



Grant Agreement

Summary and Signature Page

PARTIES TO THE AGREEMENT

This Grant Agreement ("Agreement") is made by and between the State of Wisconsin Department of Transportation ("Department") and the City of Waukesha ("Recipient").

STATE STATUTE AND ADMINISTRATIVE CODE CITATION

Consistent with its authority under Section 85.20, Wisconsin Statutes; rules set forth in chapters Trans 4 and Trans 8, Wisconsin Administrative Code; and the terms and conditions of this Agreement, including those contained in attachments to this Agreement and documents incorporated by reference the Department hereby agrees to provide the Recipient with program funds per the terms below.

PERIOD OF PERFORMANCE

January 1, 2022, through
December 31, 2022

AWARD MAXIMUM

Per Attachment A to this Agreement, the Department agrees to pay the Recipient an amount not to exceed **\$4,153,237**.

This Agreement shall become effective upon its complete execution by the Recipient and the Department.

RECIPIENT

(Attach additional signatures, if required by local regulations, on a separate sheet)

Signature: _____

Name: _____

Title: _____

Date: _____

STATE OF WISCONSIN

DEPARTMENT OF TRANSPORTATION

Signature: _____

Ian Ritz, Chief
Public & Specialized Transportation Section
Division of Transportation Investment Management

Date: _____



Grant Agreement

ARTICLE 1. TERMS OF PAYMENT

- A. Consistent with s. 85.20, Wis. Stats., the Department shall make payment to the Recipient exclusively to assist with costs that the Recipient incurs as a result of operating, either directly or indirectly through the use of one or more third parties, a public mass transit system ("Transit System") during calendar year 2022.
- B. The Department shall pay the lesser of:
 1. The Award Maximum specified in this Agreement.
 2. The nonfederal share of the Recipient's audited operating deficit.
 3. Five times the amount of the Recipient's local contribution as defined under s. 85.20 (4m) (b), Wis. Stats. This provision does not apply if the Transit System is a shared-ride taxi system.
- C. During the Period of Performance, the Department shall pay the Award Maximum amount to the Recipient in two lump sums, in accordance with Attachment A and consistent with applicable state law. In the event sufficient funds are not made available under s. 20.395, Wis. Stats., the Department will amend this Agreement to reduce state payments as necessary.
- D. The Department may withhold any and all payments due and owing the Recipient if the Recipient has not submitted any report required per Article 2 or Article 3, any associated invoice, or any other required document or record, until such time as the Recipient submits it as prescribed by the Department.

ARTICLE 2. RECIPIENT REQUIREMENTS

- A. The Recipient shall submit quarterly reimbursement and performance measures reports no more than thirty (30) days after the conclusion of each calendar year quarter. Additionally, the Department may require the Recipient to submit special reports from time to time.
- B. The Recipient shall submit all reports, invoices, and other required documents in the manner and form that the Department prescribes through Application instructions and other means.



- C. The Recipient shall pay the total operating deficit of the Transit System as its bills become due. If the Recipient contracts for mass transit service with a third-party transportation provider, the Recipient shall pay the provider consistent with contract terms and actual monthly operating deficits and shall make payments within thirty (30) days of Recipient's receipt of invoice. The Recipient may reduce payments to the provider by an amount equal to any overpayments made to the third party under this Agreement.
- D. The Recipient shall ensure that the Transit System provides reduced-fare programs for elderly and disabled persons during non-peak hours. Such reduced fares may not exceed one-half of the full adult cash fare applicable during peak hours of operation. This requirement is not applicable if the Transit System is a shared-ride taxi system.
- E. The Recipient shall operate the Transit System as outlined in its approved Application. If the Recipient determines that service changes are necessary, it shall obtain written approval from the Department before proceeding with the changes.
- F. The Recipient shall count, or shall ensure that its third-party provider(s) count, Transit System total passenger trips taken during the calendar year in accordance with both the procedures set forth in Ch. Trans 3, Wis. Admin. Code, and the provisions of the Transit Management Plan ("Management Plan") that the Recipient submitted as part of its Application.
- G. The Recipient may not use funds paid under this Agreement for expenses incurred outside the Period of Performance unless the Recipient has sought prior written approval from the Department and has received such approval.
- H. The Recipient may not use program funds to purchase service from or make sub-grants to any third party without an attendant written contract, agreement, or purchase-of-service order, that has been prepared and executed consistent with Department procedures and with applicable federal and/or State of Wisconsin procurement requirements. Third-party contracts, agreements, or purchase-of-service orders shall be available for inspection by Department officials, employees, or designees upon request.
- I. The Recipient shall ensure that the Transit System is managed and operated consistent with its 2022 Public Transit Assistance Program application, including the associated Management Plan and all other attachments thereto, as approved by the Department ("Application").



- J. If the Recipient wishes to make any modification to Transit System management or operation, it shall so notify the Department, in writing in a manner prescribed by the Department, at least twenty-eight (28) calendar days prior to implementing the modification. Within twenty-one (21) days of receiving the Recipient's notification, the Department shall determine whether the proposed modification represents a "substantive change" and shall respond to the Recipient.

If the Department concludes that a proposed Transit System modification represents a "substantive change" and that the modification is permissible under State law, it shall prepare an amendment to this Agreement and issue it to the Recipient for execution. The Recipient may not implement any "substantive change" until a corresponding amendment to this Agreement has been executed.

If the Department concludes that a proposed Transit System modification represents a "substantive change" and that the modification is not permissible under State law, it shall so notify the Recipient, and the Recipient may not implement the implementation.

If the Department determines that a proposed Transit System modification is not a "substantive change," it shall so notify the Recipient, after which the Recipient may implement the modification. A formal amendment to this Agreement will not be required.

- K. Upon receiving either an Agreement amendment or notification of a "non-substantive change" determination from the Department in response to a proposed Transit System modification, the Recipient shall update its Management Plan accordingly. The Recipient shall provide the Department with the updated Management Plan in the form and manner that the Department specifies, within fourteen (14) days of receiving either the Agreement amendment or determination notification.
- L. All materials, equipment, and supplies that the Recipient acquires under this Agreement must comply fully with all safety requirements as set forth in law or rule by the State of Wisconsin, and with all applicable OSHA Standards.
- M. If local public bodies other than the Recipient contribute assistance to the operation of the Transit System, the Recipient shall allocate the state aid received under this Agreement among them in proportion to their contributions.



ARTICLE 3. ACCOUNTING, RECORDS, AND AUDITS

- A. The Recipient shall have a single, organization-wide financial and compliance audit performed by a qualified independent auditor, if required to do so under federal law and regulations. This audit shall be performed in accordance with federal Office of Management and Budget (OMB) Super Circular 2 CFR Part 200 and state single audit guidelines issued by the Wisconsin Department of Administration. Upon notice of any findings from this audit that involve the use of program funds, the Recipient shall inform the Department.
- B. The Recipient shall submit a year-end statement of expenses and revenues to the Department in the manner and form, and by the date, which the Department specifies. This statement shall reflect the full operating revenues and expenses incurred by the Transit System for the Period of Performance.
- C. All costs that the Recipient incurs under this Agreement shall be supported by properly executed payrolls, time records, invoices, contracts, or vouchers indicating the purpose of the charges. The Recipient, any co-recipients, contractors, subcontractors, and their affiliates shall maintain all documents and evidence pertaining to revenues, expenses, and cost allocations related to this Agreement. The Recipient shall be responsible for ensuring the compliance of all co-recipients, contractors, subcontractors, and affiliates with this provision.
- D. The Recipient shall retain all accounts and records as required above for a minimum of three (3) years after receipt of final payment under this Agreement, and until the Department completes its audit of Transit System financial activity during the Period of Performance, and shall be available upon request by the Department or its designee for inspection and audit purposes.
- E. In conducting its audit, the Department shall determine the Transit System's eligible operating expenses, revenues, and operating deficit. Such determinations by the Department shall be made in accordance with generally accepted accounting principles and practices. The Department shall also determine the allowable federal share of the operating deficit.
- F. Based on the Recipient's eligible operating expenses, revenues, and allowable federal share of operating deficit, the Department shall apply the provisions of Article 1, Clause B to determine whether payment to the Recipient under the terms of this Agreement has exceeded the amount for which the Recipient is eligible.



- G. If the Department's audit establishes that payment to the Recipient under the terms of this Agreement has exceeded the amount for which the Recipient is eligible, the Recipient shall refund to the Department upon demand a sum sufficient to reduce the payment to comply with the maximum allowed under s. 85.20, Wis. Stats., given the Recipient's allowable expenses incurred and revenues received during the Period of Performance.
- H. The Recipient shall permit the Department or its designee access to inspect all vehicles, facilities, and equipment that are acquired with funds provided under this Agreement; all transportation services rendered by the Recipient through the use of such vehicles, facilities, and equipment; and all relevant project data, documents, and records.

ARTICLE 4. TERMINATION OF AGREEMENT

- A. The Department may terminate this Agreement at any time that the Department Secretary determines that the Recipient, lessee, or any third-party contractor has failed to perform in the manner called for in the Agreement, or has failed to fulfill contract obligations. Failure of the Recipient or any third-party contractor to comply with the terms and conditions of this Agreement shall be considered cause for termination.
- B. The Recipient may terminate this Agreement upon receipt of a written, formal request by the Department at least thirty (30) calendar days prior to the proposed termination date.
- C. In the event that this Agreement is terminated, the Department shall be liable only for state aid payments for services rendered before the effective date of termination, not to exceed 60% of the Recipient's total operating costs less the prorated sum of other state operating assistance awarded the Recipient for the Period of Performance and assistance the Recipient is allocated under 49 USC §5307 during the Period of Performance, and subject to all applicable federal laws and state laws and rules.

ARTICLE 5. WHOLE AGREEMENT

All attachments and appendices to this Agreement are incorporated herein by annexation. Further, this Agreement incorporates by reference the entirety of the Recipient's 2022 Public Transit Assistance Program application, including the Management Plan and other documents attached thereto.



Attachment A: Schedule of Payments

Wis. Stats. 85.20 – Urban Mass Transit Operating Assistance

A. Award Details

Total Budgeted Expenses	\$9,056,511
Total Anticipated Revenues	- \$979,175
Total Anticipated Net Deficit	= \$8,077,336
5307 Allocation	\$1,280,660
85.20 State Assistance	\$4,153,237
*Local Share	\$2,643,439

* Local share estimated, actual system expenses and revenues will determine the local contribution.

B. Schedule of Payments

Period	Payment Amount	Estimated Payment Date
1 st Payment (Quarter 1)	\$ 1,038,305	June 20, 2022
2 nd Payment (Quarters 2-4)	\$ 3,114,932	August 30, 2022
Payment Total	\$ 4,153,237	



Wis. Stats. 85.20 (State ID: 395.17600)
Urban Mass Transit Operating Assistance Program
2022 Grant Agreement
City of Waukesha

Attachment B: Department Contacts

Wis. Stats. 85.20 – Urban Mass Transit Operating Assistance

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