



**STATE OF TENNESSEE
DEPARTMENT OF TRANSPORTATION
PROGRAM DEVELOPMENT & ADMINISTRATION DIVISION
LOCAL PROGRAMS DEVELOPMENT OFFICE**

SUITE 600, JAMES K. POLK BUILDING
505 DEADERICK STREET
NASHVILLE, TN 37243-1402
(615) 741-5314

JOHN C. SCHROER
COMMISSIONER

BILL HASLAM
GOVERNOR

September 16, 2016

The Honorable Tom Taylor
Mayor, City of Maryville
400 W. Broadway
Maryville, TN 37801-4710

The Honorable Ed Mitchell
Mayor, Blount County
341 Court St.
Maryville, TN 37804

Re: State Industrial Access Road serving Denso
Maryville, Blount County
PIN: 124863.00
Federal Project Number: N/A
State Project Number: 05952-3587-04
Contract Number: 160207

Dear Mayor Taylor and Mayor Mitchell:

I am attaching a contract providing for the development of the referenced project. Please review the contract and advise me if it requires any additional explanation. The estimated cost for your agency's share of the Right-of-Way phase is \$120,850.00 or \$60,425.00 per agency. If you find the contract fully satisfactory, please execute it in accordance with all rules, regulations and laws, obtain the signature of the attorney for your agency and forward to your partner agency. Once fully signed by the mayor and attorney, please return the contract with your Right-of-Way deposit of \$120,850.00 to me. Once the contract is fully executed, we will forward a copy to you for your records.

If you have any questions or need any additional information, please contact Ms. Maria Hunter at 615-532-3632 or maria.hunter@tn.gov.

Sincerely,



John Phillips
Transportation Manager

Attachment

Agreement Number: 160207

Project Identification Number: 124863.00

Federal Project Number: N/A

State Project Number: 05952-3587-04

State of Tennessee Department of Transportation

LOCAL AGENCY PROJECT AGREEMENT

THIS AGREEMENT, made and entered into this _____ day of _____, 20____ by and between the STATE OF TENNESSEE DEPARTMENT OF TRANSPORTATION, an agency of the State of Tennessee (hereinafter called the "Department") and the City of Maryville and Blount County (hereinafter called the "Agency") for the purpose of providing an understanding between the parties of their respective obligations related to the management of the project described as:

“State Industrial Access Road serving Denso”

A. PURPOSE OF AGREEMENT

A.1 Purpose:

- a) The purpose of this Agreement is to provide for the Department's participation in the project as further described in Exhibit A attached hereto and by this reference made a part hereof (hereinafter called the "Project") and state the terms and conditions as to the manner in which the Project will be undertaken and completed.

A.2 Modifications and Additions:

- a) Exhibit(s) are attached hereto and by this reference made a part hereof.

B. ACCOMPLISHMENT OF PROJECT

B.1 General Requirements:

a)

	Responsible Party	Funding Provided by Agency or Project.
Environmental Clearance by:	Department	Project
Preliminary Engineering by:	Department	Project
Right-of-Way by:	Department	Project
Utility Coordination by:	Department	Project
Construction by:	Department	Project

- b) After receiving authorization for a phase, the Agency shall commence and complete the phases as assigned above of the Project as described in Exhibit A with all practical dispatch, in a sound, economical, and efficient manner, and in accordance with the provisions herein, and all applicable laws. The Project will be performed in accordance with all latest applicable Department procedures, guidelines, manuals, standards, and directives as described in the Department's Local Government Guidelines, available in electronic format, which by this reference is made a part hereof as if fully set forth herein.
- c) A full time employee of the Agency shall supervise the herein described phases of the Project. Said full time employee of the Agency shall be qualified to and shall ensure that the Project will be performed in accordance with the terms of this Agreement and all latest applicable Department procedures, guidelines, manuals, standards, and directives as described in the Department's Local Government Guidelines and this Agreement.

B.2 Completion Date:

- a) The Agency agrees to complete the herein assigned phases of the Project on or before **N/A**. If the Agency does not complete the herein described phases of the Project within this time period, this Agreement will expire on the last day of scheduled completion as provided in this paragraph unless an extension of the time period is requested by the Agency and granted in writing by the Department prior to the expiration of the Agreement. An extension of the term of this Agreement will be effected through an amendment to the Agreement. Expiration of this Agreement will be considered termination of the Project. The cost of any work performed after the expiration date of the Agreement will not be reimbursed by the Department.

B.3 Environmental Regulations:

- a) The Department will review environmental documents and require any appropriate changes for approval as described in the Department's Local Government Guidelines.
- b) In the event the Agency is made responsible for the Environmental Clearances in Section B.1(a) of this Agreement, the Agency will be solely responsible for compliance with all applicable environmental regulations and for any liability arising from non-compliance with these regulations and will reimburse the Department of any loss incurred in connection therewith to the extent permitted by Tennessee Law. The Agency will be responsible for securing any applicable permits as described in the Department's Local Government Guidelines.
- c) In the event the Agency is made responsible for the Environmental Clearances in section B.1.(a) of this Agreement, then the Agency must complete environmental clearances before it begins final design and understands that a separate Notice to Proceed will be submitted for final design. Any work on final design performed ahead of this Notice to Proceed will not be reimbursable.

B.4 Plans and Specifications

- a) In the event that the Agency is made responsible for the Preliminary Engineering in Section B.1.(a) of this Agreement and federal and/or state funding is providing reimbursement, except as otherwise authorized in writing by the Department, the Agency shall not execute an agreement for the Preliminary Engineering phase of the Project without the written approval of the Department. Failure to obtain such written approval shall be sufficient cause for nonpayment by the Department.
- b) In the event that this Agreement involves constructing and equipping of facilities on the State Highway System and/or is a Project with Federal participation and the Agency is made responsible for Preliminary Engineering in section B.1.(a) of this Agreement, the Agency shall submit to the Department for approval all appropriate plans and specifications covering the Project. The Department will review all plans and specifications and will issue to the Agency written approval with any approved portions of the Project and comments or recommendations covering any remainder of the Project deemed appropriate.
 - 1) After resolution of these comments and recommendations to the Department's satisfaction, the Department will issue to the Agency written approval and authorization to proceed with the next assigned phase of the Project. Failure to obtain this written approval and authorization to proceed shall be sufficient cause for nonpayment by the Department.
- c) In the event that this Agreement involves the use of State Highway Right-of-Way, the Agency shall submit a set of plans to the TDOT Traffic Engineer responsible for

the land in question. These plans shall be sufficient to establish the proposed Project and its impact on the State Highway Right-of-Way.

B.5 Right-of-Way

- a) The Agency shall, without cost to the Department, provide all land owned by the Agency or by any of its instrumentalities as may be required for the Project right-of-way or easement purposes.
- b) The Agency understands that if it is made responsible for the Right-of-Way phase in section B.1(a) hereof and federal and/or state funds are providing the reimbursement, any activities initiated for the appraisal or the acquisition of land prior to authorization from the Department will not be reimbursed and that failure to follow applicable Federal and State law in this regard may make the Project ineligible for federal and/or state funding.
- c) The Department will review the processes the Agency used for the acquisition of land and other right-of-way activities. If those processes are found to be in accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (Public Law 91-646, 84 Stat. 1894), the Department will certify that the acquisition phase was completed appropriately. The Agency understands that the Project cannot proceed to the Construction phase until this certification of the acquisition phase has been provided. It further understands that if the processes used for acquisition are such that certification is impossible, federal and/or state funds will be withdrawn from the Project. If such withdrawal does occur, the Agency hereby agrees to reimburse the Department for all federal and/or state funds expended at the time of such withdrawal.
- d) If the Agency is responsible for the Construction phase, it agrees to correct any damage or disturbance caused by its work within the State Highway Right-of-Way, including but not limited to the replacement of any control access fence removed by the Agency or its Contractor or agent during the Construction phase of the Project.

