



STATE OF TENNESSEE  
DEPARTMENT OF TRANSPORTATION  
PROGRAM DEVELOPMENT & ADMINISTRATION DIVISION  
LOCAL PROGRAM DEVELOPMENT OFFICE  
SUITE 600, JAMES K. POLK BUILDING  
505 DEADERICK STREET  
NASHVILLE, TN 37243-0341  
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NOV 18 2012

JOHN C. SCHROER  
COMMISSIONER

BILL HASLAM  
GOVERNOR

November 9, 2012

The Honorable Ernest G., Burgess  
Mayor, Rutherford County  
Rutherford County Courthouse, Suite 101  
One Public Square  
Murfreesboro, TN 37130

Re: State Industrial Access Rd serving McCormick Trucking  
Rutherford County  
PIN: 118198.00  
Federal Proj #: N/A  
State Proj #: 75946-3456-04  
Contract: 120263

Dear Mayor Burgess:

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. 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 return the contract 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](mailto:maria.hunter@tn.gov).

Sincerely,

Teresa Estes  
Transportation Coordinator  
[teresa.estes@tn.gov](mailto:teresa.estes@tn.gov)

Attachment

**Agreement Number: 120263**

**Project Identification Number: 118198.00**

**Federal Project Number: N/A**

**State Project Number: 75946-3456-04**

**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 Rutherford 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 Rd serving McCormick Trucking"

**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:**

	<b>Responsible Party</b>	<b>Funding Provided by: Agency or Project</b>
Environmental Clearance by:	<b>Department</b>	<b>Project</b>
Preliminary Engineering by:	<b>Department</b>	<b>Project</b>
Right-of-Way by:	<b>Agency</b>	<b>Agency</b>

Utility Coordination by:	<b>Agency</b>	<b>Agency</b>
Construction by:	<b>Department</b>	<b>Project</b>
Paving, Striping & Signing by:	<b>Department</b>	<b>Project</b>

- 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 and assigned 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.
- e) In the event that this Agreement involves a State Industrial Access Road, the following subsections of B.5.(e) apply:
  - a) The Agency also agrees to clear the right-of-way of all encroachments within the Project limits.
  - b) The Agency agrees that in the event of the institution of any civil actions in eminent domain, condemnation or inverse condemnation, it will defend the same and pay judgments resulting therefrom.

### **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..
- c) If the Department is managing the Construction phase of the Project and the Agency chooses not to include the relocation of utilities on public right-of-way as a Project expense under the provisions of T.C.A. Section 54-5-804 or the Department finds it ineligible, the Agency agrees to assist in the relocation or adjustment of utility facilities as follows:
- 1) Where utility facilities owned by the Agency or one of its instrumentalities are located within the proposed right-of-way of the Project, the Agency will be responsible for such relocation or adjustment of those facilities, as the Department determines is necessary and so notifies the Agency in writing.
  - 2) Where utility facilities owned by entities other than the Agency are located within the proposed right-of-way of the Project and on property presently owned by the Agency, the Agency will take whatever action necessary to obtain removal or adjustment of such utility facilities if so requested by the Department in writing.
- d) In the event that the Project herein described lies on the State Highway System, the Agency shall be solely responsible for all other claims arising from its authorization for local utilities to remain in place during the Construction phase. The extent of that liability shall be determined in accordance with the Governmental Tort Liability Act, T.C.A. Section 29-20-101, et seq. or other applicable laws.
- 1) For the purpose of fulfilling this obligation, in accordance with T.C.A. Section 29-20-404, the Agency shall purchase a policy or agreement of insurance to cover its liability. That policy shall contain limits of liability equal to the maximum limits of the Department's liability under T.C.A. Section 9-8-307, as it may from time to time be amended or construed, or as may otherwise be established by law.

### **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.
- b) In the event that this Agreement includes a State Industrial Access Road, the Department will manage all railroad-highway work for the Project.

