Integrated Mobility Division
TRANSMITTAL FORM

JWhite in Chief's SS approval date	Approved more than 7 days ago?	CU Number	Included in Cash Spend Plan?
	YES		YES

Date: 8/29/2025

From: Tanisha O'Keefe, Accounting Specialist — DocuSigned by: Tanisha O'Keefe CD70B865FCAC41C... Signature — Date: 09/02/2025 — DS MF

Brennon Fuqua, Director of Integrated Mobility Division — DocuSigned by: Brennon Fuqua F2BF90D3B0CA4AF... Signature — Date: 09/02/2025

WBS#: 36231.4.11.3 **County:** Orange **Item:** State Agreement

Project Description: 26-UM-117 ToCH will use funds for capital purchases related to transportation.

For Signature From:
Deputy Secretary of Multi-Modal Transportation — DocuSigned by: Julie White B1309F15DE4B40B... Signature — Date: 09/02/2025

Parties to the Agreement: Town of Chapel Hill

Estimated Cost to NCDOT: — Funding: Federal

$62,382 — Funding: State

BOT Approval Date and Amount: 03/05/2025; $623,820

Award Letter Date(s): 04/14/2025

Previous BOT Approval Dates and Amounts (if applicable):

Additional information (screenshot of previous BOT date(s)):

INSTRUCTIONS FOR EXECUTING GRANT AGREEMENTS
PUBLIC BODY GRANTEES

Included in this correspondence is an electronic file in a PDF format of the grant agreement(s) to be executed between the local grant recipient and the North Carolina Department of Transportation.

1. The person officially authorized by resolution of the governing body to accept the department's offer of financial assistance should electronically sign each agreement where indicated. The signature must be witnessed. Stamped signatures are not acceptable.

2. Enter your agency's **Federal Tax ID Number** and Fiscal Year-End on the signature page. Complete the section on the table for **Contract Administrators: For the Contractor: "If Delivered by US Postal Service" and "If Delivered by Any Other Means".**

3. ***Do not date the agreements.*** This will be done upon execution by the department.

4. ***Return 1 copy within thirty (30) days*** via DocuSign.

A fully executed agreement will be returned to you via email and will be available for review in EBS upon the approval of your Agreement.

In the event the contract cannot be returned within thirty (30) days, please call me immediately at (919) 707-4672.

Please note that the department cannot reimburse the grant recipient for any eligible project expenses until the agreements are fully executed.

STATE OF NORTH CAROLINA

DEPARTMENT OF TRANSPORTATION

JOSH STEIN
GOVERNOR

J.R. "JOEY" HOPKINS
SECRETARY

Apri I 14, 2025

Ms. Loryn Clark, Deputy Town Manager
Town of Chapel Hill
405 Martin Luther King Jr. Blvd.
Chapel Hill, North Carolina 27514

RE: FY2026 Urban State Match Capital
Project No.: 26-UM-117
WBS Element No.: 36231.4.1 I.3
Period of Perfonnance: 7/1/2025 - 6/30/2026

Dear Ms. Clark:

On March 5, 2025, the Board of Transportation approved your organization's request for an FY26 Urban State Match Capital Grant in the amount of $623,820. The agreement to be executed between the Town of Chapel Hill and NCDOT is enclosed. The individual authorized to enter into this agreement for the financial assistance on behalf of your agency will sign the agreement. Please provide a copy of the agreement to all parties that will be involved in the administration of the grant, and request that the agreement be reviewed carefully. Instructions for completion of the grant agreement process are enclosed.

Please refer to Section 66 of the grant agreement that requires sub-recipients to submit monthly or quarterly requests for reimbursement.

If you have any questions related to the grant agreement, please contact Myra Freeman, Financial Manager at 919-707-4672 or your assigned Accounting Specialist. In any correspondence, please reference your assigned project number, WBS element, Agreement number and period of performance referenced in this letter.

Sincerely,

Brennon Fuqua

Brennon Fuqua
Director

BF\mf
CC: Timothy Schwarzauer, Grants Compliance Manager
Attachments

J/ai/mg Address:
NC DEPARThfENT OF TRANSPORTATION
INTEGRATED MOBILITY DIVISION
1550 MAIL SERVICE CENTER
RALEIGH, NC 27699-1550

telephone:
(919) 707-2600
Fax: (919) 733-1391
Customer Service: 1-877-368-4968

Lo,:a11un:
I S WILMINGTON STREET
RALEIGH, NC 27601

Webs11e: www.ncdot.gov

NORTH CAROLINA DEPARTMENT OF TRANSPORTATION

and

TOWN OF CHAPEL HILL

PUBLIC TRANSPORTATION GRANT AGREEMENT FOR

URBAN STATE MATCH PROGRAM

State Award Identification

NCDOT Program Number:	**DOT-19**
Application number:	**1000023217**
NCDOT Project number:	**26-UM-117**
Indirect cost rate:	**NA**
UEI number:	**WLCTFFK97EP7**
Total YTD Awards:	**$3,710,000**
Total amount of Award (State portion):	**$62,382**

State Funded Programs:

☐ **Advanced Technology Program (AT)**

☐ **Intern/Apprentice Program (DG)**

☐ **Coordination (CO)/ Consolidated (CN) for Regional Service Program (ConCPT)**

Rural State Operating Program (RO)

☐ **Transit Demand Management Program (TOM)**

Ride Share Program (RS)

☐ **Traveler's Aid Program (TA)**

☐ **Urban State Match Program (UM)** • *Federal Non-Billable I not reimbursable from NCDOT*

THIS AGREEMENT made this the 2nd day of September, 20 25, (hereinafter referred to as AGREEMENT) by and between the NORTH CAROLINA DEPARTMENT OF TRANSPORTATION (hereinafter referred to as "Department", an agency of the State of North Carolina) and **TOWN OF CHAPEL HILL,** (acting in its capacity as the grant recipient hereinafter referred to as the "Grantee" and together with Department as "Parties").

1; Purpose of Agreement

The purpose of this Agreement is to provide for the undertaking of nonurbanized and small urban public transportation services as described in the project application (hereinafter referred to as "Project") and to state the terms and conditions as to the manner in which the Project will be undertaken and completed. This Agreement contains the entire agreement between the parties and there are no understandings or agreements, verbal or otherwise, regarding this Agreement except as expressly set forth herein. This Agreement is solely for the benefit of the identified parties to the Agreement and is not intended to give any rights, claims, or benefits to third parties or to the public at large.

2. Availability of Funds

All terms and conditions of this Agreement are dependent upon, and, subject to the allocation of funds for the purpose set forth in the Agreement and the Agreement shall automatically terminate if funds cease to be available.

3. Period of Performance

This Agreement shall commence upon the date of execution with a period of performance for all expenditures that extends from **July 1, 2025 to June 30, 2026.** Any requests to change the Period of Performance must be made in accordance with the policies and procedures established by the Department or FTA. The Grantee shall commence, carry on, and complete the approved Project in a sound, economical, and efficient manner.

