcontractors shall comply with all applicable federal civil rights laws and regulations, including but not limited to:

- Title VI of the Civil Rights Act of 1964, 42 U.S.C. § 2000d;
- 49 U.S.C. § 5332;
- DOT regulations, "Non-Discrimination in Federally-Assisted Programs of the Department of Transportation – Effectuation of Title VI of the Civil Rights Act," 49 C.F.R. Part 21;
- FTA Circular 4702.1B, "Title VI Requirements and Guidelines for Federal Transit Administration Recipients," and any subsequent implementing requirements issued by FTA.

These regulations are incorporated by reference and made part of this contract. Contractor shall comply with them as they may be amended from time to time.

B. Nondiscrimination

The Contractor shall not discriminate on the basis of race, color, religion, national origin, sex (including sexual orientation and gender identity), age, disability, or any other protected characteristic in the selection and retention of subcontractors, the procurement of materials, equipment, or in employment practices in programs or activities funded in whole or in part by FTA.

The Contractor shall not participate directly or indirectly in prohibited discriminatory practices under federal law, regulations, or FTA directives.

C. Solicitations for Subcontractors and Suppliers

In all solicitations, whether by competitive bidding or negotiation, for work performed under a subcontract, including the procurement of materials or equipment, each potential subcontractor or supplier shall be notified by the Contractor of its obligations under this contract and the regulations concerning nondiscrimination.

D. Information and Reports

The Contractor shall provide all information and reports required by the regulations or directives issued pursuant thereto and shall permit access to its books, records, accounts, and other sources of information, and its facilities, as may be determined by the Recipient or FTA to be pertinent to ascertain compliance with such regulations, orders, and instructions. If any required information is in the exclusive possession of another party who refuses or fails to furnish it, the Contractor shall certify this to the Recipient or FTA and describe its efforts to obtain the information.

E. Sanctions for Noncompliance

In the event of the Contractor's noncompliance with the nondiscrimination provisions of this contract, the Recipient or FTA may impose appropriate sanctions, including but not limited to:

- Withholding of payments under the contract until compliance is achieved; and/or
- Cancellation, termination, or suspension of the contract, in whole or in part.

F. Incorporation in Subcontracts

The Contractor shall include the provisions of Sections A through E in every subcontract, including procurements of materials and equipment, unless exempt by regulations or directives issued pursuant thereto. The Contractor shall take such actions with respect to any subcontract or procurement as the Recipient or FTA may direct as a means of enforcing these provisions, including sanctions for noncompliance. If litigation arises or is threatened with a subcontractor or supplier as a result of such enforcement, the Contractor may request the Recipient or the United States to enter into such litigation to protect the respective interests.

7. Special DOL EEO Clause for Construction Projects. (Applicable to ALL Construction Contracts exceeding \$10,000)

This contractor and subcontractor shall abide by the requirements of 41 CFR 60-1.4(a), 60-300.5(a), and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity, or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, disability, or veteran status.

8. Veterans Employment Preference (Applicable to ALL Construction Contracts)

In accordance with 49 U.S.C. § 5325(k) and 5 U.S.C. § 2108, the Recipient, to the extent practicable, ensures that contractors working on capital projects funded with federal assistance:

1. **Hiring Preference for Veterans:** Grant a hiring preference to veterans—defined under 5 U.S.C. § 2108—who possess the requisite skills and abilities to perform construction work required under the contract.
2. **Non-Discrimination Assurance:** This preference shall not be construed to require an employer to favor any veteran over an equally qualified applicant who is a member of any racial or ethnic minority, female, an individual with a disability, or a former employee.

These provisions are mandated for all construction contracts under federal assistance and are intended to promote employment opportunities for veterans while ensuring compliance with non-discrimination policies.

9. Disadvantaged Business Enterprise (DBE) (Applicable to All Contracts Over \$10,000 Awarded on the Basis of a Bid or Proposal Offering to Use DBEs)

a. Applicability and Goals

This contract is subject to the requirements of Title 49, Code of Federal Regulations, Part 26, Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs. The national goal for DBE participation is 10%. The recipient's overall DBE participation goal is listed elsewhere. Please refer to Subpart C, Section 26.45 Overall Goals in LCTA's DBE Program document for the current goal percentage.

b. Nondiscrimination

The contractor, sub-recipient, or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR part 26 in the award and administration of DOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the recipient deems appropriate, which may include, but is not limited to:

- (1) *Withholding monthly progress payments;*
- (2) *Assessing sanctions;*
- (3) *Liquidated damages; and/or*
- (4) *Disqualifying the contractor from future bidding as non-responsible.*

c. DBE Participation Documentation

If a separate contract goal has been established, bidders/offerors must document sufficient DBE participation to meet the goal, or demonstrate adequate good faith efforts as provided in 49 CFR 26.53. If no separate contract goal exists, the successful bidder/offeror must report DBE participation achieved through race-neutral means during the period of performance. The prime contractor is to report the names/addresses, telephone numbers and contact information of all firms who quote to them on subcontracts for reference for future projects. All solicitations will contain information

about LCTA's DBE program and requirements as well as annual goals and specific goals as they may relate to the project/proposal at hand.