- 1) The Agency agrees to provide fifty percent (50%) of the actual cost of any required adjustment or improvement to any railroad when so requested by the Department in writing. The Agency shall provide these funds by (a) check, made payable to the Department of Transportation or (b) deposit in the Local Government Investment Pool.

## **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 agrees that 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.
- b) In the event that the Project herein described includes the State Highway System, the Department may rescind its authorization for the location of the Project upon state highway right-of-way at any time by giving the Agency at least ninety (90) days advance written notice thereof, and the Agency shall be obligated to close the Project to public use and remove it at the Agency's expense and restore the premises to the satisfaction of the Department by or before the effective date of such termination

**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 Costs:**

- 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:**

This provision D.35 does not apply.

**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:

<b>Amount</b>	<b>=</b>	<b>Open to Public and Vehicular Traffic</b>
\$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 year 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.

**E. INDUSTRIAL OPERATION**

**E.1 Participation:**

- a) It is hereby understood and agreed that the participation of the Department in the cost of the herein described Project is hereby made contingent upon the actual construction of the industry to be served by the Project. Accordingly, the Department will not award an agreement for the Construction or begin Construction work with its own forces on the herein described Project until the industry has actually begun the physical Construction of its plant facility at the location described in Exhibit A hereof.
- b) In accordance with T.C.A. Section 54-5-405, no part of the highway shall be constructed within an industrial site/park or a privately owned tract of land, unless the site/park is a link in a highway serving areas beyond the park or private

property in which event the right-of-way or easements shall be conveyed to the State as with other highways.

**E.2 Industry Termination**

- a) Should the industry terminate its plans to build the plant facility as described herein, the Agency will reimburse the Department for development costs.
- b) In addition, the Agency hereby agrees to reimburse the Department for all funds expended on the Project should the industry fail to complete its facility and operate the facility for a reasonable period of time, as defined by the Department, following the completion of the road.



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**EXHIBIT "A"**


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**CONTRACT No.: 120263**  
**PROJECT IDENTIFICATION No.: 118198.00**  
**STATE PROJECT No.: 75946-3456-04**

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**PROJECT DESCRIPTION: STATE INDUSTRIAL ACCESS RD SERVING MCCORMICK TRUCKING**

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**TYPE OF WORK: INTERSECTION IMPROVEMENTS OF STATE INDUSTRIAL ACCESS ROAD**

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PHASE	FUNDING SOURCE	FED %	STATE %	LOCAL %	ESTIMATED COST
PE	SIA	0%	100%	0%	\$6,000.00
PE	SIA	0%	100%	0%	\$4,000.00
PHASE	FUNDING SOURCE	FED %	STATE %	LOCAL %	ESTIMATED COST
ROW	SIA	0%	0%	100%	\$0.00
PHASE	FUNDING SOURCE	FED %	STATE %	LOCAL %	ESTIMATED COST
CONST	SIA	0%	100%	0%	\$407,000.00

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**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**

**McCormick Trucking**

**Rutherford County, Tennessee**

**PREPARED BY**

**TENNESSEE DEPARTMENT OF TRANSPORTATION  
PROJECT MANAGEMENT DIVISION**

**October 17, 2012**

**INTRODUCTION AND LOCATION**

Rutherford County has submitted an application to the Tennessee Department of Transportation (TDOT) requesting assistance in providing sufficient access to McCormick Trucking. The new McCormick facility will be off SR-266 (Jefferson Pike), just 1300 ft. northeast of SR-840 Exit 64. McCormick Trucking is investing \$2.8 million in a new facility at the end of McCormick Court which is a new development of mix use. Initial employment at this location is approximately 400 with full employment in five years at 600. The average hourly wage is \$25 for an annual payroll initially of \$20.8 million. The new truck terminal will be served by approximately 100 trucks per day.

**PROPOSED IMPROVEMENT AND COST**

The proposed improvement consists of grading, base, drainage, paving, guardrail, signage, and pavement markings for access into the industrial park to serve McCormick's new truck terminal. It is proposed to construct left and right turn lanes on SR-266 (Jefferson Pike) to improve access to McCormick Court. This improvement to SR-266 (Jefferson Pike) will require improvement to approximately 1335 ft. of SR-266.