B.6 Approval of the Construction Phase

- a) In the event that the Agency is made responsible for the Construction phase in section B.1.(a) of this Agreement, except as otherwise authorized in writing by the Department, the Agency shall not execute an agreement for the Construction phase of the Project without the written approval of the Department. Failure to obtain such approval shall be sufficient cause for nonpayment by the Department.
- b) In the event that the Department is made responsible for the Construction phase in section B.1.(a) of this Agreement, when the construction phase begins, the Agency may make such periodic visits to the Project site as necessary to familiarize itself generally with the progress and quality of the work and to determine in general if

the work is proceeding in accordance with the Construction Agreement. If there is any perceived failure, the Agency shall give prompt written notification to the Department's Resident Engineer in charge.

- c) If the Project includes State Highway Right-of-Way and the Agency is responsible for the Construction phase, the Agency shall follow all requirements imposed by the TDOT Traffic Engineer.
- d) In the event that the Project includes State Highway Right-of-Way and the Agency is performing any construction work on this project, such work shall be performed to the satisfaction of the Department. If the Agency is being compensated for any construction work under this Agreement, any remedial work deemed necessary by the Department shall be done at the Agency's sole expense.
- e) The Agency understands that all contractors allowed to bid hereunder must be included on the Department's pre-qualified contractor list. Under Federal law, however, no contractor shall be required by law, regulation, or practice to obtain a license before submitting a bid or before a bid may be considered for an award of a contract; provided, however, that this is not intended to preclude requirements for the licensing of a contractor upon or subsequent to the award of the contract if such requirements are consistent with competitive bidding.

B.7 Detours

- a) If the Agency deems a detour to be necessary to maintain traffic during a road closure, then the Agency shall select, sign, and maintain the detour route in strict accordance with the Departments Final Construction Plan Notes and the Manual on Uniform Traffic Control Devices.

B.8 Utilities

- a) In the event that the Department is made responsible for the Construction phase in Section B.1(a) of this Agreement, the Department shall also be responsible for the Utilities phase.
- b) In the event that the Agency is made responsible for the Utilities Phase in section B.1.(a) of this Agreement, the following applies:
 - 1) The Agency shall assist and ensure that all utility relocation plans are submitted by the utilities and received by the Regional TDOT Utility Office per TDOT's coordination instructions for approval prior to the Project advertisement for bids.
 - 2) The Agency agrees to provide for and have accomplished all utility connections within the right-of-way and easements prior to the paving stage of the Construction phase.

B.9 Railroad

- a) In the event that a railroad is involved, Project costs may be increased by federally required improvements. The Agency agrees to provide such services as necessary to realize these improvements. The Agency understands it may have to enter into additional agreements to accomplish these improvements.

C. PAYMENT TERMS AND CONDITIONS

C.1 Total Cost:

In the event that the Agency shall receive reimbursement for Project expenditures with federal and/or state funds for any portion of the herein described Project, this provision shall apply.

- a) The Department agrees to reimburse the Agency for eligible and appropriate Project expenditures as detailed in the Department's Local Government Guidelines with federal and/or state funds made available and anticipated to become available to the Agency, provided that the maximum liability of the Department shall be as set forth in Exhibit A.

C.2 Eligible Costs:

In the event that the Agency shall receive federal and/or state funds for any portion of the herein described Project, this provision shall apply.

- a) Only Project costs incurred after the issuance of the Notice to Proceed for each phase as detailed in the Department's Local Government Guidelines are eligible for Department reimbursement.

C.3 Limits on Federal and State Participation:

- a) Federal and/or state funds shall not participate in any cost which is not incurred in conformity with applicable federal and state law, the regulations in 23 C.F.R. and 49 C.F.R., and policies and procedures prescribed by the Federal Highway Administration (FHWA). Federal funds shall not be paid on account of any cost incurred prior to authorization by the FHWA to the Department to proceed with the Project or part thereof involving such cost. (23 CFR 1.9 (a)). If FHWA and/or the Department determines that any amount claimed is not eligible, federal and/or state participation may be approved in the amount determined to be adequately supported. The Department shall notify the Agency in writing citing the reasons why items and amounts are not eligible for federal and/or state participation. Where correctable non-compliance with provisions of law or FHWA requirements exists, federal and/or state funds may be withheld until compliance is obtained. Where non-compliance is not correctable, FHWA and/or the Department may deny participation in Project costs in part or in total.

- b) For any amounts determined to be ineligible for federal and/or state reimbursement for which the Department has made payment, the Agency shall promptly reimburse the Department for all such amounts within ninety (90) days of written notice.
- c) The Agency agrees to pay all costs of any part of this project which are not eligible for federal and/or state funding. These funds shall be provided upon written request therefore by either (a) check, or (b) deposit to the Local Government Investment Pool, whenever requested.

C.4 Payment Methodology:

In the event that the Agency shall receive federal and/or state funds for any portion of the herein described Project, this provision shall apply.

- a) The Agency shall submit invoices, in a form outlined in the Local Government Guidelines with all necessary supporting documentation, prior to any reimbursement of allowable costs. Such invoices shall be submitted no more often than monthly but at least quarterly and indicate, at a minimum, the amount charged by allowable cost line-item for the period invoiced, the amount charged by line-item to date, the total amounts charged for the period invoiced, and the total amount charged under this agreement to date. Each invoice shall be accompanied by proof of payment in the form of a canceled check or other means acceptable to the Department.
- b) The payment of an invoice by the Department shall not prejudice the Department's right to object to or question any invoice or matter in relation thereto. Such payment by the Department shall neither be construed as acceptance of any part of the work or service provided nor as final approval of any of the costs invoiced therein. The Agency's invoice shall be subject to reduction for amounts included in any invoice or payment theretofore made which are determined by the Department not to constitute allowable costs. Any payment may be reduced for overpayments or increased for under-payments on subsequent invoices.
- c) Should a dispute arise concerning payments due and owing to the Agency under this Agreement, the Department reserves the right to withhold said disputed amounts pending final resolution of the dispute.

C.5 The Department's Obligations:

In the event that the Department is managing all phases of the Project herein described, this provision C.5 does not apply.

- a) Subject to other provisions hereof, the Department will honor requests for reimbursement to the Agency in amounts and at times deemed by the Department

to be proper to ensure the carrying out of the Project and payment of the eligible costs. However, notwithstanding any other provision of this Agreement, the Department may elect not to make a payment if:

1) **Misrepresentation:**

The Agency shall have made misrepresentation of a material nature in its application, or any supplement thereto or amendment thereof, or in or with respect to any document or data furnished therewith or pursuant hereto;

2) **Litigation:**

There is then pending litigation with respect to the performance by the Agency of any of its duties or obligations which may jeopardize or adversely affect the Project, this Agreement or payments to the Project;

3) **Approval by Department:**

The Agency shall have taken any action pertaining to the Project, which under this Agreement requires the approval of the Department or has made related expenditure or incurred related obligations without having been advised by the Department that same are approved;

4) **Conflict of Interests:**

There has been any violation of the conflict of interest provisions contained herein in D.16; or

5) **Default:**

The Agency has been determined by the Department to be in default under any of the provisions of the Agreement.

C.6 Final Invoices:

In the event that the Agency shall receive federal and/or state funds for any portion of the herein described Project, this provision shall apply.

- a) The Agency must submit the final invoice on the Project to the Department within one hundred twenty (120) days after the completion of the Project. Invoices submitted after the one hundred twenty (120) day time period may not be paid.

C.7 Offset:

In the event that the Agency shall receive federal and/or state funds for any portion of the herein described Project, this provision shall apply.

- a) If, after Project completion, any claim is made by the Department resulting from an audit or for work or services performed pursuant to this Agreement, the Department may offset such amount from payments due for work or services done under any agreement which it has with the Agency owing such amount if, upon

demand, payment of the amount is not made within sixty (60) days to the Department. Offsetting any amount pursuant to this section shall not be considered a breach of agreement by the Department.

C.8 Travel Compensation

- a) If the Project provided for herein includes travel compensation, reimbursement to the Agency for travel, meals, or lodging shall be subject to amounts and limitations specified in the "State Comprehensive Travel Regulations," as they are amended from time to time and subject to the Agreement Budget.

D. STANDARD TERMS AND CONDITIONS

D.1 Governing Law:

- a) This Agreement shall be governed by and construed in accordance with the laws of the State of Tennessee. The Agency agrees that it will be subject to the exclusive jurisdiction of the courts of the State of Tennessee in actions that may arise under this Agreement. The Agency acknowledges and agrees that any rights or claims against the State of Tennessee or its employees hereunder, and any remedies arising therefrom, shall be subject to and limited to those rights and remedies, if any, available under Tennessee Code Annotated, Sections 9-8-101 through 9-8-407.

D.2 General Compliance with Federal, State, and Local Law:

- a) The Agency is assumed to be familiar with and observe and comply with those Federal, State, and local laws, ordinances, and regulations in any manner affecting the conduct of the work and those instructions and prohibitive orders issued by the State and Federal Government regarding fortifications, military and naval establishments and other areas. The Agency shall observe and comply with those laws, ordinances, regulations, instructions, and orders in effect as of the date of this Agreement.
- b) The parties hereby agree that failure of the Agency to comply with this provision shall constitute a material breach of this Agreement and subject the Agency to the repayment of all damages suffered by the State and/or the Department as a result of said breach.

D.3 State Law:

- a) Nothing in the Agreement shall require the Agency to observe or enforce compliance with any provision thereof, perform any other act or do any other thing in contravention of any applicable state law, provided, that if any of the provisions of the Agreement violate any applicable state law, the Agency will at once notify the Department in writing in order that appropriate changes and modifications may be

made by the Department and the Agency to the end that the Agency may proceed as soon as possible with the Project.

D.4 Submission of the Proceedings, Agreements, and Other Documents:

- a) The Agency shall submit to the Department such data, reports, records, agreements, and other documents relating to the Project as the Department and the Federal Highway Administration may require.

D.5 Appropriations of Funds:

- a) This Agreement is subject to the appropriation and availability of State and/or Federal funds. In the event that the funds are not appropriated or are otherwise unavailable, the Department reserves the right to terminate the Agreement upon thirty (30) days written notice to the Agency. Said termination shall not be deemed a breach of agreement by the Department. Upon receipt of the written notice, the Agency shall cease all work associated with the Agreement. Should such an event occur, the Agency shall be entitled to compensation for all satisfactory and authorized services completed as of the termination date. Upon such termination, the Agency shall have no right to recover from the Department any actual, general, special, incidental, consequential, or any other damages whatsoever of any description or amount.

D.6 Rights and Remedies Not Waived:

- a) In no event shall the making by the Department of any payment to the Agency constitute or be construed as a waiver by the Department of any breach of covenant or any default which may then exist on the part of the Agency and the making of such payment by the Department, while any such breach or default shall exist, shall in no way impair or prejudice any right or remedy available to the Department with respect to such breach or default.
- b) Nothing in this agreement shall be construed to limit the Department's right at any time to enter upon its highway right-of-way, including the area occupied by the Project, for the purpose of maintaining or reconstructing its highway facilities.

D.7 Department and Agency Not Obligated to Third Parties:

- a) The Department and Agency shall not be obligated hereunder to any party other than the parties to this Agreement.

D.8 Independent Contractor:

- a) The parties hereto, in the performance of this Agreement, shall not act as agents, employees, partners, joint ventures, or associates of one another. It is expressly acknowledged by the parties hereto that such parties are independent contracting

entities and that nothing in this Agreement shall be construed to create a principal/agent relationship or to allow either to exercise control or direction over the manner or method by which the other transacts its business affairs or provides its usual services. The employees or agents of one party shall not be deemed or construed to be the employees or agents of the other party for any purpose whatsoever.

- b) The Agency, being a political subdivision of the State, is governed by the provisions of the Tennessee Government Tort Liability Act, Tennessee Code Annotated, Sections 29-20-101, et seq, and all other applicable laws.

D.9 Maintenance:

- a) Nothing contained herein shall be construed as changing the maintenance responsibility of either party for any part of the referenced project that lies on its system of highways. If the project funded hereunder results in the installation of any traffic signal, lighting or other electrically operated device(s), then the Agency shall be solely responsible for and pay all costs associated with maintenance and operation of all electrically operated devices together with the related equipment, wiring and other necessary appurtenances, and the Agency shall furnish electrical current to all such devices which may be installed as part of the project. Additionally, the Agency shall be solely responsible for and pay all costs associated with the maintenance and operation of solar-powered devices, including, but not limited to, replacement of solar panels, batteries, lights and lenses.
- b) In the event that the Department is made responsible for the Construction phase in section B.1.(a) of this Agreement and to the extent that the Department is responsible for accomplishing the construction of the project, the Department will notify the Agency when Construction phase of the project has been completed; provided however, that failure to notify the Agency shall not relieve the Agency of its maintenance responsibilities.

D.10 Disadvantaged Business Enterprise (DBE) Policy and Obligation:

In the event that the herein-described project is funded with federal funds, the following shall apply:

- a) **DBE Policy:**
It is the policy of the Department that Disadvantaged Business Enterprises, as defined in 49 C.F.R., Part 26, as amended, shall have the opportunity to participate in the performance of agreements financed in whole or in part with Department funds under this Agreement. The DBE requirements of applicable federal and state regulations apply to this Agreement; including but not limited to project goals and good faith effort requirements.

b) DBE Obligation:

The Agency and its Contractors agree to ensure that Disadvantaged Business Enterprises, as defined in applicable federal and state regulations, have the opportunity to participate in the performance of agreements and this Agreement. In this regard, all recipients and Contractors shall take all necessary and reasonable steps in accordance with applicable federal and state regulations, to ensure that the Disadvantaged Business Enterprises have the opportunity to compete for and perform agreements. The Agency shall not discriminate on the basis of race, color, national origin or sex in the award and performance of Department-assisted agreements.

D.11 Tennessee Department of Transportation Debarment and Suspension:

- a) In accordance with the Tennessee Department of Transportation regulations governing Contractor Debarment and Suspension, Chapter 1680-5-1, the Agency shall not permit any suspended, debarred or excluded business organizations or individual persons appearing on the Tennessee Department of Transportation Excluded Parties List to participate or act as a principal of any participant in any covered transaction related to this Project. Covered transactions include submitting a bid or proposal, entering into an agreement, or participating at any level as a subContractor.

D.12 Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion (applies to federal aid projects):

a) Instructions for Certification - Primary Covered Transactions:

By signing and submitting this Agreement, the Agency is providing the certification set out below.

- 1) The inability of a person to provide the certification set out below will not necessarily result in denial of participation in this covered transaction. The Agency shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the Department's determination whether to enter into this transaction. However, failure of the Agency to furnish a certification or an explanation shall disqualify such a person from participation in this transaction.
- 2) The certification in this clause is a material representation of fact upon which reliance was placed when the Department determined to enter into this transaction. If it is later determined that the Agency knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the Department may terminate this transaction for cause or default.

- 3) The Agency shall provide immediate written notice to the Department if at any time the Agency learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
- 4) The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the Department for assistance in obtaining a copy of those regulations.
- 5) The Agency agrees by entering into this Agreement that it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the Department.
- 6) The Agency further agrees by entering into this Agreement that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction," provided by the Department, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
- 7) An Agency may rely upon a certification of a prospective participant in a lower tier covered transaction that is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Non-procurement portion of the "Lists of Parties Excluded From Federal Procurement or Non-procurement Programs" (Non-procurement List) which is compiled by the General Services Administration.
- 8) Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
- 9) Except for transactions authorized under these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the Department may terminate this transaction for cause or default.

b) Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion--Primary Covered Transactions:

The prospective participant in a covered transaction certifies to the best of its knowledge and belief, that it and its principals:

- 1) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal, State or local department or agency;
- 2) Have not within a 3-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or agreement under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
- 3) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in this certification; and
- 4) Have not within a 3-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.
- 5) Where the prospective participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

D.13 Equal Employment Opportunity:

- a) In connection with the performance of any Project, the Agency shall not discriminate against any employee or applicant for employment because of race, age, religion, color, sex, national origin, disability or marital status. The Agency will take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, age, religion, color, gender, national origin, disability or marital status. Such action shall include, but not be limited to, the following: employment upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.
- b) The Agency shall insert the foregoing provision in all agreements modified only to show the particular contractual relationship in all its agreements in connection with the development of operation of the Project, except agreements for the standard commercial supplies or raw materials, and shall require all such Contractors to

insert a similar provision in all subcontracts, except subcontracts for standard commercial supplies or raw materials. When the Project involves installation, construction, demolition, removal, site improvement, or similar work, the Agency shall post, in conspicuous places available to employees and applicants for employment for Project work, notices to be provided by the Department setting forth the provisions of the nondiscrimination clause.

D.14 Title VI – Civil Rights Act of 1964:

- a) The Agency shall comply with all the requirements imposed by Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d), 49 C.F.R., Part 21, and related statutes and regulations. The Agency shall include provisions in all agreements with third parties that ensure compliance with Title VI of the Civil Rights Act of 1964, 49 C.F.R., Part 21, and related statutes and regulations.

D.15 Americans with Disabilities Act of 1990 (ADA):

- a) The Agency will comply with all the requirements as imposed by the ADA and the regulations of the federal government issued thereunder.

D.16 Conflicts of Interest:

- a) The Agency warrants that no amount shall be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subContractor, or consultant to the Agency in connection with any work contemplated or performed relative to this Agreement.
- b) The Agency shall insert in all agreements entered into in connection with the Project or any property included or planned to be included in any Project, and shall require its Contractors to insert in each of its subcontracts, the following provision:
 - 1) "No amount shall be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subContractor, or consultant to the Agency in connection with any work contemplated or performed relative to this Agreement."

D.17 Interest of Members of or Delegates to, Congress (applies to federal aid projects):

- a) No member of or delegate to the Congress of the United States shall be admitted to any share or part of the Agreement or any benefit arising therefrom.

D.18 Restrictions on Lobbying (applies to federal aid projects):

The Agency certifies, to the best of its knowledge and belief, that:

- a) No federally appropriated funds have been paid or will be paid, by or on behalf of the Agency, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress in connection with the awarding of any federal agreement, the making of any federal grant, the making of any federal loan, and entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal agreement, grant, loan, or cooperative agreement.
- b) If any funds other than federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this grant, loan, or cooperative agreement, the Agency shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- c) The Agency shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including sub-grants, subcontracts, and agreements under grants, loans, and cooperative agreements) and that all sub-recipients of federally appropriated funds shall certify and disclose accordingly.

D.19 Records:

- a) The Agency shall maintain documentation for all charges against the Department under this Agreement. All costs charged to the Project, including any approved services contributed by the Agency or others, shall be supported by properly executed payrolls, time records, invoices, agreements or vouchers evidencing in proper detail and in a form acceptable to the Department the nature and propriety of the charges. The books, records, and documents of the Agency, insofar as they relate to work performed or money received under this Agreement, shall be maintained and made available upon request to the Department at all times during the period of this Agreement and for at least three (3) years after final payment is made.
- b) Copies of these documents and records shall be furnished to the Department, the Comptroller of the Treasury, or their duly appointed representatives, upon request. Records of costs incurred includes the Agency's general accounting records and the Project records, together with supporting documents and records, of the Agency and all subContractors performing work on the Project and all other records of the Agency and subContractors considered necessary by the Department for a proper audit of costs. If any litigation, claim, or audit is started before the expiration of the three (3) year period, the records shall be retained until all litigation, claims, or audit findings involving the records have been resolved.

- c) The aforesaid requirements to make records available to the Department shall be a continuing obligation of the Agency and shall survive a termination of the Agreement.

D.20 Inspection:

- a) The Agency shall permit, and shall require its Contractor, subContractor or materials vendor to permit, the Department's authorized representatives and authorized agents of the Federal Highway Administration to inspect all work, workmanship, materials, payrolls, records and to audit the books, records and accounts pertaining to the financing and development of the Project.
- b) The Department reserves the right to terminate this Agreement for refusal by the Agency or any Contractor, subContractor or materials vendor to allow public access to all documents, papers, letters or other material made or received in conjunction with this Agreement.

D.21 Annual Report and Audit:

- a) In the event that an Agency expends \$500,000 or more in federal awards in its fiscal year, the Agency must have a single or program specific audit conducted in accordance with the United States Office of Management and Budget (OMB) Circular A-133.
- b) All books of account and financial records shall be subject to annual audit by the Tennessee Comptroller of the Treasury or the Comptroller's duly appointed representative. When an audit is required, the Agency may, with the prior approval of the Comptroller, engage a licensed independent public accountant to perform the audit. The audit agreement between the Agency and the licensed independent public accountant shall be on an agreement form prescribed by the Tennessee Comptroller of the Treasury. Any such audit shall be performed in accordance with generally accepted government auditing standards, the provisions of OMB Circular A-133, if applicable, and the Audit Manual for Governmental Units and Recipients of Grant Funds published by the Tennessee Comptroller of the Treasury.
- c) The Agency shall be responsible for reimbursement of the cost of the audit prepared by the Tennessee Comptroller of the Treasury, and payment of fees for the audit prepared by the licensed independent public accountant. Payment of the audit fees of the licensed independent public accountant by the Agency shall be subject to the provisions relating to such fees contained in the prescribed agreement form noted above. Copies of such audits shall be provided to the designated cognizant state agency, the Department, the Tennessee Comptroller of the Treasury, and the

Department of Finance and Administration and shall be made available to the public.

D.22 Termination for Convenience:

- a) The Department may terminate this agreement without cause for any reason. Said termination shall not be deemed a breach of agreement by the Department. The Department shall give the Agency at least thirty (30) days written notice before the effective termination date. The Agency shall be entitled to compensation for authorized expenditures and satisfactory services completed as of the termination date, but in no event shall the Department be liable to the Agency for compensation for any service which has not been rendered. The final decision as to the amount for which the Department is liable shall be determined by the Department. Should the Department exercise this provision, the Agency shall not have any right to any actual general, special, incidental, consequential, or any other damages whatsoever of any description or amount.

D.23 Termination for Cause:

- a) If the Agency fails to properly perform its obligations under this Agreement in a timely or proper manner, or if the Agency violates any terms of this Agreement, the Department shall have the right to immediately terminate the Agreement and withhold payments in excess of fair compensation for completed services. Notwithstanding the above, the Agency shall not be relieved of liability to the Department for damages sustained by virtue of any breach of this Agreement by the Agency.
- b) In the event that the Project herein described includes Federal funds, the Agency understands that if the Federal Highway Administration (FHWA) determines that some or all of the cost of this project is ineligible for federal funds participation because of failure by the Agency to adhere to federal laws and regulations, the Agency shall be obligated to repay to the Department any federal funds received by the Agency under this agreement for any costs determined by the FHWA to be ineligible.
- c) If the Project herein described lies on the state highway system and the Agency fails to perform any obligation under this section of this agreement, the Department shall have the right to cause the Agency, by giving written notice to the Agency, to close the Project to public use and to remove the Project at its own expense and restore the premises to the satisfaction of the Department within ninety (90) days thereafter.

D.24 How Agreement is Affected by Provisions Being Held Invalid:

- a) If any provision of this Agreement is held invalid, the remainder of this Agreement shall not be affected. In such an instance the remainder would then continue to conform to the terms and requirements of applicable law.

D.25 Agreement Format:

- a) All words used herein in the singular form shall extend to and include the plural. All words used in the plural form shall extend to and include the singular. All words used in any gender shall extend to and include all genders.

D.26 Certification Regarding Third Party Contracts:

- a) The Agency certifies by its signature hereunder that it has no understanding or contract with a third party that will conflict with or negate this Agreement in any manner whatsoever.
- b) The Agency further certifies by its signature hereunder that it has disclosed and provided to the Department a copy of any and all contracts with any third party that relate to the Project or any work funded under this Agreement.
- c) The Agency further certifies by its signature hereunder that it will not enter into any contract with a third party that relates to this project or to any work funded under this Agreement without prior disclosure of such proposed contract to the Department.
- d) The Agency hereby agrees that failure to comply with these provisions shall be a material breach of this Agreement and may subject the Agency to the repayment of funds received from or through the Department under this Agreement and to the payment of all damages suffered by the Department as a result of said breach.

D.27 Amendment:

- a) This Agreement may be modified only by a written amendment, which has been executed and approved by the appropriate parties as indicated on the signature page of this Agreement.

D.28 State Liability:

- a) The Department shall have no liability except as specifically provided in this Agreement.

D.29 Force Majeure:

- a) The obligations of the parties to this Agreement are subject to prevention by causes beyond the parties' control that could not be avoided by the exercise of due care including, but not limited to, acts of God, riots, wars, strikes, epidemics or any other similar cause.

D.30 Required Approvals:

- a) The Department is not bound by this Agreement until it is approved by the appropriate State officials in accordance with applicable Tennessee State laws and regulations.

D.31 Estimated Cost:

- a) The parties recognize that the estimated costs contained herein are provided for planning purposes only. They have not been derived from any data such as actual bids, etc
- b) In the event that the Department is made responsible in section B.1.(a) of this Agreement for the management of the herein described Project, the parties understand that more definite cost estimates will be produced during project development. These more reliable estimates will be provided to the Agency by the Department as they become available.

D.32 Third Party Liability:

- a) The Agency shall assume all liability for third-party claims and damages arising from the construction, maintenance, existence and use of the Project to the extent provided by Tennessee Law and subject to the provisions, terms and liability limits of the Governmental Tort Liability Act, T.C.A. Section 29-20-101, et seq, and all applicable laws.

D.33 Deposits:

- a) Required deposits and any other costs for which the Agency is liable shall be made available to the Department, whenever requested.

D.34 Department Activities:

- a) Where the Agency is managing any phase of the project the Department shall provide various activities necessary for project development. The estimated cost for these activities are included in the funds shown herein.

D.35 Congestion Mitigation and Air Quality Requirement:

- a) If the herein described project is funded with Congestion Mitigation Air Quality (CMAQ) funds, this section D.35 shall apply.
 - 1) Whereas the Agency understands and agrees that the funding provided hereunder must be obligated with the Federal Highway Administration within three years from the date of this agreement. It is further agreed that once all requirements have been met for development of the project, the Agency will expend the funds in a manner to insure its expenditure on a continuous basis until the funds are exhausted. Failure to follow this process may result in a loss of funds.

D.36 Investment of Public Funds:

- a) The facility on which this project is being developed shall remain open to the public and vehicular traffic for a sufficient time to recoup the public investment therein as shown below:

Amount		Open to Public and Vehicular Traffic
\$1.00 - \$200,000	=	5 Years
>\$200,000 - \$500,000	=	10 Years
>\$500,000 - \$1,000,000	=	20 Years

- b) Projects over \$1,000,000 carry a minimum 25 years open to public and vehicular traffic requirement and will be subject to individual review.


D.37 Federal Funding Accountability and Transparency Act:

- a) **If the Project is funded with federal funds the following shall apply:** The Agency shall comply with the Federal Funding Accountability and Transparency Act of 2006 (Pub.L. 109-282), as amended by section 6202 of Public Law 110-252 ("the Transparency Act") and the regulations and requirements of the federal government issued thereunder, including, but not limited to, 2 CFR Part 170. The Agency shall submit the information needed for the Transparency Act in accordance with the forms and processes identified by the Department.

IN WITNESS WHEREOF, the parties have caused this instrument to be executed by their respective authorized officials on the date first above written.


CITY OF MARYVILLE

**STATE OF TENNESSEE
DEPARTMENT OF TRANSPORTATION**

By:  03-28-2017 By: _____
Tom Taylor Date John C. Schroer Date
Mayor Commissioner

**APPROVED AS TO
FORM AND LEGALITY**

**APPROVED AS TO
FORM AND LEGALITY**

By:  3-28-17 By: _____
Melanie Davis Date John Reinbold Date
Attorney General Counsel

BLOUNT COUNTY

By: _____
Ed Mitchell Date
Mayor

**APPROVED AS TO
FORM AND LEGALITY**

By: _____
Craig Garrett Date
Attorney

EXHIBIT "A"

AGREEMENT NUMBER: I60207

PROJECT IDENTIFICATION NUMBER: I24863.00

STATE PROJECT NUMBER: 05952-3587-04

PROJECT DESCRIPTION: STATE INDUSTRIAL ACCESS ROAD SERVING DENSO

TYPE OF WORK: NEW CONSTRUCTION

PHASE	FUNDING SOURCE	FED %	STATE %	LOCAL %	ESTIMATED COST
PE	SIA	0%	100%	0%	\$395,800.00
PHASE	FUNDING SOURCE	FED %	STATE %	LOCAL %	ESTIMATED COST
ROW	SIA	0%	50%	50%	\$241,700.00
PHASE	FUNDING SOURCE	FED %	STATE %	LOCAL %	ESTIMATED COST
CONST	SIA	0%	100%	100%	\$3,716,500.00
CONST-CEI	SIA	0%	100%	100%	\$395,800.00

INELIGIBLE COST: One hundred percent (100%) of the actual cost will be paid from Agency funds if the use of said state or federal funds is ruled ineligible at any time by the Federal Highway Administration due to any action on the part of the Agency.

LEGISLATIVE AUTHORITY: Industrial Highway Act of 1959, TCA 54-5-401, et seq.

Note: In the event the Department acquires the Right-of-Way, the Agency will be responsible for 50% of the Right-of-Way funds.

STATE INDUSTRIAL ACCESS ROAD

TO SERVE

Denso Manufacturing

**City of Maryville
Blount County, Tennessee**

PREPARED BY

**TENNESSEE DEPARTMENT OF TRANSPORTATION
STRATEGIC TRANSPORTATION INVESTMENTS DIVISION**

September 14, 2016

INTRODUCTION AND LOCATION

The City of Maryville and Blount County have submitted an application to TDOT requesting assistance with providing adequate access to Denso Manufacturing warehouse expansion project. Denso Manufacturing is an automotive parts manufacturer that is growing their facility in Tennessee. The expansion anticipates operations to commence by October 2017 and anticipates approximately 250 trucks per day. The total value of property and capital improvements is estimated at \$400,000,000. Denso Manufacturing anticipates 200 new jobs at this facility. The annual payroll for initial employment is projected at \$10,108,800.

PROPOSED IMPROVEMENT AND COST

The City of Maryville and Blount County have requested TDOT manage all phases of this project. The City and County will split the responsibility of the 50% local government cost share on right-of-way and utilities. The project will extend Clydesdale Street for 0.5 miles. The first 1,500± feet will extend north crossing an unnamed branch of Culton Creek and then turn east and cross Culton Creek. This project will terminate at a cul-de-sac at the expansion. The structures included in the project cost were based on the use of a box culvert at the unnamed tributary and a bridge crossing of Culton Creek. Final decisions on type of structures will be determined during the development process based on requirements from hydraulics, environmental and design.

The proposed extension of Clydesdale Street will consist of the SIA standard of two 12' lanes with 4' gravel shoulders. The proposed road will be constructed on a 10" stone base with 3" of base ("A" mix), 2" of binder ("BM-2" mix) and 1.25" of asphalt surface ("D" mix). The construction phase will include all striping, signing, and installation of safety features.

The estimated costs for this project are as follows:

Preliminary Engineering	\$395,800
Right-of-Way (50% Local)	\$196,700
Utilities (50% Local)	\$45,000
Construction	\$3,716,500
CEI (10% of const. estimate)	\$395,800
TOTAL Estimated Project Cost	\$4,749,800

ECONOMIC ANALYSIS

As an indicator of the economic feasibility of this proposal, a benefit cost ratio was calculated. This ratio is a comparison of monetary benefit of project to the cost of the project, expressed in present value. The benefit is estimated from projected sales tax revenue generated by the added jobs and the actual real and personal property taxes that will be collected on the capital investment over a period of 10 years. The cost is the sum of the estimated project cost and the present value of the annual maintenance over 10 years.

This ratio was found to be **10.82 to 1**.

TENNESSEE DEPARTMENT OF TRANSPORTATION

STATE INDUSTRIAL ACCESS PROGRAM

TDOT

APPLICATION AND INFORMATION PACKET

REVISED SEPTEMBER 30, 2015



TENNESSEE DEPARTMENT OF TRANSPORTATION

APPLICATION

FOR THE STATE INDUSTRIAL ACCESS PROGRAM

General Information

Local Government(s) Making Application: City of Maryville
Mailing Address: 400 W. Broadway Avenue, Maryville, TN. 37801
Industry Name: DENSO Manufacturing Tennessee, Inc.
Type of Industry: Automotive Manufacturing

Primary Contact Person

For the Local Government:

Name: Greg McClain
Title: City Manager
Agency: City of Maryville
Phone: (865) 273-3401
E-mail: gmccclain@maryville-tn.gov

For the Industry:

Name: Bob Booker
Title: Senior Manager
Agency: DENSO Manufacturing Tennessee, Inc.
Phone: (865) 981-5203
E-mail: bob_booker@denso-diam.com

Employment and Investment Information

*NOTE: If this project is an expansion or relocation of an existing facility in Tennessee:
include only the additional employment added by your project, and
include only the increase in value of real and personal property for this site.*

Employment

Anticipated Date Facility is Operational: 10/1/2017

Initial Employment (# of new jobs only): 200

* Anticipated Date of Full Employment: 10/1/2020

* Full Employment (total # new jobs): 500

Average Hourly or Annual Wage: \$ 24.30

* Anticipated full employment within the next five years.

Capital Investment

Estimated new capital investment: \$ 400 million

Average daily number of heavy trucks expected to use the proposed road: 250

Will there be any property tax breaks? ☒ Y ☐ N

If yes, describe the nature and/or schedule of the tax abatement.

Year 1 = 60% abatement

Year 2 = 50%

Year 3 = 40%

Year 4 = 30%

Year 5 = 20% Year 6 = 10%

Industrial Site Information

Location of Industrial site: Blount County Industrial Park, located on vacant land near Mt. Tabor Road

List the jurisdiction(s) the proposed SIA road will traverse (city and/or county)

City of Maryville, Blount County, Tennessee

Is there a railroad crossing on or within 200 feet of this proposed SIA? ☐ Y ☒ N

The following are examples of categories of environmentally sensitive places and resources that may be impacted by a road project. Mark any of these that are located on or near the proposed SIA.

Include a description of the resource if necessary.

- ☒ Wetlands
- ☒ Floodplains
- ☒ Streams
- ☐ Threatened or endangered species
- ☐ Historic structures or districts
- ☐ Archeological artifacts
- ☐ Pedestrian or bicycle
- ☐ Hazardous materials
- ☐ Park or recreational facility

areas of hydric soils near Culton Creek

low areas adjacent to Culton Creek

Culton Creek

Responsibilities

The following phases and available options for responsibility of a typical SIA project are listed below. Following this list on the next page is more information on what each party would be responsible for in each case.

Please read carefully the descriptions of responsibility and then indicate which option the local government wishes to choose for each phase.

- ☐ The local government wishes to perform all work and manage this project locally using the Local Program Development Office guidelines. The local government will be reimbursed under the guidelines and terms set by the Local Program Development Office and the SIA Program.

(If this option is chosen, skip to Page 5.)

- ☒ The local government wishes for TDOT to manage the project with the responsibility for each phase indicated below.

(If this option is chosen, continue to Page 3 to indicate responsibilities.)

LOCAL	TDOT	PHASE
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Survey and Design
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Right-of-Way Acquisition, Utilities Relocation, Railroad Crossings (if applicable)
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Construction – grading, drainage, and base
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Construction – pavement

Description of Responsibilities Association with Each Phase Option

Survey and Design

LOCAL – The local government will provide the survey and design (through its own forces or consultant), which meets TDOT guidelines at no cost to TDOT. The work must be coordinated with the appropriate TDOT Regional Survey & Design Office.

TDOT – TDOT will provide the necessary survey and design for the project with no cost to the local government.

Right-of-Way Acquisition

LOCAL – The local government will secure donations or purchase the necessary right-of-way for the project, at no cost to TDOT, in accordance with State policies and procedures. This must be coordinated through the appropriate Regional Right-of-Way Office.

TDOT – TDOT will purchase the necessary right-of-way for the project. TDOT and the local government will each be responsible for 50% of the cost. The local government will also be responsible for submitting a deposit of the estimated amount of its 50% match. The deposit is applied toward the local government's share of the actual cost, and any amount over the actual cost is refunded to the local government.

Utility Relocation:

State Let Project

If TDOT lets the project to construction, then the Department will coordinate the relocation of utilities regardless of who pays for the relocations.

LOCAL – The local government will be responsible for contracting for the adjustment of all conflicting utilities and the cost of relocating reimbursable utilities with no cost to TDOT.

TDOT – The relocation of the utilities will be contracted by TDOT's Utility Office. The local government will pay fifty percent (50%) of the estimated reimbursable cost for relocating the utilities. To qualify as a reimbursable utility cost, the utility that is being relocated due to the SIA project must have been located outside the existing public right-of-way.

Locally Let Project

LOCAL – If the locals are letting the project to a construction contract, they are responsible for all utility coordination, reimbursable cost, and must provide certification/documentation to the TDOT utility office to be approved and certified prior to scheduling the contract letting.

TDOT – TDOT will approve and certify the utilities prior to the letting. To qualify as a reimbursable utility cost, the utility that is being relocated due to the SIA project must have been located outside the existing public right-of-way.

Railroad Crossings

LOCAL – TDOT will coordinate any construction, alteration, or upgrade of railroad crossings associated with the SIA project, and the local government will be responsible for 100% of the cost.

TDOT – TDOT will coordinate any construction, alteration, or upgrade of railroad crossings associated with the SIA project, and the local government will be responsible for 50% of the cost.

Construction – grading, drainage, and base

LOCAL – The local government will be responsible for the construction of and costs associated with the earthwork, drainage features, and base material needed for the SIA. The local government will ensure the construction and materials meet TDOT's specifications. The local government will also be responsible for complying with any state or federal rules, regulations, and laws pertaining to permits and will secure any permits needed to perform this work. This option is at no cost to TDOT and is subject to a determination of the local government's ability to manage the project by TDOT's Local Program Development Office

TDOT – TDOT will be responsible for the construction of and costs associated with the earthwork, drainage features, and base material needed for the SIA. TDOT will also be responsible for securing any permits needed to perform this work. This is all at no cost to the local government.

Construction – pavement

LOCAL – The local government will be responsible for the construction of and costs associated with paving the SIA. The local government will ensure the construction and materials meet TDOT's specifications. The local government will also be responsible for complying with any state or federal rules, regulations, and laws pertaining to permits and will secure any permits needed to perform this work. This option is at no cost to TDOT and is subject to a determination of the local government's ability to manage the construction project by TDOT's Local Program Development Office

TDOT – TDOT will be responsible for the construction of and costs associated with paving the SIA. TDOT will also be responsible for securing any permits needed to perform this work. This option is at no cost to the local government.

Additional Roadway Features

The SIA program provides only for a standard road with the following specifications:

- Travel lanes - 2 lanes (1 in each direction) at 12 feet wide, for a total of 24 feet of travel lanes
- Shoulders - 2 gravel shoulders (1 on each side) at 4 feet wide
- Pavement - 10 inches of base stone
3 inches of "A" mix (asphalt base)
2 inches of "BM-2" mix (asphalt base)
1.25 inches of "D" mix (asphalt surface)

The local government can request additional work outside the standard SIA specifications and scope of work. The cost of the additional work will be paid entirely by the local government.

The following are some additional features sometimes requested as part of an SIA project. Mark any the local government wishes to add to the SIA project, and briefly describe the work next to it.

- ☐ Additional travel lanes
- ☐ Curb and gutter
- ☐ Sidewalks
- ☐ Turn lanes
- ☐ Signalization of an intersection
- ☐ Street Lighting
- ☐ Other

Additional Agreements and Instructions

Shared Funding Responsibility Among Local Governments

Sometimes the local responsibility for portions of the project is divided among local governments.

Have any agreements been made among local governments to share funding responsibility for this SIA project? ☒ Yes ☐ No

If yes, please provide a copy of any funding agreements between local governments along with other application exhibits.

Environmental Guidelines for Industrial Highways

Transportation projects that do not involve federal aid funding and do not otherwise constitute a major federal action (such as these SIA projects) are exempt from the provisions of National Environmental Policy Act of 1969 (NEPA).

Federal court law, however, has established that under some circumstances, NEPA may apply to a non-federal project.

In a 2001 Tennessee case (Southwest Williamson County Community Association v. Slater, et al.), the Sixth Circuit Court of Appeals defined two alternative tests for determining whether a non-federal project might actually constitute a major federal action to the extent that the requirements of NEPA would apply. The two tests identified in this case are:

1. When the non-federal project restricts or limits the statutorily prescribed federal decision-makers' choice of reasonable alternatives; or
2. When the federal decision-makers have authority to exercise sufficient control or responsibility over the non-federal project so as to influence the outcome of the project.

State-funded transportation projects that require the acquisition of right-of-way and/or the construction of new roadways and other transportation facilities must undergo a rigorous environmental review. The environmental review is documented in a Tennessee Environmental Evaluation Report (referred to as a TEER) that will be made available for public review.

A TEER is prepared for a state-funded transportation project that meets both of the following criteria.

1. Is a transportation route (including a bridge project); and
2. Requires acquisition or disturbance of at least one acre of new or additional right-of-way, unless there are special circumstances that would necessitate the preparation of a TEER for a project with less than one acre of property acquisition.

Special circumstances that would result in the need to prepare a TEER under the second criterion listed above include, but are not limited to, the following:

1. Displacement of any commercial or residential occupants;
2. The use of land from a property or district that is listed on or eligible for listing on the National Register of Historic Places or is National Historic Landmark, which would cause an adverse effect to that resource;

3. The use of land from a public park or recreation area, designated forest, or wildlife management area;
4. Work that requires a US Coast Guard construction permit, or an individual US Army Corps of Engineers Section 404 Permit;
5. Construction in, across, or adjacent to a river designated as a component of the National System of Wild and Scenic Rivers or high quality streams, including streams designated as Exceptional Tennessee Waters (ETW), as designated by Tennessee's water quality standard;
6. Work encroaching on a regulatory floodway or work affecting the base floodplain (100-year flood) elevation of a water course or lake;
7. Work in wetlands;
8. Change in access control;
9. A known hazardous materials site within the proposed right-of-way;
10. An adverse effect to federal or state designated threatened or endangered species or their critical habitat; or
11. A formal request for the preparation of a TEFIR is received from a local citizen, group or organization, and the request is based on identified environmental concerns.

For the Tennessee Department of Transportation (TDOT) Environmental Procedures Manual relating to State-Funded projects in its entirety visit the following site:

http://dot.state.tn.us/eom/manual/10_2.shtml

Early identification of sensitive areas will enable TDOT to implement changes to avoid environmental impacts, coordinate with state and federal agencies, and obtain required permits prior to construction of an SIA roadway. If these sensitive areas cannot be completely avoided, the impacts must be minimized, and the effects of the proposed project must be mitigated.

These activities have the potential to lengthen the project schedule and increase project cost.

If the local government chooses to prepare the project plans, the local government must provide the TDOT Environmental Division with accurate maps or aerial photography on which to base technical environmental studies.

When TDOT is performing the construction phase of the project, whether by TDOT maintenance forces or project contract, TDOT will conduct the technical studies and obtain all environmental permits.

When the local government is performing the construction phase, it will be responsible for the technical studies and for obtaining all environmental permits for the work performed.

Sample Resolution

WHEREAS, the _____, Tennessee, is vitally interested in the economic welfare of its citizens and wishes to provide the necessary leadership to enhance this area's capabilities for growth and development, and

WHEREAS, the provision of jobs to area citizens by local industry is both necessary and vital to the economic well-being of the _____, and

WHEREAS, the Industrial Highway Act of 1959 authorizes the Tennessee Department of Transportation to contract with cities and counties for the construction and maintenance of "Industrial Highways" to provide access to industrial areas and to facilitate the development and expansion of industry within the State of Tennessee, and

WHEREAS, _____ plans to construct a _____ in the _____, and

WHEREAS, the construction of an industrial access road to serve said proposed plant is necessary and vital to the successful completion of this project and the future economic well-being of this area,

NOW, THEREFORE BE IT RESOLVED by the _____, that a contract be entered into with the Tennessee Department of Transportation for assistance in construction and completion of the herein proposed industrial access highway under the provisions of the Industrial Highway Act of 1959.

Adopted this _____ day of _____, 20____.

City or County Mayor

ATTEST

Recorder, City or County

Checklist for Application Process

- Contact TDOT's Strategic Transportation Investments Division about potential SIA
- Participate in Field Review with TDOT at the site
- Complete the application form
- Obtain resolution from the local governing body in support of project
- Submit application with location map, site map, resolution, and local funding agreements (if applicable) attached
- Receive approval letter from TDOT
- Contacted by TDOT's Local Programs Office about contract, program requirements, etc.
- Receive proposed contract
- Review and accept contract (must submit original color contract with watermark)
- Receive fully executed contract from TDOT

Contact Information

TDOT SIA Coordinator (located at TDOT Headquarters in Nashville)

Danielle Hagewood 615.253.2521 Danielle.Hagewood@tn.gov

TDOT Local Programs Office (located at TDOT Headquarters in Nashville)

Whitney Sullivan 615.253.1387 Whitney.Sullivan@tn.gov
Kip Mayton 615.532.3193 Kip.Mayton@tn.gov

TDOT Environmental Division (located at TDOT Headquarters in Nashville)

Carma H. Smith 615.253.2441 Carma.H.Smith@tn.gov
Erika Becker* 615.532.7120 Erika.Becker@tn.gov
Andrew Gaskins** 615.253.2475 Andrew.Gaskins@tn.gov
John Hewitt 615.253.2477 John.Hewitt@tn.gov

*Erika Becker will provide Environmental Documents for Projects in House

**Andrew Gaskins will review Environmental Documents from Locals

Exhibits

Attach the following exhibits:

- Location Map – map showing the location of the industrial site in relation to the city or county making application.
- Site Map – map showing industrial site, proposed plant location and footprint, road names, and plant entrance locations. Map should be to scale and should include approximate measurements.
- Resolution – Resolution adopted by local governing body in support of the project and SIA application.
- Agreements – Written agreements among local government agencies for shared responsibility of funding (if applicable).

Authorization

It is the desire of insert city and/or county name to make application to the Tennessee Department of Transportation (TDOT) for assistance in the construction of an Industrial Highway under the provisions of the Industrial Highway Act of 1959.

The information provided in this application is for review and economic analysis of the proposed SIA project. All information is accurate to the best of our knowledge.

Authorized by:

Signature



Name: Greg McClain

Title: City Manager

Agency: City of Maryville



TENNESSEE DEPARTMENT OF TRANSPORTATION
INFORMATION AND PROCEDURES
FOR THE STATE INDUSTRIAL ACCESS PROGRAM

Background

The Industrial Highway Act of 1959 (T.C.A. 54-5-403) authorizes the Tennessee Department of Transportation (TDOT) to contract with cities and counties for the development of "industrial Highways" to provide access to industrial areas and to facilitate the development and expansion of industry within the State of Tennessee.

TDOT implements the Industrial Highway Act through the department's State Industrial Access (SIA) Program. The department will consider and approve Industrial Highways based on project eligibility, economic criteria, physical constraints, and available funding.

Eligibility and Application Process

Presented in this section are the requirements and procedures for preparing and submitting an SIA application to TDOT and developing projects under the State Industrial Access Program. For information about project eligibility, contact TDOT's Project Management Division at (615) 532-3207.

1. Project Eligibility for Consideration

The proposed project is required to be eligible as an industrial highway. An "Industrial Highway" is defined as any road or street designated and located to provide access to an industry site or industrial park. The designated roadways may be eligible for the funding under the TDOT SIA Program. An industrial highway cannot be constructed on private property and must be a public road open to traffic.

2. Field Review

Representatives from TDOT and the local city and/or county will review the proposed project in the field. The purpose of the review is to confirm the "Eligibility for Consideration" of the project, discuss the parameters of the project, and gather information to develop a cost estimate for the project.

3. Application

The application consists of four items:

- a. An Application Form detailing information about the proposed industry or industry expansion and the local government participation,
- b. Location Map depicting the location of the proposed industry in relation to the city or county submitting the application,
- c. Site Map depicting the current and proposed roadways, industry site, and plant or building entrance locations,

- d. A certified Resolution or Ordinance indicating the Application for SIA funding is an official action by the local government. (A sample Resolution is presented on page 13.)

If local governments are sharing any portion of the funding responsibility, a written agreement between local governments should also be submitted at the time of the application. This helps streamline the process of drafting a contract between TDOT and the local government(s) for the project and clarifies the responsibilities of each agency.

4. Consideration

TDOT will consider and approve Industrial Highways based on project eligibility, economic criteria, physical constraints, and available funding.

5. Approval

Upon approval of the Application, TDOT and the local government will execute a contract defining the responsibilities of each party. Appropriate monetary deposits will be submitted by the applicant.

Project Activities

1. ROW and Utilities Deposits

If the applicant chose the option of TDOT acquiring ROW and/or relocating utilities, the local government is required to deposit the full estimated amount of its share of the cost. During the initial analysis of the application, TDOT's ROW Office will estimate the cost of acquiring ROW (which may include damages to the remainder) and relocating utilities. This is a preliminary estimate because many details of the ROW and utilities plans are not known at that time, and it is usually based on the "worst-case" scenario. Any unused portion of the deposit will be returned to the local government at the close-out of the project.

2. Project Design

The typical section for Industrial Highway projects is two 12-foot wide lanes with 4 foot-wide gravel shoulders. Additional design features may be requested and paid for by the Applicant. The additional work may be included in the construction contract as non-participating items and will be at no cost to TDOT. A construction deposit for non-participating items will be required before TDOT advertises the project for construction bids.

3. Permits

- a. Environmental Permits

The following two conditions will determine the responsibility for obtaining environmental permits. Environmental Guidelines for Industrial Highways is described on pages 11-12.

1. When TDOT is performing the construction phase of the project, whether by TDOT maintenance forces or project contract, TDOT will conduct the technical studies and obtain all environmental permits

2. When the local government is performing the construction phase, it will be responsible for the technical studies and for obtaining all environmental permits for the work performed.

- b. Permits Required for Plant or Building Site

The local government is responsible for obtaining all federal, state, and local permits for all other development of the plant or building site.

4. Construction

The project may be constructed by one of the following three general options:

- a. The project may be let to contract or constructed by the local government according to the policies set forth by the TDOT Local Programs Development Office
 - b. The project may be let to contract or constructed by TDOT
 - c. The project may be let to contract or constructed by a partnership between the local government and TDOT

The local government should clearly mark the preferred options in the RESPONSIBILITIES section of the Application Form.

5. After Construction

The Industrial Highway becomes a public city street/county road, and the local government assumes full responsibility for the maintenance of the Industrial Highway after construction is completed.

Typical Process Timeline

Month	Milestone
1	• Contact TDOT
1	• Field Review w/ TDOT
1	• Submit Application
2	• Receive Approval
3	• Receive Proposed Contract from Local Programs
3	• Obtain Fully Executed Contract
3	• Survey & Design Begins
3	• ROW/Utilities Deposit Due
9	• ROW Acquisition Begins
15	• Permits Obtained
18	• Project Let for Construction
30	• Project Completed

*Please note that each project is unique and will most likely deviate from this typical timeline. This is intended as a guide to the process and general durations for an average project.

CERTIFICATE

STATE OF TENNESSEE)
)
COUNTY OF BLOUNT)

I, Deborah P. Caughron, hereby certify that I am the duly qualified and acting Recorder of the City of Maryville, Tennessee, and further certify that the attached document is a true and exact copy of Resolution No. 2016-03 of the City of Maryville adopted by City Council of the City of Maryville on February 2, 2016.

WITNESS my official signature and the seal of said City this the 5th day of February 2016.



Deborah P. Caughron
Deborah P. Caughron

RESOLUTION NO. 2016-03

**A RESOLUTION TO ENTER INTO A CONTRACT WITH
THE TENNESSEE DEPARTMENT OF TRANSPORTATION TO CONSTRUCT
A NEW PUBLIC ROADWAY USING STATE INDUSTRIAL ACCESS (SIA) FUNDS
TO SERVE DENSO MANUFACTURING TENNESSEE, INC.
IN THE CITY OF MARYVILLE, TENNESSEE.**

WHEREAS, the City of Maryville, Tennessee is vitally interested in the economic welfare of its citizens and wishes to provide the necessary leadership to enhance this area's capabilities for growth and development, and

WHEREAS, the provision of jobs to area citizens by local industry is both necessary and vital to the economic well-being of the City of Maryville, and

WHEREAS, the Industrial Highway Act of 1959 authorizes the Tennessee Department of Transportation to contract with cities and counties for the construction and maintenance of "Industrial Highways" to provide access to industrial areas and to facilitate the development and expansion of industry within the State of Tennessee, and

WHEREAS, DENSO Manufacturing Tennessee, Inc., plans to construct a new 190,000 s.f. warehouse facility in the Blount County Industrial Park in the City of Maryville, and

WHEREAS, the construction of an industrial access road to serve said proposed warehouse facility is necessary and vital to the successful completion of this project and the future economic well-being of this area,

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF MARYVILLE, TENNESSEE that a contract be entered into with the Tennessee Department of Transportation for assistance in construction and completion of the herein proposed industrial access highway under the provisions of the Industrial Highway Act of 1959.

ADOPTED this 2nd day of February, 2016


Mayor

ATTEST:



City Recorder

Approved As To Form:


City Attorney

COST ESTIMATE SUMMARY

Route:	SIA Road-Clydesdale Rd.			
Description:	SIA Serving DENSO Manufacturing			
County:	Blount			
Length:	0.5 mi.			
Date:	August 9, 2016			



DESCRIPTION	LOCAL 0%	STATE 100%	FEDERAL 0%	TOTAL
Construction Items				
Pavement Removal	\$0	\$0	\$0	\$0
Asphalt Paving	\$0	\$288,000	\$0	\$288,000
Concrete Pavement	\$0	\$0	\$0	\$0
Drainage	\$0	\$62,400	\$0	\$62,400
Appurtenances	\$0	\$0	\$0	\$0
Structures	\$0	\$1,461,300	\$0	\$1,461,300
Fencing	\$0	\$0	\$0	\$0
Signalization	\$0	\$0	\$0	\$0
Railroad Crossing or Separation	\$0	\$0	\$0	\$0
Earthwork	\$0	\$513,000	\$0	\$513,000
Clearing and Grubbing	\$0	\$0	\$0	\$0
Seeding & Sodding	\$0	\$11,000	\$0	\$11,000
Rip-Rap or Slope Protection	\$0	\$0	\$0	\$0
Guardrail	\$0	\$58,100	\$0	\$58,100
Signing	\$0	\$3,000	\$0	\$3,000
Pavement Markings	\$0	\$4,400	\$0	\$4,400
Maintenance of Traffic	\$0	\$144,000	\$0	\$144,000
Mobilization (5%)	\$0	\$127,300	\$0	\$127,300
Other Items = 25%	\$0	\$668,100	\$0	\$668,100
Const. Contingency = 20%	\$0	\$375,900	\$0	\$375,900
Construction Estimate	\$0	\$3,716,500	\$0	\$3,716,500
Interchanges & Unique Intersections				
Roundabouts	\$0	\$0	\$0	\$0
Interchanges	\$0	\$0	\$0	\$0
Right-of-Way & Utilities				
	LOCAL 0%	STATE 100%	FEDERAL 0%	TOTAL
Right-of-Way	\$0	\$196,700	\$0	\$196,700
Utilities	\$0	\$45,000	\$0	\$45,000
Preliminary & Construction Engineering and Inspection				
Prelim. Eng. 10%	\$0	\$395,800	\$0	\$395,800
Const. Eng. & Inspec. 10%	\$0	\$395,800	\$0	\$395,800
Total Project Cost	\$0	\$4,750,000	\$0	\$ 4,750,000