4. Project Implementation

a. Scope of Project. **The Town of Chapel Hill will use funds to purchase replacements for (3) 30ft buses for the Chapel Hill Transit System.**

b. The Grantee shall undertake and complete the project in accordance with the procedures, terms, and conditions herein and as included in the related grant application for financial assistance, the terms of which are incorporated by reference.

c. Amendment. Any amendment to this Agreement shall be done in writing and in accordance with established policies and procedures and only by mutual consent of the Parties.

5. Cost of Project/Project Budget

The total cost of the Project approved by the Department, including the Federal Non-Billable portion, is **SIX HUNDRED TWENTY-THREE THOUSAND EIGHT HUNDRED TWENTY DOLLARS ($623,820)** as set forth in the Project Description and Budget, incorporated into this Agreement as ***Attachment A.*** The Department shall reimburse, State share of the actual cost of the Project as indicated in the table below, not in excess of the identified amounts for eligible expenses. The Grantee hereby agrees that it will provide the percentages of the actual net cost of the Project, as indicated below, and any amounts in excess of the Department's maximum contribution. The net cost is the price paid minus any refunds, rebates, or other items of value received by the Grantee which have the effect of reducing the actual cost.

Capital WBS	Capital Total	Capital Federal *Non-bi/fable* (80%)	Capital State (10%)	Capital Local (10%)
36231.4.11.3	$623,820	$499,056	$62,382	$62,382
Aqreement#				
Project Total	Project Total	Project Total Federal	Project Total State	Project Total Local
	$623,820	$499,056	$62,382	$62,382

**Federal is non-billable to NCDOT*

6. Project Expenditures, Payments, and Reimbursement

a. General. The Department, utilizing available state and federal funds, shall reimburse the Grantee for allowable costs for work performed under the terms of this Agreement.

b. Reimbursement Procedures. The Grantee shall submit for reimbursement all eligible costs incurred within the agreement Period of Performance.

i. Claims for reimbursement shall be made no more than monthly or less than quarterly, using the State's grant system, Enterprise Business Services (EBS) Partner Application.

ii. All requests for reimbursement must be submitted within (30) days following the end of the project's reporting period. Any Grantee that fails to submit a request for reimbursement for the first two quarters of agreement fiscal year by January 31 or the last two quarters by July 31 will forfeit its ability to receive reimbursement for those periods.

iii. All payments issued by the Department will be on a reimbursable basis unless the Grantee requests and the Department approves an advance payment.

,v. Supporting documentation for proof of payment may be requested.

c. Grantee Funds. Prior to reimbursement, the Grantee shall provide the Department with proof that the Grantee has met its proportionate share of project costs from sources other than FTA or the Department. Any costs for work not eligible for Federal and State participation shall be financed one hundred percent (100%) by the Grantee.

d. Operating Expenditures. In order to assist in financing the operating costs of the project, the Department shall reimburse the Grantee for the lesser of the following when providing operating assistance:

i. The balance of unrecovered operating expenditures after deducting all farebox revenue, or

ii. The percentage specified in the Approved Project Budget of the allowable total operating expenditures which shall be determined by available funding.

e. Travel Expenditures. The Grantee shall limit reimbursement for meals, lodging and travel to rates established by the State of North Carolina Travel Policy. Costs incurred by the Grantee in excess of these rates shall be borne by the Grantee.

f. Allowable Costs. Expenditures made by the Grantee shall be reimbursed as allowable costs to the extent they meet all of the requirements set forth below. They must be:

i. Consistent with the Project Description, plans, specifications, and Project Budget and all other provisions of this Agreement

ii. Necessary in order to accomplish the Project

iii. Reasonable in amount for the goods or services purchased

iv. Actual net costs to the Grantee, i.e., the price paid minus any refunds (eg, refundable sales and use taxes pursuant to NCGS 105-164.14), rebates, or other items of value received by the Grantee that have the effect of reducing the cost actually incurred

v. Incurred (and be for work performed) within the period of performance and period covered of this Agreement unless specific authorization from the Department to the contrary is received

vi. Satisfactorily documented

vii. Treated uniformly and consistently under accounting principles and procedures approved or prescribed by the Department

g. Excluded Costs. The Grantee understands and agrees that, except to the extent the Department determines otherwise in writing, the Department will exclude:

i. Any Project cost incurred by the Grantee before the period of performance of the agreement,

ii. Any cost that is not included in the latest Approved Project Budget,

iii. Any cost for Project property or services received in connection with a third-party contract, sub-agreement, lease, or other arrangement that is required to be, but has not been, concurred in or approved in writing by the Department, and

iv. Any cost ineligible for FTA participation as provided by applicable Federal or State laws, regulations, or directives.

h. Final Allowability Determination. The grantee understands and agrees that payment to the grantee on any Project cost does not constitute the Federal or State Government's final decision about whether that cost is allowable and eligible for payment and does not constitute a waiver of any violation by the grantee of the terms of this Agreement. The grantee acknowledges that the Federal or State Government will not make a final determination about the allowability and eligibility of any cost until an audit of the Project has been completed. If the Federal or State Government determines that the grantee is not entitled to receive any portion of the Federal or State assistance the grantee has requested or provided, the Department will notify the Grantee in writing, stating its reasons. The Grantee agrees that Project closeout will not alter the Grantee's responsibility to return any funds due the Federal or State Government as a result of later refunds, corrections, or other transactions; nor will Project closeout alter the Federal or State Government's right to disallow costs and recover funds on the basis of a later audit or other review. Unless prohibited by Federal or State law or regulation, the Federal or State Government may recover any Federal or State assistance funds made available for the Project as necessary to satisfy any outstanding monetary claims that the Federal or State Government may have against the Grantee.

i. Federal or State Claims. Excess Payments, Disallowed Costs, Including Interest.

i. Grantee's Responsibility to Pay. Upon notification to the Grantee that specific amounts are owed to the Federal or State Government, whether for excess payments of Federal or State assistance, disallowed costs, or funds recovered from third parties or elsewhere, the Grantee agrees to remit to the Department promptly the amounts owed, including applicable interest and any penalties and administrative charges within 60 days of notification.

ii. Interest Paid to the Department. The Grantee agrees to remit to the Department interest owed as determined in accordance with NCGS § 147-86.23.

iii. Interest and Fees Paid on Federal Funds. For amounts owed by the Grantee to the Federal Government, whether for excess payments of Federal assistance, disallowed costs, or funds recovered from third parties or elsewhere, the Grantee agrees to remit to the Federal Government promptly the amounts owed, including applicable interest, penalties and administrative charges as established by the Federal Transit Authority Master Agreement with NCDOT.

j. De-obligation of Funds. The Grantee agrees that the Department may de-obligate unexpended Federal and State funds for grants that are inactive for six months or more.

k. Project Closeout. Project closeout occurs when the Department issues the final project payment or acknowledges that the Grantee has remitted the proper refund. The Grantee agrees that Project closeout by the Department does not invalidate any continuing requirements imposed by this Agreement.

7. Accounting Records

a. Establishment and Maintenance of Accounting Records. The Grantee shall establish and maintain separate accounts for the public transportation program, either independently or within the existing accounting system. All costs charged to the program shall be in accordance with most current approved Project Budget and shall be reported to the Department in accordance with NCDOT Uniform Public Transportation Accounting System (UPTAS) guide.

b. Documentation of Project Costs. All costs charged to the Project, including any approved services performed by the Grantee or others, shall be supported by properly executed payrolls, time records, invoices, contracts, or vouchers evidencing in detail the nature and propriety of the charges.

8. Reporting, Record Retention, and Access

a. Progress Reports. The Grantee shall advise the Department, through EBS, regarding the progress of the Project at a minimum quarterly, and at such time and in such a manner as the Department may require. Such reporting and documentation may include, but not be limited to: operating statistics, equipment usage, meetings, progress reports, and monthly performance reports. The Grantee shall collect and submit to the Department such financial statements, data, records, contracts, and other documents related to the Project as may be deemed necessary by the Department. Reports shall include narrative and financial statements of sufficient substance to be in conformance with the reporting requirements of the Department. Progress reports throughout the useful life of the project equipment shall be used, in part, to document utilization of the project equipment. Failure to fully utilize the project equipment in the manner directed by the Department shall constitute a breach of contract, and after written notification by the Department, may result in termination of the Agreement or any such remedy as the Department deems appropriate.

b. Failure to comply with grant reporting and compliance guidelines set forth in the NCDOT PTO State Management Plan could result in financial penalties up to and including loss of current and future grant funding.

c. Record Retention. The Grantee and its third party subrecipients shall retain all records pertaining to this Project for a period of five (5) years from the date of final payment to the Grantee, or until all audit exceptions have been resolved, whichever is longer.

d. Project Closeout. The Grantee agrees that Project closeout does not alter the reporting and record retention requirements of this Agreement.

e. State Auditor Oversight. The Grantee agrees to audit oversight by the Office of the State Auditor, to provide the Office of the State Auditor with access to accounting records, and to make available any audit work papers in the possession of any auditor of the Grantee.

f. Financial Reporting and Audit Requirements. In accordance with 09 NCAC 03M.0205, all reports shall be filed with the Department in the format and method specified by the agency no later than three (3) months after the end of the recipient's fiscal year, unless the same information is already required through more frequent reporting. Audit Reports must be provided to the funding agency no later than nine (9) months after the end of the recipient's fiscal year.

g. Parts Inventory. Financial audits must address parts inventory management.

h. Third Party Loans. Within 30 days of receipt, the Grantee shall disclose to the Department any loans received from a local government entity or other entity not party to this agreement.

i. Audit Costs. Unless prohibited by law, the costs of audits made in accordance with Title 2 CFR 200, Subpart F, "Audit Requirements" are allowable charges to State and Federal awards. The charges may be considered a direct cost or an allocated indirect cost, as determined in accordance with cost principles outlined in Title 2 CFR 200, Subpart E, "Cost Principles." The cost of any audit not conducted in accordance with Title 2 CFR 200 and NCGS§ 159-34 is unallowable and shall not be charged to State or Federal grants.

9. **Compliance with Laws and Regulations**

a. No terms herein shall be construed in a manner that conflicts with the rules and regulations of the Department or with state or federal law.

b. The Grantee agrees to comply with all applicable state and federal laws and regulations, including titles 09 NCAC 3M and 19A NCAC 58, as amended.

10. **Conflicts of Interest Policy**

The grantee agrees to file with the Department a copy of the grantee's policy addressing conflicts of interest that may arise involving the grantee's management employees and the members of its board of directors or other governing body. The grantee's policy shall address situations in which any of these individuals may directly or indirectly benefit, except as the grantee's employees or members of its board or other governing body, from the grantee's disbursing of State funds, and shall include actions to be taken by the grantee or the individual, or both, to avoid conflicts of interest and the appearance of impropriety. The conflicts of interest policy shall be filed with the Department prior to the Department disbursing funds to the grantee.

Prohibition on Bonus or Commission Payments

The Grantee affirms that it has not paid and will not pay any bonus or commission to any party to obtain approval of its Federal or State assistance application for the Project.

11. **Tax Compliance Certification**

The Grantee shall complete and submit to the Department a sworn written statement pursuant to NCGS 143C-6-23(c), stating that the Grantee does not have any overdue tax debts, as defined by GS 105-243.1, at the Federal, State, or local level. The Grantee acknowledges that the written statement must be submitted to the Department prior to execution of this Agreement and disbursement of funds. The certification will be incorporated into this Agreement as Attachment B.

12. **Assignment**

a. Unless otherwise authorized in writing by the Department, the Grantee shall not assign any portion of the work to be performed under this Agreement, or execute any contract, amendment, or change order thereto, or obligate itself in any manner with any third party with respect to its rights and responsibilities under this Agreement without the prior written concurrence of the Department.

b. The Grantee agrees to incorporate the terms of this agreement and any applicable State or Federal requirements into written third-party contracts, sub-agreements, and leases, and to take the appropriate measures necessary to ensure that all Project participants comply with applicable Federal and State laws, regulations, and directives affecting their performance, except to the extent the Department determines otherwise in writing.

13. Hold Harmless.

Except as prohibited or otherwise limited by law, the Grantee agrees to indemnify, save, and hold harmless the Department, the State of North Carolina and the United States of America and its officers, agents, and employees acting within the scope of their official duties against any liability, including costs and expenses, resulting from any willful or intentional violation by the Grantee of proprietary rights, copyrights, or right of privacy, arising out of the publication, translation, reproduction, delivery, use, or disposition of any data furnished under the Project.

14. Real Property, Equipment, and Supplies.

Federal or State Interest. The Grantee understands and agrees that the Federal or State Government retains an interest in any real property, equipment, and supplies financed with Federal or State assistance (Project property) until, and to the extent, that the Federal or State Government relinquishes its Federal or State interest in that Project property. NCDOT shall be informed and included in all ribbon cuttings/ dedications/ groundbreakings. With respect to any Project property financed with Federal or State assistance under this Agreement, the Grantee agrees to comply with the following provisions, except to the extent FTA or the Department determines otherwise in writing:

a. Use of Project Property. The Grantee agrees to maintain continuing control of the use of Project property. The Grantee agrees to use Project property for appropriate Project purposes (which may include joint development purposes that generate program income, both during and after the award period and used to support public transportation activities) for the duration of the useful life of that property, as required by FTA or the Department. Should the Grantee unreasonably delay or fail to use Project property during the useful life of that property, the Grantee agrees that it may be required to return the entire amount of the Federal and State assistance expended on that property. The Grantee further agrees to notify the Department immediately when any Project property is withdrawn from Project use or when any Project property is used in a manner substantially different from the representations the Grantee has made in its Application or in the Project Description for this Agreement for the Project. In turn, the Department shall be responsible for notifying FTA.

b. Maintenance and Inspection of Vehicles. The Grantee shall maintain vehicles at a high level of cleanliness, safety, and mechanical soundness in accordance with the minimum maintenance requirements recommended by the manufacturer and comply with the Department's State Management Plan ("SMP"). The Grantee shall register all vehicle maintenance activities into the Department's Asset Management System (AssetWorks) or an electronic version of same. The Department shall conduct frequent inspections to confirm proper maintenance pursuant to this subsection and the SMP. The Grantee shall collect and submit to the Department at such time and in such manner as it may require information for the purpose of the Department's Asset Management System (AssetWorks) and the Transit Asset Maintenance ("TAM") Plan.

c. Maintenance and Inspection of Facilities and Equipment. The Grantee shall maintain any Project facility, including any and all equipment installed into or added on to the facility as part of the Project, in good operating order and at a high level of cleanliness, safety and mechanical soundness in accordance with good facility maintenance and upkeep practices and in accordance with the minimum maintenance requirements recommended by the manufacturer for all equipment installed in or added to the facility as part of the Project. Such maintenance shall be in compliance with applicable Federal and state regulations or directives that may be issued, except to the extent that the Department determines otherwise in writing. The Grantee shall document its maintenance program in a written plan. The Department shall conduct inspections as it deems necessary to confirm proper maintenance on the part of the Grantee pursuant to this subsection and SMP. Such inspections may or may not be scheduled ahead of time but will be conducted such that they shall not significantly interfere with the ongoing and necessary functions for which the Project was designed. The Grantee shall make every effort to accommodate such inspections by the Department in accordance with the Department's desired schedule for such inspections.

d. The Grantee shall collect and submit to the Department at such time and in such manner as the Department may require information for the purpose of updating the TAM Plan Inventory and any and all other reports the Department deems necessary. The Grantee shall also maintain and make available to the Department upon its demand all documents, policies, procedures, purchase orders, bills of sale, internal work orders and similar items that demonstrate the Grantee's maintenance of the facility in good operating order and at a high level of cleanliness, safety and mechanical soundness.

e. Incidental Use. The Grantee agrees that any incidental use of Project property will not exceed that permitted under applicable laws, regulations, and directives.

f. Title to Vehicles. The Certificate of Title to all vehicles purchased under the Approved Budget for this Project shall be in the name of the Grantee. The Department's Public Transportation Division shall be recorded on the Certificate of Title as first lien-holder. In the event of project termination or breach of contract provisions, the Grantee shall, upon written notification by the Department, surrender Project equipment and/or transfer the Certificate(s) of Title for Project equipment to the Department or the Department's designee within 30 days of request.

g. Encumbrance of Project Property. The Grantee agrees to maintain satisfactory continuing control of Project property as follows:

(1) Written Transactions. The Grantee agrees that it will not execute any transfer of title, lease, lien, pledge, mortgage, encumbrance, third party contract, subagreement, grant anticipation note, alienation, innovative finance arrangement (such as a cross border lease, leveraged lease, or otherwise), or any other obligation pertaining to Project property, that in any way would affect the continuing Federal and State interest in that Project property.

(2) Oral Transactions. The Grantee agrees that it will not obligate itself in any manner to any third party with respect to Project property.

(3) Other Actions. The Grantee agrees that it will not take any action adversely affecting the Federal and State interest in or impair the Grantee's continuing control of the use of Project property.

h. Alternative Use, Transfer, and Disposition of Project Property. The Grantee understands and agrees any alternative uses, transfers, or disposition of project property must be approved by the Department and done in accordance with Departmental procedures.

i. Insurance Proceeds. If the Grantee receives insurance proceeds as a result of damage or destruction to the Project property, the Grantee agrees to:

(1) Apply those insurance proceeds to the cost of replacing the damaged or destroyed Project property taken out of service, or

(2) Return to the Department an amount equal to the remaining Federal and State interest in the damaged or destroyed Project property.

J. Misused or Damaged Project Property. If any damage to Project property results from abuse or misuse occurring with the Grantee 's knowledge and consent, the Grantee agrees to restore the Project property to its original condition or refund the value of the Federal and State interest in that property, as the Department may require.

k. Responsibilities after Project Closeout. The Grantee agrees that Project closeout by the Department will not change the Grantee's Project property management responsibilities, and as may be set forth in subsequent Federal and State laws, regulations, and directives, except to the extent the Department determines otherwise in writing.

15. Insurance

The Grantee shall be responsible for protecting the state and/or federal financial interest in the facility construction/renovation and equipment purchased under this Agreement throughout the useful life. The Grantee shall provide, as frequently and in such manner as the Department may require, written documentation that the facility and equipment are insured against loss in an amount equal to or greater than the state and/or federal share of the real value of the facility or equipment. Failure of the Grantee to provide adequate insurance shall be considered a breach of contract and, after notification may result in termination of this Agreement. In addition, other insurance requirements may apply. The Grantee agrees to comply with the insurance requirements normally imposed by North Carolina State and local laws, regulations, and ordinances, except to the extent that the Department determines otherwise in writing.

16. Termination

a. Either party may terminate the Agreement by providing 60 days written notice to the other party, or as otherwise permitted by law.

b. Should the Grantee terminate the Agreement without the concurrence of the Department, the Grantee shall reimburse the Department one hundred percent (100%) of all costs expended by the Department and associated with the work.

17. Additional Repayment Requirements and Remedies

a. The repayment requirements and remedies addressed in this Paragraph are in addition to those repayment requirements and other remedies set forth elsewhere in this Agreement, including the requirements to repay unspent funds. No remedy conferred or reserved by or to the Department is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy provided for in this Agreement, or now or hereinafter existing at law, in equity, or by statute, and any such right or power may be exercised from time to time and as often as may be deemed expedient.

b. If there is a breach of any of the requirements, covenants or agreements in this Agreement (including, without limitation, any reporting requirements), or if there are any representations or warranties which are untrue as to a material fact in this Agreement or in relation to the Project (including the performance thereof), the Grantee agrees that the Department may require repayment from the Grantee of an amount of funds to be determined in the Department's sole discretion but not to exceed the amount of funds the Grantee has already received under this Agreement.

18. Civil Rights.

a. Civil Rights Requirements. The Recipient agrees that it must comply with applicable federal civil rights laws, regulations, and requirements, and follow applicable federal guidance, except as the Federal Government determines otherwise in writing. Therefore, unless a

Recipient or a federal program, including the Indian Tribe Recipient or the Tribal Transit Program, is specifically exempted from a civil rights statute, FTA requires compliance with each civil rights statute, including compliance with equity in service requirements.

b. Nondiscrimination in Federal Public Transportation Programs. The Recipient agrees to, and assures that it and each Third Party Participant will:
   (I) Prohibit discrimination based on race, color, religion, national origin, sex (including gender identity), disability, or age.
   (2) Prohibit the:
      (a) Exclusion from participation in employment or a business opportunity for reasons identified in 49 U.S.C. § 5332,
      (b) Denial of program benefits in employment or a business opportunity identified in 49 U.S.C. § 5332, or
      (c) Discrimination identified in 49 U.S.C. § 5332, including discrimination in employment or a business opportunity identified in 49 U.S.C. § 5332.
   (3) Follow:
      (a) The most recent edition of FTA Circular 4702.1, "Title VI Requirements and Guidelines for Federal Transit Administration Recipients," to the extent consistent with applicable federal laws, regulations, requirements, and guidance, but
      (b) FTA does not require an Indian Tribe to comply with FTA program-specific guidelines for Title VI when administering its Underlying Agreement supported with federal assistance under the Tribal Transit Program.

c. Nondiscrimination - Title VI of the Civil Rights Act. The Recipient agrees to, and assures that each Third Party Participant will:
   (1) Prohibit discrimination based on race, color, or national origin,
   (2) Comply with:
      (a) Title VI of the Civil Rights Act of 1964, as amended, 42 U.S.C. § 2000d *et seq.,*
      (b) U.S. DOT regulations, "Nondiscrimination in Federally-Assisted Programs of the Department of Transportation - Effectuation of Title VI of the Civil Rights Act of 1964," 49 C.F.R. part 21, and
      (c) Federal transit law, specifically 49 U.S.C. § 5332, and
   (3) Follow:
      (a) The most recent edition of FTA Circular 4702.1, "Title VI Requirements and Guidelines for Federal Transit Administration Recipients," to the extent consistent with applicable federal laws, regulations, requirements, and guidance,

(b) U.S. DOJ, "Guidelines for the enforcement of Title VI, Civil Rights Act of 1964," 28 C.F.R. § 50.3, and
(c) All other applicable federal guidance that may be issued.

d. Equal Employment Opportunity.
(I) Federal Requirements and Guidance. The Recipient agrees to, and assures that each Third Party Participant will, prohibit discrimination based on race, color, religion, sex, sexual orientation, gender identity, or national origin, and:
(a) Comply with Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C.
§ 2000e *et seq.,*
(b) Facilitate compliance with Executive Order No. 11246, "Equal Employment Opportunity" September 24, 1965 (42 U.S.C. § 2000e note,), as amended by any later Executive Order that amends or supersedes it in part and is applicable to federal assistance programs,
(c) Comply with federal transit law, specifically 49 U.S.C. § 5332, as provided in section 12 of this Master Agreement,
(d) FTA Circular 4704.1 "Equal Employment Opportunity (EEO) Requirements and Guidelines for Federal Transit Administration Recipients," and
(e) Follow other federal guidance pertaining to EEO laws, regulations, and requirements, and prohibitions against discrimination on the basis of disability,
(2) Specifics. The Recipient agrees to, and assures that each Third Party Participant will:
(a) Prohibited Discrimination. Ensure that applicants for employment are employed and employees are treated during employment without discrimination based on their race, color, religion, national origin, disability, age, sexual orientation, gender identity, or status as a parent, as provided in Executive Order No. 11246 and by any later Executive Order that amends or supersedes it, and as specified by U.S. Department of Labor regulations,

(b) Affirmative Action. Take affirmative action that includes, but is not limited to:
1 Recruitment advertising, recruitment, and employment,
2 Rates of pay and other forms of compensation,
3 Selection for training, including apprenticeship, and upgrading, and
1 Transfers, demotions, layoffs, and terminations, but
(c) Indian Tribe. Recognize that Title VII of the Civil Rights Act of 1964, as amended, exempts Indian Tribes under the definition of "Employer," and
(3) Equal Employment Opportunity Requirements for Construction Activities. Comply, when undertaking "construction" as recognized by

the U.S. Department of Labor (U.S. DOL), with:

(a) U.S. DOL regulations, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," 41 C.F.R. chapter 60, and

(b) Executive Order No. 11246, "Equal Employment Opportunity in Federal Employment," September 24, 1965, 42 U.S.C. § 2000e note (30 *Fed. Reg.* 12319, 12935), as amended by any later Executive Order that amends or supersedes it, referenced in 42 U.S.C. § 2000e note.

e. Disadvantaged Business Enterprise. To the extent authorized by applicable federal laws, regulations, or requirements, the Recipient agrees to facilitate, and assures that each Third Party Participant will facilitate, participation by small business concerns owned and controlled by socially and economically disadvantaged individuals, also referred to as "Disadvantaged Business Enterprises" (DBEs), in the Underlying Agreement as follows:

(I) Statutory and Regulatory Requirements. The Recipient agrees to comply with:

(a) Section 1101(b) of the FAST Act, 23 U.S.C. § 101 note,

(b) U.S. DOT regulations, "Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs," 49 C.F.R. part 26, and

(c) Federal transit law, specifically 49 U.S.C. § 5332, as provided in section 12 of this Master Agreement.

(2) DBE Program Requirements. A Recipient that receives planning, capital and/or operating assistance and that will award prime third party contracts exceeding $250,000 in a federal fiscal year must have a DBE program that is approved by FTA and meets the requirements of 49 C.F.R. part 26.

(3) Special Requirements for a Transit Vehicle Manufacturer (TVM). The Recipient agrees that:

(a) TVM Certification. Each TVM, as a condition of being authorized to bid or propose on FTA-assisted transit vehicle procurements, must certify that it has complied with the requirements of 49 C.F.R. part 26, and

(b) Reporting TVM Awards. Within 30 days of any third party contract award for a vehicle purchase, the Recipient must submit to FTA the name of the TVM contractor and the total dollar value of the third party contract, and notify FTA that this information has been attached in TrAMS. The Recipient must also submit additional notifications if options are exercised in subsequent years to ensure that the TVM is still in good standing.

(4) Assurance. As required by 49 C.F.R. § 26.13(a):

(a) Recipient Assurance. The Recipient agrees and assures that:

1 It must not discriminate based on race, color, national origin, or sex in the award and performance of any FTA or U.S. DOT-assisted contract, or in the administration of its DBE program or

the requirements of 49 C.F.R. part 26,

i It must take all necessary and reasonable steps under 49 C.F.R. part 26 to ensure nondiscrimination in the award and administration of U.S. DOT- assisted contracts,

3 Its DBE program, as required under 49 C.F.R. part 26 and as approved by
U.S. DOT, is incorporated by reference and made part of the Underlying Agreement, and

4 Implementation of its DBE program approved by U.S. DOT is a legal obligation and failure to carry out its terms shall be treated as a violation of this Master Agreement.

(b) Subrecipient/Third Party Contractor/Third Party Subcontractor Assurance. The Grantee agrees and assures that it will include the following assurance in each subagreement and third party contract it signs with a Subrecipient or Third Party Contractor and agrees to obtain the agreement of each of its Subrecipients, Third Party Contractors, and Third Party Subcontractors to include the following assurance in every subagreement and third party contract it signs:

1 The Subrecipient, each Third Party Contractor, and each Third Party Subcontractor must not discriminate based on race, color, national origin, or sex in the award and performance of any FTA or U.S. DOT-assisted subagreement, third party contract, and third party subcontract, as applicable, and the administration of its DBE program or the requirements of 49 C.F.R. part 26,

i The Subrecipient, each Third Party Contractor, and each Third Party Subcontractor must take all necessary and reasonable steps under 49 C.F.R. part 26 to ensure nondiscrimination in the award and administration of
U.S. DOT-assisted subagreements, third party contracts, and third party subcontracts, as applicable,

J Failure by the Subrecipient and any of its Third Party Contractors or Third Party Subcontractors to carry out the requirements of this subparagraph 12.e(4)(b) is a material breach of this subagreement, third party contract, or third party subcontract, as applicable, and

 The following remedies, or such other remedy as the Recipient deems appropriate, include, but are not limited to, withholding monthly progress payments, assessing sanctions, liquidated damages, and/or disqualifying the Subrecipient, Third Party Contractor, or Third Party Subcontractor from future bidding as non-responsible.

(5) Remedies. Upon notification to the Recipient of its failure to carry out its approved program, FTA or U.S. DOT may impose sanctions as provided for under 49 C.F.R. part 26, and, in appropriate cases, refer the matter for enforcement under either or both 18 U.S.C. § 1001, and/or the Program Fraud Civil Remedies Act of 1986, 31 U.S.C. § 3801 *et* seq.

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

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

h. Nondiscrimination on the Basis of Disability. The Recipient agrees to comply with the following federal prohibitions against discrimination based on disability:
   (1) Federal laws, including:
      (a) Section 504 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. § 794, which prohibits discrimination based on disability in the administration of federally assisted Programs, Projects, or activities,
      (b) The Americans with Disabilities Act of 1990 (ADA), as amended, 42 U.S.C.
      § 12101 *et seq.,* which requires that accessible facilities and services be made available to individuals with disabilities:
         1 For FTA Recipients generally, Titles I, II, and III of the ADA apply, but
         .f For Indian Tribes, Titles II and III of the ADA apply, but Title I of the ADA does not apply because it exempts Indian Tribes from the definition of "employer,"
      (c) The Architectural Barriers Act of 1968, as amended, 42 U.S.C. § 4151 *et seq.,* which requires that buildings and public accommodations be accessible to individuals with disabilities,

(d) Federal transit law, specifically 49 U.S.C. § 5332, which now includes disability as a prohibited basis for discrimination, and

(e) Other applicable federal laws, regulations, and requirements pertaining to access for seniors or individuals with disabilities.

(2) Federal regulations and guidance, including:

(a) U.S. DOT regulations, "Transportation Services for Individuals with Disabilities (ADA)," 49 C.F.R. part 37,

(b) U.S. DOT regulations, "Nondiscrimination on the Basis of Disability in Programs and Activities Receiving or Benefiting from Federal Financial Assistance," 49 C.F.R. part 27,

(c) Joint U.S. Architectural and Transportation Barriers Compliance Board (U.S. ATBCB) and U.S. DOT regulations, "Americans With Disabilities (ADA) Accessibility Specifications for Transportation Vehicles," 36 C.F.R. part 1192 and 49 C.F.R. part 38,

(d) U.S. DOT regulations, "Transportation for Individuals with Disabilities: Passenger Vessels," 49 C.F.R. part 39,

(e) U.S. DOJ regulations, "Nondiscrimination on the Basis of Disability in State and Local Government Services," 28 C.F.R. part 35,

(t) U.S. DOJ regulations, "Nondiscrimination on the Basis of Disability by Public Accommodations and in Commercial Facilities," 28 C.F.R. part 36,

(g) U.S. EEOC, "Regulations to Implement the Equal Employment Provisions of the Americans with Disabilities Act," 29 C.F.R. part 1630,

(h) U.S. Federal Communications Commission regulations, "Telecommunications Relay Services and Related Customer Premises Equipment for Persons with Disabilities," 47 C.F.R. part 64, subpart F,

(i) U.S. ATBCB regulations, "Electronic and Information Technology Accessibility Standards," 36 C.F.R. part 1194,

G) FTA regulations, "Transportation for Elderly and Handicapped Persons," 49 C.F.R. part 609,

(k) FTA Circular 4710.1, "Americans with Disabilities Act: Guidance," and

(l) Other applicable federal civil rights and nondiscrimination regulations and guidance.

1. Drug or Alcohol Abuse - Confidentiality and Other Civil Rights Protections. The Recipient agrees to comply with the confidentiality and civil rights protections of:

(l) The Drug Abuse Office and Treatment Act of 1972, as amended, 21 U.S.C. § 1101 *et seq.,*

(2) The Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970, as amended, 42 U.S.C. § 4541 *et seq.,* and

(3) The Public Health Service Act, as amended, 42 U.S.C. §§ 290dd - 290dd-2.

J. Access to Services for Persons with Limited English Proficiency. The Recipient agrees to promote accessibility of public transportation services to persons with limited understanding of English by following:

(l) Executive Order No. 13166, "Improving Access to Services for Persons with Limited English Proficiency," August 11, 2000, 42 U.S.C. § 2000d-1 note, (65 *Fed. Reg.* 50121,), and

(2) U.S. DOT Notice, "DOT Policy Guidance Concerning Recipients' Responsibilities to Limited English Proficiency (LEP) Persons," 70 *Fed. Reg.* 74087, December 14, 2005.

k. Other Nondiscrimination Laws, Regulations, Requirements, and Guidance. The Recipient agrees to comply with other applicable federal nondiscrimination laws, regulations, and requirements, and follow federal guidance prohibiting discrimination.

l. Remedies. Remedies for failure to comply with applicable federal Civil Rights laws, regulations, and requirements, and failure to follow guidance may be enforced as provided in those federal laws, regulations, requirements, or guidance.

20. Choice of Law and Venue

This agreement is to be interpreted according to the laws of the State of North Carolina. The Parties hereby agree that the proper venue for any claims filed as a result of this Agreement shall be the Superior Court of Wake County, North Carolina.

21. Severability

If any provision of the FTA Master Agreement or this Agreement for the Project_is determined invalid, the remainder of that Agreement shall not be affected if that remainder would continue to conform to the requirements of applicable Federal or State laws or regulations.