This project will be performed by the Department's Maintenance Division. There will need to be a lot of coordination as the locals will donate additional ROW to the State and relocate Utilities. A survey will need to be completed so that the utilities will know where to relocate.

The roadway base and surface is proposed to consist of 10 inches of stone base, 3 inches of base "A" mix, 2 inches of binder "B-M2" mix, and 1.25 inches of surface "D" mix. The typical SIA cross-section is composed of 2 @ 12 ft. travel lanes with 4 ft. gravel shoulders, but this will be adding to SR-266 a left turn lane to the east and a right turn lane to the west of the new McCormick Court.

The estimated costs to the department for this project are as follows:

Preliminary Engineering	\$10,000
Right-of-Way	\$0
Utilities	\$0
Construction	\$370,000
Contingency/CEI (10% of const. estimate)	\$37,000
<b>TOTAL Estimated Project Cost</b>	<b>\$407,000</b>

This is a State Route; therefore, all future maintenance of the improved highway will be the responsibility of the Department.

### **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 property and personal 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 **13.35 to 1**, which indicates that the proposal is sound from an economic standpoint.

# 28535

ERNEST G. BURGESS  
COUNTY MAYOR



RUTHERFORD COUNTY  
TENNESSEE

October 8, 2012

TN Dept. of Transportation  
Commissioner's Office  
**RECEIVED**

OCT 16 2012

Commissioner  
Tennessee Department of Transportation  
Suite 700, James K. Polk Building  
Nashville, TN 37243-0349

RE: Application to the Tennessee Department of Transportation  
For Assistance in the Construction of an Industrial Highway

It is the desire of Rutherford County to make application to the Tennessee Department of Transportation for assistance in the construction of an Industrial Highway under the provisions of the Industrial Highway Act of 1959.

To expedite the review of this Application and furnish the necessary information for the economic analysis of the proposal, the following information is being provided.

Sincerely,

Ernest G. Burgess  
Mayor

/vht

xc: Tommy Taylor

**RECEIVED**  
OCT 16 2012  
CONSTITUENT SERVICES



Date 10/3/12

RAM Properties LLC

5924 New Nashville Hwy

Murfreesboro, TN

RE: Agreement with Rutherford County, TN and RAM Properties, LLC, concerning the construction of turn lane in Jefferson Pike

RAM Properties LLC has applied to the Tennessee Department of Transportation for assistance in the construction of an Industrial Highway in the form of a turn lane on Jefferson Pike in Rutherford County under the provisions of the Industrial Highway Act of 1959. In working with the county to provide proper access to the site, RAM Properties agrees to the following:

1. RAM Properties, LLC will secure any and all donations or purchase the right-of-way for the project in accordance with State policies and procedures. This will be at no cost to Rutherford County and must be coordinated with regional Right-of-Way Office.
2. RAM Properties, LLC will be responsible for contracting for the adjustment of all conflicting utilities and the cost of relocating reimbursable utilities with no cost to Rutherford County. To qualify as a reimbursable utility cost, the utility that is being relocated due to the project must have been located outside the existing right-of-way.
3. Any railroad crossings will be coordinated by TDOT with RAM Properties, LLC paying one hundred percent (100%) of the railroad-roadway crossing work cost.

If there are any other questions concerning this project or agreement, please call



Subscribed and sworn to before me in my  
Presence, this 3rd day of October  
2012, a Notary Public in and for the  
County of Rutherford State of TN  
Rebecca A. Craddock  
(Signature) Notary Public  
My commission expires 4/21/14