d. Prompt Payment and Retainage

The prime contractor agrees to pay each subcontractor under this prime contract for satisfactory performance of its contract no later than fifteen (15) days from the receipt of each payment the prime contract receives from LCTA. Any delay or postponement of payment from the above referenced time frame may occur only for good cause following written approval of LCTA or its designated project manager, engineer or agent. The prime contractor agrees to return retainage payments to each subcontractor within 30 (thirty) days after the subcontractor's work is satisfactorily completed. Any delay or postponement of payment from the above referenced period may occur only for good cause following written approval of LCTA or its project manager, engineer or agent. This clause applies to both DBE and non-DBE subcontracts.:

e. Termination or Replacement of DBE Subcontractors

The contractor must promptly notify the recipient if a DBE subcontractor is terminated or fails to complete its work and must make good faith efforts to engage another DBE to perform at least the same amount of work. The contractor may not terminate a DBE subcontractor and perform that work with its own forces or an affiliate without prior written consent from the recipient.

f. Compliance Monitoring

LCTA has established prompt payment contract clauses and reporting requirements to monitor and enforce that prompt payment and return of retainage is in fact occurring. LCTA will apply all legal and contract remedies available to it under federal, state, and local law to ensure compliance with Part 26 requirements by all participants in the DBE program.

g. Flow-Down

The contractor shall include these provisions in every subcontract, including material procurements and equipment leases, unless exempt by regulation or directives. The contractor shall take all actions necessary to enforce these provisions, including sanctions for noncompliance, as directed by the recipient or FTA.

10. Incorporation of Federal Transit Administration (FTA) Terms (Applicable to ALL Contracts)

The preceding provisions include, in part, certain Standard Terms & Conditions required by the U.S. Department of Transportation (USDOT), whether or not expressly stated in the preceding contract provisions. All USDOT-required contractual provisions, as stated in FTA Circular 4220.1G, are hereby incorporated by reference. In the event of a conflict between any provision of this Agreement and the FTA-mandated terms, the FTA-mandated terms shall prevail. The Contractor shall not perform any act, fail to perform any act, or refuse to comply with any request that would cause the Recipient to be in violation of FTA terms and conditions.

11. Government-wide Debarment and Suspension (Contracts over \$25,000)

The Recipient agrees to the following:

1. **Compliance with Regulations**

The Recipient will comply with the requirements of 2 C.F.R. part 180, subpart C, as adopted and supplemented by U.S. DOT regulations at 2 C.F.R. part 1200. This includes:

○ **Prohibition on Transactions with Debarred or Suspended Parties**

The Recipient will not enter into any arrangement to participate in the development or implementation of the Project with any Third Party Participant that is debarred or suspended, except as authorized by:

- U.S. DOT regulations, “Non-procurement Suspension and Debarment,” 2 C.F.R. part 1200
- U.S. OMB, “Guidelines to Agencies on Government-wide Debarment and Suspension (Non-procurement),” 2 C.F.R. part 180, including any amendments thereto
- Executive Orders Nos. 12549 and 12689, “Debarment and Suspension,” 31 U.S.C. § 6101 note

○ **Review of SAM.gov**

The Recipient will review the U.S. GSA “System for Award Management” (SAM.gov) to verify that Third Party Participants are not debarred or suspended, as required by U.S. DOT regulations, 2 C.F.R. part 1200.

○ **Flow-Down Requirements**

The Recipient will include, and require each of its Third Party Participants to include, a similar provision in each lower-tier covered transaction, ensuring that each lower-tier Third Party Participant:

- Will comply with Federal debarment and suspension requirements
- Reviews the “System for Award Management” at SAM.gov, if necessary to comply with U.S. DOT regulations, 2 C.F.R. part 1200

2. **Notification of Suspension or Debarment**

If the Recipient suspends, debars, or takes any similar action against a Third Party Participant or individual, the Recipient will provide immediate written notice to:

- FTA Regional Counsel for the Region in which the Recipient is located or implements the Project
- FTA Project Manager if the Project is administered by an FTA Headquarters Office
- FTA Chief Counsel

12. Buy America Requirements (Applicable to Construction Contracts and Acquisition of Goods or Rolling Stock valued at more than \$150,000)

The Contractor shall comply with 49 U.S.C. § 5323(j) and 49 C.F.R. § 661, stating that Federal funds may not be obligated unless steel, iron, and manufactured products used in FTA-funded projects are produced in the United States, unless a waiver has been granted by the FTA or the product is subject to a general waiver. General waivers are listed in 49 C.F.R. § 661.7 and include software, microcomputer equipment, and small purchases (currently less than \$150,000) made with capital, operating, or planning funds. **Rolling Stock Requirements:**

- Rolling stock must be manufactured in the U.S. and have a minimum 60% domestic content for FY2016 and FY2017, a minimum 65% domestic content for FY2018 and FY2019, and a minimum 70% domestic content for FY2020 and beyond.
- For rolling stock purchases where the average cost of the vehicle exceeds \$300,000, the cost of steel or iron produced in the U.S. and used in the rolling stock frames or car shells may be included in the domestic content calculation, regardless of whether the frame or car shell is produced in the U.S.

Certification Requirements:

A bidder or offeror shall submit an appropriate Buy America certification to the recipient with all bids on FTA-funded contracts, except those subject to a general waiver. Proposals not accompanied by a completed Buy America certification shall be rejected as nonresponsive.

Applicability to Subcontractors:

This requirement does not apply to lower-tier subcontractors.

Effective Dates:

- For Federal-aid projects obligated on or after October 1, 2025, manufactured products must comply with the final assembly requirement.
- For Federal-aid projects obligated on or after October 1, 2026, manufactured products must comply with both the final assembly and 55% domestic content requirements.

13. Breaches and Dispute Resolution (All contracts over \$25,000)

a. Dispute Resolution Process

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

b. FTA Interest

The Federal Transit Administration (FTA) has a vested interest in the settlement of any violation of federal law, including the False Claims Act (31 U.S.C. § 3729). The recipient agrees to notify the FTA of any such violations and to cooperate with the FTA in resolving them.

c. Performance During Dispute

Unless otherwise directed by the recipient, the contractor shall continue performance under this contract while matters in dispute are being resolved.

d. Claims for Damages

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

e. Remedies and Rights

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

14. Lobbying (Applicable to Construction, Architectural & Engineering, Acquisition of Rolling Stock, Professional Service, Operational Service, and Turnkey Contracts over \$100,000)

In accordance with the Byrd Anti-Lobbying Amendment (31 U.S.C. § 1352), as amended by the Lobbying Disclosure Act of 1995 (2 U.S.C. § 1601 et seq.), the following requirements apply to all contractors and subcontractors:

1. Certification Requirement

Contractors applying for or bidding on a federal contract, grant, loan, or cooperative agreement exceeding \$100,000 must submit a certification stating that:

- No federal appropriated funds have been or will be used to influence or attempt to influence any federal agency officer or employee, a Member of Congress, or an employee of a Member of Congress in connection with obtaining any federal contract, grant, loan, or cooperative agreement.
- If any funds have been paid or will be paid to any person for influencing or attempting to influence such officials, the contractor must complete and submit Standard Form LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.

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 section 1352, title 31, U.S. Code. 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.

2. Flow-Down Requirement

The contractor shall include the language of this certification in all subcontracts and subgrants at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and shall require all subrecipients to certify and disclose accordingly.

3. Disclosure of Lobbying Activities

Contractors and subcontractors that have made or agreed to make payments for lobbying activities with non-federal funds shall submit Standard Form LLL, "Disclosure of Lobbying Activities," to report these activities and identify the name of the individual(s) performing lobbying services. This form must be submitted as often as necessary to update information regarding lobbying activities.

15. Environmental Standards and Practices (All contracts over \$150,000)

Clean Air:

1. The contractor shall comply with all applicable standards, orders, or regulations pursuant to the Clean Air Act (42 U.S.C. § 7401 et seq.). The contractor shall report each violation to the recipient and understands and agrees that the recipient will, in turn, report each violation as required to the FTA and the appropriate Environmental Protection Agency (EPA) Regional Office.
2. The contractor shall include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with FTA assistance.

Recycled Products:

For contracts involving the purchase of items designated by the EPA, when the purchaser or contractor procures \$10,000 or more of one of these items during the current or previous fiscal year using federal funds:

1. The contractor agrees to comply with all the requirements of Section 6002 of the Resource Conservation and Recovery Act (RCRA), as amended (42 U.S.C. § 6962), including but not limited to the regulatory provisions of 40 CFR Part 247, and Executive Order 12873, as they apply to the procurement of the items designated in Subpart B of 40 CFR Part 247.
2. The contractor shall provide a preference for those products and services that conserve natural resources and protect the environment.

Clean Water:

1. The contractor shall 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.). The contractor shall report each violation to the recipient and understands and agrees that the recipient shall, in turn, report each violation as required to the FTA and the appropriate EPA Regional Office.
2. The contractor shall include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with FTA assistance.

16. Energy Conservation (Applicable to ALL Contracts, except micro-purchases)

Contractors should ensure that they are familiar with and comply with the specific energy conservation standards and policies outlined in the state energy conservation plan applicable to their projects. Failure to adhere to these requirements can result in penalties and affect eligibility for federal assistance.

17. Cargo Preference (\$10,000 or less, except for construction contracts over \$2,000).

The "Cargo Preference" clause for contracts involving ocean transportation of equipment, materials, or commodities remains consistent with federal regulations. The requirements are outlined in the Cargo Preference Act of 1954 and are codified in 46 CFR Part 381. These regulations mandate that at least 50% of the gross tonnage of such shipments be transported on U.S.-flag commercial vessels, provided these vessels are available at fair and reasonable rates.

Key Requirements:

1. **Use of U.S.-Flag Vessels:**
 - Contractors must utilize U.S.-flag commercial vessels to ship at least 50% of the gross tonnage involved in the contract.

- This applies to shipments of equipment, materials, or commodities transported by ocean vessels.
- The requirement does not apply to micro-purchases.

2. Bill of Lading Reporting:

- Within 20 working days following the loading date of shipments originating within the U.S., or within 30 working days for shipments originating outside the U.S., contractors must provide a legible copy of a rated, "on-board" commercial bill-of-lading in English.
- This documentation must be submitted to the Division of National Cargo, Office of Market Development, Maritime Administration, Washington, DC 20590, and to the recipient (through the contractor in the case of a subcontractor's bill-of-lading).

3. Flow-Down Requirements:

- Contractors must include these cargo preference requirements in all subcontracts issued under the contract when the subcontract involves the transport of equipment, material, or commodities by ocean vessel.

Additional Considerations:

● **Availability of U.S.-Flag Vessels:**

- The requirement to use U.S.-flag vessels applies only when such vessels are available at fair and reasonable rates.
- If U.S.-flag vessels are not available, contractors may use foreign-flag vessels, but they must document the unavailability and obtain approval from the Maritime Administration (MARAD).

● **Compliance Monitoring:**

- The Maritime Administration (MARAD) oversees compliance with cargo preference requirements and may impose penalties for non-compliance.
- Contractors should maintain accurate records and documentation to demonstrate compliance with these regulations.

18. Fly America Requirements (\$10,000 or less, except for construction contracts over \$2,000)

All contracts involving transportation of persons or property by air between the U.S. and/or places outside the U.S. These requirements do not apply to micro-purchases.

Contractor shall comply with 49 U.S.C. § 40118 (the "Fly America Act") in accordance with General Services Administration regulations at 41 CFR Part 301-10. Under this Act and the regulations:

- 1. Use of U.S.-Flag Air Carriers** – Recipients, subrecipients, and their contractors are required to use U.S. flag air carriers for U.S. Government-financed international air travel and transportation of personal effects or property whenever such service is available.
- 2. Exceptions / Foreign Carrier Use** – Travel by a foreign air carrier is only permitted when a U.S. flag air carrier is not available or when use of a U.S. flag carrier would:
 - a. Extend travel time by 24 hours or more;
 - b. Require two or more additional aircraft changes;
 - c. Double the total en route travel time for flights under three hours;
 - d. Occur as part of a service provided under a qualifying international air transportation

agreement approved by the U.S. Department of Transportation; or

e. Result from an involuntary rerouting by a U.S. flag air carrier.

3. **Certification Requirements** – If a foreign air carrier is used, the contractor shall submit a written certification or memorandum explaining why service by a U.S. flag air carrier was not available or why it was necessary to use a foreign air carrier. Contractor shall provide a certificate of compliance with the Fly America requirements in all cases.
4. **Flow-Down to Subcontracts** – Contractor shall include the requirements of this section in all subcontracts that may involve international air transportation to ensure compliance throughout all tiers of the contract.
5. **Updated Guidance** – The contractor shall comply with all updates to the General Services Administration Federal Travel Regulation (FTR), including but not limited to definitions of travel classes and inclusive, non-gendered language, as amended in April 2024.

19. Davis-Bacon and Copeland “Anti-Kickback” Act (Applicable to Construction Contracts and Subcontracts over \$2,000, including actual construction, alteration, and/or repair, including decorating and painting)

Davis-Bacon Act

The successful bidder shall comply with and ensure compliance with the requirements of 49 U.S.C. § 5333(a) (the Davis-Bacon Act), 40 U.S.C. §§ 276a through 276a-7, and implementing U.S. Department of Labor (DOL) regulations at 29 C.F.R. Part 5, "Labor Standards Provisions Applicable to Contracts Governing Federally Financed and Assisted Construction."

1. **Minimum Wages** – The successful bidder shall pay wages to laborers and mechanics performing work under this third-party contract at rates not less than those specified in the wage determination issued by the U.S. Secretary of Labor. Wages shall be paid at least once per week.
2. **Prevailing Wage Determination** – LCTA will provide the current prevailing wage determination issued by the U.S. DOL for this project upon request. No affected third-party contract shall be awarded until the third-party contractor agrees to the required wage determination.
3. **Reporting** – LCTA shall report to the FTA any suspected or reported violations of the Davis-Bacon Act or its implementing regulations.

Copeland “Anti-Kickback” Act

The successful bidder shall comply with the Copeland “Anti-Kickback” Act, 18 U.S.C. § 874 and 40 U.S.C. § 276c, as well as U.S. DOL regulations at 29 C.F.R. Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States."

1. **Prohibition of Kickbacks** – The successful bidder shall not, by any means, induce any person employed in the construction, completion, or repair of public work to give up any part of the compensation to which that employee is otherwise entitled.
2. **Reporting Violations** – LCTA shall report to FTA any suspected or reported violations of the Copeland “Anti-Kickback” Act or its federal implementing regulations.

Flow-Down to Subcontracts

The successful bidder shall include the provisions of this clause in all subcontracts exceeding \$2,000 financed in whole or in part with FTA assistance. Contractors must take all necessary steps to ensure subcontractor compliance, including monitoring and reporting as required.

20. Contract Work Hours & Safety Standards Act (Contracts over \$100,000)

1. **Overtime Requirements** – No contractor or subcontractor performing any part of this contract that involves the employment of laborers or mechanics shall require or permit any laborer or

mechanic to work in excess of 40 hours in a workweek unless such laborer or mechanic is compensated at a rate not less than one and one-half times the basic rate of pay for all hours worked over 40 in that workweek.

2. **Violation; Liability for Unpaid Wages; Liquidated Damages** – In the event of any violation of the overtime requirements above, the contractor or subcontractor responsible shall be liable for the unpaid wages. In addition, the contractor or subcontractor shall be liable for liquidated damages. Such liquidated damages shall be computed with respect to each laborer or mechanic, including watchmen and guards, employed in violation of this clause, at a rate of \$10 per calendar day for each individual required or permitted to work in excess of the standard 40-hour workweek without payment of the required overtime wages.
3. **Withholding for Unpaid Wages and Liquidated Damages** – The recipient may, on its own initiative or upon written request from the U.S. Department of Labor (USDOL), withhold from any payments due under this contract, or under any other Federal contract held by the same prime contractor, or any other federally-assisted contract subject to this Act, such sums as may be necessary to satisfy liabilities for unpaid wages and liquidated damages as provided above.
4. **Subcontracts** – The contractor or subcontractor shall include the provisions of this clause in all subcontracts and require each subcontractor to include these provisions in any lower-tier subcontracts. The prime contractor shall be responsible for ensuring compliance with these provisions by all subcontractors and lower-tier subcontractors.

21. Bonding Requirements

(Applicable to Construction or Facility Improvement Contracts or Subcontracts exceeding \$250,000)

General Bonding Policy

FTA may accept the recipient's bonding policy provided it meets the following minimum requirements for construction contracts:

- a. **Bid Guarantee** – Each bidder shall provide a bid guarantee equal to five percent (5%) of the bid price. Acceptable forms include a bid bond, certified check, or other negotiable instrument, ensuring the bidder will execute contractual documents within the time specified if awarded the contract.
- b. **Performance Bond** – The contractor shall furnish a performance bond for 100% of the contract price. This bond guarantees fulfillment of all obligations under the contract.
- c. **Payment Bond** – The contractor shall furnish a payment bond to assure payment of all labor and materials as required by law. Required amounts are:
 1. 50% of the contract price if ≤ \$1 million
 2. 40% if > \$1 million but ≤ \$5 million
 3. \$2.5 million if > \$5 million
- d. **Alternative Security** – Cash deposits, certified checks, other negotiable instruments, or irrevocable letters of credit may be accepted in lieu of bonds if adequate protection of FTA's interests is ensured.

2. Bid Bond Requirements

- a. **Bid Security** – Must be issued by a fully qualified surety company acceptable to the recipient and listed under 31 CFR Part 223.

b. Rights Reserved – The recipient reserves the right to reject any or all bids. Bids may not be withdrawn within 90 days after opening without written consent. Failure to comply or provide required bonds/insurance shall result in forfeiture of bid security to the extent of the recipient’s damages.

3. Performance and Payment Bonding Requirements (Construction)

a. Performance Bonds – Required for 100% of the original contract price, unless a lesser amount is approved by the recipient. Additional bonds may be required for contract price increases.

b. Payment Bonds – Required only when a performance bond is required. Penal amounts:

1. 50% of contract price if ≤ \$1 million
2. 40% if > \$1 million but ≤ \$5 million
3. \$2.5 million if > \$5 million

Additional bonds may be required for increases in contract price.

4. Performance and Payment Bonding Requirements (Non-Construction)

The recipient may require performance and payment bonds to protect its interests, including situations such as:

- Provision of recipient property or funds to the contractor
- Mergers or asset transfers
- Substantial progress payments before delivery of end items
- Dismantling, demolition, or removal of improvements

Performance and payment bonds shall be required as described above, with amounts and coverage determined by the recipient.

5. Advance Payment Bonding

If advance payments are included in the contract and no performance bond is furnished, the recipient may require an advance payment bond in an amount sufficient to protect its interests.

6. Patent Infringement Bonding

If the contractor’s financial responsibility is unknown or doubtful, the recipient may require a patent indemnity bond to protect against claims of patent infringement.

7. Warranty of Work and Maintenance Bonds

a. The contractor warrants that all materials and equipment will be new (unless specified otherwise), of the highest quality, and free from defects. All work shall meet contract standards.

b. Workmanship must be safe, durable, and of the highest standard. The contractor guarantees the work against defective materials and workmanship for a minimum of one (1) year after final payment. Any defects discovered during this period shall be repaired or replaced at no cost to the recipient.

c. As security for these guarantees, the contractor shall furnish a Maintenance (or Guarantee) Bond prior to final payment. The bond must be executed by the same surety that provides the performance and payment bonds and shall cover 100% of the contract sum, ensuring repair or replacement of defective work for at least one year after final payment.

22. Seismic Safety (Applicable to Construction Contracts over \$2,000, except Micro-Purchases)

This clause applies to construction of new buildings or additions to existing buildings. Contractor agrees as follows:

1. **Compliance with Seismic Safety Standards** – Any new building or addition to an existing building shall be designed and constructed in accordance with the seismic safety standards set forth in USDOT Seismic Safety Regulations, 49 CFR Part 41.
2. **Certification of Compliance** – Contractor shall certify compliance with the requirements of 49 CFR Part 41 to the extent required by the regulation.
3. **Subcontractor Compliance** – Contractor shall ensure that all work performed under this contract, including work performed by subcontractors, fully complies with the seismic safety standards of 49 CFR Part 41.
4. **Documentation** – Contractor shall maintain and provide, upon request, all documentation and certifications demonstrating compliance with the seismic safety standards for the project.

23. Transit Employee Protective Provisions (Applicable to Construction Contracts over \$2,000, except Micro-Purchases)

The Recipient acknowledges that 49 U.S.C. § 5333(b) requires employee protective arrangements as a condition of receiving FTA financial assistance for projects involving public transportation operations. Contractor agrees as follows:

1. **U.S. DOL Certification (Projects under 49 U.S.C. §§ 5307, 5309, 5312, 5337, or 5339)**
 - a. Contractor shall carry out the Project according to the U.S. DOL Certification, which sets fair and equitable terms and conditions to protect affected employees.
 - b. Contractor shall comply with 49 U.S.C. § 5333(b) and any future amendments.
 - c. Contractor shall follow U.S. DOL guidelines, “*Guidelines, Section 5333(b), Federal Transit Law,*” 29 C.F.R. Part 215, unless otherwise directed in writing by U.S. DOL.
 - d. Contractor shall comply with the terms of the U.S. DOL certification, including:
 1. Any alternative comparable arrangements specified by U.S. DOL.
 2. Any revisions specified by U.S. DOL.
 3. Both alternative arrangements and revisions.
 - e. Contractor shall adhere to the following documents incorporated by reference in the Underlying Agreement:
 4. U.S. DOL certification for the Project.
 5. Documents cited in the certification.
 6. Any alternative arrangements specified by U.S. DOL.
 7. Any revisions specified by U.S. DOL.
2. **Special Warranty (Projects under 49 U.S.C. § 5311, Tribal Transit Program, or prior fiscal years)**
 - a. Contractor shall comply with Federal transit laws, specifically 49 U.S.C. § 5333(b).
 - b. Contractor shall follow U.S. DOL guidelines, 29 C.F.R. Part 215, unless directed otherwise in writing.
 - c. Contractor shall comply with the U.S. DOL Special Warranty for the Project, including:
 1. Any alternative arrangements specified by U.S. DOL.
 2. Any revisions specified by U.S. DOL.

3. Both alternative arrangements and revisions.
 - d. Contractor shall comply with all documents incorporated by reference:
 4. U.S. DOL Special Warranty for the Project.
 5. Documents cited in the Special Warranty.
 6. Alternative arrangements specified by U.S. DOL.
 7. Any revisions specified by U.S. DOL.
3. **Special Arrangements for 49 U.S.C. § 5310 Projects (Elderly and Disabled Transportation)**
- a. Contractor acknowledges that FTA has determined that 49 U.S.C. § 5333(b) generally does not apply to 49 U.S.C. § 5310 Subrecipients.
 - b. FTA reserves the right to determine on a case-by-case basis whether 49 U.S.C. § 5333(b) applies to transfers of Title 23 funds (flex funds) or other projects, and may make additional exceptions as deemed appropriate.

24. Charter Bus Requirements/School Bus Operational Service Contracts.

(Applicable to contracts over \$10,000, except micro-purchases and construction contracts over \$2,000)

Charter Bus Service

Contractor shall comply with 49 U.S.C. § 5323(d) and (g) and 49 C.F.R. Part 604. Recipients and subrecipients of FTA assistance may provide charter services using equipment or facilities acquired with Federal assistance under the Federal Transit Laws, or under 23 U.S.C. 133 or 142, only in compliance with the law and FTA regulations. The FTA regulations, “*Charter Service*,” 49 C.F.R. Part 604, including all terms and conditions therein, are incorporated herein by reference.

School Bus Requirements

Pursuant to 49 U.S.C. § 5323(f) or (g), as amended by MAP-21, 23 U.S.C. 133, 23 U.S.C. 142, and 49 C.F.R. Part 605, recipients and subrecipients of FTA assistance shall not operate school bus services exclusively for transporting students or school personnel in competition with private school bus operators, unless operating under a specific allowable exemption. When operating under such an exemption, recipients and subrecipients shall not use federally funded vehicles, equipment, or facilities.

Violations

If a Recipient or any Third-Party Participant operates school bus service in violation of FTA’s school bus laws and regulations, FTA may:

1. Require the Recipient or Third-Party Participant to take remedial measures as deemed appropriate by FTA; or
2. Bar the Recipient or Third-Party Participant from receiving Federal transit funds.

25. Drug & Alcohol Abuse and Testing Operational service contracts except micro-purchases (Applicable to operational service contracts over \$10,000, except micro-purchases and construction contracts over \$2,000)

The Contractor agrees to comply with all applicable Federal regulations regarding drug and alcohol testing as follows:

a. Drug-Free Workplace

Contractor shall comply with U.S. DOT regulations, “*Drug-Free Workplace Requirements (Grants)*,” 49 C.F.R. Part 32, implementing the Drug-Free Workplace Act of 1988, as amended (41 U.S.C. §§ 8103 et seq.), and 2 C.F.R. Part 182.

b. Alcohol Misuse and Prohibited Drug Use

Contractor shall comply with FTA regulations, “*Prevention of Alcohol Misuse and Prohibited Drug Use in Transit Operations*,” 49 U.S.C. § 5331, as amended by MAP-21, 49 C.F.R. Part 40, 49 U.S.C. Chapter 53, and 49 C.F.R. Part 655, to the extent applicable.

Contractor shall ensure that all employees performing safety-sensitive functions under this contract are trained, tested, and monitored in accordance with the above regulations.

26. Patent and Rights Data Contracts involving experimental, developmental, or research work (Applicable to contracts involving experimental, developmental, or research work over \$10,000, except micro-purchases and construction contracts over \$2,000)

Patent Rights

A. General

The Recipient agrees that:

1. Depending on the nature of the Project, the Federal Government may acquire patent rights when the Recipient or any Third Party Participant produces a patented or patentable:
 - a. Invention, b. Improvement, or, c. Discovery.
2. Federal rights arise when the patent or patentable information is:
 - a. Conceived under the Project, or, b. Reduced to practice under the Project.
3. When a patent is issued or patentable information becomes available, the Recipient shall:
 - a. Notify FTA immediately, and, b. Provide a detailed report satisfactory to FTA.

B. Federal Rights

1. The rights and responsibilities of the Recipient and any Third Party Participants regarding federally funded inventions, improvements, or discoveries will be determined according to applicable Federal laws, regulations, and guidance, including any waivers.
2. Unless FTA determines otherwise in writing, the Recipient shall transmit the Federal Government’s patent rights to FTA as specified in:
 - a. 35 U.S.C. § 200 et seq., and
 - b. U.S. Department of Commerce regulations, “*Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements*,” 37 C.F.R. Part 401.

C. License Fees and Royalties

1. As permitted by 49 C.F.R. Parts 18 and 19, license fees and royalties for patents, patent applications, and inventions derived from the Project are considered program income.
2. The Recipient has no obligation to the Federal Government regarding these fees or royalties, except:
 - a. For compliance with 35 U.S.C. § 200 et seq., and, b. As FTA determines otherwise in writing.

Rights in Data and Copyrights

A. Definition of “Subject Data”

Recorded information:

1. Whether copyrighted or not, and
2. That is delivered or specified to be delivered under the Underlying Agreement.

B. Examples of “Subject Data”

1. Includes, but is not limited to:
 - a. Computer software, b. Standards, c. Specifications, d. Engineering drawings and associated lists, e. Process sheets, f. Manuals, g. Technical reports, h. Catalog item identifications, and i. Related information.
2. Does not include:
 - a. Financial reports, b. Cost analyses, or c. Other similar information used for Project administration.

C. General Federal Restrictions

1. Prohibitions: The Recipient may not:
 - a. Publish or reproduce any subject data in whole or in part, or, b. Permit others to do so.
2. Exceptions: The above prohibitions do not apply to:
 - a. Internal use by the Recipient, b. Institutions of higher learning, c. Data previously released or approved for public release by the Federal Government, or d. Data with prior written consent of the Federal Government.

D. Federal Rights in Data and Copyrights

1. License Rights: The Recipient must provide a royalty-free, non-exclusive, and irrevocable license to the Federal Government.
2. Uses: The Federal Government may:
 - a. Reproduce, b. Publish, c. Otherwise use, and d. Permit others to use subject data for Federal Government purposes.

E. Special Federal Rights for R&D, Demonstration, Deployment, and Special Studies Projects

1. Publicly Available Report: Upon Project completion, a report must be provided that FTA may publish or make available online.
2. Other Reports: Provide other reports as requested by FTA.
3. Availability of Subject Data: FTA may share subject data or copyright licenses with other FTA recipients or participants unless otherwise directed.
4. Confidential Information: Clearly identify any confidential, privileged, or proprietary information submitted to FTA.
5. Incomplete Projects: All data developed becomes subject data and must be delivered as directed by FTA if the Project is not completed.
6. Exception: Rights provisions do not apply to automatic data processing equipment or programs acquired for the Recipient’s use with FTA capital funding.

F. License Fees and Royalties

1. License fees and royalties for copyrighted material or trademarks derived from the Project are program income.
2. The Recipient has no obligation to the Federal Government regarding these fees, except for compliance with 35 U.S.C. § 200 et seq., or as otherwise determined in writing by FTA.

G. Hold Harmless

1. Violation by Recipient: If the Recipient willfully or intentionally violates proprietary rights, copyrights, or privacy rights through publication, translation, reproduction, delivery, use, or disposition of Project data, it shall indemnify and hold harmless Federal officers, employees, and agents acting within the scope of their duties.
2. Exceptions: The Recipient is not required to indemnify the Federal Government for violations caused by Federal officers, employees, or agents, or where State law limits indemnification.

H. Restrictions on Access to Patent Rights

Nothing in this clause grants a license to the Federal Government under any patent or affects existing patent licenses or rights.

I. Data Developed Without Federal Funding

1. Sections A–D generally do not apply to data developed without Federal funding.
2. Clearly mark any proprietary or confidential data developed without Federal funding to protect against unauthorized disclosure.

J. Requirements to Release Data

The Recipient understands that FTA may be required to release Project data under:

1. The Freedom of Information Act (5 U.S.C. § 552),
2. Other applicable Federal laws, or
3. U.S. DOT regulations, 49 C.F.R. § 19.36(d), or other applicable Federal regulations and guidance.

27. Conformance with ITS National Architecture (Applicable to all contracts where Intelligent Transportation Systems (ITS) or related technologies are involved)

1. General Requirement

The Contractor shall conform, to the extent applicable, to the National Intelligent Transportation Systems (ITS) Architecture and Standards, as required by SAFETEA-LU Section 5307(c), 23 U.S.C. Section 512 note.

2. FTA Policy Compliance

Contractor shall follow the provisions of FTA Notice, “*FTA National Architecture Policy on Transit Projects*,” 66 Fed. Reg. 1455 et seq., January 8, 2001, and any subsequent directives, guidance, or updates issued by FTA.

3. Exceptions

Deviations from the ITS National Architecture requirements are only permitted to the extent FTA provides written authorization. Contractor shall obtain such authorization in advance if any design, implementation, or integration of ITS components cannot fully conform to the National Architecture.

4. Subcontracts

Contractor shall include these requirements in all applicable subcontracts, ensuring that any subcontractor performing work on ITS systems or components also complies with the National Architecture requirements.

5. Documentation and Reporting

Contractor shall provide documentation demonstrating conformance to the ITS National Architecture, including system design, interfaces, and testing reports, and shall make such documentation available to the Recipient and FTA upon request.

28. Access Requirements for Persons with Disabilities (Applicable to ALL Contracts)

(1) Federal Policy Compliance

Contractor shall comply with 49 U.S.C. § 5301(d), which establishes the Federal policy that elderly individuals and persons with disabilities must have the same rights as other individuals to use mass transportation services and facilities. Special efforts shall be made in planning, designing, constructing, operating, and maintaining transportation services and facilities to implement this policy.

(2) Rehabilitation Act Compliance

Contractor shall 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 disability in programs or activities receiving Federal financial assistance.

(3) Americans with Disabilities Act (ADA) Compliance

Contractor shall comply with all applicable requirements of the Americans with Disabilities Act of 1990 (42 U.S.C. § 12101 et seq.), as amended, and implementing regulations, ensuring that accessible facilities, services, and programs are provided to persons with disabilities. This includes compliance with any subsequent amendments, updates, or regulations issued under ADA.

(4) Subcontracts

Contractor shall include these requirements in all subcontracts and ensure that any subcontractor performing work under this contract also complies with the access requirements for persons with disabilities.

(5) Documentation and Reporting

Contractor shall maintain documentation demonstrating compliance with applicable Federal accessibility laws and make such documentation available to the Recipient and FTA upon request.

29. Safe Operation of Motor Vehicles (Applicable to ALL Contracts)

a. Seat Belt Use

The Recipient shall implement Executive Order No. 13043, "Increasing Seat Belt Use in the United States," April 16, 1997 (23 U.S.C. § 402 note; 62 Fed. Reg. 19217), by:

1. Adopting and promoting on-the-job seat belt use policies and programs for all employees and other personnel who operate:
 - Company-owned vehicles, Company-rented vehicles, or Personally owned vehicles while performing official work on behalf of the Award.
2. Including a "Seat Belt Use" provision in each third-party agreement related to this Award, ensuring that all subcontractors and subrecipients follow seat belt safety policies.

b. Distracted Driving, Including Text Messaging While Driving

The Recipient shall comply with the following federal requirements:

1. Executive Order No. 13513, “Federal Leadership on Reducing Text Messaging While Driving,” October 1, 2009 (23 U.S.C. § 402 note; 74 Fed. Reg. 51225),
2. U.S. DOT Order 3902.10, “Text Messaging While Driving,” December 30, 2009, and
3. U.S. DOT Special Provisions on Distracted Driving, including:
 - a. **Safety Policies** – The Recipient shall adopt and enforce workplace safety policies to reduce crashes caused by distracted driving, including prohibiting text messaging while using any electronic device supplied by an employer, or while operating vehicles:
 - Owned, leased, or rented by the Recipient,
 - Privately owned vehicles while on official business in connection with the Award.
 - b. **Recipient Size Considerations** – The Recipient shall implement workplace safety initiatives appropriate to its size, including establishing new rules, re-evaluating existing programs, and providing education and awareness to employees on the safety risks of texting while driving.
 - c. **Extension to Subrecipients and Third Parties** – The Recipient shall include the Special Provision on Distracted Driving in all third-party agreements and encourage Third-Party Participants at all tiers to comply with these safety requirements.

c. Documentation and Compliance

The Recipient shall maintain records demonstrating implementation of seat belt and distracted driving policies and make such records available to FTA upon request.

30. Prohibition on Certain Telecommunications and Video Surveillance Services or Equipment (Applicable to ALL Contracts)

The VENDOR hereby acknowledges that the John S. McCain National Defense Authorization Act for Fiscal Year 2019, Pub. L. 115-232, § 889 (Aug. 13, 2018) (the “Act”), prohibits the Agency from procuring certain “covered telecommunications equipment or services,” as defined in the Act, in federally assisted procurements. The parties agree that this Contract is a federally assisted procurement subject to that prohibition.

VENDOR Representations and Warranties:

1. The VENDOR has performed due diligence on its supply chain to ensure compliance with the Act.
2. The VENDOR represents and warrants that no “covered telecommunications equipment or services” as defined by the Act will be supplied under this Contract in a manner that would cause the Agency to violate the Act.
3. The VENDOR shall include this certification as a flow-down clause in all subcontracts or agreements related to this Contract to ensure compliance by all subcontractors and suppliers.

Compliance Requirement:

Failure to comply with this certification may be treated as a material breach of this Contract and may result in termination, withholding of payments, or other remedies available to the Agency under federal law or the terms of this Contract.

31. Notice of Waste, Fraud, and Abuse (Applicable to all FTA-assisted contracts and subcontracts exceeding \$25,000)

The Contractor must promptly notify the Federal Transit Administration (FTA) and the U.S. Department of Transportation Office of Inspector General (DOT OIG) in writing if it discovers credible evidence of fraud, waste, abuse, or mismanagement involving FTA funds. Notification must include details of the issue and any corrective actions taken or planned. Failure to report may be considered a material breach of contract.

Buy America Requirements

Program Requirement:

Buy America mandates that **federal tax dollars** used in transit-related projects must support domestic industry by ensuring **steel, iron, and manufactured goods** are produced in the **United States**.

Statutory References:

- 49 U.S.C. § 5323(j)
- FAST Act § 3011
- Reinforced under the Bipartisan Infrastructure Law (BIL)

Eligible Activities:

Buy America applies to **all federally funded purchases**, including:

- Steel
- Iron
- Manufactured products
- Rolling stock (buses, railcars, etc.)
- Capital leases

Recent Updates (Effective 2025):

1. Rolling Stock Domestic Content Requirements:

- FY 2016–2017: More than **60%** U.S. content
- FY 2018–2019: More than **65%** U.S. content
- FY 2020 & beyond: More than **70%** U.S. content required

2. **Steel/Iron Inclusion Flexibility:** If the **average cost of the vehicle exceeds \$300,000**, the **cost of U.S.-produced steel or iron** used in frames or car shells can count toward the domestic content requirement, even if the component is not fully manufactured in the U.S.

3. Updated Waiver Requirements: USDOT/FTA must now:

- Certify that the product is **not available in sufficient quantity** in the U.S.
- Certify that the U.S.-produced product is of **satisfactory quality**
- **Disclose waiver denials and rationale** publicly on the USDOT website

4. Small Purchase Waiver:

- A **General Public Interest Waiver** applies for purchases **≤ \$150,000**, in alignment with the Simplified Acquisition Threshold

Compliance Reminder: All recipients and subrecipients of FTA funds must maintain documentation supporting Buy America compliance and waiver use where applicable.

FEDERALLY REQUIRED CONTRACT CLAUSES

Updated 01/2020

The successful contractor is expected to be familiar with and meet all stated or otherwise applicable federal clauses and standards. FTA third party contract clauses can be obtained through “Procurement Pro,” an online procurement management system produced by National RTAP. Procurement Pro is available through the following webpage:

<http://www.nationalrtap.org/>

Recipients are responsible for evaluating these requirements for relevance and applicability to each procurement. A master list of all federal clauses is included in the toolkits. Recipients should work with the WisDOT Procurement Manager to ensure completeness of contract clauses.

Listed above is the matrix of FTA required contract clauses and federal certifications.

Applicability of Third Party Contract Provisions

(Excluding micro-purchases, except for construction contracts over \$2,000)