22. Contract Administrators.

All notices permitted or required to be given by one Party to the other and all questions about this Agreement from one Party to the other shall be addressed and delivered to the other Party's Contract Administrator. The name, postal address, street address, telephone number, fax number, and email address of the Parties' respective initial Contract Administrators are set out below. Either Party may change the name, postal address, street address, telephone number, fax number, or email address of its Contract Administrator by giving timely written notice to the other Party.

For the Department:

Name:	Myra Freeman
Title:	Financial Manager
Agency:	NCDOT/PTD
Email:	Msfreeman 1@ncdot.gov
MSC:	1550 Mail Service Center - Raleigh, NC 27699-1550
Physical Address:	1 S. Wilmington St, Rm 542, Transportation Building, Raleigh, NC 27601
Phone:	919-707-4672 Fax: 919-733-2304

For the Grantee:

Name:	Brian Litchfield
Title:	Transit Director
Agency:	Town of Chapel Hill - Chapel Hill Transit
Address:	6900 Millhouse Rd. Chapel Hill NC 27516
Email:	BLitchfield@TownofChapelHill.org
Phone:	(919) 969-4908

IN WITNESS WHEREOF, this Agreement has been executed by the Department, an agency of the State of North Carolina, and the Grantee by and through a duly authorized representative and is effective the date and year first above written.

TOWN OF CHAPEL HILL

GRANTEE'S FEDERAL TAX ID NUMBER: 56-6001199

GRANTEE'S FISCAL YEAR END: **JUNE 30, 2026**

TOWN OF CHAPEL HILL

BY: Ryan Clark

TITLE: **DEPUTY TOWN MANAGER**

ATTEST: Brittney Hurt

TITLE: Town Clerk

DEPARTMENT OF TRANSPORTATION

BY:

TITLE: DEPUTY SECRETARY FOR MULTI-MODAL TRANSPORTATION

I, Sabrina M. Oliver, Town Clerk of the Town of Chapel Hill, North Carolina, hereby certify that the attached is a true and correct copy of (2011-05-23/R-5) adopted by the Chapel Hill Town Council on May 23, 2011.

This the 8th day of August, 2011.

Sabrina M. Oliver
Town Clerk

A RESOLUTION AUTHORIZING THE FILING AND EXECUTION OF APPLICATIONS WITH THE U.S. DEPARTMENT OF TRANSPORTATION AND THE N.C. DEPARTMENT OF TRANSPORTATION FOR GRANTS AUTHORIZED BY TITLE 49 U.S.C. CHAPTER 53, U.S. CODE OF THE FEDERAL TRANSIT ACT, AS AMENDED (2011-05-23/R-5)

WHEREAS, the United States Secretary of Transportation is authorized to make grants for mass transportation program of projects; and

WHEREAS, the contract for financial •assistance will impose certain obligations upon the applicant, including the provision by it of the local share of project costs; and

WHEREAS, it is required by the U.S. Department of Transportation in accord with the provisions of Title VI of the Civil Rights Act of 1964, as amended, that in connection with the filing of applications for assistance under the Federal Transit Act, as amended, the applicant files an assurance that it will comply with Title VI of the Civil Rights Act of 1964 and the U.S. Department of Transportation requirements thereunder; and

WHEREAS, it is the goal of the applicant that minority business enterprise be utilized to the fullest extent possible in connection with these projects, and that definitive procedures shall be established and administered to ensure that minority businesses shall have the maximum feasible opportunity to compete for contracts where procuring constrnction contracts, supplies, equipment contracts, or consultant and other services.

NOW, THEREFORE, BE IT RESOLVED by the Council of the Town of Chapel Hi!J:

1. That the Town Manager or his designee is authorized to execute and file applications on behalf of the Town of Chapel Hill with the U.S. Department of Transportation and the North Carolina Department of Transportation, to aid in the financing of operating, capital and planning assistance projects pursuant to Section 5303, 5307, 5309, 5316, 5317 and 5340 of the Federal Transit Act, as amended.

2. That the Town Manager or his designee is authorized to execute and file with such applications an assurance or any other document required by the U.S. Department of Transportation fulfilling the purposes of Title VI of the Civil Rights Act of 1964.

3. That the Town Manager or his designee is authorized to furnish such additional information as the U.S. Depa1tment of Transportation may require in connection with the applications for the program of projects and budget.

4. That the Town Manager or his designee is authorized to set forth and execute affirmative minority business policies in connection with the project's procurement needs.

5. That the Town Manager or his designee is authorized to execute grant agreements on behalf of the Town of Chapel Hill with the U.S. Department of Transportation and N.C. Department of Transportation for aid in the financing of the operating, capital, and planning assistance for the program of projects.

This the 23rd day of May, 2011.

APPENDIX A

NORTH CAROLINA DEPARTMENT OF TRANSPORTATION
PUBLIC TRANSPORTATION DIVISION
PROJECT NUMBER: 26-UM-117
APPROVED BUDGET SUMMARY
EFFECTIVE DATE JULY 1, 2025

PROJECT SPONSOR: TOWN OF CHAPEL HILL
PROJECT DESCRIPTION: FY26 URBAN STATE MATCH CAPITAL PROGRAM

I. TOTAL PROJECT EXPENDITURES

DEPARTMENT - 4523 - CAPITAL	36231.4.11.3	$623,820
PERIOD OF PERFORMANCE JULY 1, 2025 - JUNE 30, 2026		

II. TOTAL PROJECT FUNDING

		TOTAL	FEDERAL"	STATE	LOCAL
CAPITAL I -	36231.4.11.3	100%	80%	10%	10%
AGREEMENT#		$623,820	$499,056	$62,382	$62,382
TOTAL BUDGET		**$623,820**	**$499,056**	**$62,382**	**$62,382**

"FEDERAL NON-BILLABLE

NORTH CAROLINA DEPARTMENT OF TRANSPORTATION
PUBLIC TRANSPORTATION DIVISION
APPROVED PROJECT BUDGET

PROJECT: 26-UM-117
SPONSOR: TOWN OF CHAPEL HILL
WBS: 36231.4.11.3

DEPARTMENT 4523 -CAPITAL I

OBJECT	TITLE	APPROVED BUDGET
M103	111204 BUY BUS <30FT REPL	$623,820
	TOTAL CAPITAL	**$623,820**

URBAN STATE MATCH
State

NORTH CAROLINA
Department of Transportation

Capital

PRINCIPLE	Urban State Match Funding is used as a match for both Federal and Local funded vehicle replacement projects. Federal Fund sources include 5307 Urbanized Area Formula Grants, 5339 Bus and Bus Facilities, 5337 State of Good Repair Grants, 5310 Elderly and Disabled, and Discretionary Qrants from the Federal Transit Administration (FTA).
ELIGIBLE SUBRECIPIENTS	Eligible subrecipients receive Urban Federal transit funding and have an approved or under review grant through FTA The grantee should submit for reimbursement in the fiscal year of the awarded match grant. The eligible project cannot receive State Transportation Investments (STI) or other State matching funds; nor can the project be required to qo throuqh the STI process
ELIGIBLE SERVICE and SERVICE AREA	Eligible projects are in two primary categories facilities and vehicle replacements. Only facility projects included in the State Transportation Improvement Plan (STIP) in FY 2016 or before and were not part of the STI Process are eligible for state match. Facility projects are limited to costs associated with a new building or rehabilitation/renovation of an existing building. It does not include other projects such as park and ride lots, bus shelters, etc. The projects must follow Federal, and State of North Carolina and NCDOT-PTO procurement policies found in EX 301 of the NC Public Transportation Business Guide.
FINANCIAL CAPACITY and MANAGEMENT	Locally funded projects (no Federal Funds) must have the purchase order for the vehicle(s) attached to the application or supporting documentation about the facility is attached to the grant application.
AUDIT REPORTS and FINANCIAL STATEMENTS	Subrecipients expending more than $750,000 in federal funds from all sources (including federal funds provided through NCDOT) in a year must submit the annual single audit required by 09 NCAC 03M and evidence of resolution of findings related to the transit program to NCDOT. The value of a capital item purchased by PTO on the subrecipients behalf must be considered when determining whether a subrecipient meets the threshold for a single audit.
PROGRAM REPORTING	NCDOT Public Transportation Division requires quarterly and year-end reports. Program status reports are also required with each claim submitted. Failure to submit reports on time will result in a reduction in the State Maintenance Assistance Program (SMAP}.
REFERENCES	NC Public Transportation Business Guide NCDOT PTO Urban State Match Application 09 NCAC03M IMO Unified Grant application and Guidance State Management Plan
UPDATES/REVISIONS	Original Date: April 20, 2018 Last Amended Date: December 8, 2022

PROGRAM SUMMARY SHEET REQUIREMENTS

Attachment B

State Grant Certification - No Overdue Tax Debts or Conflicts of Interest For Grantees

Date: August 22, 2025

To: North Carolina Department of Transportation

Certification:

We certify that the Town of Chapel Hill, North Carolina, does not have any overdue tax debts, as defined by N.C.G.S. 105-243.1, at the federal, State, or local level. We further certify that we will not use funds awarded by this grant to satisfy any subsequent tax obligations.

Additionally, the Town of Chapel Hill, North Carolina, does not have any conflicts of interest with any employees of the North Carolina Department ofTransportation, or any governing Board as defined by North Carolina G.S.143-6-23(b)(c). We further understand that a false statement made is in violation of N.C.G.S. 143-6-23 and such false statement would be a criminal offense punishable as provided by **N.C.G.S.** 143C-10-1.

Sworn Statement:

We, the Town of Chapel Hill, North Carolina, certify that we are residents of Chapel Hill in the State of North Carolina. We also acknowledge and understand that any misuse of State funds will be reported to the appropriate authorities for further action.

Amy Oland 8/25/2025

Town of Chapel Hill

Amy Oland, Business Management Director

Sworn to and subscribed before me on the day of the date of said certification,

Sherry Allison Cooper

(Notary Signature anci Seal)

My Commission Expires: 8} b□. I ·2c2..g,

SHERRY ALLISON COOPER
NOTARY PUBLIC
Alamance County
North Carolina
My Commission Expires **August 29, 2028**

STATE OF NORTH CAROLINA
DEPARTMENT OF TRANSPORTATION

JOSH STEIN
GOVERNOR

J.R. "JOEY" HOPKINS
SECRETARY

September 22, 2025

Adnaw Alexius Farris
TOWN OF CHAPEL HILL
405 MARTIN LUTHER KING JR. BLVD
CHAPEL HILL, NC 27514

Program No. P2026_URBAN STATE MATCH
Agreement No. 2000086023
Application No. 1000023217
WBS Element No. 36231.4.11.3
Project No. 26-UM-117

Dear Adnaw Alexius Farris,

The agreement for the above project has been executed by the Deputy Secretary for Transit. The agreement sets forth the terms, procedures, guidelines and reporting requirements for executing the project in full compliance with the Federal and state rules and regulations. Any failure to provide documentation and make reasonable progress on the Project will be a violation of this Agreement and will provide sufficient grounds for the Department to deny funding and terminate the Agreement. It is critical that each Grantee thoroughly review the agreement and relate any questions or requests for assistance to NCDOT- Financial Management.

Key provisions of the agreement pertaining to period of performance, budget amendments/revisions, reporting of expenses and reimbursement and DBE/WBE policy are highlighted below.

- The period of performance shall extend from **07/01/2025 - 06/30/2026** . During this time allowable costs incurred during this period and the period covered will be eligible for reimbursement from the Department. Any requests to change the Period of Performance must be made in accordance with the policies and procedures established by the Department or FTA.

- Requests for budget revisions and budget amendments requests must be entered in the system and approved by NCDOT. Grantees are required to follow the Departments guidelines on procedures for requesting a budget revision or amendment.

- Grantees shall limit reimbursement for meals, lodging and travel to the rates established by the State of North Carolina Travel Policy. Costs incurred by grantees in excess of these rates shall be borne by the grantee.

- The policy of the Department of Transportation is to allow disadvantaged business enterprises, including minorities and women, to participate in federal and state financial assistance. We encourage you to use the DOT web site for subcontractors that are certified for DBE, MBE, and WBE at http://apps.dot.state.nc.us/vendor/directory and for Historically Underutilized Businesses

(HUBs) at http://www.doa.state.nc.us/hub/ when purchasing goods and services.

- Enter Subcontractor Payment when requesting claims.

- Based on the level of paperwork, NCDOT/Financial Management encourages grantees that are required to submit supporting documentation to elect to submit their requests for reimbursement on a monthly basis. Failure to request reimbursement within 30 days following the end of the period covered as outlined in the agreement may result in non-payment or termination of the project. **Request for reimbursement must include expenditures incurred during the period covered.**

  Each request for reimbursement must be accompanied by the following:

  1 A cover letter on Agency' s letterhead;

  2 Advance payment form, if applicable;

  3 Xerox copy of checks (only for vehicle purchase or when requested);

  4 Original invoices supporting all claimed expenditures, if applicable **(all eligible expenditures must be highlighted and include expenses incurred during the period covered);**

- A copy of the agency' s year-end audit report should be forwarded to this office after completion, but no later than one year after the audit period ends.

NCDOT looks forward to working with you on this transportation project. When communicating with NCDOT, please identify this project using the project number, WBS element, and agreement number referenced above on all correspondence. If you have any questions regarding the contract, claims or related matters please contact your assigned Mobility Development Specialist.

NC Department of Transportation
Public Transportation Division
Phone: 919-707-4670
1 South Wilmington Street
1550 Mail Service Center
Raleigh, North Carolina 27699-1550