MY COMMISSION EXPIRES:  
April 21, 2014

**I. General**

A. Industry name: McCormick Trucking

B. Type of industry: Trucking

C. Location: 4281 West Jefferson Pike

D. Are taxes paid by industry?  Yes \_\_\_\_\_ No

If YES, the county tax rate is \$2.4652; the city tax rate is \$ 0

E. The daily number of heavy trucks (three or more axles) expected to use the proposed Industrial Highway is 100

**II. Proposed Industry Development and Commitment**

**NOTE:** If this is an expansion to an existing facility, the data is for the expansion only.

A. Initial employment (number of employees at new facility construction related to this SIA project): 400

B. Anticipated date of initial production: 2/1/2013 <sup>15</sup> *gp*

C. Expected full employment in five years (number of employees at new facility construction related to this SIA project): 600

D. Anticipated date of full employment: 1/1/2012

E. Average hourly wage: \$ 25.00

or average annual payroll (based on initial employment): \$20,800,000

F. Estimated value of land, improvements, plant and equipment: \$2,800,000

### III. Responsibilities

A. The local government will perform all work including:

- Obtaining environmental clearances and permits
- Letting the construction project
- Performing construction inspection.

See: *THE LOCAL GOVERNMENT GUIDELINES* at <http://www.tdot.state.tn.us/local/projectinfo.htm> or call the Office of Local Programs at 615-741-5314 for details of all procedures and policies.

\_\_\_\_\_ Mark here if this is the desired method.



*If you have chosen option A, proceed to Section IV.*

B. The local government indicates below the desired responsibility option for each phase of project development. The indicated responsibilities will be used as a basis for preparing a contract between TDOT and the local government.

#### Survey and Design

\_\_\_\_\_ Option 1

The local government will provide the survey and design either with its own forces or by employing a consultant.

The survey and design will be performed at no cost to TDOT and must meet TDOT standards and guidelines. The work will be coordinated with the appropriate TDOT Regional Survey & Design Office.

  X   Option 2

TDOT will perform the survey and design of the project with no cost to the local government.

Permits

The following three conditions will determine the responsibility for obtaining environmental permits. Environmental Guidelines for Industrial Highways are described on pages 6 - 8.

- a. When TDOT is performing the construction phase of the project, whether by TDOT maintenance forces or by project contract, TDOT will conduct the technical studies and obtain all environmental permits. This will be at no cost to the local government.
- b. 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. This will be at no cost to TDOT.
- c. The local government intends to have work performed in preparation for SIA construction project, such as the construction of the roadbed. It will be the responsibility of the local government to comply with all environmental state and federal laws, rules, and regulations and obtain any required environmental permits for this work.

Known environmentally sensitive areas:

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Right of Way/Utilities/Railroad Crossings

X Option 1

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

TDOT's Regional Utility Office will make initial contact, notify and distribute plans to the utility companies.

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.

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 right-of-way.

Railroad crossings will be coordinated by TDOT with the local government paying one hundred percent (100%) of the railroad-roadway crossing work cost.

Is there a railroad crossing(s) on or within 200 ft. of the project?  
YES \_\_\_\_\_ No  X

\_\_\_\_\_ Option 2

TDOT will purchase the right-of-way for the project. The local government will pay fifty percent (50%) of the cost.

The relocation of the utilities will be coordinated and contracted by TDOT's Utility Office. The local government will pay fifty percent (50%) of the 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 right-of-way.

Railroad crossings will be coordinated by TDOT with local government paying fifty percent (50%) of the railroad-roadway crossing work cost.

Is there a railroad crossing(s) on or within 200 ft. of the project?  
YES \_\_\_\_\_ No \_\_\_\_\_

Construction

The standard SIA section is two-12 ft. lanes with 4 ft. gravel shoulders and in most cases the typical TDOT pavement design consists of 10 inches of base stone, 3 inches "A" mix, 2 inches "BM-2" mix and 1.25 inches "D" mix. The Regional Coordinator for the SIA Program can provide the specific pavement design requirements. Construction will be done by one of the following:

\_\_\_\_\_ Local government maintenance forces or by construction contract let by the local government in accordance with the "Local Government Guidelines".

The local government must be determined to be staffed and equipped to manage the project. This determination will be done by TDOT's Local Program Development Office prior to the submission of the implementation contract to the local government.

