Resolution of the County Board of Kankakee County, Illinois

RE: PURCHASE OF SERVICE AGREEMENT WITH SHOW BUS TO OPERATE THE COUNTY'S RURAL GENERAL PUBLIC TRANSPORTATION SERVICE — STATE FY19

WHEREAS, the County of Kankakee has received grant funds and subsidized a rural public transportation service in non-metropolitan areas of the County for the past several years, and;

WHEREAS, the County has once again applied for grant funds to help support a rural public transportation program for State Fiscal Year 2019, and;

WHEREAS, since 1999 the County of Kankakee has contracted annually with SHOW BUS to operate the rural public transportation service, and;

WHEREAS, the Planning, Zoning and Agriculture Committee (PZA) at its regularly scheduled and duly notice meeting of March 21, 2018, having reviewed, discussed and considered the matter, has recommended that it is in the best interests of the County and its rural transit program to again contract with SHOW BUS for the continued operation of the rural transit program for State Fiscal Year 2019, following the review of the Kankakee County State’s Attorney’s Office; subject to availability of state grant funds, the Purchase of Service Agreement, Exhibit A, a copy of which is attached herein and made a part hereof;

NOW, THEREFORE BE IT RESOLVED by the County Board of Kankakee County, Illinois at its regularly scheduled meeting of April 10, 2018 that the County Board Chairman, or whomever he shall so designate in writing, is authorized and directed to sign and execute, on behalf of the County, the attached Purchase of Service Agreement with SHOW BUS for the purpose of operating a rural transportation service in unincorporated Kankakee County, Illinois during the State Fiscal Year of 2019, following the review of the Kankakee County State’s Attorney’s Office, subject to availability of state grant funds.

BE IT FURTHER RESOLVED that the County Treasurer is hereby directed to make payments to SHOW BUS for services rendered pursuant to agreement.

PASSED and adopted this 10th day of April, 2018.

Andrew H. Wheeler, County Board Chairman

ATTEST:

Dan Hendrickson, County Clerk
PURCHASE OF SERVICE AGREEMENT
FOR THE RURAL GENERAL PUBLIC TRANSPORTATION
UNDER THE

SECTION 5311 OPERATING AND ADMINISTRATIVE ASSISTANCE PROGRAM AND
DOWNSTATE OPERATING ASSISTANCE PROGRAM (DOAP)

BETWEEN
THE COUNTY OF KANKAKEE, ILLINOIS
AND
SHOW BUS

CONTRACT NUMBER________
STATE FISCAL YEAR 2019
PURCHASE OF SERVICE AGREEMENT

This Agreement is made by and between the COUNTY OF KANKAKEE, ILLINOIS, (hereinafter referred to as “Grantee”) and SHOW BUS (hereinafter referred to as the “Provider” which term shall include its successors and assigns.

WHEREAS, the Grantee proposes to provide public transportation services to a non-urbanized area of Illinois (herein referred to as the “Project”);

WHEREAS, the Grantee has applied under Section 5311 of the Federal Transit Act, as amended (49 USCApp 1614) and under the provisions of the Illinois Downstate Public Transportation Act (30 ILCS 740/2-1, et. seq.) to the Illinois Department of Transportation (hereinafter “DOT”) for operating and administrative assistance for this Project;

WHEREAS, the Grantee’s application has been approved/pending approval by IDOT;

WHEREAS, the Grantee’s application has been approved pending approval by DOT; and

NOW THEREFORE, in consideration of the mutual covenants hereinafter set forth, the Agreement is made to provide for the manner in which the Project will be undertaken, completed and used.

ITEM 1-DEFINITIONS

As used in the Agreement:

1. “Grantee” means the County of Kankakee, Illinois.

2. “DOT” means the State of Illinois Department of Transportation, Division of Public Transportation.

3. “FTA” means the Federal Transit Administration of the United States Department of Transportation.


5. “Provider” means a provider of transit service participating in the Section 5311 program and supplying transportation services for the Project under the contract to the Grantee.

6. “Project Costs” means the sum of eligible costs incurred by the Provider and/or its Operator(s) in performing the Project.

7. “USDOT” means the United States’ Department of Transportation.
ITEM 2-PROJECT SCOPE

The Provider agrees to provide the public transportation services described in the Grantee's Final Approved Application and Service Plan on file at the IDOT offices. Provider's Service Plan will be incorporated into this agreement as Exhibit A and made a part hereof. Provider shall not reduce, terminate, or substantially change such public transportation without the prior written approval of the Grantee.

ITEM 3-AMOUNT OF CONTRACT

Under the Section 5311 program administered by IDOT, the Grantee may make payments for up to 50% of the Provider's eligible operating deficit and up to 80% of the eligible administrative expenses incurred by the Provider during the fiscal year in the provision of the public transportation services approved by the Grantee. In addition, under the Downstate Public Transportation Operating Assistance, the Grantee may make payments for up to 65% of eligible operating costs. In no event shall the Provider's payment under this Agreement exceed the total funding available for the Project costs. Total federal funding for the Project costs is projected to be ONE HUNDRED SIXTY-SIX MILLION, SIX HUNDRED NINETY-EIGHT AND 00/100 ($166,698,00) DOLLARS for Section 5311. (Also, under Section 5311f, a total of FIFTEEN MILLION, SIX HUNDRED EIGHTY-FOUR AND 00/100 ($14,684,30) DOLLARS for operating expenses and another SIXTEEN MILLION AND 00/100 ($16,000,00) DOLLARS for capital expenses is expected to be paid). In addition, total state funding for FY 2019 is estimated to be ONE MILLION, FIFTY-SIX THOUSAND, NINE HUNDRED THIRTY-FIVE AND 00/100 ($1,056,935.00) DOLLARS.

The provider agrees that it will provide, or cause to be provided, from sources other than funds provided under Section 5311 of the Federal Transit Act, as amended and the Downstate Public Transportation Act (30 ILCS 740/2-1, et. seq.) sufficient funds to meet the non-IDOT portion of the operating deficit and administrative costs.

ITEM 4-DOCUMENTS FORMING THIS AGREEMENT

The parties agree that this constitutes the entire Agreement between the parties hereto, that there are no agreements or understandings, implied or expressed, except as specifically set forth in the Agreement and that all prior agreements and understandings in the connection are merged into and contained in this Agreement.

The Parties hereto further agree that this Agreement consists of this Part entitled "Purchase of Service Agreement for Rural General Public Transportation", together with Exhibit A, entitled “Provider's Application”, Exhibit B, entitled “Approved Project Budget”, and Exhibit C, entitled "State of Illinois Drug Free Workplace Certification", all of which are by this reference specifically incorporated herein.

ITEM 5-ILLINOIS GRANT FUNDS RECOVERY ACT

This grant is subject to the Illinois Grant Funds Recovery Act, 20 ILCS 705/1, et seq. This agreement is valid until June 30, 2019 and grant funds are available to the Provider and may be expended by the Provider until said date unless the Grantee, at its discretion, grants an extension of time. Any funds which are not expended or legally obligated by the Provider at the end of the Agreement or by the expiration of the period of time funds are available to expenditure or obligation, whichever is earlier, shall be returned to the Grantee within 45 days. Project close-out shall be in accordance with ITEM 14 of this Agreement.

This ITEM is subject to further revision at the sole determination and discretion of the Grantee.

ITEM 6-ACCOMPLISHMENT OF THE PROJECT
1. **General Requirements**—The Provider shall commence, carry on, and complete the Project with all practicable dispatch, in a sound economical, and efficient manner, and in accordance with the provisions hereof, the Service Plan, and all applicable laws and Grantee guidelines.

2. **Pursuant to Federal, State, and Local Law**—In performance of its obligations pursuant to this Agreement, the Provider and its contractors shall comply with all applicable provisions of Federal, State and local law. All limits and standards set forth in this Agreement to be observed in the performance of the Project are minimum requirements and shall not affect the application of more restrictive local standards to the performance of the Project.

3. The Provider agrees that the most recent of such Federal and State requirements will govern the administration of this Agreement at any particular time, except if there is sufficient evidence in the Agreement of a contrary intent. Such contrary intent might be evidenced by a letter signed either by IDOT or FTA, the language of which either modifies or otherwise conditions the text of a particular provision of this Agreement. Likewise, new Federal and State laws, regulations, policies and administrative practices may be established after the date the Agreement has been executed and may apply to this Agreement. To achieve compliance with changing Federal and State requirements, the Provider agrees to include in all third party contracts financed with Government (FTA and/or IDOT) assistance, specific notice that Federal and State requirements may change and the changed requirement will apply to the project as required.

4. **Project Funds**—The Provider shall initiate and prosecute to completion all proceedings necessary to enable the Provider to provide its share of Project costs at or prior to the time that such funds are needed to meet Project costs.

5. **Changed Conditions Affecting Performance**—The Provider shall immediately notify the Grantee of any change in conditions of local law, or of any other event which may significantly affect its ability to perform the Project in accordance with the provisions of this contract.

6. **No Government Obligations to Third Parties**—The Grantee shall not be subject to any obligations or liabilities by contractors of the Provider or their subcontractors or any other person not a party to this contract in connection with the performance of this Project pursuant to the provisions of this Agreement without its specific written consent and notwithstanding its concurrence in or approval of the award of any contract or subcontract or solicitation thereof.

**ITEM 7—CONTINUANCE OF SERVICE**

The Provider agrees to use its best efforts to continue to provide, either directly or by contract, as the case may be, the service described in the Provider’s Final Approved Service Plan. No reductions or termination of such service shall be made without compliance with all applicable statutory and regulatory provisions. At least 30 days prior to (a) any reduction or termination of such service or (b) the filing of a request for such reduction or termination with the appropriate regulatory agency, whichever comes first, the Provider shall give written notice of the proposed action to the Grantee and all units of local government within the Provider’s service area.

**ITEM 8—USE OF FACILITIES**

The Provider agrees that the Project facilities will be used for the provision of transportation service within the Grantee’s service area substantially as described in the Provider’s Final Approved Service Plan. Such facilities shall be used in the provision of said service during the effective period of this Agreement in accordance with generally accepted accounting principles, IDOT, FTA, and Grantee guidelines. If, during such period, such facilities are not used for transportation service at the initiative of the Provider, the Provider shall immediately notify the Grantee.
The Provider shall keep satisfactory records with regard to the use of the facilities and submit to the Grantee upon request such information as is required in order to assure compliance with this Section and shall immediately notify the Grantee in all cases where Project facilities are used in a manner substantially different from that described in the Final Approved Service Plan. The Provider shall maintain in amount and form satisfactory to the Grantee such insurance or self-insurance as will be adequate to Project facilities through the period of required use. The Provider shall also submit at the request of the Grantee, upon the forms provided by IDOT, a certification that the Project facilities are being used in accordance with the terms of this ITEM.

1. **Encumbrance of Project Property.** Unless expressly authorized in writing by IDOT, the Provider agrees to refrain from:
   a. Executing any transfer of title, lease, lien, pledge, mortgage, encumbrance, contract, grant anticipation note, alienation, or other obligation that in any way would affect the Grantee interest in any Project real property or equipment; or
   b. Obligate itself in any manner to any third party with respect to Project real property or equipment.

2. The Provider agrees to refrain from taking any action or acting in a manner that would adversely affect the Grantee interest or impair the Provider's continuing control over the use of the Project real property or equipment.

**ITEM 9: ETHICS**

1. The Provider shall maintain a written code or standard of conduct which shall govern the performance of its employees, officers, board members or agents engaged in the award and administration of contracts supported by federal or state funds. Such code shall provide that no employee, officer, board member or agent of the Provider may participate in the selection, award, or administration of a contract supported by federal or state funds if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when any of the parties set forth below has a financial or other interest in the firm selected for award:
   a. The employee, officer, board member, or agent;
   b. Any member of his or her immediate family;
   c. His or her partner; or
   d. Any organization that employs, or is about to employ, any of the above.

The conflict of interest requirement for former employees, officers, board members and agents shall apply for one (1) year.

The code shall also provide that the Provider's employees, officers, board members or agents shall neither solicit nor accept gratuities, favors, or anything of monetary value from contractors, potential contractors, or parties to sub-agreements.

2. **Interest of Members of or Delegated to Congress.** No member of or delegate to the Congress of the United States shall be admitted to any share or part of this Project or derive any benefit therefrom.

3. **Bonus or Commission.** The Provider acknowledges that if it makes a false, fictitious, or fraudulent claim, statement, submission, or certification to Grantee in connection with this Project, the Grantee reserves the right to impose on the Provider the penalties of 18 U.S.C.
ITEM 10-THE PROJECT BUDGET

Project Budget shall be prepared by the Provider and approved by the Grantee. The Project Budget shall be maintained by the Provider and shall provide the Grantee with a copy. The Provider shall carry out the Project and shall incur obligations against and make disbursements from project funds only in conformity with the latest Approved Project Budget. The Project Budget may be revised from time to time, but no Budget or revision thereof shall be effective unless and until the Grantee shall have approved the same.

ITEM 11-ACCOUNTING RECORDS

1. Project Accounts-The provider shall establish and maintain as a separate set of accounts, or as an integral part of its current accounting scheme, accounts for the Project in conformity with requirements established by the Grantee.

2. Funds Received or Made Available for the Project - Provider shall appropriately record in the Project Account, and deposit in a bank or trust company which is a member of the Federal Deposit Insurance Corporation, or the Federal Savings and Loan Insurance Corporation, all Contract payments received by it from the Grantee pursuant to this Contract and all other funds provided for, accruing to, or otherwise received on account of the Project, which Grantee payments and other funds are herein collectively referred to as "Project Funds."

The Provider shall require the depositaries of Project Funds to secure continuously and fully all Project Funds in excess of the amounts insured under Federal plans, or under State plans which have been approved for the deposit of the Project Funds by the Grantee, by the deposit or setting aside of collateral of the types and in the manner as described by State law for the security of public funds or as approved by FTA.

The Provider agrees to report to the Grantee quarterly by the thirtieth (30th) day of the month following the reported quarter, and at such other times as the Grantee may prescribe, the amounts recorded in the Project Account.

3. Eligible Costs - Expenditures made by the Provider shall be reimbursable as eligible costs to the extent they meet all of the requirements set forth below. They must:

(a) be made in conformance with the Final Approved Service Plan and the Approved Project Budget and all other provisions of this contract;

(b) be necessary in order to accomplish the Project;

(c) be reasonable in amount for the goods and services purchased;

(d) be actual net costs to the provider (i.e., the price paid minus any refunds, rebates, or other items of value received by the Provider that have the effect of reducing the cost actually incurred) except as otherwise authorized by the Grantor in writing.

(e) be incurred (and be for work performed) after the date of this Contract, unless specific authorization from the Grantee to the contrary is received;

(f) be in conformance with the standards for allowability of costs established by the Grantee, IDOT, and FTA, unless specific authorization to the contrary is received from

Section 1001, 31 U.S.C. Sections 3801, et seq., and 49 U.S.C. app. Section 1607a(h), as IDOT or the Grantee deems appropriate. The terms of the U.S. DOT regulations, "Program Fraud Civil Remedies", 49 C.F.R. Part 31, apply to this Project.
the Grantee, IDOT, and/or the FTA;

(g) be satisfactorily documented; and

(h) be treated uniformly and consistently under accounting principles and procedures approved or prescribed by the Grantee.

However, in the event that it may be impractical to determine exact costs of indirect or service functions, eligible costs will include such allowances for these costs as may be approved by IDOT.

4. Documentation of Project Costs - All costs charged to the Project, including any approved services contributed by the Provider or others, shall be supported by properly executed payrolls, time records, invoices, allocation plans, contracts and/or vouchers evidencing in detail the nature and property of the charges.

5. Checks, Orders and Vouchers - Any check or order drawn by the Provider with respect to any item which is or will be chargeable against the Project Account will be drawn only in accordance with a properly signed voucher then on file in the office of the Provider stating in proper detail the purpose of which such check or order is drawn. All checks, payrolls, invoices, contracts, vouchers, orders, allocation plans or other accounting documents pertaining in whole or in part to the Project shall be clearly identified, readily accessible, and to the extent feasible, kept separate and apart from all other such documents.

6. Audit and Inspection Records - The Provider (and its subcontractors) certify that it shall remain, for a minimum of seven (7) years after the completion of the Agreement, adequate books, records, and supporting documents to verify the amounts, recipients, and uses of all disbursements of funds passing in conjunction with the Agreement, the Agreement and all books, records and supporting documents related to the Agreement shall be available for review and audit by the Auditor General, the Grantee and its agents, or the Federal Transit Administration (hereinafter "Auditing Parties"); and the Provider agrees to cooperate fully with any audit conducted by the Auditing Parties and to provide full access to all relevant materials. Failure to maintain the books, records, and supporting documents required by this section shall establish a presumption in favor of the State and against the Provider for the recovery of any funds paid by the State under the Agreement for which adequate books, records, and supporting documentation are not available to support their purported disbursement.

7. General Audit and Inspection - The Provider shall permit, and shall require its contractors to permit, the Grantee or any other State or Federal agency authorized to perform such audit or inspection, to inspect all work, materials, payrolls, and other data and records, with regard to the Project. The Provider shall furnish at closeout, or any time prior to close-out as may be requested by the Grantee, audit reports prepared according to generally accepted accounting principles. The Provider agrees to comply promptly with recommendations contained in the Grantee's final audit report. The Grantee shall have final selection and/or approval of an independent auditor for these purposes.

ITEM 12 - REQUISITIONS AND PAYMENTS

1. Requests for Payment by the Provider. The Provider may make requests for payment of eligible costs, and the Grantee shall honor such requests in the manner set forth in this ITEM. In order to receive payments, the Provider must:

(a) completely execute and submit to the Grantee requisition forms supplied by IDOT to the Grantee in accordance with the instructions contained therein:
(b) submit to the Grantee an explanation of the purposes for which costs have been incurred to date or are reasonably expected to be incurred within the requisition period (not more than 30 days after the date of submission); and vouchers, invoices or other documentation to substantiate these costs;

(c) where local funds are required, demonstrate or certify that it has supplied local funds adequate, when combined with the State payments, to cover all costs to be incurred to the end of the requisition period; and

(d) have submitted all financial and progress reports currently required by the Grantee or IDOT.

2. Payment by the Grantee - Upon receipt of the requisition form and the accompanying information in satisfactory form, the Grantee shall process the requisition. If the Provider is complying with its obligations pursuant to the contract, has satisfied the Grantee of its need for the funds requested during the requisition period, and is making adequate progress toward timely completion of the project; and if all of these circumstances are found to exist, the Grantee shall reimburse apparent allowable costs incurred (or to be incurred during the requisition period) by the Provider up to the maximum amount payable. However, reimbursement of any cost pursuant to this ITEM shall not constitute a final determination by the Grantee of the allowability of such cost and shall not constitute a waiver of any violation of the terms of this contract committed by the Provider. The Grantee will make a final determination as to allowability only after a final audit of the project has been conducted.

In the event that the Grantee determines that the Provider is not currently eligible to receive any or all of the funds requested, it shall promptly notify the Provider stating the reasons for such determination.

If the Provider disagrees with the determination of the Grantee, it may make a written request to the Grantee, within ten (10) days of notice that the requested requisition has been deemed ineligible for reimbursement, to forward the requisition to IDOT for its determination. If after review IDOT deems that the requisition is an eligible expense and so notifies the Grantee in writing of its decision within 14 days, the requisition shall be reimbursed by Grant funds.

3. Disallowed Costs - In determining the amount payable, the Grantee will exclude costs incurred by the Provider which are not provided for in the latest Approved Project Budget for the Project; and costs attributable to goods or services received under a contract or other arrangement which has not been concurred in or approved in writing by the Grantee.

ITEM 13-RIGHT OF DEPARTMENT TO TERMINATE

Upon written notice to the Provider, the Grantee reserves the right to suspend or terminate all or part of the financial assistance herein provided for when the provider is, or has been in violation of the terms of this contract or when the state determines that the purpose of the Acts would not be adequately served by the continuation of State financial assistance to the project. Any failure to make progress which significantly endangers substantial performance of the Project within a reasonable time shall be deemed to be a violation of the terms of this contract. Termination of any part of the grant will not invalidate obligations properly incurred by the Provider and concurred in by the Grantee prior to the date of termination, to the extent that they are non-cancelable. The acceptance of a remittance of any or all Project payments previously received by the Provider or the closing out of State financial participation in the Project shall not constitute a waiver of any claim which the State may otherwise have arising out of this Contract.

ITEM 14-PROJECT AUDIT
Upon receipt of notice of successful completion of the project or upon termination of the Grantee, the Grantee shall perform a final audit of the Project to determine the allowability of costs incurred, and shall make settlement of the State grant described in this contract. If the Grantee has made payment to the Provider in excess of the total amount of such State grant, the Provider shall promptly remit such excess to the State. The Project close-out occurs when the Grantee notifies the Provider and forwards the final grant payment or when an appropriate refund of State Grant funds has been received from the Provider and acknowledged by the Grantee. Close-out shall be subject to any continuing obligations imposed on the Provider by this contract or contained in the final notification or acknowledgment from the Grantee.

ITEM 15—PROJECT SETTLEMENT AND CLOSE-OUT

Provider agrees to initiate and consummate all actions necessary to enable it to enter into this Agreement. Provider warrants that there is no provision of its charter, by-laws or any rules, regulations, or legislation which prohibits, voids, or otherwise renders unenforceable against Provider any provision or clause of this Agreement. Provider warrants further that it has paid all Federal, State and local taxes levied or imposed and will continue to do so, excepting only those which may be contested in good faith, that Provider has or will obtain all licenses, permits or other authorizations required to meet the obligations assumed hereunder and that Provider will comply with all lawful statutes, ordinances, rules, and regulations as may apply to the obligations assumed hereunder.

ITEM 16—CONTRACT OF THE PROVIDER

Except as otherwise provided in the Grantee guidelines or as specifically approved by the Grantee, the Provider shall not execute any contract or obligate itself in any other manner with any third party with respect to the Project.

ITEM 17—COMPETITIVE BIDDING

Provider agrees to give full opportunity for free, open and competitive bidding for each contract to be let by the Provider calling for construction or furnishing of any materials, supplies, or equipment to be paid for with Project Funds and Provider shall give such publicity in its advertisements or calls for bids for each Contract as will provide adequate competition.

The award of each such Contract shall be made by Provider as soon as practical to the lowest responsible bidder except as otherwise provided in Grantee, IDOT and FTA guidelines.

ITEM 18—THIRD PARTY CONTRACT CHANGES

No change or modification of the scope or cost shall be made to any contract and no work shall commence and no costs or obligations incurred in consequence of such change or modification except as otherwise approved by the Grantee, and where required, until the Approved Project Budget has been amended by the Grantee as may be necessary to provide for such change or modification.

ITEM 19—PRE-BID REVIEW

Except as otherwise provided in Grantee guidelines or as otherwise specifically approved by the Grantee, the Provider agrees that, prior to advertising for any bids for any work to be performed under ITEM 17—COMPETITIVE BIDDING, the Provider shall submit one copy of each of the proposed contract, plans, specifications, proposed advertisement for bids, and all related bidding documents, to the grantee for approval. The bid invitation or advertisement shall include a statement that the contract to be let is subject to this contract between the Provider and the Grantee.

ITEM 20—ASSIGNMENT OF AGREEMENT
ITEM 21-INDEMNIFICATION AND INSURANCE

The Provider agrees to save harmless and indemnify the Grantee from any and all losses, expenses, damages (including loss of use), demands and claims and shall defend any suit or action, whether at law or in equity, brought against it based on any such alleged injury (including death) or damage and shall pay all damages, judgments, costs, and expenses, including attorney’s fees, in connection with said demands and claims resulting therefrom.

The Provider agrees that it will maintain or cause to be maintained, for the duration of the Project, such self-insurance or policies of insurance with limits and upon terms satisfactory to the Grantee as will protect the Provider from any other claims for damages to property or for bodily injury including death, which may arise from or in connection with the operations hereunder by the Provider, or by anyone directly or indirectly employed by or associated with it, and the Provider shall furnish the Grantee with certificate(s) evidencing all such required insurance.

ITEM 22-NON-WAIVER

The Provider agrees that in no event shall any action, including the making by the Grantee of any payment under this Agreement, constitute or be construed as a waiver by the Grantee of any breach of covenant or default on the part of the Provider which may then exist, and any such action, including the making of such payment by the Grantee, while any such breach or default shall exist, shall in no way prejudice or impair any right or remedy available to the Grantee in respect to such breach or default. The remedies available to the Grantee under this Agreement are cumulative and not exclusive. The waiver or exercise of any remedy hereunder or under general principles of law or equity.

ITEM 23-NON-COLLUSION

The Provider warrants that it has not paid and agrees not to pay any bonus, commission, fee, or gratuity for the purpose of obtaining any approval of its application for any grant pursuant to this Agreement. No State officer or employee, or member of the State General Assembly or of any unity of local government which contributes to the Project Funds shall be admitted to any share or part of this Agreement or to any benefits arising therefrom.

ITEM 24-INDEPENDENCE OF GRANTEE

In no event shall the Provider or any of its employees, agents, contractors or subcontractors be considered agents or employees of either the Grantee or the State. Furthermore, the Provider agrees that none of its employees, agents, contractors, or subcontractors will hold themselves out as, or claim to be, agents, officers, or employees of the Grantee or the State, and will not by reason of any relationship with the Contract make any claim, demand, or application to or for any right or privilege applicable to an agent, officer, or employee of the Grantee or State including but not limited to, rights and privileges concerning workers’ compensation and occupational diseases coverage, unemployment compensation benefits, Social Security coverage or retirement membership or credit.

ITEM 25-LABOR LAW COMPLIANCE

The Provider agrees to comply with the Labor Law Compliance provisions of the Federal Capital Grant Contract pertaining to the Project, if any, and all applicable State and federal laws and regulations.
including, but no limited to, the following: laws and regulations relating to minimum wages to be paid to employees, limitations upon the employment of minors, and health and safety of employees.

The Provider also agrees to require any contractor doing construction work or performing professional or consulting service in connection with the project to agree to such compliance.

ITEM 26-EQUAL OPPORTUNITY AND FAIR EMPLOYMENT PRACTICES

In addition to compliance with the Federal Equal Employment Opportunity provisions outlined in 49 CFR 23 and 49 CFR 21 and the applicable federal disability requirements, the Provider shall comply with the "Equal Employment Opportunity Clause" required by the Illinois Human Rights Commission. It is understood that the term "Contractor" as used in this clause shall also mean "Provider".

"EQUAL EMPLOYMENT OPPORTUNITY CLAUSE" required by the Illinois Human Rights Commission's Rules and Regulations as a material term of all public contracts (Section 5.1):

In the event of the Contractor's non-compliance with any provisions of this Equal Employment Opportunity Clause, the Illinois Human Rights Act Rules and regulations of the Illinois Department of Human Rights ("Department"), the contractor may be declared ineligible for future contracts or subcontracts with the Grantee, the State of Illinois or any of its political subdivisions or municipal corporations, and the contract may be canceled or voided in whole or in part, and such other sanctions or penalties may be imposed or remedies invoked as provided by statute or regulation. During the performance of this contract, the Provider agrees as follows:

1. That it will not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, ancestry, age, physical or mental handicap unrelated to ability, or an unfavorable discharge from military service; and further that it will examine all job classifications to determine if minority persons or women are underutilized and will take appropriate affirmative action to rectify any such under-utilization.

2. That, if it hires additional employees in order to perform this contract or any portion thereof, it will determine the availability (in accordance with the Department's Rules and Regulations) of minorities and women in the area(s) from which it may reasonably recruit and it will hire for each job classification for which employees are hired in such a way that minorities and women are not underutilized.

3. That, in all solicitations or advertisements for employees placed by it or on its behalf, it will state that all applicants will be afforded equal opportunity without discrimination because of race, color, religion, sex, national origin or ancestry, physical or mental handicap unrelated to ability, or an unfavorable discharge from military service.

4. That it will send to each labor organization or representative of workers with which it has or is bound by a collective bargaining or other agreement or understanding, a notice advising such labor organizations or representative of the contractor's obligations under the Illinois Human Rights Act and the Department's Rules and Regulations. If any such labor organization or representative fails or refuses to cooperate with the contractor in its efforts to comply with such Act and Rules and Regulations, the contractor will promptly notify the Department and the contracting agency will recruit employees from other sources when necessary to fulfill its obligations thereunder.

5. That it will submit reports as required by the Department's Rules and Regulations, furnish all relevant information as may from time to time be requested by the Department or the contracting agency, and in all respects comply with the Illinois Human Rights Act and the Department's rules and regulations.

6. That it will permit access to all relevant books, records, accounts, and work sites by
personnel of the contracting agency and the Department for purposes of investigation to ascertain compliance with the Illinois Human Rights Act and the Department's rules and regulations.

7. That it will include verbatim or by reference the provisions of this clause in every subcontract it awards under which any portion of the contract obligations are undertaken or assumed, so that such provisions will be binding upon such subcontractor. In the same manner as with other provisions of this contract, the contractor will be liable for compliance with applicable provisions of this clause by such subcontractors; and further it will promptly notify the contracting agency and the Department in the event any subcontractor fails or refuses to comply therewith. In addition, the contractor will not be ineligible for contracts or subcontracts with the State of Illinois or any of its political subdivisions or municipal corporations.

8. As of July 1, 1993, the Provider shall have written sexual harassment policies that shall include, at a minimum, the following information:
   a. The illegality of sexual harassment
   b. The definition of sexual harassment;
   c. A description of sexual harassment, utilizing examples;
   d. The Provider's internal complaint process including penalties;
   e. The legal recourse, investigative, and complaint process available through the Department of Human Rights and the Human Rights Commission;
   f. Directions on how to contact the Department and Commission; and
   g. Protection against retaliation as provided by Section 6-101 of the Illinois Human Rights Act. A copy of the policies shall be provided to the Department upon request.

With respect to the two types of subcontracts referred under paragraph 7 of the Equal Employment Opportunity clause above, following is an excerpt of Section 1.1 of the Illinois Human Rights Commission's rules and regulations for Public Contracts:

Section 1.1 (17): the term "Subcontract" means any agreement, arrangement or understanding, written or otherwise between a contractor and any person (in which the parties do not stand in the relationship of any employer and an employee):
   a. For the furnishing of supplies or services or for the use of real or personal property, including lease arrangements, which, in whole or in part, is utilized in the performance or anyone or more contracts; or,
   b. Under which any portion of the contractor's obligation under anyone or more contracts is performed, undertaken, or assumed.

ITEM 27-PAYMENT WITHHOLDING, DELAY, TERMINATION AND RECALL

Upon the occurrence of any condition or conditions listed in this ITEM, the parties agree that the Grantee, by written notice to the Provider, may in elect to withhold or delay payment as provided in the Approved Project Budget, or any portion thereof; or, if payment or payments have already been made pursuant hereto, to recall such payment or payments or any portion thereof. The Provider agrees that upon receipt of such notice of recall the Provider shall immediately return such Contract payment or
payments, or any portion thereof, which the Provider has received pursuant hereto.

The foregoing remedies shall become available to the Grantee if:

1. There is any misrepresentation of a material nature in the Provider’s Application, or amendment thereof, or in respect to this Agreement or any document or data furnished pursuant hereto, or any other submission of the Provider required by the Grantee in connection with the Agreement;

2. There is pending litigation which, in the opinion of the Grantee, may jeopardize the Grant of this Agreement;

3. There has been, in connection with the Contract, any violation of State or Federal regulations, ordinances or statutes applicable to the Provider, its officers or employees which, in the opinion of the Grantee, affects this Agreement;

4. Any contributions provided by the State pursuant to the Agreement are used for an ineligible purpose;

5. The Provider is unable to substantiate the proper use of Project funds, facilities, and equipment provided pursuant to the Agreement; or

6. The Provider shall be in default with any of the provisions of this Agreement.

ITEM 28-SERVERABILITY

The parties agree that if any revision of this Agreement is held invalid for any reason whatsoever, the remaining provisions shall not be affected thereby if such remainder would then continue to conform to the purposes, terms and requirements of applicable law.

ITEM 29-PATENT RIGHTS

Any patentable results arising out of this Agreement, as well as all information, design, specifications, know-how data, and findings shall be made available to the United States of America and to the State for public use, unless the Parties shall determine, in a specific case where it is legally permissible, that it is in the public interest that it not be so made available.

ITEM 30-AMENDMENT

The parties agree that no change or modification to this Agreement, or any Exhibits or Attachments hereto, shall be of any force or effect unless the amendment is dated, reduced to writing, executed by both parties, and attached to and made part of this Agreement. No work shall be commenced and no costs or obligations incurred in consequence of any amendment to this Agreement or any attachments hereto unless and until such amendment has been executed and made a part of this Agreement and the Approved Project Budget has been amended to conform thereto.

ITEM 31-TITLES

The parties agree that the titles of the items of this Agreement, hereinabove set forth, are inserted for convenience of identification only and shall not be considered for any other purpose.

ITEM 32-SCHOOL BUS OPERATIONS

Provider agrees not to engage in school bus operations exclusively for the transportation of students and school personnel in competition with private school bus operators where such private school bus
operators are able to provide adequate transportation at reasonable rates, in conformance with applicable safety standards, provided that this requirement shall not apply to a grantee which operates a school system in the area to be served and operates a separate and exclusive school bus program for the school system (see Section 49.19(13), Civil Admin. Code of IL).

**ITEM 33-NON-CONSTRUCTION CONTRACTS**

Pursuant to Department of Labor regulations, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction (also Labor Standards Provisions Applicable to Non-Construction Contracts Subject to the Contract Work Hours and Safety Standards Act)," 29 CFR Part 5, the following provisions shall be incorporated in all non-construction contracts of $2,500 let by the Provider for the Project:

1. **Non-Construction Contracts** - The requirements of the clauses contained in 29 CFR Sec. 5.5(b) are applicable to any contract subject to the Overtime Provisions of the Contract Work Hours and Safety Standards Act and not to any of the other statutes cited in 29 CFR Section 5.1. The Provider's contractor or subcontractor shall maintain basic payroll records during the course of the work and shall preserve them for a period of three (3) years from the completion of the contract for all laborers and mechanics, including guards and watchmen, working on the contract. Such records shall contain the name and address of each such employee, social security number, correct classification, hourly rates of wages paid, daily and weekly number of hours worked, deductions made, and actual wages paid. The records to be maintained under this clause shall be made available by the contractor or subcontractor for inspection, copying, or transcription by authorized representatives of IDOT, FTA, U.S. DOT, or the Department of Labor, and the contractor or subcontractor will permit such representatives to interview employees during working hours on the job.

The provisions of the Fair Labor Standards Act, as amended, apply to State and local government employees participating in the FTA assisted project with the Provider.

**ITEM 34-SUBSTANCE ABUSE**

The Provider agrees to comply with the Illinois (30 ILCS 580/1et seq.) and U.S. DOT Drug Free Workplace Acts, and U.S. DOT regulations, "Drug Free Workplace Requirements (Grants)", 49 C.F.R. Part 29, Sub-Part F, and other U.S. DOT and FTA regulations and guidance pertaining to substance abuse (drugs and alcohol) that may be promulgated, and has signed the Drug Free Workplace Certification attached to this Agreement as Exhibit C.

**ITEM 35-PREFERENCE FOR RECYCLED PRODUCTS**

The Provider agrees to give preference to the purchase of recycled products for use in this Project pursuant to the various Environmental Protection Agency (EPA) guidelines contained to 40 C.F.R Parts 247-254.

**ITEM 36-DEBARMENT AND SUSPENSION**

The Provider agrees to obtain certifications on debarment and suspension from its third party contractors and sub-recipients and otherwise comply with governmental regulations.

**ITEM 37-ENVIRONMENTAL, RESOURCE CONSERVATIONS, AND ENERGY REQUIREMENTS**

The Provider recognizes that many Federal and State statutes imposing environmental, resource conservation and energy requirements may apply to the Project. Accordingly, the Provider agrees to adhere to, and impose on its sub-recipients, any such Federal and State requirements, as the
government may now or in the future promulgate. The Provider expressly understands that this list does not constitute the Provider's entire obligation to meet Federal requirements.

1. **Environmental Protection** - To the extent applicable, the Provider agrees to comply with the requirements of the National Environmental Policy Act of 1969, as amended, 42 U.S.C. Section 4321 et seq.; Section 1610; the Council on Environmental Quality regulations, 40 C.F.R. Part 1500 et seq.; and the joining FHWA/FTA regulations, "Environmental Impact and Related Procedures", at 23 C.F.R Part 771.

2. **Air Quality** - The Provider agrees to comply with applicable requirements of Environmental Protection Agency (EPA) regulations, "Conformity to State or Federal Implementation Plans of Transportation Plans, Programs, and Projects Developed, Funded or Approved Under Title 23 U.S.C. or the Federal Transit Act, "40 CFR Part 51, Sub-Part T; and Determining Conformity of Federal Actions to State and Federal Implementation Plans," 40 CFR Part 93. To support the requisite air quality conformity finding for the project, the Provider agrees to implement each air quality mitigation and control measure incorporated in the project. The Provider agrees that any project identified in an applicable State Implementation Plan (SIP) as a Transportation Control Measure, will be wholly consistent with the description of the design and scope of the project set forth in the SIP.

EPA also imposes requirements pertaining to the Clean Air Act, as amended, that may apply to transit operators, particularly operators of large transit fleet buses, thus, the Provider should be aware that the following EPA regulations, among others, may apply to its project: "Control of Air Pollution from Motor Vehicles and Motor Vehicle Engines," 40 CFR Part 85; "Control of Air Pollution from New and In-Use Motor Vehicles and New and In-Use Motor Vehicle Engines: Certification and Test Procedures," 40 CFR Part 86, and "Fuel Economy of Motor Vehicles," 40 CFR Part 600.

3. **Use of Public Lands** - No publicly owned land from a park, recreation area, or wildlife or water fowl refuge of national, State, or local significance as determined by the Federal, State, or local officials having jurisdiction thereof, or any land from an historical site of national, State, or local significance may be used for the project unless specific findings required by 49 U.S.C Section 303 are made by the U.S. DOT.

4. **Historic Preservation** - The Provider agrees to assist the Government to comply with Section 106 of the National Historic Preservation Act, 16 U.S.C Section 470 (f).

5. **Mitigation of Adverse Environmental Effects** - Should the proposed project cause adverse environmental effects, the Provider agrees to take all reasonable steps to minimize such effects pursuant to 49 U.S.C app. Section 1610, all other applicable statutes and procedures set forth in 23 C.F.R Part 771 and 49 C.F.R Part 622.

**ITEM 38-CHARTER SERVICE OPERATIONS**

The provider may not engage in charter service operations except as provided under Section 3(f) of the Federal Transit Act, as amended, 49 U.S.C. app Section 1602(f), and FTA regulations "Charter Service," 49 C.F.R. Part 604. Any charter service agreement entered into under these regulations is incorporated into this Agreement by reference.

**ITEM 39-PRIVACY**

Should the Provider, or any of its subcontractors, or their employees, administer any system of records on behalf of the Federal Government, the privacy Act of 1974 (The Act), 5 U.S.C., Section 552a, imposes information restrictions on the party managing the system of records.
ITEM 40-MATCHING FUNDS

It is expressly agreed by the Provider that it will be responsible for raising matching funds required of the Grantee in the Grantee’s "Non-Urbanized Area Transportation Project Agreement for Operating Assistance," entered into with the State of Illinois.

ITEM 41-FUNDING DELAY

It is expressly agreed between the parties that if any delay occurs in providing Federal or State funding to the Provider, there is absolutely no obligation on the part of the Grantee to fund the Provider’s program hereunder. If the "Non Urbanized Area Transportation Project Agreement for Operating Assistance" entered into by and between the Grantees and the State of Illinois is terminated, then this Agreement is immediately null and void. Further, if there is any delay in funding from the aforesaid Agreement, the Grantee may suspend services contemplated hereunder.

ITEM 42 MARKETING PLAN

The Provider shall provide a written, annual marketing plan to the Grantee for approval. The Provider shall be responsible for implementation of the approved marketing plan and the Grantee may assist in the marketing efforts.

ITEM 43-REPORTS

1. Vehicle Reports - At the onset of the Project, the Provider shall provide to the County a report on the conditions of the vehicles to be used for the Project. The Provider shall keep maintenance logs for all of the vehicles, and maintain said reports for the life of each vehicle. The Provider shall make the logs available for inspection and review by the Grantee and/or IDOT. The Provider shall make recommendations to the Grantee when the Provider deems that a vehicle should be replaced. The Provider may complete a capital grant application, if Grantee gives express permission for the Provider to do so, and all such grant applications must be approved by the Grantee prior to submission.

2. Ridership Reports - The Provider shall also provide quarterly ridership reports to the Grantee. Ridership reports shall include the number of one way passenger trips, points of pick-up and destination.

3. Allocation Plans and Reports - The Provider shall maintain a time and cost allocation plans for goods, services, personal which are not used or funded solely for or by Project funds. These plans shall be subject to audit and inspection pursuant to criteria enumerated in ITEM 11 herein.

ITEM 44-OFFICE, VEHICLE STORAGE

The Provider agrees to maintain an office and vehicle storage for this Project within the County of Kankakee, Illinois.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement, effective July 1, 2018 and expires June 30, 2019, to be made effective and executed as of the ______ day of ______, 2018, by their respective duly authorized officials.

Provider’s Name and Address
SHOW BUS NFP

Grantee’s Name and Address
Kankakee County Board, Administration Bldg.