TDOT will fund the construction at no cost to the local government.

X \_\_\_\_\_ TDOT forces or through a TDOT construction contract.

TDOT will fund the construction at no cost to the local government.

\_\_\_\_\_ The local government requests additional construction work beyond the scope of the standard SIA typical section.

The cost of the additional work shall be at no cost to TDOT and will be paid by the local government. Describe additional work:

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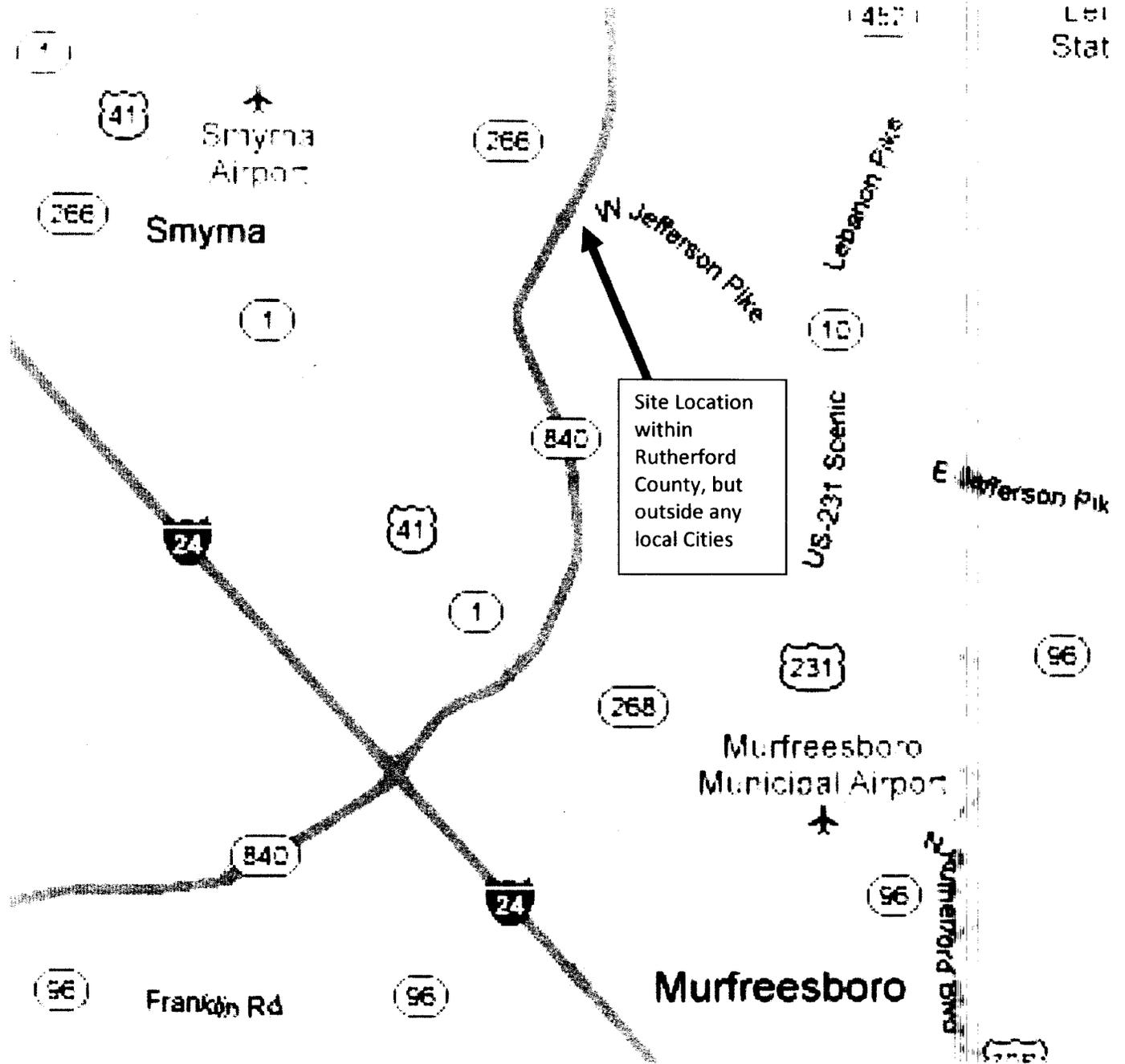
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#### **IV. Exhibits**

To ensure clarification of the proposed industrial site location the following two maps should be attached to the Application Form

**Location Map** – map showing the location of the proposed industry in relation to the city or county making the application

**Site Map** – map showing the location of the industrial park or site, proposed plant location, road names, and access points to the proposed industry. This should also show the plant site footprint and plant entrance locations. Show approximate measurements. This map must be drawn to scale.



Site Location within Rutherford County, but outside any local Cities

Lebanon Stat

## COST DATA SHEET

PROJECT: SIA SERVING McCORMICK TRUCKING

COUNTY: RUTHERFORD CITY: N/A

LENGTH: 1335 FT. TYPICAL SECTION: 3 @ 11 FT. LANES EAST OF & 4 @ 11 FT. LANES WEST OF THE INDUSTRY ENTRANCE

### PAVING SCHEDULE

10" Stone, 3" of Base "A" mix, 2" of Binder "BM-2" mix, 1.25" of Surface "D" mix

DATE 10/17/2012

### CONSTRUCTION

Earthwork	\$ 50,000
Seeding & Sodding	\$ 20,000
Erosion Control	\$ 15,000
Stone	\$ 50,000
Paving	\$ 150,000
Drainage	\$ 60,000
Maintenance of Traffic	\$ 5,000
Signing, Pavement Marking	\$ 10,000
Mobilization	\$ 10,000
Sub-Total of Construction cost =	\$ 370,000
10% Construction Engineering & Inspection	\$ 37,000
Total Construction Cost =	\$ 407,000

# State Industrial Access Program

## Benefit/Cost Worksheet

Analysis Date	10/17/2012
Prepared by	John Phillips

Industry Name	McCormick Trucking
County	Rutherford
City	N/A

### BENEFIT

<b>Property Tax Benefit</b>	
City Property Tax Rate	\$ -
County Property Tax Rate	\$ 2.47
Are there any tax breaks?	No
Value of Land, Improvements, etc.	\$ 2,800,000
<b>Annual Property Tax Benefit (no tax break)</b>	<b>\$ 27,610</b>
<b>Sales Tax Benefit</b>	
Initial employment	400
Date of initial employment	2/1/2013
Expected full employment in five years	600
Expected date of full employment	1/1/2015
Average Hourly Wage	\$ 25.00
Average Hours per Week	40
Which employment figure to consider?	Initial Employment Only
Annual Payroll (initial employment)	\$ 20,800,000
Annual Payroll (full employment)	\$ 31,200,000
Percentage of income spent in TN	35%
State Sales Tax Rate	7.00%
Local Option Sales Tax Rate	2.75%
<b>Annual Sales Tax Benefit (initial)</b>	<b>\$ 709,800</b>
<b>Annual Sales Tax Benefit (full)</b>	<b>\$ 1,064,700</b>
<b>Present Value of Benefit</b>	<b>\$ 5,694,086</b>

### COST

<b>Estimates Provided</b>	
Right-of-Way	\$ -
Utilities/Railroad	\$ -
Construction	\$ 370,000
Preliminary Engineering	\$ -
Inflation/Contingency	\$ 37,000
<b>Total Estimated Project Cost</b>	<b>\$ 407,000</b>
<b>Maintenance Cost</b>	
Annual Maintenance Cost (per mile)	\$ 10,000
Length of Project (feet)	1335
<b>Annual Maintenance Cost</b>	<b>\$ 2,528</b>
<b>Present Value of Cost</b>	<b>\$ 426,524</b>

<b>Time Value of Money</b>	
Discount Rate	5.000%
Analysis Period (# of years)	10

**BENEFIT/COST RATIO** **13.35**

Comments: