

AGENDA
Board of Trustees Meeting
 Madison County Mass Transit District
 9:00 a.m., Thursday, October 31, 2019
 One Transit Way, Granite City, Illinois

<u>Section</u>	<u>Item</u>	<u>Recommendation</u>
	Pledge of Allegiance.	
	Call to Order: Roll Call.	
I.	<u>Consideration of the minutes of the September 26, 2019 regular meeting for inclusion in the official records of the District.</u>	Approval
II.	<u>Financial:</u>	
	A. Payments and Claims: Consideration of the September 2019 claims for payment.	Approval
	B. Monthly Financial Report: Review of the monthly financial records as of September 30, 2019.	Approval
	C. Presentation of the FY2019 Audit: Scott Weber and Drew Nicol, Scheffel Boyle	Approval
	D. District's Financial Reserves Policy	Discussion
III.	<u>Transit Service:</u>	
	A. Managing Director's Report: Jerry J. Kane.	Information
	1. Proposed February 2020 Service Changes	Approval
	B. Resolution 20-02 Authorizing the Execution of an Amendment to the Agreement to Provide Management Services and Operate Public Transit Services Between Madison County Mass Transit District and the Agency for Community Transit, Inc.	Approval
	C. Resolution 20-11 Authorizing the Adoption of the Madison County Mass Transit District's revised Procurement Policies and Practices.	Approval
	D. Resolution 20-12 Authorizing The Execution Of An Agreement For Land Acquisition Services	Approval
IV.	<u>Other Business:</u>	
	Public Comments	
V.	<u>Executive session to discuss the acquisition, and/or sale or lease of property, and/or security, and/or litigation, and/or review of executive session minutes (5ILCS 120/2 et. seq., 2(c)5, 2(c)6, 2(c) 8, 2(c)11, and 2(c)21 of the Open Meetings Act).</u>	
	A. Approval of Executive Session Minutes of the September 26, 2019 Executive Session for Inclusion in the Official Executive Session Records of the District.	Approval
	<u>Adjournment</u>	Approval

MINUTES
Board of Trustees Meeting
Madison County Mass Transit District
One Transit Way, Granite City, Illinois
9:00 a.m., Thursday, September 26, 2019

Pledge of Allegiance

Trustee Hagnauer led the reciting of the Pledge of Allegiance.

Call to Order: Roll Call

Chairman Jedda called the meeting to order at 9:00 a.m.

MEMBERS PRESENT: J. Terry Allan, Christopher C. Guy, Edward Hagnauer, Ronald L. Jedda, and J. Kelly Schmidt.

MEMBER ABSENT: None

OTHERS PRESENT: Jerry J. Kane, Managing Director; Michelle Domer, ACT; Mark Steyer, ACT; Donna Price, ACT; Tonya Genovese, Legal Counsel.

Public Hearing on Ordinance 20-01 Tentative Annual Budget and Appropriation Ordinance of the Madison County Mass Transit District, Madison County, Illinois, for the Fiscal Year Beginning July 1, 2019 and ending June 30, 2020.

Notice of the public hearing with the time, date and location, was published on Monday, August 1, 2019 in the "Edwardsville Intelligencer," a newspaper of general circulation in Madison County, Illinois, and ran on August 1 through 3, 2019. A "Certificate of Publication" for the notice is attached to this document. There were no requests for copies, no comments received prior to the public hearing or at the public hearing, and no members of the public were present.

I. Consideration of the Minutes of the August 29, 2019 Regular Meeting and the September 12, 2019 Special Meeting for Inclusion in the Official Records of the District.

CHAIRMAN JEDDA REQUESTED THE AUGUST 29, 2019 MINUTES BE AMENDED TO INCLUDE INFORMATION FROM THE TOPIC "DISCUSSION AND POTENTIAL ACTION TO NOTIFY THE ILLINOIS ATTORNEY GENERAL'S OFFICE OF A VIOLATION OF STATE OF ILLINOIS STATUTES, WITH REGARDS TO THE APPROVAL OF ANNUAL BUDGET AND APPROPRIATION ORDINANCES IN PRIOR YEARS". HE WOULD ALSO LIKE TO INCLUDE THAT STATE'S ATTORNEY, TOM GIBBONS, INDICATED HE WILL PROVIDE US WITH A WRITTEN MEMO CONCERNING THE DISCUSSION WITH THE ILLINOIS ATTORNEY GENERAL'S OFFICE.

TRUSTEE HAGNAUER MADE THE MOTION, SECONDED BY TRUSTEE GUY, TO AMEND THE MINUTES OF THE AUGUST 29, 2019 REGULAR MEETING.

A ROLL CALL VOTE FOLLOWED:

J. TERRY ALLAN	AYE
CHRISTOPHER C. GUY	AYE
EDWARD HAGNAUR	AYE
RONALD JEDDA	AYE
J. KELLY SCHMIDT	AYE

ALL AYES. NO NAYS. MOTION CARRIED.

TRUSTEE GUY MADE THE MOTION, SECONDED BY TRUSTEE ALLAN, TO APPROVE THE MINUTES OF THE AUGUST 29, 2019 REGULAR MEETING, AS AMENDED, AND THE SEPTEMBER 12, 2019 SPECIAL MEETING FOR INCLUSION IN THE OFFICIAL RECORDS OF THE DISTRICT.

A ROLL CALL VOTE FOLLOWED:

J. TERRY ALLAN	AYE
CHRISTOPHER C. GUY	AYE
EDWARD HAGNAUR	AYE
RONALD JEDDA	AYE
J. KELLY SCHMIDT	AYE

ALL AYES. NO NAYS. MOTION CARRIED.

II. Financial

- A. Payments and Claims: Consideration of the August 2019 claims for payment:
Managing Director Jerry Kane submitted the payments and claims.

TRUSTEE HAGNAUER MADE THE MOTION, SECONDED BY TRUSTEE GUY, TO APPROVE THE PAYMENTS AND CLAIMS, EXCLUDING THE PAYMENTS AND CLAIMS TO THE CITY OF GRANITE CITY.

A ROLL CALL VOTE FOLLOWED:

J. TERRY ALLAN	AYE
CHRISTOPHER C. GUY	AYE
EDWARD HAGNAUER	AYE
RONALD JEDDA	AYE
J. KELLY SCHMIDT	AYE

ALL AYES. NO NAYS. MOTION CARRIED.

TRUSTEE ALLAN MADE THE MOTION, SECONDED BY TRUSTEE SCHMIDT, TO APPROVE THE PAYMENTS AND CLAIMS TO THE CITY OF GRANITE CITY.

A ROLL CALL VOTE FOLLOWED:

J. TERRY ALLAN	AYE
CHRISTOPHER C. GUY	AYE
EDWARD HAGNAUER	ABSTAINED
RONALD JEDDA	AYE
J. KELLY SCHMIDT	AYE

ALL AYES. NO NAYS. TRUSTEE HAGNAUER ABSTAINED. MOTION CARRIED.

- B. Monthly Financial Report: Review of the monthly financial records as of August 31, 2019: Managing Director Jerry Kane submitted the report.

TRUSTEE SCHMIDT MADE THE MOTION, SECONDED BY TRUSTEE ALLAN TO APPROVE THE MONTHLY FINANCIAL REPORT AS OF AUGUST 31, 2019.

A ROLL CALL VOTE FOLLOWED:

J. TERRY ALLAN	AYE
CHRISTOPHER C. GUY	AYE
EDWARD HAGNAUER	AYE
RONALD JEDDA	AYE
J. KELLY SCHMIDT	AYE

ALL AYES. NO NAYS. MOTION CARRIED.

- C. Ordinance 20-02 – Adoption of the Annual Operating and Capital Budget and Appropriation Ordinance of the Madison County Mass Transit District for the Fiscal Year Beginning July 1, 2019 and Ending June 30, 2020.

TRUSTEE HAGNAUER MADE THE MOTION, SECONDED BY TRUSTEE ALLAN TO ADOPT THE ORDINANCE.

A ROLL CALL VOTE FOLLOWED:

J. TERRY ALLAN	AYE
CHRISTOPHER C. GUY	AYE
EDWARD HAGNAUER	AYE
RONALD JEDDA	AYE
J. KELLY SCHMIDT	AYE

ALL AYES. NO NAYS. MOTION CARRIED.

- D. Resolution 20-10 – Adopting the FY2020 – FY2024 Capital Plan.

TRUSTEE SCHMIDT MADE THE MOTION, SECONDED BY TRUSTEE GUY TO ADOPT THE RESOLUTION.

A ROLL CALL VOTE FOLLOWED:

J. TERRY ALLAN	AYE
CHRISTOPHER C. GUY	AYE
EDWARD HAGNAUER	AYE
RONALD JEDDA	AYE
J. KELLY SCHMIDT	AYE

ALL AYES. NO NAYS. MOTION CARRIED.

III. Transit Service

- A. Managing Director's Report: Jerry Kane presented the report.

IV. Other Business

- A. Designation of the District's Freedom of Information Act Officer(s)

Mr. Kane recommended the Board designate Donna Price and himself as the District's Freedom of Information Act (FOIA) officers. Chairman Jedda asked that future FOIA requests be reported to the Board. He noted the Board only needs to see Who requested and What they requested. No attachments are necessary.

TRUSTEE HAGNAUER MADE THE MOTION, SECONDED BY TRUSTEE ALLAN, TO DESIGNATE DONNA PRICE AND JERRY KANE AS THE DISTRICT'S FREEDOM OF INFORMATION ACT OFFICERS.

A ROLL CALL VOTE FOLLOWED:

J. TERRY ALLAN	AYE
CHRISTOPHER C. GUY	AYE
EDWARD HAGNAUER	AYE
RONALD JEDDA	AYE
J. KELLY SCHMIDT	AYE

ALL AYES. NO NAYS. MOTION CARRIED.

V. **Executive session to discuss the acquisition, and/or sale or lease of property, and/or security, and/or litigation, and/or review of executive session minutes (5ILCS 120/2 et. seq., 2(c)5, 2(c)6, 2(c)8, 2(c)11, and 2(c)21 of the Open Meetings Act).**

TRUSTEE GUY MADE THE MOTION, SECONDED BY TRUSTEE ALLAN, TO MOVE INTO EXECUTIVE SESSION TO DISCUSS THE ACQUISITION, AND/OR SALE OR LEASE OF PROPERTY, AND/OR SECURITY, AND/OR LITIGATION, AND/OR REVIEW OF EXECUTIVE SESSION MINUTES (5ILCS 120/2 ET. SEQ., 2(C)5, 2(C)6, 2(C)8, 2(C)11, AND 2(C)21 OF THE OPEN MEETINGS ACT).

A ROLL CALL VOTE FOLLOWED:

J. TERRY ALLAN	AYE
CHRISTOPHER C. GUY	AYE
EDWARD HAGNAUER	AYE
RONALD JEDDA	AYE
J. KELLY SCHMIDT	AYE

ALL AYES. NO NAYS. MOTION CARRIED.

TRUSTEE HAGNAUER MADE THE MOTION, SECONDED BY TRUSTEE ALLAN TO RETURN TO REGULAR SESSION.

A ROLL CALL VOTE FOLLOWED:

J. TERRY ALLAN	AYE
CHRISTOPHER C. GUY	AYE
EDWARD HAGNAUER	AYE
RONALD JEDDA	AYE
J. KELLY SCHMIDT	AYE

ALL AYES. NO NAYS. MOTION CARRIED.

A. TRUSTEE GUY MADE A MOTION, SECONDED BY TRUSTEE SCHMIDT, TO APPROVE THE FOLLOWING:

- EXECUTIVE SESSION MINUTES OF THE AUGUST 29, 2019 EXECUTIVE SESSION MEETINGS FOR INCLUSION IN THE OFFICIAL EXECUTIVE SESSION RECORDS OF THE DISTRICT.

A ROLL CALL VOTE FOLLOWED:

J. TERRY ALLAN	AYE
CHRISTOPHER C. GUY	AYE
EDWARD HAGNAUER	AYE
RONALD JEDDA	AYE
J. KELLY SCHMIDT	AYE

ALL AYES. NO NAYS. MOTION CARRIED.

VI. Adjournment

TRUSTEE GUY MADE THE MOTION, SECONDED BY TRUSTEE SCHMIDT TO ADJOURN.

A ROLL CALL VOTE FOLLOWED:

J. TERRY ALLAN	AYE
CHRISTOPHER C. GUY	AYE
EDWARD HAGNAUER	AYE
RONALD JEDDA	AYE
J. KELLY SCHMIDT	AYE

ALL AYES. NO NAYS. MOTION CARRIED.

Meeting adjourned at 10:12 a.m.

Respectfully submitted:



10/08/2019 14:49 .
jhartke
WARRANT: 103119

Madison County Mass Transit District
CURRENT CHECK REGISTER - PER DIEM
09/01/2019 to 09/30/2019

P 1
prchkreg
CHECK DATE: 10/31/2019

EMP #	NAME	TYP	NET PAY	CHECK #	CHECK DATE	SPECIAL
10001	ALLAN, TERRY	CK	184.70	003200016	10/31/2019	
10011	GUY, CHRISTOPHER C.	CK	184.70	003200017	10/31/2019	
10007	HAGNAUER, ED	CK	184.70	003200018	10/31/2019	
10009	JEDDA, RONALD L.	CK	184.70	003200019	10/31/2019	
10010	SCHMIDT, J. KELLY	CK	184.70	003200020	10/31/2019	
5 **	TOTAL CHECK(S)		923.50			

10/08/2019 14:41
jhartke
WARRANT: 103119

Madison County Mass Transit District
ADVICE REGISTER - PER DIEM
From: 09/01/2019 To: 09/30/2019

P 1
pradvreg

EMP #	NAME	CHK #	NET PAY
1138	Internal Revenue Servi	005200004	153.00
	Total Deposits: 1		153.00

10/08/2019 08:50
tpohlman

Madison County Mass Transit District
CHECK REGISTER

P 1
apcshdsb

CASH ACCOUNT: 10000000 10101 Checking Account

CHECK NO	CHK DATE	TYPE	VENDOR NAME	VOUCHER	INVOICE	INV DATE	PO	WARRANT	NET
4200169	10/08/2019	PRTD	1902 City of Collinsville		092719SPCTC	09/27/2019		100719	3,043.91
					092719WSCTC	09/27/2019		100719	99.75
						CHECK	4200169	TOTAL:	3,143.66
4200170	10/08/2019	PRTD	1433 City of Edwardsville		092719WSETC	09/27/2019		100719	8,875.33
						CHECK	4200170	TOTAL:	8,875.33
4200171	10/08/2019	PRTD	3984 City of Troy		093019SPTPR	09/27/2019		100719	1,084.63
					093019WSTPR	09/27/2019		100719	23.54
						CHECK	4200171	TOTAL:	1,108.17
4200172	10/08/2019	PRTD	1220 Illinois American Wa		0320ILRt3PR	09/24/2019		100719	482.13
						CHECK	4200172	TOTAL:	482.13
4200173	10/08/2019	PRTD	1220 Illinois American Wa		092619GCTC	09/26/2019		100719	297.64
						CHECK	4200173	TOTAL:	297.64
4200174	10/08/2019	PRTD	1220 Illinois American Wa		100319AHSRIR	10/03/2019		100719	170.76
						CHECK	4200174	TOTAL:	170.76
4200175	10/08/2019	PRTD	1220 Illinois American Wa		100319AHSRWS	10/03/2019		100719	93.75
						CHECK	4200175	TOTAL:	93.75
4200176	10/08/2019	PRTD	3848 Missouri Highways &		100119	10/01/2019		100719	32,107.00
						CHECK	4200176	TOTAL:	32,107.00
4200177	10/08/2019	PRTD	1053 Special Service Area		100119	10/01/2019		100719	727.43
					100119BW	10/01/2019		100719	865.83
					100119N	10/01/2019		100719	97.21

10/08/2019 08:50
tpohlman

Madison County Mass Transit District
CHECK REGISTER

P 2
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CASH ACCOUNT: 10000000 10101	Checking Account								
CHECK NO	CHK DATE	TYPE	VENDOR NAME	VOUCHER	INVOICE	INV DATE	PO	WARRANT	NET
						CHECK	4200177	TOTAL:	1,690.47
4200178	10/08/2019	PRTD	1506 Village of Glen Carb		092419GLPR	09/24/2019		100719	929.50
						CHECK	4200178	TOTAL:	929.50
4200179	10/08/2019	PRTD	1932 Wex Bank		61584391	09/30/2019		100719	12,052.91
						CHECK	4200179	TOTAL:	12,052.91
				NUMBER OF CHECKS	11	*** CASH ACCOUNT TOTAL ***			60,951.32
						COUNT		AMOUNT	
						-----	-----	-----	
TOTAL PRINTED CHECKS						11		60,951.32	
						*** GRAND TOTAL ***			60,951.32

10/16/2019 09:49 | Madison County Mass Transit District
 tpohlman | CHECK REGISTER

| P 1
 | apcshdsb

CASH ACCOUNT: 10000000 10101 Checking Account

CHECK NO	CHK DATE	TYPE	VENDOR NAME	VOUCHER	INVOICE	INV DATE	PO	WARRANT	NET
4200180	10/16/2019	PRTD	1043 AT&T		OCT19	10/01/2019		101519	22.93
								CHECK 4200180 TOTAL:	22.93
4200181	10/16/2019	PRTD	1436 City of Highland		SEPT19HPR	10/05/2019		101519	192.63
								CHECK 4200181 TOTAL:	192.63
4200182	10/16/2019	PRTD	1220 Illinois American Wa		101019SPATC	10/10/2019		101519	169.87
								CHECK 4200182 TOTAL:	169.87
4200183	10/16/2019	PRTD	1220 Illinois American Wa		101019WSATC	10/10/2019		101519	234.41
								CHECK 4200183 TOTAL:	234.41
4200184	10/16/2019	PRTD	1733 Johnny on the Spot #		47-000226862	09/30/2019		101519	422.10
								CHECK 4200184 TOTAL:	422.10
4200185	10/16/2019	PRTD	1051 Pontoon Beach Public		100219-1	10/02/2019		101519	264.18
					100219-2	10/02/2019		101519	352.70
					100219BW	10/02/2019		101519	333.81
					100219N	10/02/2019		101519	22.00
					100219SS	10/02/2019		101519	22.00
					100219T	10/02/2019		101519	22.00
								CHECK 4200185 TOTAL:	1,016.69
4200186	10/16/2019	PRTD	3965 UPS Supply Chain Sol		1348411739	09/25/2019		101519	54.15
								CHECK 4200186 TOTAL:	54.15

10/16/2019 09:49
tpohlman

Madison County Mass Transit District
CHECK REGISTER

P 2
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NUMBER OF CHECKS 7 *** CASH ACCOUNT TOTAL *** 2,112.78

	COUNT	AMOUNT
TOTAL PRINTED CHECKS	7	2,112.78

*** GRAND TOTAL *** 2,112.78

10/21/2019 11:19 tpohlman | Madison County Mass Transit District
 | CHECK REGISTER

| P 1
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CASH ACCOUNT: 10000000 10101 Checking Account

CHECK NO	CHK DATE	TYPE	VENDOR NAME	VOUCHER	INVOICE	INV DATE	PO	WARRANT	NET
4200187	10/31/2019	PRTD	2501 Agency for Community		OCT19	10/01/2019		103119	41,666.67
					SEPT19BW	10/18/2019		103119	48,917.59
					SEPT19DR	10/18/2019		103119	222,972.23
					SEPT19FR	10/18/2019		103119	1,619,010.00
					SEPT19RS	10/18/2019		103119	32,128.25
					SEPT19VP	10/18/2019		103119	-24,443.95
							CHECK	4200187 TOTAL:	1,940,250.79
4200188	10/31/2019	PRTD	1002 Terry Allan		SEPT19	10/03/2019		103119	24.82
							CHECK	4200188 TOTAL:	24.82
4200189	10/31/2019	PRTD	1050 Ameren Illinois		SEPT19	10/14/2019		103119	5,946.11
							CHECK	4200189 TOTAL:	5,946.11
4200190	10/31/2019	PRTD	1501 Ameren Illinois		SEPT19	10/04/2019		103119	10,506.89
							CHECK	4200190 TOTAL:	10,506.89
4200191	10/31/2019	PRTD	1638 American Maid		1419-09	09/25/2019		103119	2,050.00
					1919-09	09/25/2019		103119	1,575.00
					2419-09	09/25/2019		103119	1,600.00
					4519-09	09/25/2019		103119	1,000.00
					4819-09	09/25/2019		103119	900.00
							CHECK	4200191 TOTAL:	7,125.00
4200192	10/31/2019	PRTD	1253 City Treasurer Granite City		101519	10/11/2019		103119	225.03
							CHECK	4200192 TOTAL:	225.03
4200193	10/31/2019	PRTD	1092 Intelligencer		300880375	09/29/2019		103119	74.89

10/21/2019 11:19
tpohlman

Madison County Mass Transit District
CHECK REGISTER

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CASH ACCOUNT: 10000000 10101 Checking Account
CHECK NO CHK DATE TYPE VENDOR NAME VOUCHER INVOICE INV DATE PO WARRANT NET

CHECK NO	CHK DATE	TYPE	VENDOR NAME	VOUCHER	INVOICE	INV DATE	PO	WARRANT	NET
						CHECK	4200193	TOTAL:	74.89
4200194	10/31/2019	PRTD	1507 Energy Petroleum Co		1812116	09/24/2019	12000033	103119	16,298.68
					1812206	09/17/2019	12000029	103119	15,782.72
					1813281	10/01/2019	12000036	103119	15,808.36
					1813319	09/20/2019	12000030	103119	16,676.12
					1813325	09/24/2019	12000033	103119	16,290.00
					1813423	09/27/2019	12000035	103119	16,102.50
					1813877	09/27/2019	12000034	103119	13,684.46
					1813918	10/08/2019	12000038	103119	14,040.98
					18139991	10/09/2019	12000038	103119	14,049.00
						CHECK	4200194	TOTAL:	138,732.82
4200195	10/31/2019	PRTD	1029 Fort Russell Townshi		100819	10/08/2019		103119	269.64
						CHECK	4200195	TOTAL:	269.64
4200196	10/31/2019	PRTD	4002 Christopher C. Guy		SEPT19	10/03/2019		103119	8.70
						CHECK	4200196	TOTAL:	8.70
4200197	10/31/2019	PRTD	3982 Ronald L. Jedda		SEPT19	10/03/2019		103119	49.65
						CHECK	4200197	TOTAL:	49.65
4200198	10/31/2019	PRTD	3920 The Jerry Costello G		NOV19	10/01/2019		103119	7,000.00
						CHECK	4200198	TOTAL:	7,000.00
4200199	10/31/2019	PRTD	1439 Juneau Associates, I		42382	09/23/2019		103119	1,554.27
					42383	09/23/2019		103119	98.30
					42384	09/23/2019		103119	1,081.28
					42392	09/23/2019		103119	26,039.60

10/21/2019 11:19
tpohlman

Madison County Mass Transit District
CHECK REGISTER

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CASH ACCOUNT: 10000000 10101 Checking Account

CHECK NO	CHK DATE	TYPE	VENDOR NAME	VOUCHER	INVOICE	INV DATE	PO	WARRANT	NET
								CHECK 4200199 TOTAL:	28,773.45
4200200	10/31/2019	PRTD	1437 Keller Construction,		101519	10/15/2019		103119	77,643.31
								CHECK 4200200 TOTAL:	77,643.31
4200201	10/31/2019	PRTD	1602 Madison County State		NOV19	10/01/2019		103119	4,500.00
								CHECK 4200201 TOTAL:	4,500.00
4200202	10/31/2019	PRTD	2031 Best-One Fleet Servi		80084391	09/19/2019		103119	160.00
					80084875	09/26/2019		103119	280.00
					80085223	10/03/2019		103119	220.00
								CHECK 4200202 TOTAL:	660.00
4200203	10/31/2019	PRTD	3877 NS Corporation		95603B-IN	09/03/2019		103119	11,425.00
								CHECK 4200203 TOTAL:	11,425.00
4200204	10/31/2019	PRTD	3985 New Opportunities, I		VAN8-092019	10/08/2019		103119	221.49
					VAN9-092019	10/08/2019		103119	881.95
								CHECK 4200204 TOTAL:	1,103.44
4200205	10/31/2019	PRTD	1698 O'Brien Tire & Servi		0213763	09/18/2019		103119	1,443.20
					0213974	09/25/2019		103119	15.00
					0213991	09/26/2019		103119	1,428.20
					0214242	10/07/2019		103119	1,014.74
								CHECK 4200205 TOTAL:	3,901.14
4200206	10/31/2019	PRTD	1173 Oates Associates		31777	09/16/2019		103119	7,026.30
								CHECK 4200206 TOTAL:	7,026.30

10/21/2019 11:19
tpohlman

Madison County Mass Transit District
CHECK REGISTER

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apcshdsb

CASH ACCOUNT: 10000000 10101 Checking Account

CHECK NO	CHK DATE	TYPE	VENDOR NAME	VOUCHER	INVOICE	INV DATE	PO	WARRANT	NET
4200207	10/31/2019	PRTD	1757 Piasa Motor Fuels LL		251951	10/04/2019	12000037	103119	14,992.50
							CHECK	4200207 TOTAL:	14,992.50
4200208	10/31/2019	PRTD	1810 Quality Testing & En		20190938	09/25/2019		103119	1,237.75
							CHECK	4200208 TOTAL:	1,237.75
4200209	10/31/2019	PRTD	3994 J. Kelly Schmidt		SEPT19	10/03/2019		103119	17.63
							CHECK	4200209 TOTAL:	17.63
4200210	10/31/2019	PRTD	3897 SSPRF		091619	09/16/2019		103119	2.02
							CHECK	4200210 TOTAL:	2.02
4200211	10/31/2019	PRTD	1109 St. Louis Regional C		15093	10/01/2019		103119	610.00
							CHECK	4200211 TOTAL:	610.00
4200212	10/31/2019	PRTD	1643 SumnerOne		2302690	09/26/2019		103119	204.00
							CHECK	4200212 TOTAL:	204.00
4200213	10/31/2019	PRTD	3980 The Bancorp Bank		455077-30	10/01/2019	11700046	103119	992.13
							CHECK	4200213 TOTAL:	992.13
4200214	10/31/2019	PRTD	1506 Village of Glen Carb		INV00273	09/16/2019		103119	942.21
							CHECK	4200214 TOTAL:	942.21
4200215	10/31/2019	PRTD	3986 Michael Joseph Walte		OCT19	10/01/2019		103119	3,000.00
							CHECK	4200215 TOTAL:	3,000.00
4200216	10/31/2019	PRTD	1737 Wheatland Title Comp		612989	09/13/2019		103119	361.00
					613119	09/17/2019		103119	353.00
					613163	09/18/2019		103119	300.00

10/29/2019 11:31
mdomer

Madison County Mass Transit District
VOIDED CHECK JOURNAL

P 1
apcshdsb

CASH ACCOUNT: 10000000 10101 Checking Account

CHECK NO	CHK DATE	TYPE	VENDOR NAME	VOUCHER	INVOICE	INV DATE	PO	WARRANT	NET
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4200192	10/31/2019	VOID	1253 City Treasurer	Granite City	101519	10/11/2019			-225.03
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CHECK 4200192 TOTAL: -225.03

NUMBER OF CHECKS 1 *** CASH ACCOUNT TOTAL *** -225.03

	COUNT	AMOUNT
TOTAL VOIDED CHECKS	1	225.03

*** GRAND TOTAL *** -225.03

10/29/2019 11:47
tpohlman

Madison County Mass Transit District
CHECK REGISTER

P 1
apcshdsb

CASH ACCOUNT: 10000000 10101 Checking Account

CHECK NO	CHK DATE	TYPE	VENDOR NAME	VOUCHER	INVOICE	INV DATE	PO	WARRANT	NET
4200218	10/31/2019	PRTD	3839 Bank of Hillsboro		102519	10/25/2019		103119B	2,000,000.00
							CHECK 4200218	TOTAL:	2,000,000.00
4200219	10/31/2019	PRTD	1253 City Treasurer Granite City		102319	10/22/2019		103119B	77.97
							CHECK 4200219	TOTAL:	77.97
4200220	10/31/2019	PRTD	1507 Energy Petroleum Co		1806526	10/15/2019	12000040	103119B	15,094.03
					1806537	10/18/2019	12000042	103119B	15,187.81
					1818687	10/11/2019	12000039	103119B	15,202.50
							CHECK 4200220	TOTAL:	45,484.34
4200221	10/31/2019	PRTD	1113 FedEx		6-770-44071	10/17/2019		103119B	30.11
							CHECK 4200221	TOTAL:	30.11
4200222	10/31/2019	PRTD	1220 Illinois American Wa		0420ILRt3PR	10/21/2019		103119B	125.34
							CHECK 4200222	TOTAL:	125.34
4200223	10/31/2019	PRTD	1439 Juneau Associates, I		42489	10/18/2019		103119B	22,825.66
					42490	10/18/2019		103119B	1,199.31
							CHECK 4200223	TOTAL:	24,024.97
4200224	10/31/2019	PRTD	1874 Main Street Communit		102519	10/23/2019		103119B	1,078.56
							CHECK 4200224	TOTAL:	1,078.56
4200225	10/31/2019	PRTD	2031 Best-One Fleet Servi		80083975	09/12/2019		103119B	200.00
					80085651	10/09/2019		103119B	80.00
					80086180	10/17/2019		103119B	305.00
							CHECK 4200225	TOTAL:	585.00

10/29/2019 11:47
tpohlman

Madison County Mass Transit District
CHECK REGISTER

P 2
apcshdsb

CASH ACCOUNT: 10000000 10101		Checking Account							
CHECK NO	CHK DATE	TYPE	VENDOR NAME	VOUCHER	INVOICE	INV DATE	PO	WARRANT	NET
4200226	10/31/2019	PRTD	1698 O'Brien Tire & Auto	0213745		09/18/2019		103119B	214.00
				0214434		10/17/2019		103119B	210.00
				0214603		10/17/2019		103119B	999.74
						CHECK	4200226	TOTAL:	1,423.74
4200227	10/31/2019	PRTD	1173 Oates Associates	31896		10/22/2019		103119B	3,000.00
						CHECK	4200227	TOTAL:	3,000.00
4200228	10/31/2019	PRTD	1757 Piasa Motor Fuels LL	252080		10/17/2019	12000041	103119B	13,017.28
						CHECK	4200228	TOTAL:	13,017.28
4200229	10/31/2019	PRTD	1810 Quality Testing & En	20190962		10/17/2019		103119B	470.75
						CHECK	4200229	TOTAL:	470.75
4200230	10/31/2019	PRTD	4010 Simmons Bank	102519-1		10/25/2019		103119B	1,000,000.00
						CHECK	4200230	TOTAL:	1,000,000.00
4200231	10/31/2019	PRTD	4010 Simmons Bank	102519-2		10/25/2019		103119B	1,000,000.00
						CHECK	4200231	TOTAL:	1,000,000.00
4200232	10/31/2019	PRTD	4010 Simmons Bank	102519-3		10/25/2019		103119B	1,000,000.00
						CHECK	4200232	TOTAL:	1,000,000.00
4200233	10/31/2019	PRTD	4010 Simmons Bank	102519-4		10/25/2019		103119B	1,000,000.00
						CHECK	4200233	TOTAL:	1,000,000.00
4200234	10/31/2019	PRTD	4010 Simmons Bank	102519-5		10/25/2019		103119B	1,000,000.00
						CHECK	4200234	TOTAL:	1,000,000.00

10/29/2019 11:47
tpohlman

Madison County Mass Transit District
CHECK REGISTER

P 3
apcshdsb

CASH ACCOUNT: 10000000 10101 Checking Account

CHECK NO CHK DATE TYPE VENDOR NAME VOUCHER INVOICE INV DATE PO WARRANT NET

4200235	10/31/2019	PRTD	3896 Southern Bus and Mob	8221		09/25/2019	11900085	103119B	119,374.87
				8290		10/10/2019	11900085	103119B	119,374.87
				8291		10/10/2019	11900085	103119B	119,374.87
				8292		10/10/2019	11900085	103119B	119,374.87
				8302		10/17/2019	11900085	103119B	119,374.87
				8303		10/17/2019	11900085	103119B	119,374.87
				8304		10/17/2019	11900085	103119B	119,374.87

CHECK 4200235 TOTAL: 835,624.09

4200236	10/31/2019	PRTD	4007 Stutz Excavating Inc	102319		10/23/2019		103119B	6,390.00
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CHECK 4200236 TOTAL: 6,390.00

4200237	10/31/2019	PRTD	1643 SumnerOne	2321747		10/14/2019		103119B	368.00
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CHECK 4200237 TOTAL: 368.00

NUMBER OF CHECKS 20 *** CASH ACCOUNT TOTAL *** 7,931,700.15

	COUNT	AMOUNT
TOTAL PRINTED CHECKS	20	7,931,700.15

*** GRAND TOTAL *** 7,931,700.15

Madison County Transit District
Management Report of Revenue and Expenses
September, 2019

	<u>Current Month</u>	<u>Current YTD</u>	<u>Prior YTD</u>	<u>Percentage Increase / (Decrease) Over Prior YTD</u>	<u>FY20 Budget</u>	<u>Budget % Expended (25% of FY)</u>
Revenue						
Operating Revenue						
Sales Tax Revenue	\$869,903.45	\$2,665,925.24	\$2,524,296.06	6%	\$9,300,000	29%
Interest Income	\$120,559.38	\$358,493.60	\$196,720.32	82%	\$750,000	48%
IDOT Operating Assistance	\$0.00	\$0.00	\$0.00	0%	\$17,260,000	0%
Local Sales Tax Reform Fund	\$260,758.19	\$773,658.91	\$673,440.17	15%	\$2,600,000	30%
CMAQ Rideshare Marketing and Outreach	\$0.00	\$0.00	\$0.00	0%	\$650,000	0%
Commuter Initiative	\$0.00	\$0.00	\$0.00	0%	\$100,000	0%
Fares	\$0.00	\$0.00	\$139,250.01	-100%	\$1,032,000	0%
Other Revenue	\$3,384.00	\$124,988.60	\$2,979.00	4096%	\$16,000	781%
Total Operating Revenue	\$1,254,605.02	\$3,923,066.35	\$3,536,685.56	11%	\$31,708,000	12%
Capital Revenue						
FTA Transit Admin Section 5307	\$57,657.00	\$164,207.00	\$94,666.00	73%	\$19,462,600	1%
FTA Transit Admin Section 5339	\$0.00	\$0.00	\$0.00	0%	\$3,600,000	0%
Congestion Mitigation Air Quality	\$0.00	\$0.00	\$0.00	0%	\$2,068,000	0%
Illinois Department of Transportation	\$0.00	\$0.00	\$0.00	0%	\$240,000	0%
Illinois Department of Natural Resources	\$0.00	\$0.00	\$0.00	0%	\$576,000	0%
Metro East Park and Recreation District	\$0.00	\$0.00	\$0.00	0%	\$2,050,000	0%
Total Capital Revenue	\$57,657.00	\$164,207.00	\$94,666.00	73%	\$27,996,600	1%
Total Revenues	\$1,312,262.02	\$4,087,273.35	\$3,631,351.56	13%	\$59,704,600	7%
Expenses						
Operating Expenses						
Fixed Route and Paratransit	\$2,117,320.53	\$6,339,360.95	\$5,815,441.11	9%	\$26,000,000	24%
ACT Administrative Contract	\$41,666.66	\$125,000.00	\$125,000.00	0%	\$500,000	25%
Rideshare	\$35,271.06	\$114,000.19	\$147,769.47	-23%	\$750,000	15%
Professional and Other Services	\$14,500.00	\$43,500.00	\$45,000.00	-3%	\$265,000	16%
Trustee Expenses	\$1,177.30	\$3,467.51	\$3,389.53	2%	\$30,000	12%
District Office Expenses	\$50,172.08	\$117,283.73	\$111,040.57	6%	\$515,000	23%
Facilities Maintenance	\$57,096.66	\$187,296.49	\$179,701.77	4%	\$825,000	23%
District Budget Contingency	\$0.00	\$0.00	\$0.00	0%	\$1,000,000	0%
Total Operating Expenses	\$2,317,204.29	\$6,929,908.87	\$6,427,342.45	8%	\$29,885,000	23%
Capital Expenses						
Bikeways	\$419,584.90	\$659,560.48	\$53,610.74	1130%	\$7,970,000	8%
Bus Station/Stops and Park & Ride	\$7,026.30	\$33,831.65	\$0.00	100%	\$4,450,000	1%
Cooperative Police Bicycle Grant Program	\$0.00	\$0.00	\$0.00	0%	\$100,000	0%
Facility Improvements	\$0.00	\$66,400.00	\$48,220.91	38%	\$4,058,000	2%
Maintenance Equipment	\$0.00	\$0.00	\$0.00	0%	\$375,000	0%
MIS Equipment	\$0.00	\$72,072.00	\$0.00	100%	\$373,000	19%
Transit Support Equipment	\$11,425.00	\$173,433.89	\$0.00	100%	\$670,000	26%
Vehicles - Buses	\$0.00	\$71,563.00	\$0.00	100%	\$24,468,000	0%
Vehicles - Rideshare Vans	\$0.00	\$0.00	\$94,542.00	-100%	\$475,000	0%
Vehicles - Transit Support	\$29,255.00	\$162,443.00	\$0.00	100%	\$899,000	18%
Contingency	\$0.00	\$0.00	\$0.00	0%	\$2,000,000	0%
Total Capital Expenses	\$467,291.20	\$1,239,304.02	\$196,373.65	531%	\$45,838,000	3%
Total Expenses	\$2,784,495.49	\$8,169,212.89	\$6,623,716.10	23%	\$75,723,000	11%
Excess Revenue Over (Under) Expenses	(\$1,472,233.47)	(\$4,081,939.54)	(\$2,992,364.54)	36%	(\$16,018,400)	25%

Madison County Mass Transit District
Income Statement with Budget Variance for the
Period Ended September 30, 2019

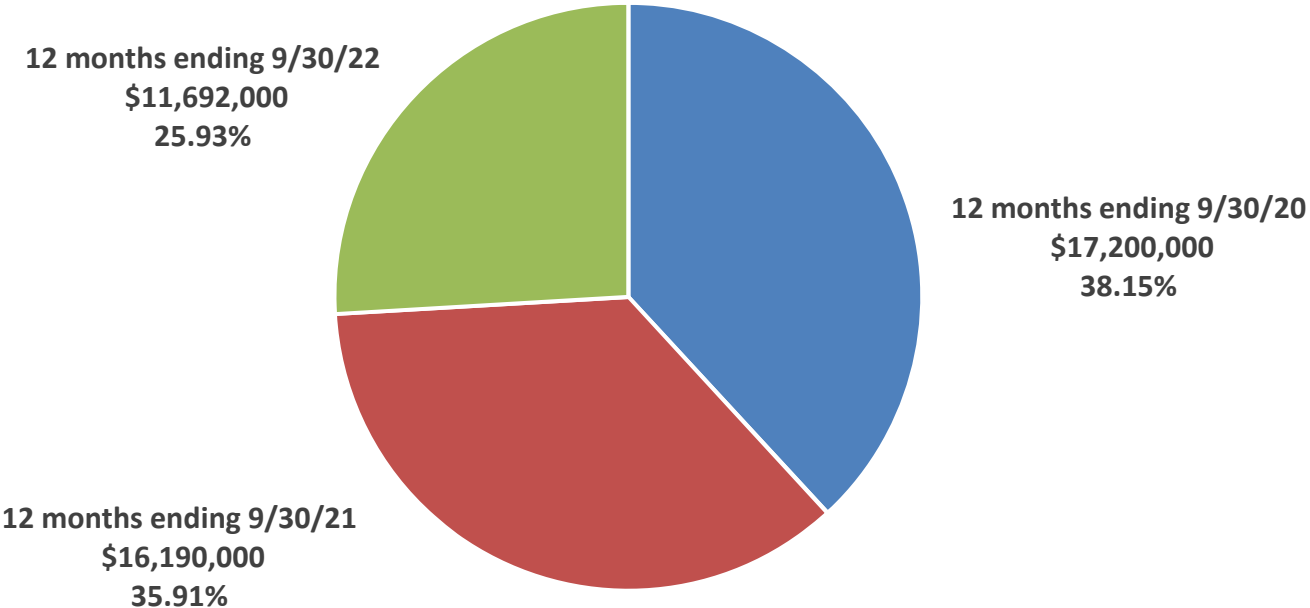
Description	Current Period				Year to Date			
	Actual	Budget	Deviation	Pct	Actual	Budget	Deviation	Pct ytd
OPERATING REVENUE								
Sales Tax Revenue	869,903.45	775,000.00	94,903.45	112.25	2,665,925.24	2,325,000.00	340,925.24	114.66
Interest Income	120,559.38	62,500.00	58,059.38	192.90	358,493.60	187,500.00	170,993.60	191.20
IDOT Operating Assistance	0.00	1,438,333.34	-1,438,333.34	0.00	0.00	4,315,000.00	-4,315,000.00	0.00
Local Sales Tax Reform Fund	260,758.19	216,666.66	44,091.53	120.35	773,658.91	650,000.00	123,658.91	119.02
CMAQ Rideshare Marketing & Outreach	0.00	54,166.66	-54,166.66	0.00	0.00	162,500.00	-162,500.00	0.00
Commuter Initiative	0.00	8,333.34	-8,333.34	0.00	0.00	25,000.00	-25,000.00	0.00
Fares	0.00	86,000.00	-86,000.00	0.00	0.00	258,000.00	-258,000.00	0.00
Other Revenue	3,384.00	1,333.34	2,050.66	253.80	124,988.60	4,000.00	120,988.60	3,124.72
TOTAL OPERATING REVENUE	1,254,605.02	2,642,333.34	-1,387,728.32	47.48	3,923,066.35	7,927,000.00	-4,003,933.65	49.49
CAPITAL REVENUE								
Fed Transit Admin Section 5307	57,657.00	1,621,883.34	-1,564,226.34	3.55	164,207.00	4,865,650.00	-4,701,443.00	3.37
Fed Transit Admin Section 5339	0.00	300,000.00	-300,000.00	0.00	0.00	900,000.00	-900,000.00	0.00
Congestion Mitigation Air Quality	0.00	172,333.34	-172,333.34	0.00	0.00	517,000.00	-517,000.00	0.00
Illinois Dept of Transportation	0.00	20,000.00	-20,000.00	0.00	0.00	60,000.00	-60,000.00	0.00
Illinois Dept of Natural Resources	0.00	48,000.00	-48,000.00	0.00	0.00	144,000.00	-144,000.00	0.00
Metro East Park and Recreation District	0.00	170,833.34	-170,833.34	0.00	0.00	512,500.00	-512,500.00	0.00
TOTAL CAPITAL REVENUE	57,657.00	2,333,050.02	-2,275,393.02	2.47	164,207.00	6,999,150.00	-6,834,943.00	2.35
TOTAL REVENUES	1,312,262.02	4,975,383.36	-3,663,121.34	26.38	4,087,273.35	14,926,150.00	-10,838,876.65	27.38
OPERATING EXPENSES								
Fixed Route and Paratransit	2,117,320.53	2,166,666.66	-49,346.13	97.72	6,339,360.95	6,500,000.00	-160,639.05	97.53
ACT Administrative Contract	41,666.66	41,666.66	0.00	100.00	125,000.00	125,000.00	0.00	100.00
Rideshare	35,271.06	62,500.00	-27,228.94	56.43	114,000.19	187,500.00	-73,499.81	60.80
Professional and Other Services	14,500.00	22,083.34	-7,583.34	65.66	43,500.00	66,250.00	-22,750.00	65.66
Trustee Expenses	1,177.30	2,500.00	-1,322.70	47.09	3,467.51	7,500.00	-4,032.49	46.23
District Office Expenses	50,172.08	42,916.66	7,255.42	116.91	117,283.73	128,750.00	-11,466.27	91.09
Facilities Maintenance	57,096.66	68,750.00	-11,653.34	83.05	187,296.49	206,250.00	-18,953.51	90.81
District Budget Contingency	0.00	83,333.34	-83,333.34	0.00	0.00	250,000.00	-250,000.00	0.00
TOTAL OPERATING EXPENSES	2,317,204.29	2,490,416.66	-173,212.37	93.04	6,929,908.87	7,471,250.00	-541,341.13	92.75
CAPITAL EXPENSES								
Bikeways	419,584.90	664,166.66	-244,581.76	63.17	659,560.48	1,992,500.00	-1,332,939.52	33.10
Bus Station/Stops and Park & Ride	7,026.30	370,833.34	-363,807.04	1.89	33,831.65	1,112,500.00	-1,078,668.35	3.04
Cooperative Police Bicycle Grant Program	0.00	8,333.34	-8,333.34	0.00	0.00	25,000.00	-25,000.00	0.00
Facility Improvements	0.00	338,166.66	-338,166.66	0.00	66,400.00	1,014,500.00	-948,100.00	6.55
Maintenance Equipment	0.00	31,250.00	-31,250.00	0.00	0.00	93,750.00	-93,750.00	0.00
MIS Equipment	0.00	31,083.34	-31,083.34	0.00	72,072.00	93,250.00	-21,178.00	77.29
Transit Support Equipment	11,425.00	55,833.34	-44,408.34	20.46	173,433.89	167,500.00	5,933.89	103.54
Vehicles - Buses	0.00	2,039,000.00	-2,039,000.00	0.00	71,563.00	6,117,000.00	-6,045,437.00	1.17
Vehicles - Rideshare Vans	0.00	39,583.34	-39,583.34	0.00	0.00	118,750.00	-118,750.00	0.00
Vehicles - Transit Support	29,255.00	74,916.66	-45,661.66	39.05	162,443.00	224,750.00	-62,307.00	72.28
Contingency	0.00	166,666.66	-166,666.66	0.00	0.00	500,000.00	-500,000.00	0.00
TOTAL CAPITAL EXPENSES	467,291.20	3,819,833.34	-3,352,542.14	12.23	1,239,304.02	11,459,500.00	-10,220,195.98	10.81
TOTAL EXPENSES	2,784,495.49	6,310,250.00	-3,525,754.51	44.13	8,169,212.89	18,930,750.00	-10,761,537.11	43.15
EXCESS REVENUE OVER EXPENSE	-1,472,233.47	-1,334,866.64	-137,366.83	110.29	-4,081,939.54	-4,004,600.00	-77,339.54	101.93

ASSETS	
Checking Account	12,006.50
Illinois Funds-Money Market	1,041,754.24
Prime Account	119,184.49
Investments	45,082,000.00
Inventory	802,059.02
Other Receivables	47,271.00
Sales Tax Receivable	2,486,431.63
Interest Receivable	89,799.01
Prepaid Expenses	490,452.68
TOTAL ASSETS	50,170,958.57
LIABILITIES	
Accounts Payable	2,618,418.62
Retainage Payable	73,898.28
TOTAL LIABILITIES	2,692,316.90
FUND BALANCE	
Nonspendable Fund Balance	1,502,724.33
Assigned Fund Balance	17,841,400.00
Beginning Unassigned Fund Balance	32,216,456.88
Excess Revenue Over Expenses	-4,081,939.54
Total Unassigned Fund Balance	28,134,517.34
TOTAL FUND BALANCE	47,478,641.67
TOTAL LIABILITIES AND FUND BALANCE	50,170,958.57

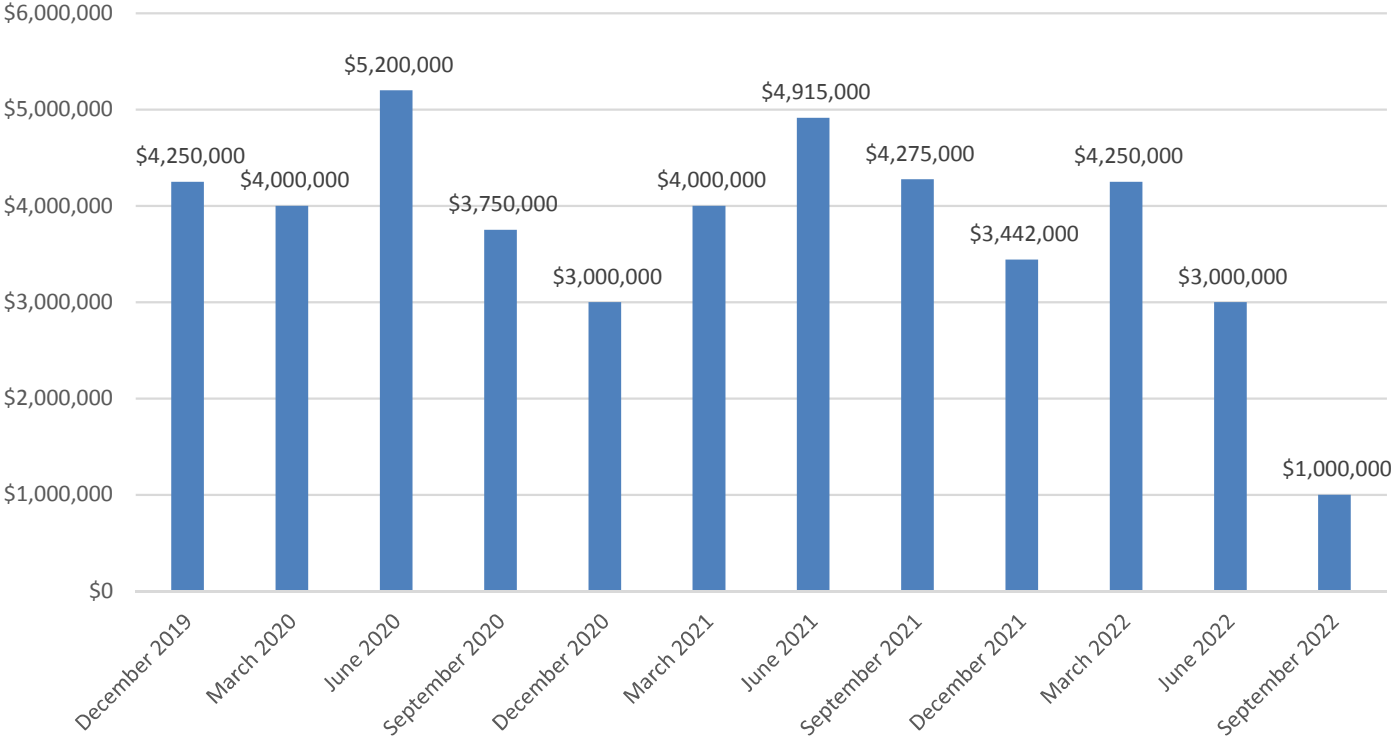
MCT DETAILED SCHEDULE OF INVESTMENTS
AT SEPTEMBER 30, 2019

INSTITUTION	PURCHASE DATE	CD OR ACCOUNT NUMBER	MATURITY DATE	INTEREST RATES	CERTIFICATE AMOUNT	WEIGHTED AVERAGE INTEREST
CERTIFICATES OF DEPOSIT (CD)						
Associated Bank	10-12-18	****1175	01-12-20	2.62%	1,000,000.00	
Associated Bank	05-09-18	****9226	05-08-20	2.38%	350,000.00	
Associated Bank	06-05-18	****2854	06-04-20	2.60%	500,000.00	
Associated Bank	07-02-18	****3462	07-02-20	2.66%	500,000.00	
Associated Bank	02-06-19	****1161	08-06-20	2.75%	640,000.00	
Associated Bank	09-06-18	****8317	09-07-20	2.77%	1,000,000.00	
Associated Bank	10-12-18	****1019	10-12-20	2.82%	1,000,000.00	
Associated Bank	10-12-18	****1191	01-12-21	2.88%	900,000.00	
Associated Bank	07-02-18	****3546	07-02-21	2.85%	675,000.00	
Associated Bank	07-30-18	****9475	07-30-21	2.90%	1,000,000.00	
Bank of Edwardsville	02-06-19	****9119	03-06-21	2.82%	520,000.00	
Bank of Edwardsville	02-06-19	****9120	04-06-21	2.82%	300,000.00	
Bank of Hillsboro	02-06-19	****4422	05-06-21	3.00%	200,000.00	
Bank of Hillsboro	07-03-18	****4215	07-03-21	2.65%	600,000.00	
Bank of Hillsboro	11-01-18	****7636	08-01-21	3.05%	1,000,000.00	
Bank of Hillsboro	11-01-18	****2880	11-01-21	3.10%	942,000.00	
Bank of Hillsboro	02-06-19	****6839	02-06-22	3.10%	1,250,000.00	
Bank of Hillsboro	05-01-19	****7000	04-01-22	2.95%	1,000,000.00	
Bank of Hillsboro	05-01-19	****1102	05-01-22	3.00%	500,000.00	
Bradford National Bank of Greenville	04-27-18	****7490	04-27-21	2.40%	350,000.00	
Bradford National Bank of Greenville	06-06-18	****7562	06-06-21	2.40%	500,000.00	
Carrollton Bank	09-28-18	****7328	03-28-20	2.75%	1,000,000.00	
Carrollton Bank	09-17-18	****7312	04-17-20	2.66%	500,000.00	
Carrollton Bank	09-06-18	****7307	08-06-20	2.76%	500,000.00	
Carrollton Bank	09-06-18	****7306	09-06-21	2.85%	1,000,000.00	
Carrollton Bank	06-10-19	****7390	11-10-21	2.76%	500,000.00	
CNB Bank & Trust, N.A.	05-10-18	****1526	05-10-21	2.40%	400,000.00	
Commerce Bank	06-11-18	****1562	06-11-21	2.65%	1,350,000.00	
FCB Banks	10-31-18	****6532	03-01-21	2.97%	480,000.00	
FCB Banks	10-31-18	****6533	04-01-21	2.97%	240,000.00	
FCB Banks	05-02-18	****6525	05-02-21	2.30%	400,000.00	
FCB Banks	10-12-18	****6530	10-12-21	3.00%	1,000,000.00	
FCB Banks	02-06-19	****6534	12-06-21	2.89%	1,000,000.00	
FCB Banks	02-06-19	****6535	01-06-22	3.04%	2,000,000.00	
FCB Banks	04-05-19	****6536	03-05-22	3.02%	1,000,000.00	
FCB Banks	06-10-19	****6538	05-10-22	2.87%	500,000.00	
FCB Banks	06-10-19	****6539	06-10-22	2.87%	1,000,000.00	
FCB Banks	07-11-19	****6720	07-11-22	2.66%	1,000,000.00	
First Mid Bank & Trust	05-22-18	****6461	05-22-20	2.38%	300,000.00	
First Mid Bank & Trust	06-12-18	****6596	06-12-20	2.38%	700,000.00	
First Mid Bank & Trust	07-02-18	****6657	06-28-20	2.66%	500,000.00	
First Mid Bank & Trust	07-02-18	****6660	06-28-21	2.85%	675,000.00	
Simmons Bank (formerly Reliance Bank)	10-11-18	****0021	10-11-19	2.62%	1,000,000.00	
Simmons Bank (formerly Reliance Bank)	11-08-18	****1005	11-08-19	2.65%	1,250,000.00	
Simmons Bank (formerly Reliance Bank)	11-15-18	****1217	11-15-19	2.76%	1,000,000.00	
Simmons Bank (formerly Reliance Bank)	11-15-18	****1221	12-15-19	2.76%	1,000,000.00	
Simmons Bank (formerly Reliance Bank)	11-08-18	****1021	01-08-20	2.65%	1,000,000.00	
Simmons Bank (formerly Reliance Bank)	10-11-18	****0009	02-11-20	2.68%	1,000,000.00	
Simmons Bank (formerly Reliance Bank)	10-11-18	****0013	04-11-20	2.78%	500,000.00	
Simmons Bank (formerly Reliance Bank)	05-10-18	****6009	05-10-20	2.05%	350,000.00	
State Bank of St. Jacob	07-27-18	****2351	07-27-20	2.71%	630,000.00	
State Bank of St. Jacob	08-25-18	****2370	08-25-20	2.76%	480,000.00	
Town and Country Bank	04-16-18	****4482	04-16-21	2.05%	100,000.00	
TOTAL CD'S					39,082,000.00	2.78%
CERTIFICATES OF DEPOSIT ACCOUNT REGISTRY SERVICE (CDARS)						
Bank of Edwardsville	06-28-18	****1112	06-25-20	2.66%	1,500,000.00	
Town and Country Bank	11-23-18	****0333	11-19-20	2.89%	1,000,000.00	
Town and Country Bank	11-23-18	****0392	12-17-20	2.89%	1,000,000.00	
Town and Country Bank	11-15-18	****0414	01-07-21	2.92%	1,100,000.00	
Town and Country Bank	11-15-18	****0716	02-11-21	2.92%	1,000,000.00	
Town and Country Bank	06-21-18	****4803	06-17-21	2.35%	400,000.00	
TOTAL CDARS					6,000,000.00	2.81%
TOTAL INVESTMENTS					45,082,000.00	
CASH ACCOUNTS						
MCT checking account				0.05%	12,006.50	
MCT prime account				0.10%	119,184.49	
Illinois Funds money market				2.01%	1,041,754.24	
TOTAL CASH					1,172,945.23	1.80%
TOTAL CASH AND INVESTMENTS					46,254,945.23	2.76%

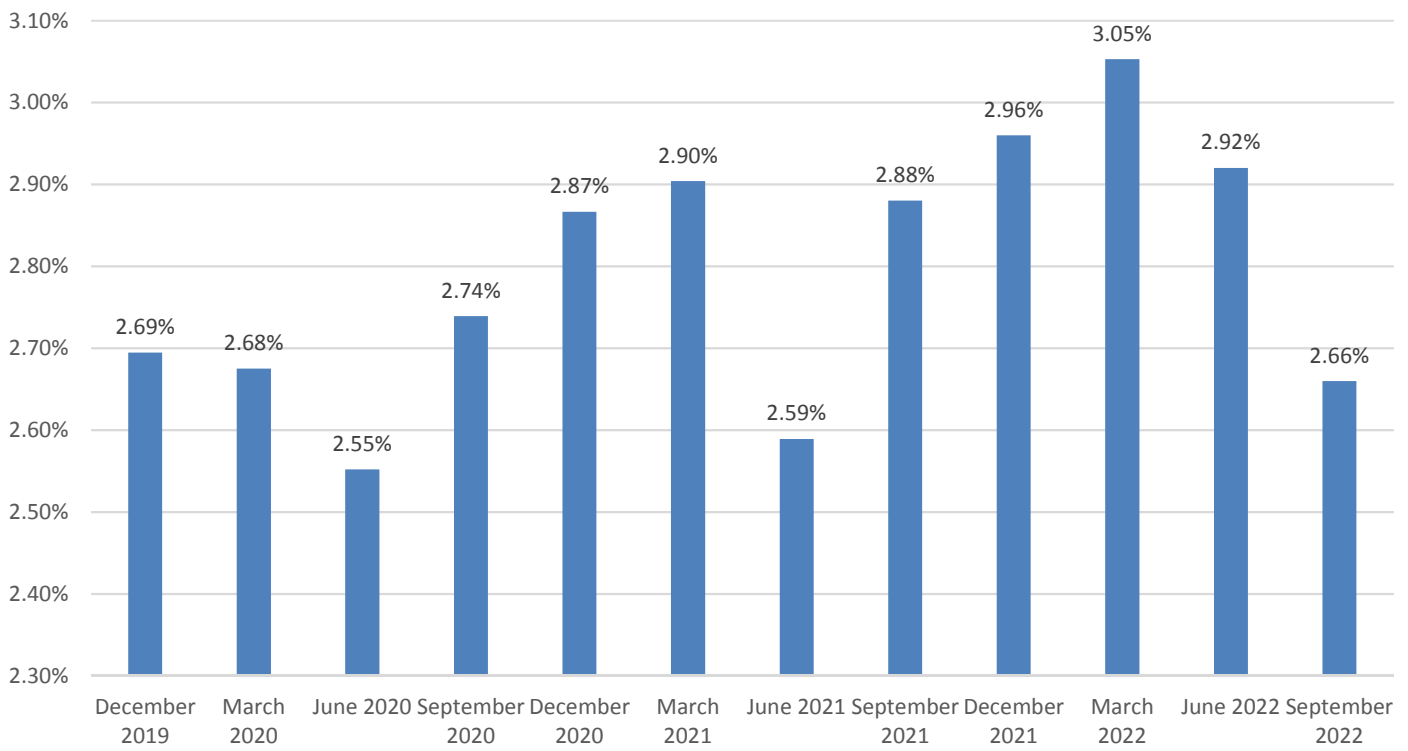
MCT Investment Maturities by Year As of September 30, 2019



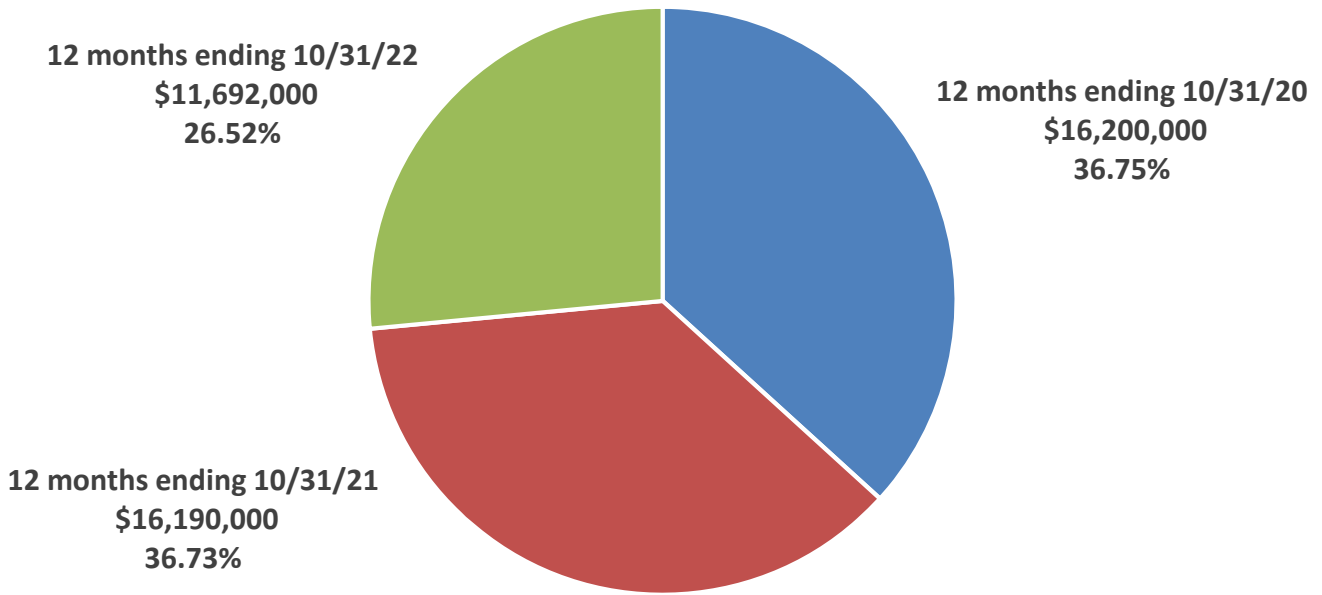
MCT Investment Maturities by Quarter As of September 30, 2019



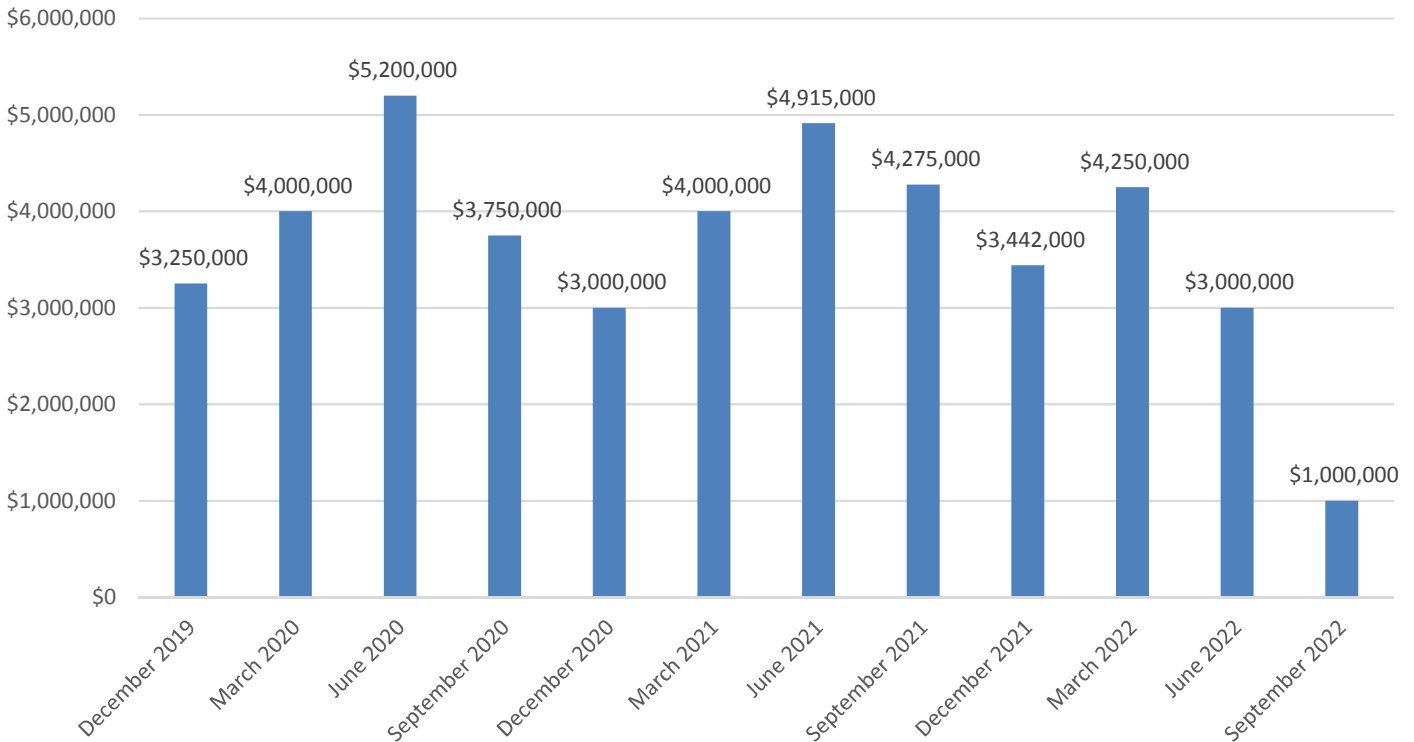
MCT Investment Weighted Average Rate of Return by Quarter As of September 30, 2019



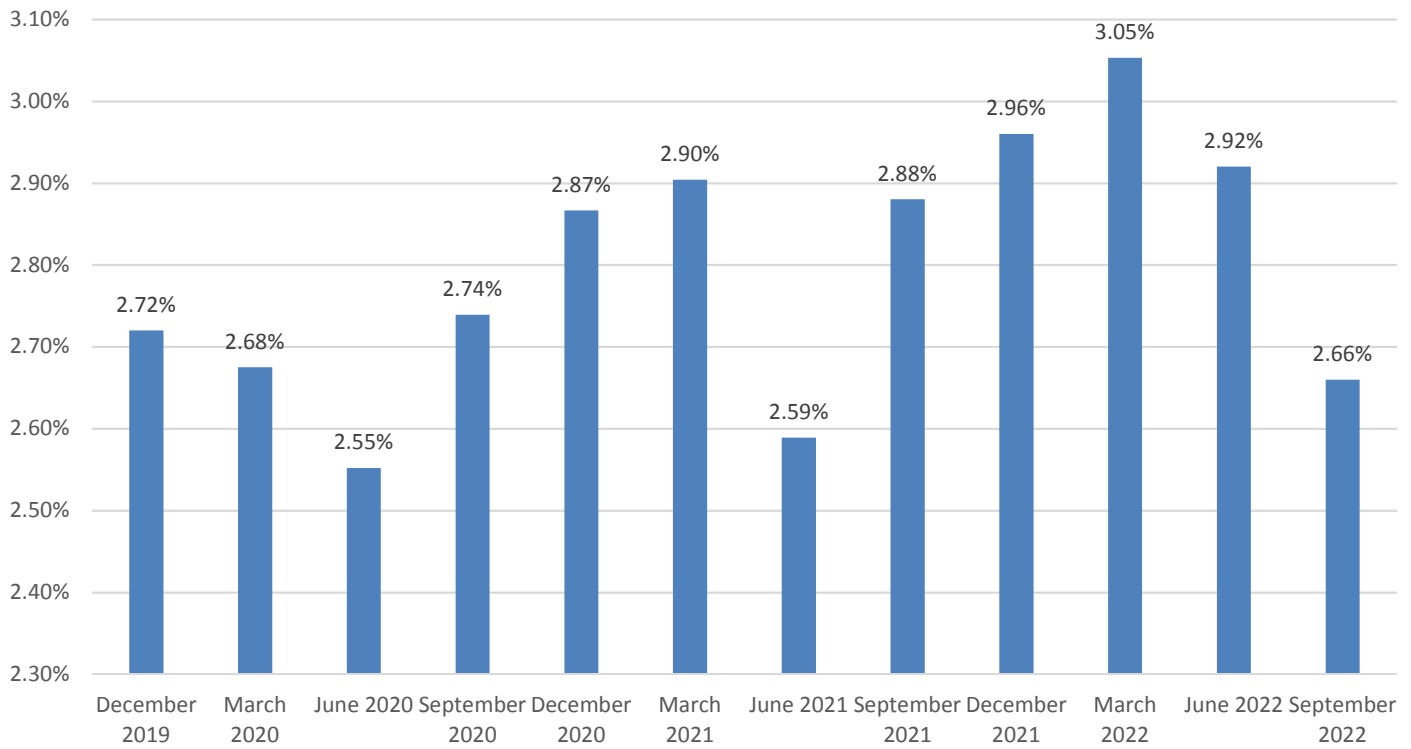
MCT Investment Maturities by Year As of October 31, 2019



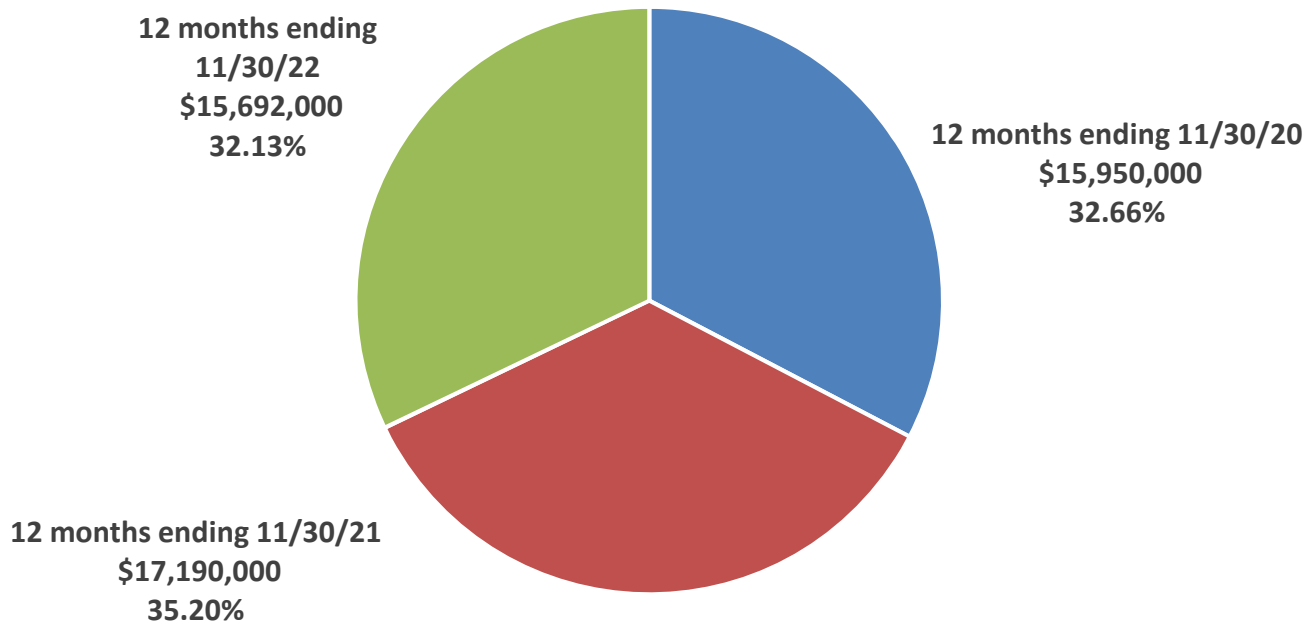
MCT Investment Maturities by Quarter As of October 31, 2019



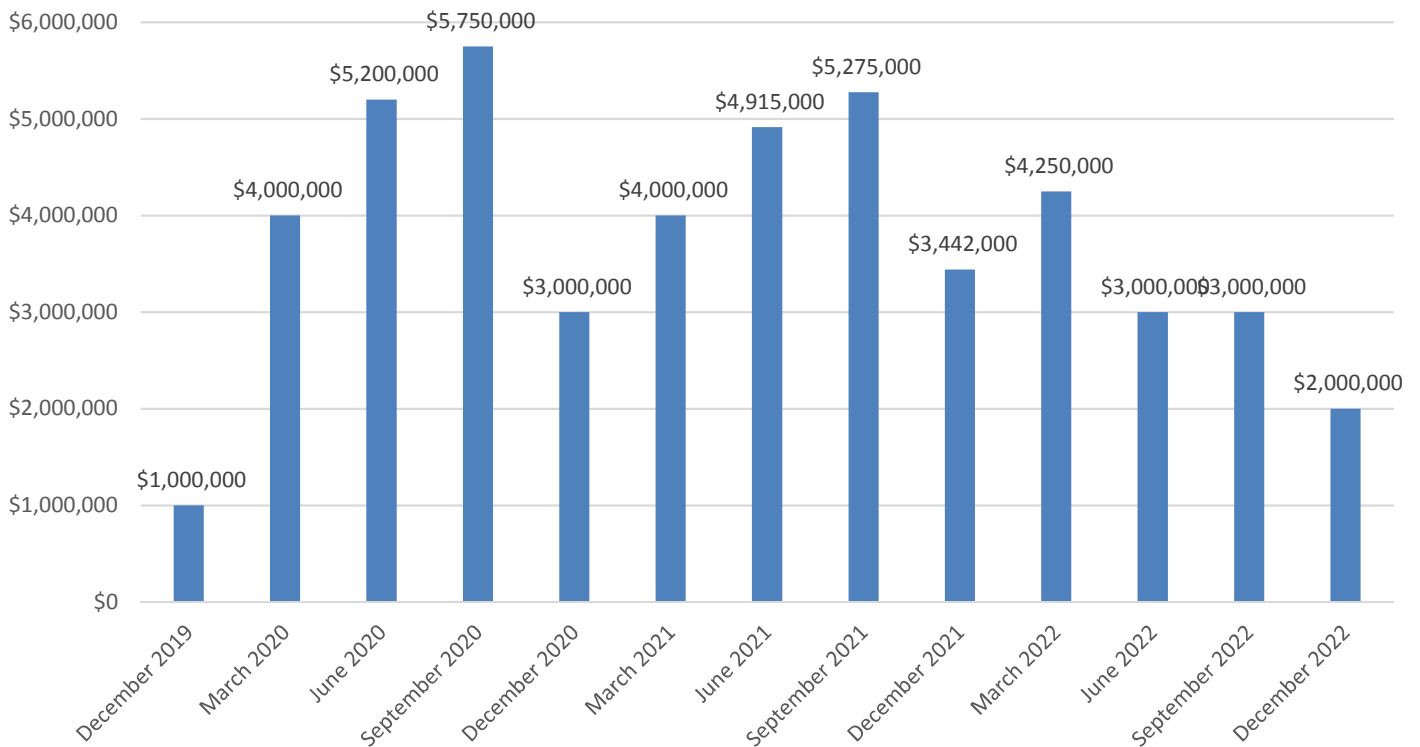
MCT Investment Weighted Average Rate of Return by Quarter As of October 31, 2019



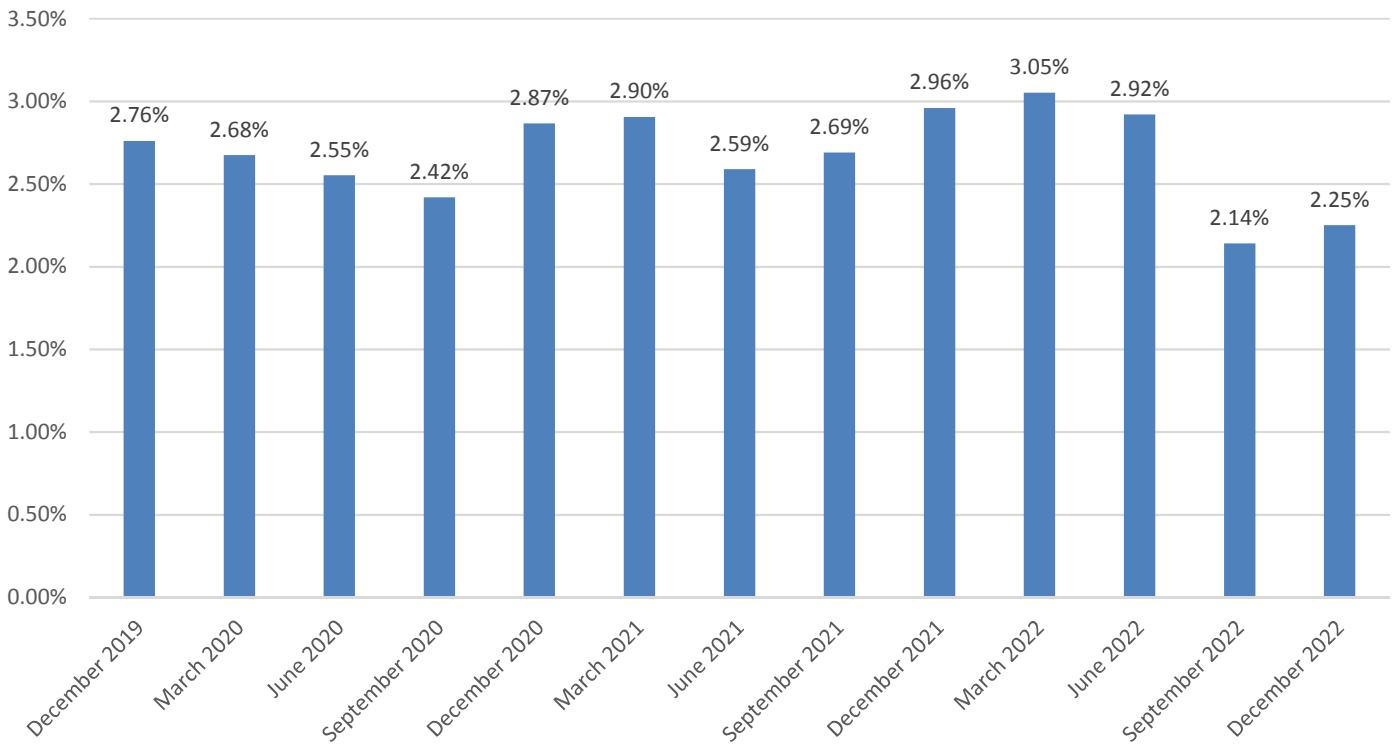
MCT Investment Maturities by Year Proposed as of November 30, 2019



MCT Investment Maturities by Quarter Proposed As of November 30, 2019



MCT Investment Weighted Average Rate of Return by Quarter Proposed As of November 30, 2019



MADISON COUNTY MASS TRANSIT DISTRICT

REPORT AND FINANCIAL STATEMENTS

JUNE 30, 2019

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MADISON COUNTY MASS TRANSIT DISTRICT
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ALTON EDWARDSVILLE BELLEVILLE HIGHLAND
JERSEYVILLE COLUMBIA CARROLLTON

INDEPENDENT AUDITOR'S REPORT

October 16, 2019

Board of Trustees
Madison County Mass Transit District
Madison County, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the blended component unit, and each major fund of Madison County Mass Transit District, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Agency for Community Transit, a blended component unit, which statements reflect total assets constituting 20 percent of combined total assets at June 30, 2019. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Agency for Community Transit, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the blended component unit, and each major fund of Madison County Mass Transit District as of June 30, 2019, and its proprietary fund type as of December 31, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

The present level of service of the District is dependent upon the District's ability to obtain operating assistance as described in Note 4. While resources exist to meet present obligations, revenues derived from services are not adequate to meet the expenses of continued service without such operating assistance.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 8 through 12 and 35 through 37 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the

basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

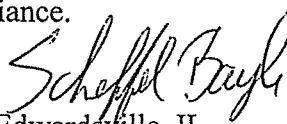
Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplementary information contained in the schedule of expenses by function-proprietary fund type is presented for purposes of additional analysis and is not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The schedule of expenses by function-proprietary fund type and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the report of other auditors, the schedule of expenses by function-proprietary fund type and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 16, 2019, on our consideration of Madison County Mass Transit District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.


Edwardsville, IL



ALTON EDWARDSVILLE BELLEVILLE HIGHLAND
JERSEYVILLE COLUMBIA CARROLLTON

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

October 16, 2019

Board of Trustees
Madison County Mass Transit District
Madison County, Illinois

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the blended component unit, and each major fund of Madison County Mass Transit District as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Madison County Mass Transit District's basic financial statements, and have issued our report thereon dated October 16, 2019. Our report includes a reference to the other auditors who audited the financial statements of Agency for Community Transit, as described in our report on Madison County Mass Transit District's financial statements. The financial statements of Agency for Community Transit were not audited in accordance with *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Madison County Mass Transit District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Madison County Mass Transit District's internal control. Accordingly, we do not express an opinion on the effectiveness of Madison County Mass Transit District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

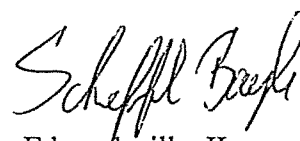
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Madison County Mass Transit District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.


Edwardsville, IL



ALTON EDWARDSVILLE BELLEVILLE HIGHLAND
JERSEYVILLE COLUMBIA CARROLLTON

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

October 16, 2019

Board of Trustees
Madison County Mass Transit District
Madison County, Illinois

Report on Compliance for Each Major Federal Program

We have audited Madison County Mass Transit District's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Madison County Mass Transit District's major federal programs for the year ended June 30, 2019. Madison County Mass Transit District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, contracts, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Madison County Mass Transit District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Madison County Mass Transit District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Madison County Mass Transit District's compliance.

Opinion on Each Major Federal Program

In our opinion, Madison County Mass Transit District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2019.

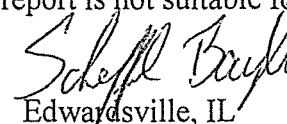
Report on Internal Control Over Compliance

Management of Madison County Mass Transit District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Madison County Mass Transit District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Madison County Mass Transit District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.


Edwardsville, IL

MADISON COUNTY MASS TRANSIT DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2019

The following discussion and analysis of the Madison County Mass Transit District's financial performance provides an overview of the District's financial activities for the fiscal year ended June 30, 2019, compared to the financial activities for the year ended June 30, 2018. Please review it in conjunction with the District's financial statements and accompanying notes.

OVERVIEW OF THE FINANCIAL STATEMENTS

The accompanying financial statements contain two funds, the General Fund and the Business-Type Activities Fund. Both funds are considered to be Major Funds. The General Fund, which is classified as a Governmental Fund, contains the financial activity of the Madison County Mass Transit District (the District). The Business-Type Activities Fund, which is classified as a Proprietary Fund, contains the financial activity of the Agency for Community Transit (the Agency). The Agency is a not-for-profit entity with a December 31 fiscal year end. It is a blended component unit of the District. Further information regarding the Agency can be found in their separately-issued audited financial statements for the year ended December 31, 2018.

Reimbursements from the District to the Agency are reported in the accompanying financial statements as Transfers to Other Funds. Additional information concerning the combining of the General and Business-Type Activities funds as well as other accounting policies is contained in the accompanying notes to the financial statements.

FINANCIAL HIGHLIGHTS

During the year ended June 30, 2019, work progressed on construction of the Troy-O'Fallon bike trail and paving a segment of the Quercus Grove bike trail. Other purchases included twenty-two driver relief vehicles, vans for the St. Louis Regional Rideshare Program, and an upgrade of the information system network switches. Additional analysis of capital project expenditures is included on page 10 of this report.

Net Position: The District's net position reflects the difference between assets, what the District owns, and liabilities, what the District owes. During the year ended June 30, 2019, the District's combined net position increased \$510,299. Overall, the District continues to be in solid financial condition.

MADISON COUNTY MASS TRANSIT DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2019

The following table summarizes the combined net position of the District and the Agency for the years ended June 30, 2019 and June 30, 2018:

Condensed Combined Statement of Financial Position

	<u>6/30/2019</u>	<u>6/30/2018</u>	Increase (Decrease)
<u>Assets</u>			
Cash and Investments	\$73,163,171	\$66,267,572	\$6,895,599
Receivables	5,238,117	4,855,106	383,011
Other Assets	1,904,670	1,981,188	(76,518)
Fixed Assets, Net	53,202,420	59,445,554	(6,243,134)
Total Assets	<u>\$133,508,378</u>	<u>\$132,549,420</u>	<u>\$958,958</u>
<u>Liabilities</u>			
Payables	\$2,311,260	\$2,170,806	\$140,454
Accrued Wages and Compensated Absences	3,275,241	2,996,227	279,014
Other Liabilities	610,242	581,051	29,191
Total Liabilities	<u>\$6,196,743</u>	<u>\$5,748,084</u>	<u>\$448,659</u>
<u>Net Position</u>			
Investment in Fixed Assets	\$53,202,420	\$59,445,554	(\$6,243,134)
Restricted for Local Match	19,729,777	18,045,400	1,684,377
Unrestricted	54,379,438	49,310,382	5,069,056
Total Net Position	<u>\$127,311,635</u>	<u>\$126,801,336</u>	<u>\$510,299</u>

Cash and Investments: The increase in cash and investments is primarily due to additional Certificate of Deposit investments purchased by both the District and the Agency during the year ended June 30, 2019.

Fixed Assets, Net: The main reason for the decrease in net fixed assets was depreciation. Additional analysis of capital projects expenditures is included on page 10 of this report.

Net Position, Restricted for Local Match: The increase in assigned fund balance is largely due to increased amounts assigned when contracts were awarded to purchase 30' heavy duty buses and to pave a segment of the Quercus Grove bike trail during the year ended June 30, 2019.

MADISON COUNTY MASS TRANSIT DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2019

Net Position, Unrestricted: The increase in unrestricted net position is mostly due to more revenues than expenditures in the current fiscal year.

Investment in Fixed Assets: The District's investment in fixed assets reports the land, buildings, improvements, vehicles and equipment utilized in the District's operations. The depreciation assessed to these assets spreads their cost over their estimated useful lives. Additional information regarding the fixed assets is included in Note 5.

The changes in net fixed assets in the General Fund during the years ended June 30, 2019 and June 30, 2018 are summarized as follows.

Summary of Fixed Assets Activity – General Fund

	<u>6/30/2019</u>	<u>6/30/2018</u>	Increase (Decrease)
Fixed Assets in Service, Beginning of the Year	\$132,732,480	\$132,045,480	\$687,000
Additions and Adjustments	1,246,279	3,180,712	(1,934,433)
Retirements	(571,586)	(2,493,712)	1,922,126
Fixed Assets in Service, End of the Year	<u>\$133,407,173</u>	<u>\$132,732,480</u>	<u>\$674,693</u>
Accumulated Depreciation, Beginning of the Year	\$73,337,095	\$67,499,208	\$5,837,887
Additions and Adjustments	7,465,614	8,169,426	(703,812)
Retirements	(566,623)	(2,331,539)	1,764,916
Accumulated Depreciation, End of the Year	<u>\$80,236,086</u>	<u>\$73,337,095</u>	<u>\$6,898,991</u>
Net Fixed Assets at the End of the Year	<u>\$53,171,087</u>	<u>\$59,395,385</u>	<u>(\$6,224,298)</u>

Capital Projects: Many of the District's fixed assets involve projects which take longer than one year to complete. The revenues and expenditures associated with these projects vary each fiscal year depending upon the status of the project. A summary of the revenues and expenditures associated with the major capital projects in progress in the General Fund during the years ended June 30, 2019 and June 30, 2018 is on the following page.

MADISON COUNTY MASS TRANSIT DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2019

Capital Project Activity – General Fund

	Revenues		Expenditures	
	<u>6/30/19</u>	<u>6/30/18</u>	<u>6/30/19</u>	<u>6/30/18</u>
Transit Centers and Park and Ride				
Facilities	\$0	\$0	\$51,962	\$31,179
Equipment	122,709	77,314	104,320	135,445
Vehicles	148,217	2,121,739	601,546	2,413,455
Facility Improvements	0	147,324	48,721	216,698
Bikeways	231,908	383,936	439,729	383,936
Preventive Maintenance	0	958,969	0	0
Totals	<u>\$502,834</u>	<u>\$3,689,282</u>	<u>\$1,246,278</u>	<u>\$3,180,713</u>

Statement of Activities/Statement of Revenues, Expenditures and Changes in Fund Balance:
The following table summarizes the District's Statement of Activities for the General Fund for the year ended June 30, 2019:

Condensed Statement of Activities/Statement of Revenues, Expenditures and
Changes in Fund Balance – General Fund

	<u>6/30/19</u>	<u>6/30/18</u>	<u>Change</u>
Revenues:			
Transit Operating Revenues	\$1,037,082	\$1,022,220	\$14,862
Capital Grant Revenues	502,834	3,689,282	(3,186,448)
Operating Grants	17,477,273	17,178,613	298,660
Sales Tax	12,972,382	12,412,168	560,214
Interest Income	1,226,840	471,088	755,752
Other Revenues	49,775	137,029	(87,254)
Total Revenues	<u>\$33,266,186</u>	<u>\$34,910,400</u>	<u>(\$1,644,214)</u>
Expenditures:			
Transit Services	\$3,639,214	\$3,441,397	\$197,817
Rideshare Program	384,349	396,080	(11,731)
Bikeways	439,729	383,936	55,793
Transit Centers and Equipment	806,549	2,796,777	(1,990,228)
Management and General	668,016	648,368	19,648
Total Expenditures	<u>\$5,937,857</u>	<u>\$7,666,558</u>	<u>(\$1,728,701)</u>
Transfers to Other Funds	<u>\$22,451,165</u>	<u>\$21,975,651</u>	<u>\$475,514</u>
Net Revenues Over (Under) Expenditures	<u>\$4,877,164</u>	<u>\$5,268,191</u>	<u>(\$391,027)</u>

MADISON COUNTY MASS TRANSIT DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2019

These Statements measure the District's performance during the year. Significant fluctuations in the District's Statements for the year ended June 30, 2019 include the following:

- General Fund Revenues decreased \$1,644,214
- General Fund Expenditures decreased \$1,728,701

These changes are primarily due to decreased capital projects activity during the year ending June 30, 2019.

General Fund Budget: The District's General Fund budget has two components, the Operating Budget and the Capital Budget. The Operating Budget measures the anticipated revenues and expenditures needed to perform the daily business operations of the District. The Capital Budget is used to account for the capital projects that generate the fixed assets of the District. A multi-year capital budget was effective July 1, 2018, and has been modified, adding new projects and adjusting the anticipated revenues and costs of current projects. Resolutions were approved by the District's Board as additional capital projects were developed and related grant revenues were determined to be available.

The detailed comparison of the District's budgeted and actual expenditures is found with Schedule 1 on pages 35 through 37 of the accompanying financial statements.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the District's finances for those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Accounting Director, One Transit Way, P.O. Box 7500, Granite City, Illinois 62040-7500.

MADISON COUNTY MASS TRANSIT DISTRICT
STATEMENT OF FINANCIAL POSITION

	<u>GOVERNMENTAL</u> <u>ACTIVITIES</u> <u>JUNE 30, 2019</u>	<u>BUSINESS-TYPE</u> <u>ACTIVITIES</u> <u>AGENCY FOR</u> <u>COMMUNITY</u> <u>TRANSIT</u> <u>DECEMBER 31, 2018</u>	<u>TOTAL</u>
<u>ASSETS</u>			
Cash	\$ 148,653	\$ 3,864,604	\$ 4,013,257
Investments	49,169,914	19,980,000	69,149,914
Accounts Receivable, Net	-	109,211	109,211
Interest Receivable	92,650	-	92,650
Due from Governmental Agencies	2,761,129	-	2,761,129
Transfers Due from Other Funds	-	2,100,917	2,100,917
Inventory	802,059	-	802,059
Prepaid Expenses	700,665	205,036	905,701
Other Receivable	174,210	-	174,210
Other Assets	-	196,910	196,910
Fixed Assets, Net of Accumulated Depreciation	53,171,087	31,333	53,202,420
TOTAL ASSETS	<u>\$ 107,020,367</u>	<u>\$ 26,488,011</u>	<u>\$ 133,508,378</u>
<u>LIABILITIES AND NET POSITION</u>			
<u>LIABILITIES:</u>			
Accounts Payable	\$ 241,628	\$ 166,297	\$ 407,925
Contracts Payable - Retainage	16,277	-	16,277
Transfers Due to Other Funds	1,887,058	-	1,887,058
Accrued Wages and Compensated Absences	-	3,275,241	3,275,241
Other Liabilities	-	610,242	610,242
Total Liabilities	<u>\$ 2,144,963</u>	<u>\$ 4,051,780</u>	<u>\$ 6,196,743</u>
<u>NET POSITION:</u>			
Investment in Fixed Assets	\$ 53,171,087	\$ 31,333	\$ 53,202,420
Restricted For:			
Local Match	19,729,777	-	19,729,777
Unrestricted	31,974,540	22,404,898	54,379,438
Total Net Position	<u>\$ 104,875,404</u>	<u>\$ 22,436,231</u>	<u>\$ 127,311,635</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 107,020,367</u>	<u>\$ 26,488,011</u>	<u>\$ 133,508,378</u>

The accompanying notes are an integral part of the financial statements.

MADISON COUNTY MASS TRANSIT DISTRICT
STATEMENT OF ACTIVITIES

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
		CHARGES FOR SERVICES	CAPITAL GRANTS	OPERATING GRANTS	GOVERNMENTAL ACTIVITIES	PRIMARY GOVERNMENT BUSINESS-TYPE ACTIVITIES	TOTAL
PRIMARY GOVERNMENT:							
Governmental Activities:							
For the Year Ended June 30, 2019							
Transportation	\$ 12,157,192	\$ 1,037,082	\$ 502,834	\$ 17,477,273	\$ 6,859,997	\$ -	\$ 6,859,997
Business-Type Activities:							
For the Year Ended December 31, 2018							
Transportation	\$ 22,710,979	\$ 1,518,402	\$ -	\$ -	\$ -	\$ (21,192,577)	\$ (21,192,577)
Total Primary Government	\$ 34,868,171	\$ 2,555,484	\$ 502,834	\$ 17,477,273	\$ 6,859,997	\$ (21,192,577)	\$ (14,332,580)
General Revenues and Transfers:							
Sales Tax					\$ 12,972,382	\$ -	\$ 12,972,382
Miscellaneous					1,271,652	456,306	1,727,958
Transfers					(22,451,165)	22,593,704	142,539
Total General Revenues and Transfers					\$ (8,207,131)	\$ 23,050,010	\$ 14,842,879
Change in Net Position					\$ (1,347,134)	\$ 1,857,433	\$ 510,299
Net Position, Beginning of Year					106,222,538	20,578,798	126,801,336
Net Position, End of Year					\$ 104,875,404	\$ 22,436,231	\$ 127,311,635

The accompanying notes are an integral part of the financial statements.

MADISON COUNTY MASS TRANSIT DISTRICT
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2019

	<u>GENERAL</u> <u>FUND</u>
<u>ASSETS:</u>	
Cash	\$ 148,653
Investments	49,169,914
Interest Receivable	92,650
Due from Governmental Agencies	2,761,129
Inventory	802,059
Prepaid Expenses	700,665
Other Receivable	174,210
	<hr/>
TOTAL ASSETS	<u>\$ 53,849,280</u>
 <u>LIABILITIES AND FUND BALANCES:</u>	
<u>LIABILITIES:</u>	
Accounts Payable	\$ 241,628
Contracts Payable - Retainage	16,277
Transfers Due to Other Funds	1,887,058
Total Liabilities	<u>\$ 2,144,963</u>
 <u>FUND BALANCES:</u>	
Nonspendable	
Inventory	\$ 802,059
Prepaid Expense	700,665
Assigned	
Local Match	19,729,777
Unassigned	30,471,816
Total Fund Balances	<u>\$ 51,704,317</u>
 TOTAL LIABILITIES AND FUND BALANCES	 <u>\$ 53,849,280</u>

The accompanying notes are an integral part of the financial statements.

MADISON COUNTY MASS TRANSIT DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF FINANCIAL POSITION
JUNE 30, 2019

Total Fund Balances for Governmental Funds		\$ 51,704,317
Total net position reported for governmental activities in the statement of net position is different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. Those assets consist of:		
Land	\$ 9,572,617	
Bikeways, buildings and improvements, net of \$44,420,862 accumulated depreciation	31,866,661	
Vehicles, net of \$30,362,058 accumulated depreciation	10,773,452	
Equipment, net of \$5,453,166 accumulated depreciation	<u>958,357</u>	
		<u>53,171,087</u>
Total Net Position of Governmental Activities		<u>\$ 104,875,404</u>

The accompanying notes are an integral part of the financial statements.

MADISON COUNTY MASS TRANSIT DISTRICT
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES-
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2019

GENERAL

REVENUES:

Sales Tax	\$ 9,970,247
Interest	1,226,840
Illinois Department of Transportation (IDOT) Operating Assistance	16,711,276
Illinois Department of Transportation (IDOT) Local Sales Tax Reform	3,002,135
Rideshare Program	611,556
Lease and Rental Income	26,210
Federal Transit Administration (FTA) Section 5307	270,926
Congestion Mitigation Air Quality (CMAQ)	138,609
Fares	1,037,082
Metro East Park and Recreation District (MEPRD)	247,740
Other Revenues	23,565
Total Revenues	<u>\$ 33,266,186</u>

EXPENDITURES:

Transit Services (Note 1.A.)	\$ 3,479,747
Rideshare Program (Note 1.A.)	384,349
Professional and Other Services	221,694
Trustee Expense	13,672
District Office	432,650
Facilities Maintenance	159,467
Transit Centers and Park and Ride Facilities	51,962
Equipment	136,107
Vehicles	569,759
Facility Improvements	48,721
Bikeways	439,729
Total Expenditures	<u>\$ 5,937,857</u>

REVENUES OVER EXPENDITURES

\$ 27,328,329

OTHER FINANCING USES:

Transfers to Other Funds (Note 1.A.)

22,451,165

REVENUES OVER EXPENDITURES

AND OTHER FINANCING USES

\$ 4,877,164

FUND BALANCE, BEGINNING OF YEAR

46,827,153

FUND BALANCE, END OF YEAR

\$ 51,704,317

The accompanying notes are an integral part of the financial statements.

MADISON COUNTY MASS TRANSIT DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE OF GOVERNMENTAL FUND
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2019

Net Change in Fund Balance - Total Governmental Fund	\$ 4,877,164
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets. This is the amount by which depreciation exceeded capital outlays in the current period.	(6,219,335)
Governmental funds only report the disposal of assets to the extent proceeds are received from the sale. In the Statement of Activities, a gain or loss is reported for each disposal. This is the amount of the basis in the fixed assets disposed.	<u>(4,963)</u>
Change in Net Position of Governmental Activities	<u>\$ (1,347,134)</u>

The accompanying notes are an integral part of the financial statements.

MADISON COUNTY MASS TRANSIT DISTRICT
STATEMENT OF FINANCIAL POSITION - PROPRIETARY FUND
AGENCY FOR COMMUNITY TRANSIT
DECEMBER 31, 2018

TRANSPORTATIONASSETS

Cash	\$ 3,864,604
Investments	19,980,000
Accounts Receivable, Net	109,211
Due from Other Funds	2,100,917
Prepaid Insurance	2,234
Prepaid Expenses	202,802
Fixed Assets, Net of Accumulated Depreciation	31,333
Other Assets	<u>196,910</u>
 TOTAL ASSETS	 <u>\$ 26,488,011</u>

LIABILITIES

Accounts Payable	\$ 166,297
Accrued Wages and Compensated Absences	3,275,241
Other Liabilities	<u>610,242</u>
 Total Liabilities	 <u>\$ 4,051,780</u>

NET ASSETS

Investment in Fixed Assets	\$ 31,333
Unrestricted	<u>22,404,898</u>
 Total Net Assets (Exhibit "H")	 <u>\$ 22,436,231</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$ 26,488,011</u>

The accompanying notes are an integral part of the financial statements.

MADISON COUNTY MASS TRANSIT DISTRICT
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FINANCIAL POSITION - PROPRIETARY FUND
AGENCY FOR COMMUNITY TRANSIT
FOR THE YEAR ENDED DECEMBER 31, 2018

TRANSPORTATION

OPERATING REVENUES:	
Charges for Services	\$ 1,518,402
OPERATING EXPENSES:	
Transportation Program (Schedule "2")	\$ 21,591,116
Management and General Expense (Schedule "2")	1,119,863
Total Operating Expenses	<u>\$ 22,710,979</u>
OPERATING LOSS	<u>\$ (21,192,577)</u>
NON-OPERATING REVENUES :	
Interest Income	\$ 311,562
Maintenance Income	44,639
Radio Tower Repeater Fees	23,832
Miscellaneous Income	76,273
Total Non-Operating Revenues	<u>\$ 456,306</u>
LOSS BEFORE OPERATING TRANSFERS FROM OTHER FUNDS	\$ (20,736,271)
TOTAL OPERATING TRANSFERS FROM OTHER FUNDS	<u>22,593,704</u>
INCREASE IN NET ASSETS	\$ 1,857,433
TOTAL NET ASSETS, BEGINNING OF YEAR	<u>20,578,798</u>
TOTAL NET ASSETS, END OF YEAR	<u><u>\$ 22,436,231</u></u>

The accompanying notes are an integral part of the financial statements.

MADISON COUNTY MASS TRANSIT DISTRICT
STATEMENT OF CASH FLOWS - PROPRIETARY FUND
AGENCY FOR COMMUNITY TRANSIT
FOR THE YEAR ENDED DECEMBER 31, 2018

CASH FLOWS FROM OPERATING ACTIVITIES:	
Cash Received from Customers	\$ 1,645,475
Cash Paid to Employees and Suppliers	(22,435,499)
Interest Received	311,562
Net Cash Used by Operating Activities	<u>\$ (20,478,462)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Cash Purchase of Fixed Assets	\$ (10,851)
Purchase of Investments	(2,080,000)
Net Cash Used by Investing Activities	<u>\$ (2,090,851)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:	
Cash Received From Other Funds	<u>\$ 22,418,078</u>
NET DECREASE IN CASH	\$ (151,235)
CASH, BEGINNING OF YEAR	<u>4,015,839</u>
CASH, END OF YEAR	<u><u>\$ 3,864,604</u></u>
RECONCILIATION OF LOSS BEFORE OPERATING TRANSFERS TO NET CASH FLOWS FROM OPERATING ACTIVITIES:	
LOSS BEFORE OPERATING TRANSFERS	\$ (20,736,271)
ADJUSTMENTS:	
Depreciation	29,687
CHANGES IN ASSETS AND LIABILITIES:	
INCREASE (DECREASE) IN:	
Accounts Receivable, Net	(17,671)
Prepaid Insurance	218
Prepaid Expenses	(39,915)
Other Assets	1,311
INCREASE (DECREASE) IN:	
Accounts Payable	(24,026)
Accrued Wages and Compensated Absences	279,014
Other Liabilities	<u>29,191</u>
NET CASH USED BY OPERATING ACTIVITIES	<u><u>\$ (20,478,462)</u></u>

The accompanying notes are an integral part of the financial statements.

MADISON COUNTY MASS TRANSIT DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Madison County Mass Transit District was established in 1980 under the provision of the local Mass Transit District Act, as amended. The District is to provide transportation to the elderly and disabled, and fixed route transportation to the general public.

The accounting policies of the District conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The accepted standard setting body for establishing governmental accounting and financial reporting principles is the Governmental Accounting Standards Board (GASB). The following is a summary of the significant accounting policies:

A. Reporting Entity

The following criteria have been developed to determine whether related organizations should be included within the financial reporting entity. The criteria, as set forth in GASB No. 14, "The Financial Reporting Entity", as amended by GASB No. 39 "Determining Whether Certain Organizations Are Component Units" is financial accountability. Financial accountability is defined as appointment of a voting majority of a component unit's board and either the ability to impose its will by a primary government or the possibility that a component unit will provide a financial benefit to or impose a financial burden on a primary government. Based on this criteria, the Agency for Community Transit, a not-for-profit entity with a December 31 fiscal year end, qualifies as a component unit.

The financial statements of the Agency for Community Transit (Agency) for year ended December 31, 2018, are reported as a blended component unit, and are presented as a proprietary fund type. The Agency issues separately audited financial statements and they can be obtained from the Agency's office. The following is a brief description of activities and relationship to the District:

The District contracts with the Agency to provide transportation services to the Madison County area and provide administrative services to the District. The Agency provides services exclusively for the District. The Agency's Board of Directors are appointed by the District's Board of Directors.

All transactions and balances between the District and the Agency have been reclassified as transfers to or from other funds. These transfer accounts will not balance at June 30, 2019, due to the different reporting periods of the District and the Agency. In addition, the operating budget of the District does not reflect the reclassification of the transactions and balances.

MADISON COUNTY MASS TRANSIT DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONT'D)
JUNE 30, 2019

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

B. Fund Accounting

The accounts of the District are organized on the basis of funds. The operation of the funds are accounted for by providing a separate set of self-balancing accounts which comprise its assets, liabilities, fund balances, revenue, and expenditures.

General Fund - The General Fund is the operating fund of the District. It accounts for all financial resources that are not required to be accounted for in another fund.

Proprietary Fund - The Proprietary Fund reports the activity of the component unit. The fund's objective is the determination of change in net assets and cash flows.

C. Basis of Accounting

Government-Wide Financial Statements

The statement of net position and the statement of activities display information about the District, the primary government, as a whole. These statements distinguish between activities that are governmental and those that are considered business-type activities.

The government-wide statements are prepared using the economic resources measurement focus and the accrual basis of accounting. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Therefore, governmental fund financial statements include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

The government-wide statement of activities presents a comparison between expenses and program revenues for each segment of the business-type activities of the District and for each governmental activity. Program revenues include charges paid by the recipients of the services offered by the programs and grants and contributions that are restricted to meeting operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues. The comparison of program revenues and expenses identifies the extent to which each program or business segment is self-financing or draws from the general revenues of the District.

MADISON COUNTY MASS TRANSIT DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONT'D)

JUNE 30, 2019

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Fund Financial Statements

Fund financial statements report detailed information about the District. The focus of governmental and proprietary fund financial statements is on major funds rather than reporting funds by type. All funds are considered major.

Governmental Funds

All governmental funds are accounted for using modified accrual basis of accounting and the current financial resources measurement focus. Under this basis revenues are recognized in the accounting period in which they become measurable and available. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable.

Revenue Recognition

The modified accrual basis of accounting is used in the Governmental Fund Type. Revenues are recognized when they become "measurable and available." Measurable means the amount can be determined. Available means collectable within the current period or soon enough thereafter to pay current liabilities.

Expenditure Recognition

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Most expenditures are measurable and are recorded when the related fund liability is incurred. However, principal and interest on long-term debt, which has not matured, are recognized when paid. Allocations of costs, such as depreciation and amortization, are not recognized in the governmental funds.

Proprietary Funds

All proprietary funds are accounted for using the accrual basis of accounting. The economic resource focus determines costs as a means of maintaining capital investment and management control. Their revenues are recognized when they are earned and their expenses are recognized when they are incurred. Allocations of costs, such as depreciation, are recorded in proprietary funds.

MADISON COUNTY MASS TRANSIT DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONT'D)
JUNE 30, 2019

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

D. Investments

Investments are carried at cost, which approximates market.

E. Inventory

Inventory consists of bus parts, fuel and lubricants and is valued at cost.

F. Fixed Assets and Depreciation

The accounting and reporting treatment applied to the fixed assets associated with a fund are determined by its measurement focus. General fixed assets are long-lived assets of the District as a whole with a cost of \$5,000 or greater. When purchased, such assets are recorded as expenditures in the governmental fund. The valuation basis for general fixed assets is historical cost. Historical cost is the amount paid by the District for the asset. The District pays only the local portion of some bikeway projects. The local portion is the historical cost. Where historical cost is not available, estimated historical cost is based on replacement cost. Donated fixed assets are reported at their fair market value as of the date received.

Fixed assets in the proprietary fund are capitalized in the fund in which they are utilized. The valuation basis for proprietary fund fixed assets are the same as those used for the general fixed assets.

Depreciation of fixed assets is computed and recorded by the straight-line method. Estimated useful lives of the various classes of depreciable fixed assets are as follows:

Buildings and Improvements	15 to 25 years
Vehicles	4 to 12 years
Equipment	3 to 10 years

MADISON COUNTY MASS TRANSIT DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONT'D)
JUNE 30, 2019

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

G. Equity Classifications

Government-Wide Statements

Equity is classified as net position and displayed in three components:

- a. Invested in capital assets, net of related debt – Amount of capital assets, net of accumulated depreciation, less outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted – Amount of net position that is subject to restrictions that are imposed by 1) external groups, such as creditors, grantors, contributors or laws and regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- c. Unrestricted – Net position that is neither classified as restricted nor as invested in capital assets, net of related debt.

Fund Statements

Governmental fund equity is classified as fund balance. In accordance with Governmental Accounting Standards Board Statement No. 54 – Fund Balance Reporting and Governmental Fund Type Definitions, the District classifies governmental fund balance as follows:

- a. Nonspendable – Includes fund balance amounts that cannot be spent either because they are not in spendable form or because legal or contractual requirements require them to be maintained intact.
- b. Restricted – Consists of fund balances with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or, 2) law through constitutional provisions or enabling legislation. As of June 30, 2019, the District does not have restricted funds.

MADISON COUNTY MASS TRANSIT DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONT'D)
JUNE 30, 2019

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

- c. Committed – Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority. Fund balance amounts are committed through a formal action (resolution) of the District board. This formal action must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the District board that originally created the commitment. As of June 30, 2019, the District does not have committed funds.
- d. Assigned – Includes spendable fund balance amounts that are intended to be used for specific purposes that are not considered restricted or committed. Fund balance may be assigned through the following: 1) The District board may take action to assign amounts for a specific purpose or, 2) all remaining positive spendable amounts in governmental funds, other than the general fund, that are neither restricted nor committed. Assignments may take place after the end of the reporting period.
- e. Unassigned – Includes residual positive fund balance within the general fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed or assigned for those specific purposes.

Instead of a formal fund balance policy addressing the order in which resources are to be used when amounts are available for expenditure, the District uses the default approach allowed by Governmental Accounting Standards Board Statement No. 54. Unless specifically identified, expenditures act to reduce restricted balances first, then committed balances, next assigned balances, and finally act to reduce unassigned balances. Expenditures for a specifically identified purpose will act to reduce the specific classification of fund balance that is identified.

MADISON COUNTY MASS TRANSIT DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONT'D)
JUNE 30, 2019

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

H. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

I. Functional Allocation of Expenses

The costs of providing the various programs and other activities of the Proprietary Fund have been summarized on a functional basis in the schedule of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

NOTE 2. CASH AND INVESTMENTS

Cash consists of cash on hand and cash in checking accounts. Investments consist of cash in high yield money market accounts, certificates of deposit, and a pooled investment account.

	<u>CARRYING</u> <u>AMOUNT</u>	<u>BANK</u> <u>BALANCE</u>
Cash:		
General Fund	\$ 148,653	\$ 700,367
Proprietary Fund	3,864,604	4,030,661
Total	<u>\$ 4,013,257</u>	<u>\$ 4,731,028</u>
Non-Pooled Investments:		
General Fund	\$ 48,598,323	\$ 48,598,323
Proprietary Fund	19,980,000	19,980,000
Pooled Investments:		
General Fund	571,591	571,591
Total	<u>\$ 69,149,914</u>	<u>\$ 69,149,914</u>

MADISON COUNTY MASS TRANSIT DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONT'D)
JUNE 30, 2019

NOTE 2. CASH AND INVESTMENTS (CONT'D)

The District is authorized to invest in any type of security allowed for in Illinois statutes regarding the investment of public funds.

A. Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the District manages its exposure to interest rate risk is by purchasing shorter term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the District's investments by maturity.

	<u>Remaining Maturity</u>		
	<u>Total</u>	<u>12 months or less</u>	<u>1-5 years</u>
State Investment Pool	\$ 571,591	\$ 571,591	\$ -
Certificates of Deposit	68,497,000	37,865,000	30,632,000
Money Market Accounts	81,323	81,323	-
Total	<u>\$ 69,149,914</u>	<u>\$ 38,517,914</u>	<u>\$ 30,632,000</u>

B. Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The District invests in a state investment pool. The investment pool earned Standard and Poor's highest rating of AAAM.

C. Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party.

MADISON COUNTY MASS TRANSIT DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONT'D)
JUNE 30, 2019

NOTE 2. CASH AND INVESTMENTS (CONT'D)

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The District's deposit policy states that all funds on deposit in excess of federal depository insurance must be secured by collateral held at an independent third party in the name of the District. As of June 30, 2019, the District's General Fund cash and non-pool investments are \$49,298,690. All of the General Fund's cash and non-pooled investments and the Proprietary Fund's cash balance were fully insured and collateralized.

The District's investment in the state investment pool is fully collateralized. The District maintains a separate investment account representing a proportionate share of the pool assets and its respective collateral; therefore no collateral is identified with each individual participant's account. The balance in the District's state investment pool as of June 30, 2019 was \$571,591.

NOTE 3. DUE FROM GOVERNMENTAL AGENCIES

The amount due from governmental agencies of \$2,761,129 represents sales tax collections from the Illinois Department of Revenue (IDOR), sales tax and grant payments from the Illinois Department of Transportation (IDOT), grant payments from the Missouri Department of Transportation (MoDOT), the Federal Transit Administration (FTA), and the Metro East Park and Recreation District (MEPRD).

The following details the amount due from governmental agencies:

IDOR:	Sales Tax	\$ 2,625,936
IDOT:	Operating Assistance	\$ (130,744)
	Commuter Initiative	15,173
	Rideshare Program	22,606
		(92,965)
MoDOT:	Rideshare Program	127,546
FTA:	Capital Grants	28,933
MEPRD:	Capital Grants	71,679
		\$ 2,761,129

MADISON COUNTY MASS TRANSIT DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONT'D)

JUNE 30, 2019

NOTE 4. STATE AND FEDERAL PROGRAMS

Operating Assistance:

During 1989, legislation passed which allowed state sales tax monies to go to the District for reimbursement of eligible operating expenditures in providing transportation services.

An annual contract is signed with the Illinois Department of Transportation (IDOT) which states the requirements necessary to receive such funds. Reimbursements requested for eligible expenditures incurred during the year ended June 30, 2019, were \$16,711,276.

Rideshare Program:

The District has agreements with the Illinois Department of Transportation (IDOT) and the Missouri Department of Transportation (MoDOT) for the purpose of increasing vehicle occupancy and decreasing vehicle miles traveled in the St. Louis Metropolitan Region. This program is funded by Congestion Mitigation and Air Quality (CMAQ). The District has entered into agreements for reimbursement of 100% of the eligible expenses incurred during the year.

The amount requested for reimbursement under the agreements for the year ended June 30, 2019, was \$611,556.

Bikeway Projects:

The District has agreements with the Metro East Park and Recreation District (MEPRD) to reimburse costs associated with a variety of bikeways. The amount reimbursed under these agreements for the year ended June 30, 2019 was \$247,740.

Federal and State Grants:

The District received monies from the Federal Transit Administration (FTA) and Illinois Department of Transportation (IDOT) through various grants. The FTA and IDOT grants were entered into for the construction of transit facilities and purchases of vehicles, equipment, and other items. The District is reimbursed for 80% - 100% of the original grant amount from FTA or IDOT, as a pass-through from FTA, with the remaining amount being reimbursed by IDOT or funded by Madison County Mass Transit District. The amount requested from FTA and IDOT for the fiscal year ended June 30, 2019 was \$270,926 and \$138,609, respectively.

MADISON COUNTY MASS TRANSIT DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONT'D)
JUNE 30, 2019

NOTE 5. FIXED ASSETS

A summary of the Fixed Assets for the governmental activities is as follows:

	<u>BALANCE</u> <u>JUNE 30, 2018</u>	<u>ADDITIONS</u>	<u>RETIREMENTS</u>	<u>BALANCE</u> <u>JUNE 30, 2019</u>
Fixed Assets, not being depreciated:				
Land	\$ 9,555,716	\$ 16,901	\$ -	\$ 9,572,617
Subtotal	<u>\$ 9,555,716</u>	<u>\$ 16,901</u>	<u>\$ -</u>	<u>\$ 9,572,617</u>
Fixed Assets, being depreciated:				
Buildings and Improvements	\$ 75,764,012	\$ 523,511	\$ -	\$ 76,287,523
Vehicles	41,065,876	601,546	531,912	41,135,510
Equipment	6,346,876	104,321	39,674	6,411,523
Subtotal	<u>\$ 123,176,764</u>	<u>\$ 1,229,378</u>	<u>\$ 571,586</u>	<u>\$123,834,556</u>
Accumulated Depreciation:				
Buildings and Improvements	\$ 41,061,229	\$ 3,359,633	\$ -	\$ 44,420,862
Vehicles	27,231,514	3,657,493	526,949	30,362,058
Equipment	5,044,352	448,488	39,674	5,453,166
Subtotal	<u>\$ 73,337,095</u>	<u>\$ 7,465,614</u>	<u>\$ 566,623</u>	<u>\$ 80,236,086</u>
Net Fixed Assets	<u>\$ 59,395,385</u>	<u>\$ (6,219,335)</u>	<u>\$ 4,963</u>	<u>\$ 53,171,087</u>

Depreciation in the amount of \$7,465,614 was charged to the Transportation Governmental Activity.

A summary of Fixed Assets for the business-type activities is as follows:

Transit and Service Vehicles	\$ 141,275
Leasehold Improvements	5,779
Furniture, Fixtures, and Equipment	587,952
	<u>\$ 735,006</u>
Less, Accumulated Depreciation	(703,673)
Net Fixed Assets	<u>\$ 31,333</u>

Depreciation in the amount of \$29,687 was charged to the Transportation Business-Type Activity.

MADISON COUNTY MASS TRANSIT DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONT'D)
JUNE 30, 2019

NOTE 6. RETIREMENT PLAN

The Agency contributes to three Retirement Plans for the benefit of employees.

The Agency administers a deferred compensation plan under Section 403(b) of the Internal Revenue Code. The plan is open to all non-union employees. Participant deferrals between 2.5% and 5% of income are matched 2 for 1 by the Agency if eligibility requirements are met. The Agency contributed \$470,801 and \$475,993 to the plan for the years ended December 31, 2018 and 2017, respectively.

Agency union employees are able to participate in a union sponsored defined contribution plan under Section 401(k) of the Internal Revenue Code. The plan is open to all union employees. Participant deferrals between 1% and 5% of wages are matched 1 for 1 by the Agency if eligibility requirements are met. The Agency contributed \$180,027 and \$167,809 to the plan for the years ended December 31, 2018 and 2017, respectively.

In 2006, the Agency began making contributions to a 457(f) deferred compensation arrangement. Funds are retained in a separate bank account until the benefits are vested and the monies are withdrawn. The balance in the account, including interest, is \$196,910 and \$198,221 as of December 31, 2018 and 2017, respectively. This amount is also being recorded as a liability in the Agency's statement of financial position.

NOTE 7. RISK MANAGEMENT/CONTINGENCIES

The District is exposed to various risks of loss related to limited torts; theft of, damage to and destruction of assets; errors and omissions for which the District carries commercial insurance. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three fiscal years.

The District, at times, is a defendant in various lawsuits. Although the outcomes of these lawsuits are not presently determinable, in the opinion of the District's management the resolution of these matters will not have a material adverse effect on the financial condition of the District.

NOTE 8. SELF-INSURANCE

The Agency has established a limited self-insurance program for the purpose of paying up to \$50,000 per general liability claim. Any claim in excess of the \$50,000 is covered by a supplemental insurance plan. The Agency has incurred claims (net of recoveries) of \$127,723 and \$264,361 under this program for the years ended December 31, 2018 and 2017, respectively. A self-insurance reserve has been established for claims incurred but not paid of \$243,077 and \$235,151 for the years ended December 31, 2018 and 2017, respectively.

MADISON COUNTY MASS TRANSIT DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONT'D)
JUNE 30, 2019

NOTE 8. SELF-INSURANCE (CONT'D)

The Agency is required under their limited self-insurance program to fund a separate checking account designated to pay claims. The balance in this account was \$38,894 and \$27,466 for the years ended December 31, 2018 and 2017, respectively.

NOTE 9. OPERATING LEASE

The District entered into a three-year operating lease during fiscal year ended June 30, 2017 for the lease of three vehicles for the Rideshare program. The lease agreements require monthly payments of \$992. The remaining minimum future lease payments under the lease agreement, for fiscal year ending June 30, 2020, is \$8,929. The amount of expenditures recognized under these lease agreements for the year ended June 30, 2019, was \$11,906.

NOTE 10. NET POSITION/FUND BALANCES

Local Match

The District passed various resolutions authorizing the submittal of a Transportation Improvement Program. Funding assistance is available through various federal programs which require matching funds for the projects to be submitted. The resolutions have assigned \$19,729,777 of the Fund Balance for these matching funds.

NOTE 11. CAPITAL BUDGET

The capital budget is a multi-year capital budget. Approximately \$53 million of the total budgeted revenue and approximately \$100 million of the total budgeted expenditures are for capital projects. The revenue and expenditures budgeted are the grant amounts awarded to, or programmed for the District, and may take several years to complete.

NOTE 12. SUBSEQUENT EVENTS

The effect of subsequent events on the financial statements has been evaluated through October 16, 2019 which is the date the financial statements were available to be issued.

MADISON COUNTY MASS TRANSIT DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
MAJOR GOVERNMENTAL FUND
FOR THE YEAR ENDED JUNE 30, 2019

	<u>GENERAL FUND</u>		
	<u>BUDGET AMOUNTS</u>		<u>ACTUAL AMOUNTS</u> <u>BUDGETARY BASIS</u>
	<u>ORIGINAL</u> <u>BUDGET</u>	<u>FINAL</u> <u>BUDGET</u>	
REVENUES:			
Sales Tax	\$ 9,200,000	\$ 9,200,000	\$ 9,970,247
Interest	612,000	612,000	1,226,840
Illinois Department of Transportation (IDOT) Operating Assistance	16,601,260	16,601,260	16,711,276
Illinois Department of Transportation (IDOT) Local Sales Tax Reform	2,500,000	2,500,000	3,002,135
Rideshare Program	714,000	714,000	611,556
Lease and Rental Income	-	-	26,210
Federal Transit Administration (FTA) Section 5307	49,922,000	46,616,655	270,926
Illinois Department of Transportation (IDOT)	6,000,000	6,000,000	-
Congestion Mitigation Air Quality (CMAQ)	100,000	100,000	138,609
Fares	1,068,000	1,068,000	1,037,082
Metro East Park and Recreation District (MEPRD)	834,000	750,064	247,740
Other Revenues	16,000	16,000	23,565
Total Revenues	<u>\$ 87,567,260</u>	<u>\$ 84,177,979</u>	<u>\$ 33,266,186</u>

THIS SCHEDULE CONTINUED ON NEXT PAGE

SEE ACCOMPANYING INDEPENDENT AUDITOR'S REPORT

MADISON COUNTY MASS TRANSIT DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
MAJOR GOVERNMENTAL FUND
FOR THE YEAR ENDED JUNE 30, 2019

	GENERAL FUND		
	BUDGET AMOUNTS		ACTUAL AMOUNTS BUDGETARY BASIS
	ORIGINAL BUDGET	FINAL BUDGET	
EXPENDITURES:			
Transit Services (Note 1.A.)	\$ 25,000,000	\$ 25,000,000	\$ 3,479,747
Rideshare Program (Note 1.A.)	814,000	814,000	384,349
Professional and Other Services	250,000	250,000	221,694
Administrative Contract (Note 1.A.)	500,000	500,000	-
Trustee Expense	30,000	30,000	13,672
District Office	500,000	500,000	432,650
Facilities Maintenance	800,000	800,000	159,467
Transit Centers and Park and Ride Facilities	15,290,000	15,000,000	51,962
Equipment	4,311,000	4,174,567	136,107
Vehicles	42,245,000	44,390,817	569,759
Facility Improvements	13,220,000	13,115,845	48,721
Bikeways	18,434,000	18,939,564	439,729
Miscellaneous	6,699,000	5,500,000	-
Total Expenditures	\$ 128,093,000	\$ 129,014,793	\$ 5,937,857
REVENUES OVER (UNDER) EXPENDITURES	\$ (40,525,740)	\$ (44,836,814)	\$ 27,328,329
OTHER FINANCING USES:			
Transfers to Other Funds (Note 1.A.)			22,451,165
REVENUES OVER EXPENDITURES AND OTHER FINANCING USES			\$ 4,877,164
FUND BALANCE, BEGINNING OF YEAR			46,827,153
FUND BALANCE, END OF YEAR			\$ 51,704,317

SEE ACCOMPANYING INDEPENDENT AUDITOR'S REPORT

MADISON COUNTY MASS TRANSIT DISTRICT
NOTES TO SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES - BUDGET AND ACTUAL
JUNE 30, 2019

NOTE 1 – BUDGET AND BUDGETARY ACCOUNTING

The fiscal year 2019 operating budget was approved by the District Board of Trustees at the June 28, 2018 board meeting.

The multi-year capital budget was approved on December 21, 2017.

The Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Major Governmental Fund presents a comparison of budgetary data to actual results.

MADISON COUNTY MASS TRANSIT DISTRICT
SCHEDULE OF EXPENSES BY FUNCTION - PROPRIETARY FUND
AGENCY FOR COMMUNITY TRANSIT
FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>PROGRAM SERVICES</u>	<u>SUPPORTING SERVICES</u>	
	<u>TRANSPORTATION</u>	<u>MANAGEMENT & GENERAL</u>	<u>TOTAL</u>
TRANSPORTATION EXPENSES:			
Gas, Oil and Lubricants	\$ 192,283	\$ 7,377	\$ 199,660
Purchased Transportation	-	1,502	1,502
Vehicle Insurance Payments and Recoveries	152,085	-	152,085
Licenses and Permits	503	-	503
Vehicle Maintenance	1,365,570	2,695	1,368,265
Rideshare	804,666	-	804,666
Total Transportation Expenses	<u>\$ 2,515,107</u>	<u>\$ 11,574</u>	<u>\$ 2,526,681</u>
SALARIES AND RELATED EXPENSES:			
Salaries	\$ 13,409,588	\$ 422,426	\$ 13,832,014
Employee Benefits	3,403,228	114,285	3,517,513
Payroll Taxes	1,030,402	32,429	1,062,831
Personnel	51,545	4,500	56,045
Total Salaries and Related Expenses	<u>\$ 17,894,763</u>	<u>\$ 573,640</u>	<u>\$ 18,468,403</u>
OTHER EXPENSES:			
Advertising	\$ 95,451	\$ -	\$ 95,451
Conferences, Meetings and Dues	17,197	1,454	18,651
Depreciation	14,217	15,470	29,687
Miscellaneous	23,994	6,022	30,016
Facilities, Office and Insurance	773,205	314,265	1,087,470
Professional, Consultant and Other	224,523	197,438	421,961
Radio Tower	32,659	-	32,659
Total Other Expenses	<u>\$ 1,181,246</u>	<u>\$ 534,649</u>	<u>\$ 1,715,895</u>
TOTAL EXPENSES (Exhibit "H")	<u><u>\$ 21,591,116</u></u>	<u><u>\$ 1,119,863</u></u>	<u><u>\$ 22,710,979</u></u>

MADISON COUNTY MASS TRANSIT DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2019

<u>FEDERAL GRANTOR / PASS-THROUGH</u> <u>GRANTOR / PROGRAM TITLE</u>	<u>FEDERAL</u> <u>CFDA</u> <u>NUMBER</u>	<u>PASS-THROUGH</u> <u>ENTITY</u> <u>IDENTIFYING</u> <u>NUMBER</u>	<u>FEDERAL</u> <u>EXPENDITURES</u>
US DEPARTMENT OF TRANSPORTATION FEDERAL TRANSIT ADMINISTRATION CLUSTER:			
Direct Programs:			
Section 5307 Capital Grant # IL-90-X733	20.507		\$ 82,391
Section 5307 Capital Grant # IL-90-X041	20.507		124,813
Section 5307 Capital Grant # IL-2018-014-00	20.507		<u>63,722</u>
Total Direct Programs			<u>\$ 270,926</u>
Total Federal Transit Administration Cluster			<u>\$ 270,926</u>
FEDERAL HIGHWAY ADMINISTRATION:			
Pass-Through Programs From:			
Illinois Department of Transportation:			
Rideshare	20.205	CMM-5011(426)	\$ 193,901
CMAQ Grant - Commuter Initiative	20.205	18-1003-5451	138,609
Missouri Department of Highways and Transportation:			
Rideshare	20.205	CMAQ-5456(614)	358,131
Rideshare	20.205	CMAQ-5456(616)	<u>59,524</u>
Total Pass-Through Programs Federal Highway Administration			<u>\$ 750,165</u>
Total Expenditures of Federal Awards			<u><u>\$ 1,021,091</u></u>

MADISON COUNTY MASS TRANSIT DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS – FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2019

Summary of Audit Results

1. The auditor's report expresses an unmodified opinion on whether the financial statements of Madison County Mass Transit District were prepared in accordance with GAAP.
2. No significant deficiencies relating to the audit of the financial statements are reported in the Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards.
3. No instances of noncompliance material to the financial statements of Madison County Mass Transit District were disclosed during the audit.
4. No significant deficiencies relating to the audit of the major federal award programs are reported in the Independent Auditor's Report on Compliance For Each Major Program and on Internal Control Over Compliance Required By The Uniform Guidance.
5. The auditor's report on compliance for the major federal award programs for Madison County Mass Transit District expresses an unmodified opinion on all major programs.
6. There are no findings relative to major federal award programs for Madison County Mass Transit District.
7. The programs tested as major programs were:

<u>CFDA Number</u>	<u>Federal Program Name or Cluster</u>
20.507	Federal Transit – Formula Grants
8. The threshold for distinguishing Type A and B programs was \$750,000.
9. Madison County Mass Transit District was determined to be a low-risk auditee.

Findings - Financial Statement Audit

None

Findings and Questioned Costs - Major Federal Award Programs Audit

None

MADISON COUNTY MASS TRANSIT DISTRICT
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2019

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of the District under programs of the federal government for the year ended June 30, 2019. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the District.

Basis of Accounting

Expenditures reported on the Schedule are reported on the accrual basis of accounting.

Federal awards passed through other governmental agencies are included on the Schedule.

NOTE 2. NON CASH AWARDS

None

NOTE 3. AMOUNT OF FEDERAL INSURANCE IN EFFECT DURING THE YEAR

None

NOTE 4. LOAN OR LOAN GUARANTEES OUTSTANDING AT YEAR END

None

NOTE 5. SUBRECIPIENTS

None

NOTE 6. INDIRECT COST RATE

Madison County Mass Transit District has not elected to use the 10% de minimis indirect cost rate.

Proposed Winter 2020 Service Change

To: Jerry Kane
From: SJ Morrison; Joe Domer; Amanda Smith
Date: October 8, 2019

SUMMARY:

Madison County Transit (MCT) Marketing & Planning staff propose the following adjustments for the Winter 2020 Service Change. Tentatively the implementation date is scheduled for February 9, 2020.

PROPOSED WINTER 2020 SERVICE ADJUSTMENT PLAN:

#1 RIVERBEND:

- Re-route three #1 evening trips northbound trips and three southbound trips to serve Eastgate Plaza.
- *Estimated Cost Increase: None FTE Increase: None VSH Increase: None*

#5 TRI-CITY REGIONAL:

- Reduce running times between Emerson Park and 5th & Canal after 7 pm for schedule adherence and MetroLink connectivity.
 - Weekdays: (NB): 9:48pm & 10:48pm trips / SB: 11:19pm & 12:16a trips
 - Saturdays: (NB): Five trips, between 7:46pm and 11:49pm
 - Sundays: (NB) 7:46pm & 8:46pm trips
- *Estimated Cost Increase: None FTE Increase: None VSH Increase: None*

#17 COUGAR SHUTTLE:

- Add one morning trip to Weekday Academic schedule from Cougar Village to Peck Hall arriving by 7 a.m.
- *Estimated Cost Increase: \$5,630.69 FTE Increase: .02 VSH Increase: 58.8*

#20 GRANITE CITY – PONTOON BEACH SHUTTLE:

- Extend route to World Wide Technology in Gateway Commerce Center
- Adjust Southbound trip start times at Dial from :13/:43 to :17/:47 for schedule reliability
- To accommodate later trip start time at Dial:
- Blocks 501 and 502 will pull out four minutes later all weekdays.
- Blocks 503 and 506 on Route #20X will pull out four minutes later on all weekdays except Mondays.
- Block 583 will pull out four minutes later on Saturdays.
- Blocks 591 and 593 will pull out four minutes later on Sundays.
- Blocks 505 and 554 will pull in one minute later on weekdays.
- Block 586 will pull in one minute later on Saturdays and one minute later on Sundays.
- *Estimated Cost Increase: (\$5,219.52) FTE Increase: (.03) VSH Increase: (61.23)*

#22 UNIVERSITY SHUTTLE:

- Decrease connection time between Peck Hall and University & Esic for schedule reliability.
- *Estimated Cost Increase: None* *FTE Increase: None* *VSH Increase: None*

ALL EXPRESS TRIPS: #1X, #5, #14X, #16X:

- Re-route all Express trips to serve the front entrance of Wells Fargo on Market Street.
- Morning: Trips will operate normal route in Downtown St. Louis but will stay on Market Street instead of turning on Jefferson. Bus stop located between Beaumont and Ewing.
- Eliminate Reverse Routing on #16X AM Trips. Riders to SIUE will board normal peak-direction trips.
- Afternoon: Stage buses at current location, turn left from 20th Street onto Market, bypass Jefferson pick up in front of Wells Fargo on northside of Market. Turn right on Ewing, right on Olive, and resume current routing.
- *Estimated Cost Increase: (\$12,824.36)* *FTE Increase: (.07)* *VSH Increase: (150.45)*

Estimated Cost Increase: \$ (\$12,413.19)

FTE Increase: (.08)

VSH Increase: (152.88)

RESOLUTION 20-02

AUTHORIZING THE EXECUTION OF AN AMENDMENT TO THE AGREEMENT TO PROVIDE MANAGEMENT SERVICES AND OPERATE PUBLIC TRANSIT SERVICES BETWEEN MADISON COUNTY MASS TRANSIT DISTRICT AND THE AGENCY FOR COMMUNITY TRANSIT, INC.

WHEREAS, Madison County Mass Transit District (District) was created in December 1980 by resolution of the Madison County Board pursuant to Section 3 of the Local Mass Transit District Act, approved July 21, 1959, as amended (70 ILCS 3610/1 et seq.), to foster an improved coordinated transportation system; and,

WHEREAS, the District has the responsibility to operate and maintain mass transit as a public service for the welfare of the residents of the District and the vitality of Madison County, Illinois; and,

WHEREAS, the District has maintained agreements with the Agency for Community Transit, Inc. (Agency) to provide paratransit bus service, public fixed-route bus service, and management for the District since 1986; and,

WHEREAS, the District executed an Agreement most recently on June 7, 2005, with the Agency to provide paratransit bus service, public fixed-route bus service, maintenance of the District's assets, rideshare services for the greater St. Louis region, design, construction and maintenance of the District's bikeways and trails, and to provide the District's general management and administrative services; and,


WHEREAS, the Agreement between the District and the Agency for the services described herein continue through the end of the current option (now June 30, 2020); and,

WHEREAS, the District and the Agency are both desirous of amending the current Agreement to identify the level of transit service provided for specific fiscal periods and to allow for a flexible funding arrangement in future fiscal periods.

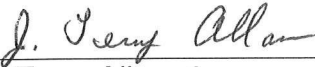
NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE MADISON COUNTY MASS TRANSIT DISTRICT THAT:

1. The Madison County Mass Transit District agrees to reimburse the Agency for Community Transit, Inc. for the total operating costs to provide paratransit and fixed-route services and the costs of associated services as set forth in Section 2 and APPENDIX A and APPENDIX B for the period July 1, 2019 through June 30, 2020, an amount not to exceed twenty-three million dollars (\$23,000,000).


ADOPTED by the Madison County Mass Transit District, Madison County, Illinois, on this thirty-first day of October 2019.



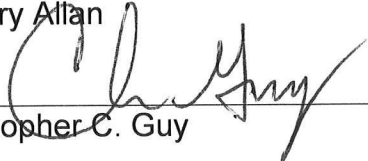
Ronald L. Jedda, Chair



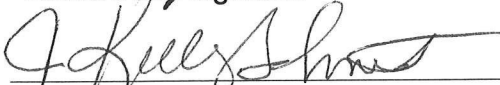
J. Terry Allan



Edward A. Hagnauer



Christopher C. Guy



J. Kelly Schmidt

APPROVED as to Form:



Tonya Genovese, Legal Counsel

CERTIFICATE

I, Donna Price, do hereby certify that I am the fully qualified and acting Secretary of the Board of Trustees of the Madison County Mass Transit District, and as such Secretary, I am the keeper of the records and files of the Madison County Mass Transit District.

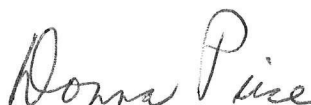
I do further certify that at a duly constituted and legally convened meeting of the Board of Trustees of the Madison County Mass Transit District held on Thursday, October 31, 2019, a resolution was adopted in full accordance and conformity with the by-laws of the Madison County Mass Transit District and the statutes of the State of Illinois, as made and provided, and that the following is a full, complete, and true copy of the pertinent provisions of said Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE MADISON COUNTY MASS TRANSIT DISTRICT THAT:

1. The Madison County Mass Transit District agrees to reimburse the Agency for Community Transit, Inc. for the total operating costs to provide paratransit and fixed-route services and the costs of associated services as set forth in Section 2 and APPENDIX A and APPENDIX B for the period July 1, 2019 through June 30, 2020, an amount not to exceed twenty-three million dollars (\$23,000,000).

I further certify that the original of the complete said resolution is on file in the records of the Madison County Mass Transit District in my custody. I do further certify that the foregoing Resolution remains in full force and effect.

IN WITNESS WHEREOF, I have hereunto affixed my official signature as Secretary of the Madison County Mass Transit District on this thirty-first day of October 2019.



RESOLUTION 20-11

AUTHORIZING THE ADOPTION OF THE MADISON COUNTY MASS TRANSIT DISTRICT'S REVISED PROCUREMENT POLICIES AND PRACTICES

WHEREAS, Madison County Mass Transit District (District) was created in December 1980 by resolution of the Madison County Board pursuant to Section 3 of the Local Mass Transit District Act, approved July 21, 1959, as amended (70 ILCS 3610/1 et. seq.); and,

WHEREAS, the District is a recipient of grant funds from the United States Department of Transportation, Federal Transit Administration (FTA) for various capital projects; and,

WHEREAS, the Federal requirements stipulated in 2 CFR Part 1201, incorporating 2 CFR Part 200 "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards", commonly referred to as the "Super Circular", FTA's procurement Circular 4220.1F "Third Party Contracting Guidance", and the Master Agreement between the FTA and the District require the District to maintain written procurement standards and procedures to ensure that the District and its contractors perform in accordance with the terms, conditions, and specifications of contracts and applicable Federal, State and local requirements; and,

WHEREAS, the staff recommends the approval of the attached revised *Procurement Policies and Practices*, October 2019, which incorporates the required changes in policies and practices since the approval of the District's *Procurement Policies and Practices*, dated January 2019.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE MADISON COUNTY MASS TRANSIT DISTRICT THAT:

1. The Madison County Mass Transit District hereby adopts the attached revised *Procurement Policies and Practices*, dated October 2019, to guide employees, officers, agents, and contractors in matters concerning the acquisition of goods and services.
2. Ronald Jedda, Chairman, J. Kelly Schmidt, Vice Chair, and/or Jerry J. Kane, Managing Director of Madison County Mass Transit District, are hereby authorized and directed to carry out the requirements documented therein.
3. Jerry J. Kane, Managing Director of the Madison County Mass Transit District, is hereby authorized to take any and all actions as may be reasonably required to administer said policy and to make revisions to the document as necessary to reflect procedural and other non-substantive changes to maintain the document's consistency with Federal, State and local requirements, and will notify the Board of Trustees of any revisions and/or changes to the document.

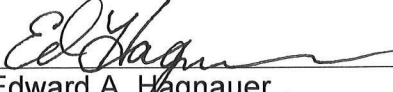
ADOPTED, by the Board of Trustees of the Madison County Mass Transit District,
Madison County, Illinois, on this thirty-first day of October 2019.



Ronald L. Jedda, Chairman



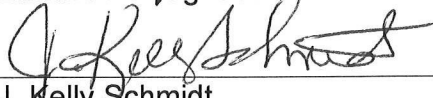
J. Terry Allan



Edward A. Hagnauer

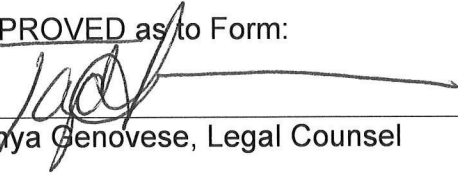


Christopher C. Guy



J. Kelly Schmidt

APPROVED as to Form:



Tonya Genovese, Legal Counsel

CERTIFICATE

I, Donna Price, do hereby certify that I am the fully qualified and acting Secretary of the Board of Trustees of the Madison County Mass Transit District, and as such Secretary, I am the keeper of the records and files of the Madison County Mass Transit District.

I do further certify that at a duly constituted and legally convened meeting of the Board of Trustees of the Madison County Mass Transit District held on Thursday, October 31, 2019, a resolution was adopted in full accordance and conformity with the by-laws of the Madison County Mass Transit District and the statutes of the State of Illinois, as made and provided, and that the following is a full, complete, and true copy of the pertinent provisions of said Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE MADISON COUNTY MASS TRANSIT DISTRICT THAT:

1. The Madison County Mass Transit District hereby adopts the attached revised *Procurement Policies and Practices*, dated October 2019, to guide employees, officers, agents, and contractors in matters concerning the acquisition of goods and services.
2. Ronald Jedda, Chairman, J. Kelly Schmidt, Vice Chair, and/or Jerry J. Kane, Managing Director of Madison County Mass Transit District, are hereby authorized and directed to carry out the requirements documented therein.
3. Jerry J. Kane, Managing Director of the Madison County Mass Transit District, is hereby authorized to take any and all actions as may be reasonably required to administer said policy and to make revisions to the document as necessary to reflect procedural and other non-substantive changes to maintain the document's consistency with Federal, State and local requirements, and will notify the Board of Trustees of any revisions and/or changes to the document.

I further certify that the original of the complete said resolution is on file in the records of the Madison County Mass Transit District in my custody. I do further certify that the foregoing Resolution remains in full force and effect.

IN WITNESS WHEREOF, I have hereunto affixed my official signature as Secretary of the Madison County Mass Transit District on this thirty-first day of October 2019.



**Madison County Mass Transit District
Granite City, Illinois**

Procurement Policies and Practices

Revised October 2019

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1 PURPOSE

This Madison County Mass Transit District Board of Trustees approved *Procurement Policies and Practices* document is designed to guide employees, officers, agents, and contractors in matters concerning the acquisition of goods and services on behalf of the Madison County Mass Transit District (hereinafter “District”). The District requires an efficient and effective procurement system to fulfill its fiscal and management responsibilities to the taxpayers of Madison County. The policies, methods and practices described in this document are intended to ensure that the most economical purchases are made in a timely manner, and that regulatory standards are exercised by all personnel involved in the procurement process.

In addition, the District must meet obligations as a recipient of capital and operating grant funds from the U.S. Department of Transportation (USDOT) and the State of Illinois. This document is further intended to ensure that the District complies with all particular requirements of external funding entities, including the Federal Transit Administration (FTA), Federal Highway Administration (FHWA), Illinois Department of Transportation (IDOT) and the Missouri Department of Transportation (MDOT).

Federally-assisted contracts executed by the District, including those using FHWA and FTA funds, must comply with the applicable requirements of 2 CFR Part 200 “Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards”, commonly referred to as the “Super Circular”, as applicable. Additionally, contracts using FTA funds will be implemented in accordance with supplementary guidance provided in FTA’s procurement Circular 4220.1F “Third Party Contracting Guidance” as amended or reissued, and in FTA’s Master Agreement. Similarly, state-assisted grants will be subject to supplementary requirements or guidelines issued by the respective state.

The remainder of this document is presented in three sections. Section 2 describes overall policies, procurement planning and administrative activities of the District, including a code of ethical standards required of District employees, agents and contractors when carrying out procurement actions. Section 3 provides guidance concerning contracting methods, including alternative types of procurements, and particular aspects of contracting, while Section 4 contains a compilation of required clauses for FTA-assisted contracts.

This document is meant to serve as a guideline. It is not meant to be comprehensive, in particular because legal obligations relative to procurements may change as a result of legislative or judicial action.

2 POLICIES AND PRACTICES

This section describes overall policies, procurement planning and administrative activities of the District, as well as regulatory standards required of employees and contractors when carrying out procurement actions involving Federal or State funding assistance.

2.1 Procurement Policies

1. Full and Open Competition

The District will conduct Federally-assisted procurement transactions in a manner that ensures full and open competition. The District will be alert to organizational conflicts of interest as well as non-competitive practices among contractors that may restrict or eliminate competition or otherwise restrain trade. Contracts will be awarded to the bidder or proposer or whose bid or offer is responsive to the solicitation and is most advantageous to the District on the basis of price, quality and other factors considered. No unreasonable or illegal restrictions, exclusionary or discriminatory specifications, or excess requirements will be placed upon contractors or vendors. Offerors of products and services may not be ruled out for anything other than appropriate business decisions, such as past experience or performance, financial and technical resources, cost, quality and delivery terms. The District will consider, employ in its reasonable discretion, breaking out contract work items into economically feasible units to facilitate Disadvantaged Business Enterprise (DBE) participation, to foster competition and obtain a more economical purchase.

2. Regulatory Standards

The District will ensure that Federal and State-assisted procurement activities are conducted in a manner consistent with the regulatory standards described in 2 CFR 200.318. A written code of conduct in such procurements is incorporated into Section 2.4 of this document.

3. Consideration of Contractors

The District will extend to its contractors and vendors a reasonable opportunity to resolve disputes, claims and appeals relating to contracts and purchases. Protest procedures are incorporated into Section 3.22 of this document to handle and resolve disputes arising from procurement actions, but such procedures, at the discretion of authorized District officials, are not exclusive, if a mutually agreeable method to resolve disputes is agreed to by the parties.

2.2 Procurement Planning

The District continually reviews the capital and operating needs of the transit system in order to anticipate and plan for specific provision of products and service. Annual and long-range procurement planning is conducted by the Managing Director of the District with input from department directors or managers. This process is designed to ensure that the District's policies are adhered to, and that unnecessary or duplicative purchases are avoided.

1. Long Term Planning

The District recognizes that purchases of rolling stock, major facilities and equipment generally require Federal and State funding assistance. Obtaining external funding assistance requires that the District anticipate its procurement needs over a minimum four-year horizon encompassed by the Transportation Improvement Program (TIP) development process. Therefore, the District will conduct long term planning as is reasonably necessary to ensure that major procurement needs are anticipated and referenced in the TIP. Given the scope of the District's operations and the finite number of major procurements anticipated in the future, it is not considered reasonable or necessary that a written long-term procurement plan be compiled.

2. Annual Planning

The District conducts annual procurement planning to ensure the efficient operation of the transit system. It is the responsibility of the District's Managing Director, in consultation with department directors or managers, to routinely analyze current and historical consumption levels, and to project future usage based on planned changes in service level, number of vehicles operated, number of employees, anticipated shifts in technology, and funding. Annual planning will address a full range of goods and services needed by the District, including computer hardware, materials, parts, consumable supplies, professional and other services.

2.3 Administration

The District will maintain a procurement administration and documentation system to ensure that contractors perform in accordance with the terms, conditions and specifications of their contracts or purchase orders. This will include a reasonable and appropriate level of written documentation for each procurement transaction.

For each Federally-assisted contract, records will be maintained in sufficient detail to document the history of the procurement with the following: 1) Rationale for the method of procurement, 2) Selection of contract type, 3) Contractor selection or rejection, and 4) Basis for the contract price. The period covered will extend from the determination of need to completion of the contract. The procurement files for Federally-assisted contracts will be retained for a minimum of three years as required by 2 CFR Part 200.333, while State-assisted contract procurement files will be retained as required by the state. Procurement files shall include the following items as applicable:

1. Purchase request, acquisition planning information, and other presolicitation documents.
2. Independent cost estimate.
3. Proof of public advertisement and/or other forms of notification to prospective bidders and proposers.
4. List of prospective bidders and proposers furnished with a solicitation package.
5. Copy of the solicitation and addenda.
6. Bids or proposals received.
7. Memorandum recommending contract award or other action to District Board of Trustees.
8. Resolution (or other form of approval) adopted by the District's Board of Trustees.
9. Notice to proceed, purchase order, executed contract, change orders and amendments.
10. Performance bond, payment bond, and project labor agreement.
11. Required insurance documents.

12. Record of protests.
13. Federal and state concurrences.
14. Organizational conflict of interest review.
15. Contract administrative actions.
16. Documentation of satisfactory contract completion.
17. Calculation and rationale for the amount of liquidated damages to be assessed.

Procurement activities and contract oversight are administered by agency staff or agents under the direction of the District's Board of Trustees and/or Managing Director. Major capital acquisitions, such as rolling stock and facilities, generally are determined by the Managing Director in consultation with the Board. Department managers are responsible for the identification of procurement needs within their particular functional area. Bid specifications and procurement documents are prepared by the department directors or managers with input from the DBE officer, and administered by the Procurement Specialist.

2.4 Regulatory Procurement Practices

These provisions are intended to ensure that the District's officers, employees, agents, contractors and Board members act in procurement matters in a manner as required by Federal and State statutes and regulations and past practices. Upon proof of a failure to comply, the District, by its Board of Trustees, may discipline any of its employees, officers, agents or Board members, as the facts of each case warrant as determined by the Board of Trustees of the District. The Board of Trustees of the District may also impose sanctions upon contractors who have through their officers, agents and employees violated this code of conduct. Any such disciplinary action shall comply with the terms and conditions of any applicable statute, regulation or ordinance and any applicable contracts (including labor agreements).

1. Conflicts of Interest and Non-Competitive Practices

No employee, officer, agent or Board member of the District shall participate in the selection, or in the award or administration of a contract if a conflict of interest, real or apparent, would be involved. This prohibition extends to such individuals during their tenure in office or employment and for one year thereafter. Such conflict would arise when any of the following has a financial or other interest in the firm selected for award:

- a. The employee, officer, agent or Board member;
- b. Any member of his/her immediate family;
- c. His/her partner;
- d. An organization that employs, or is about to employ, any individual described in subparagraphs (a), (b), or (c) hereof;
- e. Any member or staff of the United States House of Representative or the United States Senate;
- f. Any members or staff of the Illinois House of Representative or the Illinois Senate; or
- g. Any officer or member of the board of directors of the East West Gateway Council of Governments.

The District will require every recipient of a Federally-assisted contract selected through a formal procurement process to certify that it has no direct or indirect pecuniary or proprietary interest, and that it will not acquire any interest that conflicts in any manner or degree with the work required to be performed and/or provided under its contract with the District, and that it will not employ any person or agent having such interest. In the event that any contractor, its agent, employees or representatives hereafter acquire such a conflict of interest, the contractor shall immediately disclose such interest and take action immediately to eliminate the conflict or to withdraw from the contract.

2. Contingent Fees and Gratuities

No officer, employee, agent or Board member of the District will be allowed to solicit gifts, gratuities, favors, or anything of monetary value from contractors, potential contractors, their representatives, or parties to subagreements. Any acceptance of an unsolicited gift as described herein must be reported promptly to the Managing Director of the District.

The District will require every recipient of a Federally-assisted contract selected through a formal procurement process to certify that no person or selling agency except bona fide employees or designated agents or representatives of the contractor has been employed or retained to solicit or secure a contract with the District with the understanding that a commission, percentage, brokerage, or contingent fee would be paid; and no gratuities in the form of entertainment, gifts or otherwise were offered or given by the contractor or any of its agents, employees or representatives, to any official, member or employee of the District or other governmental agency with a view toward securing a contract or securing favorable treatment with respect to the awarding or amending, or the making of any determination with respect to the performance required under, a contract with the District.

3 CONTRACTING METHODS AND GUIDANCE

Federally-assisted contracts are subject to particular requirements of the Federal Acquisition Regulation (FAR), Code of Federal Regulations (CFR), and must comply with the requirements of FTA's Master Grant Agreement executed between the District and FTA. Further FTA guidance and procurement methods are provided in FTA's third party contracting guidance circular. Additionally, the District is subject to the Illinois public bidding requirements of the Local Mass Transit District Act (70 ILCS 3610/5.5), and also the Illinois Prevailing Wage Act (820 ILCS 130/) for applicable projects which are not federally funded.

When applying the methods and guidance in this policy, consideration should be given to the Illinois public bidding statute which provides for exceptions to the public bidding requirement. Exceptions include, but are not limited to, the acquisition of professional or utility services and to other matters for which public bidding is disadvantageous, and the purchase of services agreements or other contracts, purchases or sales entered into by the District with any transportation agency or unit of local government. These exceptions are not necessarily consistent for purchases and agreements with federal assistance. The District will include in solicitations all requirements which the offerors must fulfill and all other factors to be used in evaluating bids or proposals.

3.1 Informal Procurements

The District will utilize informal procurement methods as described below for purchases not more than \$250,000 per the Simplified Acquisition Threshold established by the Super Circular at 2 CFR Part 200.88, as adjusted or revised, and set by the FAR at 48 CFR Subpart 2.1 (Definitions).

1. Micro-Purchases

The District will handle procurements of property or services valued at \$10,000 or less as micro-purchases. Davis-Bacon prevailing wage requirements, however, will apply to federally funded contracts exceeding \$2,000 for construction, alteration, or repair (including painting and decorating) of public buildings or public works, even though the District may use micro-purchase procurement procedures. Illinois prevailing wage requirements apply to all non-federally funded "public works" projects (as defined by the Act) regardless of cost.

Generally, the District will solicit two or more price quotes by telephone, internet search, or written request to secure the lowest price for micro-purchase items, and will document the results of such solicitation in the form of staff notes or a memorandum to the procurement file. However, micro-purchases may be made without obtaining competitive quotations if a price is determined to be fair and reasonable. In such cases when competition is not obtained, reasonable effort as to equitable distribution among qualified suppliers will be made, procurements will not be split to avoid competition, and the file will be documented with a statement as to how the fair and reasonable determination was derived.

2. Small Purchases

Small purchases are to be considered those with a value greater than \$10,000 but not more than the Simplified Acquisition Threshold. The District will make reasonable attempts to solicit two or more price or rate quotations either by telephone, internet search, or written request to secure the best price or value and will document the results of a fair and reasonable price determination in a memorandum to the procurement file. Of note for projects with FTA assistance, the Buy America requirement is governed by the statute of 49 USC 5323(j)(13) for procurements exceeding \$150,000.

3.2 Formal Procurement Methods

The District will utilize a formal process for procurements having a value greater than the Simplified Acquisition Threshold of \$250,000 established by the Super Circular at 2 CFR Part 200.88, as adjusted or revised, and set by the FAR at 48 CFR Subpart 2.1 (Definitions).

As an exception to the preceding paragraph, in accordance with the Illinois statute for public bidding (Local Mass Transit District Act 70 ILCS 3610/5.5), the District will utilize a formal procurement process for construction, demolition, rehabilitation, renovation, and building maintenance projects involving a cost of more than \$40,000. State law must be followed even though FTA sets a higher threshold.

When a formal process is used, bids or proposals will be publicly advertised. The District will place an advertisement in a general circulation publication such as the Edwardsville Intelligencer, St. Louis Post Dispatch, Granite City Herald, or Alton Telegraph, or a trade publication such as Passenger Transport. Additionally, publications that offer additional exposure to disadvantaged business enterprises may be used as applicable.

1. Invitation for Bids (IFB) / Sealed Bid

The IFB process shall be used to solicit sealed bids in response to a procurement that lends itself to a firm fixed price contract. All bids will be publicly opened at the time and place prescribed in the IFB. The desired result of the IFB process will be to award a contract to the responsive and responsible bidder offering the lowest price to the District.

The solicitation of bids by the District will be conducted in ways that maximize competition and opportunities for a response by any interested party. The District shall compile and maintain a current list of known contractors and vendors, and provide an IFB or notification to any interested party so requesting. A pre-bid conference may be convened, but only when the District believes that particular aspects of the technical specification may require further clarification. When a pre-bid conference is held, written minutes shall be recorded and distributed to attendees and other prospective bidders. An evaluation process will select the successful bidder on the basis of price and those price-related factors listed in the solicitation in order to generate a recommendation to the District's Board of Trustees. The District may reject any or all bids if there is a sound business reason which shall be recorded or documented in the procurement file.

2. Request for Proposals (RFP)

The District will utilize a formal RFP process when the conditions are not appropriate for the use of sealed bids. The RFP process shall be used to solicit sealed proposals in response to a detailed specification issued by the District, for a procurement that lends itself to the selection of a preferred vendor or contractor on the basis of evaluation factors identified in the RFP along with their relative importance. Due to the nature of the procurement, any award should not be based exclusively on price or price-related factors. The desired result of the RFP process is to award a contract to the responsible entity whose proposal is most advantageous and/or the best value to the District with price and other factors considered.

All qualified RFP responses will be reviewed by a minimum three-member staff and/or agent evaluation committee, using a technical evaluation process determined in advance and described in the RFP. The evaluation may make use of multiple selection criteria, such as firm qualifications and background, personnel expertise and availability, responders understanding of the project, technical approach, price, and other specified evaluation factors. These criteria may be variably weighted as considered appropriate by the District. Signed copies of the evaluation forms will be retained in the procurement file.

3.3 Architectural and Engineering Services (A&E) and Other Services

For all Federally-assisted contracts involving architectural and engineering (A&E) services the District will use the qualifications-based selection procedures of 40 U.S.C. Chapter 11, "Brooks Act" or equivalent State of Illinois procedures when contracting for program management, architectural engineering, construction management, feasibility studies, preliminary engineering, design, architectural, engineering, surveying, mapping, and related services listed in 49 U.S.C. Section 5325 that are directly in support of, directly connected to, directly related to, or lead to construction, alteration, or repair of real property.

The District shall negotiate and enter into A&E contracts at fair and reasonable compensation. According to the requirements of 49 U.S.C. Section 5325 for all Federally-assisted contracts, the District must accept indirect cost rates established by a cognizant Federal or State government agency in accordance with the FAR for one-year applicable accounting periods, if those rates are not currently under dispute. If such rates are not available, an audit of the contractor or subcontractor shall be performed for compliance with the cost principles of the FAR as set forth in 2 CFR Part 200. A firm's indirect cost rates, without any limitation by administrative or de facto ceilings, shall be used, as applicable, for purposes of contract estimation, negotiation, administration, reporting, and contract payment, after the firm's indirect cost rates are accepted as described above.

3.4 Sole Source Procurement

The District's preference is to avoid non-competitive procurements, except in selected situations where circumstances preclude full and open competition. Federally-assisted contracts may be awarded on a sole-source basis when a procurement is infeasible under small purchase procedures, sealed bids, or competitive proposals, and at least one of the following circumstances applies:

1. Unique capability or availability such as a) unique or innovative concept not available from another source; or b) patents or restricted data rights restrictions that preclude competition; or c) substantial duplication costs in the case of a follow-on contract; or d) unacceptable delay in the case of a follow-on contract;
2. Unusual and compelling urgency such as a) a case where the District would be seriously harmed unless it would be permitted to limit the solicitation; or b) the public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;
3. When an awarding authority authorizes noncompetitive proposals; or
4. After solicitation of a number of sources, competition is determined to be inadequate.

3.5 Cost Analysis and Price Analysis

Federally-assisted contracts require that a cost or price analysis be performed in connection with every procurement action in excess of the Simplified Acquisition Threshold including contract modifications. As a starting point, an independent cost estimate obtained by the District prior to receiving bids or proposals. A cost analysis should be used to verify the proposed cost, profit, and that all cost elements are fair and reasonable, unless price reasonableness can be established on the basis of a catalog or market price of a commercial product sold in substantial quantities to the general public or on the basis of prices set by law or regulations. Profit is to be negotiated as a separate element of the price when there is no price competition and in all cases where cost analysis is performed. Costs or prices based on estimated costs for contracts are allowable only to the extent that costs incurred or cost estimates included in negotiated prices would be allowable under 2 CFR Part 200 Subpart E – Cost Principles. To establish a fair and reasonable profit, consideration will be given, at a minimum, to the complexity of work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of the contractor's record of past performance, and industry profit rates in the region for similar work, if available.

3.6 Restricted Practices

The following practices are restricted or prohibited in Federally-assisted procurements:

1. Unreasonable requirements placed on firms in order for them to qualify to do business with the District.
2. Unnecessarily high experience requirements.
3. Unnecessarily high bonding requirements.
4. Non-competitive pricing practices between firms or between affiliated companies.
5. Non-competitive contracts to consultants that are on retainer contracts.
6. The use of a tag-on is prohibited and is defined as the addition of work (supplies, equipment or services) that is beyond the scope of the original contract that amounts to a cardinal change and is subject to non-competitive procurement procedures.
7. Organizational conflicts of interest.
8. Restrictive use of brand names without allowing an equal product to be offered and describing the performance or other relevant requirements of the procurement.

9. Geographic preferences. However, procurements for architectural and engineering (A&E) may have a geographic location as part of the selection criterion. Contracts and agreements entered into due to state licensing requirements that don't conflict with Federal law and major disaster or emergency relief under the Stafford Act, 42 U.S.C. Section 5150, are also exempt from in-state or local geographic restrictions.
10. Any arbitrary action in the procurement process.
11. Improper prequalification procedures which do not allow for enough qualified sources to ensure maximum full and open competition. Potential bidders must be allowed an opportunity to qualify up until the bid/proposal deadline.
12. Cost plus percentage of cost contracting.
13. Percentage of construction cost method of contracting.
14. Time and material type contracts may only be used after a determination that no other type of contract is suitable, and if the contract specifies a ceiling price that the contractor shall not exceed except at its own risk.
15. Advance payments are prohibited except in limited circumstances or with prior FTA concurrence. Adequate security must be obtained.

3.7 Use of Illinois Government Purchasing Schedules

In accordance with 30 ILCS 525, Governmental Joint Purchasing Act, the District may, without violating any bidding requirement otherwise applicable to it, procure supplies and services under any contract let by the State pursuant to lawful procurement procedures. Purchases made with FTA-assistance must adhere to FTA policies.

3.8 Interstate Cooperative Procurement Contracts

The FAST Act, Section 3019, allows the District to use FTA assistance to purchase rolling stock and related equipment in a cooperative contract without regard to whether the District is located in the same State as the parties to the contract. The contract term for a cooperative procurement contract may be for an initial term of not more than two years and may include three optional extensions of one year each. A lead procurement agency or lead nonprofit entity in such a procurement may charge participants in the contract no more than 1 percent of the total value of the contract, or, may incorporate the cost into the price of the contract, but not both.

3.9 Bonding Requirements

Construction contracts shall provide adequate protection to guarantee construction performance and payment of materials and labor used in such work. At the sole discretion of the District, bonding for non-construction contracts may be used in order to protect the District's interest. The following bonding policies are applicable based on the specific project's funding sources in order to comply with FTA's requirements and the Illinois Public Construction Bond Act (30 ILCS 550/).

Bonds for Federally funded construction projects must be from qualified surety companies holding certificates of authority as an acceptable surety under Department of the Treasury regulations, "Surety Companies Doing Business with the United States," 31 CFR Part 223. For a current list of approved sureties, see Department of the Treasury's Listing of Approved Sureties (Department Circular 570), <https://www.fiscal.treasury.gov/fsreports/ref/suretyBnd/c570.htm>.

Bonds for locally funded public works projects without federal funds may be from the company, agent or broker of the contractor's choice but at a minimum must have a financial strength rating of at least A- as rated by A.M. Best Company, Inc., throughout the term of the contract or project, and any extension thereof.

Bonds are required for:

- Non-Federally funded public works contracts exceeding \$50,000
 - Federally funded construction or facility improvement contracts exceeding the Simplified Acquisition Threshold, as adjusted or revised, currently set at \$250,000
1. Bid Guarantee. The District will require a bid guarantee from each bidder equivalent to 5 percent of the bid price. The "bid guarantee" shall consist of a firm commitment such as a bid bond, certified check, or letter of irrevocable credit accompanying a bid as assurance that the bidder will, upon acceptance of the bid, execute such contractual documents as may be required within the time specified.

2. **Performance Bond.** The District will require a payment bond on the part of the contractor for 100 percent of the contract price. A “performance bond” is one executed in connection with a contract to secure fulfillment of all the contractor’s obligations under such contract. At the sole option of the District for non-federally funded construction contracts, a bank cashier’s check or letter of irrevocable credit may be acceptable in lieu of the performance bond.
3. **Payment Bond.** The District will require a payment bond on the part of the contractor for 100 percent of the contract price. A “payment bond” is one executed in connection with a contract to assure payment as required by law of all persons supplying labor and material in the execution of the work provided for in the contract. At the sole option of the District, and in accordance with State law, for non-federally funded construction contracts, a bank cashier’s check or letter of irrevocable credit may be acceptable in lieu of the payment bond.

3.10 Contract Period Limitation

With regard to FTA-assisted contracts, the District may not enter into a multi-year contract to buy rolling stock with an option exceeding five (5) years to buy additional rolling stock or replacement parts.

3.11 Use of Contract Options

The District may allow for option prices in Federally-assisted contracts, and exercise options when it is deemed beneficial to the District. The option will provide the District with the unilateral right for a specified period of time to purchase additional equipment, supplies, or services called for in the contract, or may elect to extend the term of the contract. Before an option is exercised, the District will take the following actions:

1. Evaluate the option as part of the initial procurement.
2. Establish that the option price is better than prices available in the market or that the option is the more advantageous offer at the time the option is exercised.
3. Incorporate all terms and conditions of the option into the initial contract.

3.12 Organizational Conflict of Interest

When outside sources are used to perform a project’s technical, financial, or management duties for State and/or Federally-assisted projects, then an analysis of the contractor will be performed by the District in order to identify and evaluate potential organizational conflicts of interest that would result in conflicting roles that might bias a contractor’s judgment or would result in unfair competitive advantage. An organizational conflict of interest occurs when any of the following circumstances arise: 1) lack of impartiality or impaired objectivity; 2) unequal access to information; or 3) biased ground rules. The District may take all reasonable actions to resolve and end any organizational conflict of interest.

3.13 Change Order Procedures

For all Federally-assisted contracts, the District will adhere to formal change order procedures as described in this section. At any time while a particular contract is in force, the District may, by written order designated or indicated to be a change order, make any change in the work within the scope of the contract. Oral orders generally will not be binding unless confirmed in writing by the District.

When the District issues a change order, it will afford the affected contractor(s) an opportunity to respond when it is asserted that the change order causes an increase or decrease in the cost or time required for the performance of work under the contract. In such instances, the contractor(s) will be directed to submit a written statement setting forth the general nature and monetary extent of such claim within ten (10) days after receipt of the written change order from the District. Such claims will be considered in a timely manner, and an equitable adjustment may be made and the contract modified in writing accordingly. However, no claim will be allowed for any costs incurred before the contractor gives written notice to the District that an adjustment of compensation or other consideration is requested, nor will further adjustment be allowed after final payment is made under the contract.

3.14 Revenue Contracts

Revenue contracts are those in which the District provides access to public transportation assets for the primary purpose of either producing revenue in connection with an activity related to public transportation, or creating business opportunities with the use of FTA-assisted property. In order to ensure fair and equal access to FTA assisted property and to maximize revenue derived from such property, revenue contracts involving FTA-funded facilities or assets will be awarded according to FTA requirements.

3.15 Use of Liquidated Damages

The District may incorporate liquidated damages into contracts if it reasonably expects to suffer damages through delayed contract completion, or if weight requirements are exceeded, and the extent or amount of such damages are uncertain and would be difficult or impossible to determine. The rate and measurement standards must be calculated to reasonably reflect the District's costs should the standards not be met, and must be specified in the solicitation and contract. The assessment for damages may be established at a specific rate per day for each day beyond the contract's delivery date or performance period. A measurement other than a day or another period of time, however, may be established if that measurement is appropriate, such as weight requirements in a rolling stock purchase. For federally or state funded contracts, the calculation and rationale for the amount of damages established will be documented in the procurement file. Any liquidated damages recovered must be credited to the project account with the proportionate share returned to the federal and/or state government, unless permitted otherwise.

3.16 Responsibility Requirements

Contract awards will only be made to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration may be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources.

3.17 Lease vs. Purchase

Where appropriate, consideration will be made of lease versus purchase alternatives, and any other appropriate analysis to determine the most economical approach.

3.18 Intelligent Transportation System (ITS)

ITS property and services must comply with the National ITS Architecture and Standards. To the extent applicable, the District will ensure that its contracts which involve ITS projects require provisions to ensure compliance with Federal requirements.

3.19 Bid / Proposal Mistakes

1. Minor Informalities/Irregularities in Bids

A minor informality or irregularity is one that is merely a matter of form and not of substance. It also pertains to some immaterial defect in a bid or variation of a bid from the exact requirements of the invitation that can be corrected or waived without being prejudicial to other bidders. The defect or variation is considered immaterial when the effect on price, quantity, quality, or delivery is negligible when contrasted with the total cost or scope of the services being acquired. If the District determines that the bid submitted contains a minor informality or irregularity, then the bidder shall be given an opportunity to cure any deficiency resulting from a minor informality or irregularity in a bid, or waive the deficiency, whichever is to the advantage of the District. In no event will the bidder be allowed to change the bid amount. Examples of minor informalities or irregularities include but are not limited to the following:

- a. Bidder fails to return the number of copies of signed bids required by the invitation for bid.
- b. Bidder fails to sign the bid, but only if the unsigned bid is accompanied by other material evidence, which indicates the bidder's intention to be bound by the unsigned bid (such as bid bond, or signed cover letter which references the bid number or title, and amount of bid).
- c. Bidder fails to acknowledge an amendment. This may be considered a minor informality only if the amendment, which was not acknowledged, is insignificant and involves only a matter of form or has either no effect or merely a negligible effect on price, quantity, quality, or delivery of the items of services bid upon.

2. **Mistakes Where Intended Correct Bid is Evident**
If the mistake and the intended correct bid are clearly evident to the District on the face of the bid document, the bid shall be corrected by the bidder to the intended correct bid and may not be withdrawn. Examples include, but are not limited to, typographical errors, errors in extending unit prices, and transposition errors.
3. **Mistakes Where Intended Correct Bid is not Evident**
The District retains the discretion to allow a bidder to withdraw a bid, if the bidder submits proof satisfactory to the District that the bid contains substantive mistakes despite the exercise by the bidder of reasonable care. The test of reasonable care shall be that 1) the mistake relates to a material feature of the contract; and 2) the mistake occurred despite the exercise of reasonable care; and 3) withdrawal is deemed to be in the best interest of the District.
4. **Withdrawal of Bid Before Opening**
Prior to the due date indicated in the solicitation, any bidder may withdraw its bid submitted to the District. The request for withdrawal shall be written and sent by either mail or fax notification, or in person by a firm principal or authorized representative, provided that his/her identity is made known and a receipt is signed for the return of the bid. Regardless of form, actual notice in writing must be received by the District prior to the hour and date specified for receipt of bids.
5. **Mistakes after Award of Contract**
When a mistake in a contractor's bid is not discovered until after award of a contract, the mistake may be corrected if correcting the mistake would be favorable to the District without changing the substance of the bid. If the mistake is not in the favor of the District, the District will have the following options:
 - a. To rescind the contract via termination
 - b. Deny the Contractor's request to correct the mistake, or
 - c. To reform the contract by the following actions;
 - Delete the item(s) involved in the mistake
 - To increase the price of the contract by allowing the correction of the mistake, as long as the correction or increase in price does not exceed the price of the next lowest bidder. Note: Partial corrections will not be allowed in order to stay below the next lowest bidder's price.

In all cases, the contractor has the duty to submit sufficient evidence to support its position. The alleged mistake must be proven by clear and convincing evidence that a mistake was indeed made. The contractor shall support the alleged mistake by submission of written statements and pertinent evidence such as, but not limited to; contractor's file copy of bid, contractor's original worksheets, including supporting data used to prepare bid, subcontractor or supplier quotes, and any other evidence that will serve to establish the mistake, the manner in which the mistake occurred, and the bid actually intended. If there is not clear and convincing evidence to support the alleged mistake then no correction(s) to the bid will be allowed.

6. **Mistakes in Proposals**
Since proposals are considered to be competitive negotiations there is more leeway allowed for correction of mistakes by an offeror. When it appears from a review of the proposal during evaluation and before award that a mistake has been made, the offeror may be asked to clarify their proposal in lieu of withdrawal.

3.20 Clear and Accurate Descriptions

For all Federally-assisted contracts, procurement transactions must incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured. Such description must not, in competitive procurements, contain features which unduly restrict competition. The description may include a statement of the qualitative nature of the material, product or service to be procured and, when necessary, must set forth those minimum essential characteristics and standards to which it must conform if it is to satisfy its intended use. Detailed product specifications should be avoided if at all possible. When it is impractical or uneconomical to make a clear and accurate description of the technical requirements, a "brand name or equivalent" description may be used as a means to define the performance or other salient requirements of procurement. The specific features of the named brand which must be met by offerors must be clearly stated.

3.21 Value Engineering

Value engineering is a systematic and creative analysis of each contract item or task to ensure that its essential function is provided at the overall lower cost. The District will utilize value engineering as appropriate for construction projects of sufficient size to offer reasonable opportunities for cost reductions.

3.22 Protest Procedures

The District will administer any protest initiated by a protesting party concerning its procurement actions in accordance with the following procedures.

1. Submission of Protest. The protest must be filed (received) in writing by the District in accordance with the timing requirements set forth herein, and must include:
 - a. The name, address, phone number and e-mail address of the protestor;
 - b. The project name and solicitation number;
 - c. A statement of the grounds for the protest or appeal, along with any supporting documentation; and
 - d. A statement as to what relief is requested.

The written protest shall be directed to the District's Managing Director with the word "Protest" clearly marked on the outside of the transmittal envelope. Protests should be submitted to:

Madison County Transit
Attn: Managing Director
One Transit Way
P.O. Box 7500
Granite City, IL 62040

2. Pre-bid protest. Any protest regarding a solicitation for a procurement must be filed a minimum of five (5) calendar days prior to the bid opening or proposal due date. Any protest filed after that date which raises issues regarding the solicitation will not be considered by the District. This type of protest may be based upon a) restrictive specifications, or b) the evaluation procedure, or c) the basis of award, or d) any claim that the solicitation documents or the solicitation process violates applicable Federal or State laws.
3. Pre-award protest. All other protests made prior to award must be filed no later than five (5) calendar days after the protesting party knows or should have known the alleged basis of the protest.
4. Post-award protest. Any protest regarding the award of the contract must be submitted no later than seven (7) calendar days after the date of award or after the earliest date that the protesting party should have known of the facts giving rise thereto. Any protest regarding the award of a contract filed after that date will not be considered by the District. Goods obtained or construction and/or services being performed under a protested contract will generally not be suspended pending the resolution of the protest.

The protesting party is required to furnish with its protest, at its sole expense, a Protest Bond in the amount of one thousand dollars (\$1,000). The protest bond shall be in the form of a cashier's check or certified check made payable to Madison County Mass Transit District. The protest bond shall serve as a guarantee of the validity and accuracy of the protest. If the protest is upheld, the bond shall be returned to the protesting party. If the protest is denied, the bond shall be used by the District to recover any administrative costs and damages incurred as a result of the protest and/or any resulting delay in the contracting for goods and services which were the subject of the bid.

5. District response. A protest submitted in a timely manner shall be reviewed by the District's Managing Director, who shall consider all facts, technical support, and justification submitted by the protesting party, and within a reasonable period render a written decision on behalf of the District as to the validity of the protest and the disposition thereof. The District's Managing Director may request additional information from the protesting party to clarify or support its assertions, in which case such information shall be submitted by the protesting party within seven (7) calendar days following the Managing Director's request.

6. Request for reconsideration. In the event that the protesting party disagrees with any decision of the District's Managing Director, the protesting party may, within five (5) calendar days following receipt of such written decision, appeal the decision in writing to the Chairman of the District's Board of Trustees. Such written notice of appeal shall include all documents and other information necessary to substantiate the appeal. The Chairman shall provide timely review of the appeal and transmit a written decision to the protesting party. This decision shall be considered final.
7. Decisions by District. When a protest is filed prior to a bid opening, proposal due date or award of a contract, the bid opening, proposal due date or contract award may be postponed until the protest is resolved. The District has sole discretion to proceed with the procurement process prior to resolution of protest if the District determines that:
 - a. The District's need for the goods or services is exigent; or
 - b. The protest appears vexatious or frivolous; or
 - c. Delivery or performance will be unduly delayed by failure to make the award promptly; or
 - d. Failure to make a prompt award will otherwise cause harm to District, FTA or other affected party.

3.23 Notification of Protests to Federal Transit Administration (FTA)

In all instances involving a project administered by FTA, the District shall disclose information regarding the protest to FTA, and keep FTA informed about the status of the protest.

FTA is not a party to the District's third party contracts, and does not have any obligation to any participant in the District's third party contracts. FTA will not substitute its judgement for that of the District unless the matter is primarily a Federal concern. All violations of law will be referred to the local, state, or Federal authority having proper jurisdiction.

4 CLAUSES FOR FTA ASSISTED CONTRACTS

Unless otherwise modified by FTA, the District will incorporate the following clauses as applicable in FTA-assisted contracts.

APPLICABILITY OF THIRD-PARTY CONTRACT CLAUSES (Excluding micro-purchases, except for construction contracts over \$2,000)

CLAUSE	TYPE OF PROCUREMENT				
	Professional Services/A&E	Operations/ Management/ Subrecipients	Revenue Rolling Stock Purchase	Construction	Materials & Supplies
No federal government obligations to third-parties by use of a disclaimer	All	All	All	All	All
Program fraud and false or fraudulent statements and related acts	All	All	All	All	All
Access to Records	All	All	All	All	All
Federal changes	All	All	All	All	All
Civil Rights (EEO, Title VI & ADA)	All	All	All	All	All
Incorporation of FTA Terms	All	All	All	All	All
Energy Conservation	All	All	All	All	All
Termination Provisions	>\$10,000	>\$10,000	>\$10,000	>\$10,000	>\$10,000
Debarment and Suspension	≥\$25,000	≥\$25,000	≥\$25,000	≥\$25,000	≥\$25,000
Buy America	>\$150,000	>\$150,000	>\$150,000	>\$150,000	>\$150,000 (for steel, iron, manuf.product)
Provisions for resolution of disputes, breaches, or other litigation	>\$250,000	>\$250,000	>\$250,000	>\$250,000	>\$250,000
Lobbying	>\$100,000	>\$100,000	>\$100,000	>\$100,000	>\$100,000
Clean Air	>\$150,000	>\$150,000	>\$150,000	>\$150,000	>\$150,000
Clean Water	>\$150,000	>\$150,000	>\$150,000	>\$150,000	>\$150,000
Cargo Preference			Involving property that may be transported by ocean vessel	Involving property that may be transported by ocean vessel	Involving property that may be transported by ocean vessel
Fly America	Involving foreign transport or travel by air	Involving foreign transport or travel by air	Involving foreign transport or travel by air	Involving foreign transport or travel by air	Involving foreign transport or travel by air
Davis Bacon Act				>\$2,000 (including ferry vessels)	

APPLICABILITY OF THIRD-PARTY CONTRACT CLAUSES
(Excluding micro-purchases, except for construction contracts over \$2,000)

CLAUSE	TYPE OF PROCUREMENT				
	Professional Services/A&E	Operations/ Management/ Subrecipients	Revenue Rolling Stock Purchase	Construction	Materials & Supplies
Copeland Anti-Kickback Act Section 1 Section 2				All >\$2,000 (including ferry vessels)	
Contract Work Hours & Safety Standards Act		>\$100,000	>\$100,000	>\$100,000 (including ferry vessels)	
Bonding				>\$250,000 (including ferry vessels)	
Seismic Safety	A&E for new buildings & additions			New buildings & additions	
Transit Employee Protective Arrangements		Transit operations funded with Section 5307, 5309, 5311 or 5316 funds			
Charter Service Operations		All			
School Bus Operations		All			
Drug and Alcohol Testing		Transit operations funded with Section 5307, 5309 or 5311			
Patent Rights	Research & development				
Rights in Data and Copyrights requirements	Research & development				
Disadvantaged Business Enterprises (DBEs)	All	All	All	All	All
Prompt Payment	All if threshold for DBE program met	All if threshold for DBE program met	All if threshold for DBE program met	All if threshold for DBE program met	All if threshold for DBE program met
Recycled Products		Contracts for items designated by EPA, when procuring \$10,000 or more per year		Contracts for items designated by EPA, when procuring \$10,000 or more per year	Contracts for items designated by EPA, when procuring \$10,000 or more per year
ADA Access	A&E	All	All	All	

**Madison County Mass Transit District
Granite City, Illinois**

Procurement Policies and Practices

DRAFT

Revised October ~~January~~ 2019

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1 PURPOSE

This Madison County Mass Transit District Board of Trustees approved *Procurement Policies and Practices* document is designed to guide employees, officers, agents, and contractors in matters concerning the acquisition of goods and services on behalf of the Madison County Mass Transit District (hereinafter “District”). The District requires an efficient and effective procurement system to fulfill its fiscal and management responsibilities to the taxpayers of Madison County. The policies, methods and practices described in this document are intended to ensure that the most economical purchases are made in a timely manner, and that regulatory standards are exercised by all personnel involved in the procurement process.

In addition, the District must meet obligations as a recipient of capital and operating grant funds from the U.S. Department of Transportation (USDOT) and the State of Illinois. This document is further intended to ensure that the District complies with all particular requirements of external funding entities, including the Federal Transit Administration (FTA), Federal Highway Administration (FHWA), Illinois Department of Transportation (IDOT) and the Missouri Department of Transportation (MDOT).

Federally-assisted contracts executed by the District, including those using FHWA and FTA funds, must comply with the applicable requirements of 2 CFR Part 200 “Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards”, commonly referred to as the “Super Circular”, as applicable. Additionally, contracts using FTA funds will be implemented in accordance with supplementary guidance provided in FTA’s procurement Circular 4220.1F “Third Party Contracting Guidance” as amended or reissued, and in FTA’s Master Agreement. Similarly, state-assisted grants will be subject to supplementary requirements or guidelines issued by the respective state.

The remainder of this document is presented in three sections. Section 2 describes overall policies, procurement planning and administrative activities of the District, including a code of ethical standards required of District employees, agents and contractors when carrying out procurement actions. Section 3 provides guidance concerning contracting methods, including alternative types of procurements, and particular aspects of contracting, while Section 4 contains a compilation of required clauses for FTA-assisted contracts.

This document is meant to serve as a guideline. It is not meant to be comprehensive, in particular because legal obligations relative to procurements may change as a result of legislative or judicial action.

2 POLICIES AND PRACTICES

This section describes overall policies, procurement planning and administrative activities of the District, as well as regulatory standards required of employees and contractors when carrying out procurement actions involving Federal or State funding assistance.

2.1 Procurement Policies

1. Full and Open Competition

The District will conduct Federally-assisted procurement transactions in a manner that ensures full and open competition. The District will be alert to organizational conflicts of interest as well as non-competitive practices among contractors that may restrict or eliminate competition or otherwise restrain trade. Contracts will be awarded to the bidder or proposer or whose bid or offer is responsive to the solicitation and is most advantageous to the District on the basis of price, quality and other factors considered. No unreasonable or illegal restrictions, exclusionary or discriminatory specifications, or excess requirements will be placed upon contractors or vendors. Offerors of products and services may not be ruled out for anything other than appropriate business decisions, such as past experience or performance, financial and technical resources, cost, quality and delivery terms. The District will consider, employ in its reasonable discretion, breaking out contract work items into economically feasible units to facilitate Disadvantaged Business Enterprise (DBE) participation, to foster competition and obtain a more economical purchase.

2. Regulatory Standards

The District will ensure that Federal and State-assisted procurement activities are conducted in a manner consistent with the regulatory standards described in 2 CFR 200.318. A written code of conduct in such procurements is incorporated into Section 2.4 of this document.

3. Consideration of Contractors

The District will extend to its contractors and vendors a reasonable opportunity to resolve disputes, claims and appeals relating to contracts and purchases. Protest procedures are incorporated into Section 3.22 of this document to handle and resolve disputes arising from procurement actions, but such procedures, at the discretion of authorized District officials, are not exclusive, if a mutually agreeable method to resolve disputes is agreed to by the parties.

2.2 Procurement Planning

The District continually reviews the capital and operating needs of the transit system in order to anticipate and plan for specific provision of products and service. Annual and long-range procurement planning is conducted by the Managing Director of the District with input from department directors or managers. This process is designed to ensure that the District's policies are adhered to, and that unnecessary or duplicative purchases are avoided.

1. Long Term Planning

The District recognizes that purchases of rolling stock, major facilities and equipment generally require Federal and State funding assistance. Obtaining external funding assistance requires that the District anticipate its procurement needs over a minimum four-year horizon encompassed by the Transportation Improvement Program (TIP) development process. Therefore, the District will conduct long term planning as is reasonably necessary to ensure that major procurement needs are anticipated and referenced in the TIP. Given the scope of the District's operations and the finite number of major procurements anticipated in the future, it is not considered reasonable or necessary that a written long-term procurement plan be compiled.

2. Annual Planning

The District conducts annual procurement planning to ensure the efficient operation of the transit system. It is the responsibility of the District's Managing Director, in consultation with department directors or managers, to routinely analyze current and historical consumption levels, and to project future usage based on planned changes in service level, number of vehicles operated, number of employees, anticipated shifts in technology, and funding. Annual planning will address a full range of goods and services needed by the District, including computer hardware, materials, parts, consumable supplies, professional and other services.

2.3 Administration

The District will maintain a procurement administration and documentation system to ensure that contractors perform in accordance with the terms, conditions and specifications of their contracts or purchase orders. This will include a reasonable and appropriate level of written documentation for each procurement transaction.

For each Federally-assisted contract, records will be maintained in sufficient detail to document the history of the procurement with the following: 1) Rationale for the method of procurement, 2) Selection of contract type, 3) Contractor selection or rejection, and 4) Basis for the contract price. The period covered will extend from the determination of need to completion of the contract. The procurement files for Federally-assisted contracts will be retained for a minimum of three years as required by 2 CFR Part 200.333, while State-assisted contract procurement files will be retained as required by the state. Procurement files shall include the following items as applicable:

1. Purchase request, acquisition planning information, and other presolicitation documents.
2. Independent cost estimate.
3. Proof of public advertisement and/or other forms of notification to prospective bidders and proposers.
4. List of prospective bidders and proposers furnished with a solicitation package.
5. Copy of the solicitation and addenda.
6. Bids or proposals received.
7. Memorandum recommending contract award or other action to District Board of Trustees.
8. Resolution (or other form of approval) adopted by the District's Board of Trustees.
9. Notice to proceed, purchase order, executed contract, change orders and amendments.
10. Performance bond, payment bond, and project labor agreement.
11. Required insurance documents.

12. Record of protests.
13. Federal and state concurrences.
14. Organizational conflict of interest review.
15. Contract administrative actions.
16. Documentation of satisfactory contract completion.
- ~~16.~~17. Calculation and rationale for the amount of liquidated damages to be assessed.

Procurement activities and contract oversight are administered by agency staff or agents under the direction of the District's Board of Trustees and/or Managing Director. Major capital acquisitions, such as rolling stock and facilities, generally are determined by the Managing Director in consultation with the Board. Department managers are responsible for the identification of procurement needs within their particular functional area. Bid specifications and procurement documents are prepared by the department directors or managers with input from the DBE officer, and administered by the Procurement Specialist.

2.4 Regulatory Procurement Practices

These provisions are intended to ensure that the District's officers, employees, agents, contractors and Board members act in procurement matters in a manner as required by Federal and State statutes and regulations and past practices. Upon proof of a failure to comply, the District, by its Board of Trustees, may discipline any of its employees, officers, agents or Board members, as the facts of each case warrant as determined by the Board of Trustees of the District. The Board of Trustees of the District may also impose sanctions upon contractors who have through their officers, agents and employees violated this code of conduct. Any such disciplinary action shall comply with the terms and conditions of any applicable statute, regulation or ordinance and any applicable contracts (including labor agreements).

1. Conflicts of Interest and Non-Competitive Practices

No employee, officer, agent or Board member of the District shall participate in the selection, or in the award or administration of a contract if a conflict of interest, real or apparent, would be involved. This prohibition extends to such individuals during their tenure in office or employment and for one year thereafter. Such conflict would arise when any of the following has a financial or other interest in the firm selected for award:

- a. The employee, officer, agent or Board member;
- b. Any member of his/her immediate family;
- c. His/her partner;
- d. An organization that employs, or is about to employ, any individual described in subparagraphs (a), (b), or (c) hereof;
- e. Any member or staff of the United States House of Representative or the United States Senate;
- f. Any members or staff of the Illinois House of Representative or the Illinois Senate; or
- g. Any officer or member of the board of directors of the East West Gateway Council of Governments.

The District will require every recipient of a Federally-assisted contract selected through a formal procurement process to certify that it has no direct or indirect pecuniary or proprietary interest, and that it will not acquire any interest that conflicts in any manner or degree with the work required to be performed and/or provided under its contract with the District, and that it will not employ any person or agent having such interest. In the event that any contractor, its agent, employees or representatives hereafter acquire such a conflict of interest, the contractor shall immediately disclose such interest and take action immediately to eliminate the conflict or to withdraw from the contract.

2. Contingent Fees and Gratuities

No officer, employee, agent or Board member of the District will be allowed to solicit gifts, gratuities, favors, or anything of monetary value from contractors, potential contractors, their representatives, or parties to subagreements. Any acceptance of an unsolicited gift as described herein must be reported promptly to the Managing Director of the District.

The District will require every recipient of a Federally-assisted contract selected through a formal procurement process to certify that no person or selling agency except bona fide employees or designated agents or representatives of the contractor has been employed or retained to solicit or secure a contract with the District with the understanding that a commission, percentage, brokerage, or contingent fee would be paid; and no gratuities in the form of entertainment, gifts or otherwise were offered or given by the contractor or any of its agents, employees or representatives, to any official, member or employee of the District or other governmental agency with a view toward securing a contract or securing favorable treatment with respect to the awarding or amending, or the making of any determination with respect to the performance required under, a contract with the District.

3 CONTRACTING METHODS AND GUIDANCE

Federally-assisted contracts are subject to particular requirements of the Federal Acquisition Regulation (FAR), Code of Federal Regulations (CFR), and must comply with the requirements of FTA's Master Grant Agreement executed between the District and FTA. Further FTA guidance and procurement methods are provided in FTA's third party contracting guidance circular. Additionally, the District is subject to the Illinois public bidding requirements of the Local Mass Transit District Act (70 ILCS 3610/5.5), and also the Illinois Prevailing Wage Act (820 ILCS 130/) for applicable projects which are not federally funded.

When applying the methods and guidance in this policy, consideration should be given to the Illinois public bidding statute which provides for exceptions to the public bidding requirement. Exceptions include, but are not limited to, the acquisition of professional or utility services and to other matters for which public bidding is disadvantageous, and the purchase of services agreements or other contracts, purchases or sales entered into by the District with any transportation agency or unit of local government. These exceptions are not necessarily consistent for purchases and agreements with federal assistance. The District will include in solicitations all requirements which the offerors must fulfill and all other factors to be used in evaluating bids or proposals.

3.1 Informal Procurements

The District will utilize informal procurement methods as described below for purchases not more than \$250,000 per the Simplified Acquisition Threshold established by the Super Circular at 2 CFR Part 200.88, as adjusted or revised, and set by the FAR at 48 CFR Subpart 2.1 (Definitions).

1. Micro-Purchases

The District will handle procurements of property or services valued at \$10,000 or less as micro-purchases. Davis-Bacon prevailing wage requirements, however, will apply to federally funded contracts exceeding \$2,000 for construction, alteration, or repair (including painting and decorating) of public buildings or public works, even though the District may use micro-purchase procurement procedures. Illinois prevailing wage requirements apply to all non-federally funded "public works" projects (as defined by the Act) regardless of cost.

Generally, the District will solicit two or more price quotes by telephone, internet search, or written request to secure the lowest price for micro-purchase items, and will document the results of such solicitation in the form of staff notes or a memorandum to the procurement file. However, micro-purchases may be made without obtaining competitive quotations if a price is determined to be fair and reasonable. In such cases when competition is not obtained, reasonable effort as to equitable distribution among qualified suppliers will be made, procurements will not be split to avoid competition, and the file will be documented with a statement as to how the fair and reasonable determination was derived.

2. Small Purchases

Small purchases are to be considered those with a value greater than \$10,000 but not more than the Simplified Acquisition Threshold. The District will make reasonable attempts to solicit two or more price or rate quotations either by telephone, internet search, or written request to secure the best price or value and will document the results of a fair and reasonable price determination in a memorandum to the procurement file. Of note for projects with FTA assistance, the Buy America requirement is governed by the statute of 49 USC 5323(j)(13) for procurements exceeding \$150,000.

3.2 Formal Procurement Methods

The District will utilize a formal process for procurements having a value greater than the Simplified Acquisition Threshold of \$250,000 established by the Super Circular at 2 CFR Part 200.88, as adjusted or revised, and set by the FAR at 48 CFR Subpart 2.1 (Definitions).

As an exception to the preceding paragraph, in accordance with the Illinois statute for public bidding (Local Mass Transit District Act 70 ILCS 3610/5.5), the District will utilize a formal procurement process for construction, demolition, rehabilitation, renovation, and building maintenance projects involving a cost of more than \$40,000. State law must be followed even though FTA sets a higher threshold.

When a formal process is used, bids or proposals will be publicly advertised. The District will place an advertisement in a general circulation publication such as the Edwardsville Intelligencer, St. Louis Post Dispatch, Granite City Herald, or Alton Telegraph, or a trade publication such as Passenger Transport. Additionally, publications that offer additional exposure to disadvantaged business enterprises may be used as applicable.

1. Invitation for Bids (IFB) / Sealed Bid

The IFB process shall be used to solicit sealed bids in response to a procurement that lends itself to a firm fixed price contract. All bids will be publicly opened at the time and place prescribed in the IFB. The desired result of the IFB process will be to award a contract to the responsive and responsible bidder offering the lowest price to the District.

The solicitation of bids by the District will be conducted in ways that maximize competition and opportunities for a response by any interested party. The District shall compile and maintain a current list of known contractors and vendors, and provide an IFB or notification to any interested party so requesting. A pre-bid conference may be convened, but only when the District believes that particular aspects of the technical specification may require further clarification. When a pre-bid conference is held, written minutes shall be recorded and distributed to attendees and other prospective bidders. An evaluation process will select the successful bidder on the basis of price and those price-related factors listed in the solicitation in order to generate a recommendation to the District's Board of Trustees. The District may reject any or all bids if there is a sound business reason which shall be recorded or documented in the procurement file.

2. Request for Proposals (RFP)

The District will utilize a formal RFP process when the conditions are not appropriate for the use of sealed bids. The RFP process shall be used to solicit sealed proposals in response to a detailed specification issued by the District, for a procurement that lends itself to the selection of a preferred vendor or contractor on the basis of evaluation factors identified in the RFP along with their relative importance. Due to the nature of the procurement, any award should not be based exclusively on price or price-related factors. The desired result of the RFP process is to award a contract to the responsible entity whose proposal is most advantageous and/or the best value to the District with price and other factors considered.

All qualified RFP responses will be reviewed by a minimum three-member staff and/or agent evaluation committee, using a technical evaluation process determined in advance and described in the RFP. The evaluation may make use of multiple selection criteria, such as firm qualifications and background, personnel expertise and availability, responders understanding of the project, technical approach, price, and other specified evaluation factors. These criteria may be variably weighted as considered appropriate by the District. Signed copies of the evaluation forms will be retained in the procurement file.

3.3 Architectural and Engineering Services (A&E) and Other Services

For all Federally-assisted contracts involving architectural and engineering (A&E) services the District will use the qualifications-based selection procedures of 40 U.S.C. Chapter 11, "Brooks Act" or equivalent State of Illinois procedures when contracting for program management, architectural engineering, construction management, feasibility studies, preliminary engineering, design, architectural, engineering, surveying, mapping, and related services listed in 49 U.S.C. Section 5325 that are directly in support of, directly connected to, directly related to, or lead to construction, alteration, or repair of real property.

The District shall negotiate and enter into A&E contracts at fair and reasonable compensation. According to the requirements of 49 U.S.C. Section 5325 for all Federally-assisted contracts, the District must accept indirect cost rates established by a cognizant Federal or State government agency in accordance with the FAR for one-year applicable accounting periods, if those rates are not currently under dispute. If such rates are not available, an audit of the contractor or subcontractor shall be performed for compliance with the cost principles of the FAR as set forth in 2 CFR Part 200. A firm's indirect cost rates, without any limitation by administrative or de facto ceilings, shall be used, as applicable, for purposes of contract estimation, negotiation, administration, reporting, and contract payment, after the firm's indirect cost rates are accepted as described above.

3.4 Sole Source Procurement

The District's preference is to avoid non-competitive procurements, except in selected situations where circumstances preclude full and open competition. Federally-assisted contracts may be awarded on a sole-source basis when a procurement is infeasible under small purchase procedures, sealed bids, or competitive proposals, and at least one of the following circumstances applies:

1. Unique capability or availability such as a) unique or innovative concept not available from another source; or b) patents or restricted data rights restrictions that preclude competition; or c) substantial duplication costs in the case of a follow-on contract; or d) unacceptable delay in the case of a follow-on contract;
2. Unusual and compelling urgency such as a) a case where the District would be seriously harmed unless it would be permitted to limit the solicitation; or b) the public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;
3. When an awarding authority authorizes noncompetitive proposals; or
4. After solicitation of a number of sources, competition is determined to be inadequate.

3.5 Cost Analysis and Price Analysis

Federally-assisted contracts require that a cost or price analysis be performed in connection with every procurement action in excess of the Simplified Acquisition Threshold including contract modifications. As a starting point, an independent cost estimate obtained by the District prior to receiving bids or proposals. A cost analysis should be used to verify the proposed cost, profit, and that all cost elements are fair and reasonable, unless price reasonableness can be established on the basis of a catalog or market price of a commercial product sold in substantial quantities to the general public or on the basis of prices set by law or regulations. Profit is to be negotiated as a separate element of the price when there is no price competition and in all cases where cost analysis is performed. Costs or prices based on estimated costs for contracts are allowable only to the extent that costs incurred or cost estimates included in negotiated prices would be allowable under 2 CFR Part 200 Subpart E – Cost Principles. To establish a fair and reasonable profit, consideration will be given, at a minimum, to the complexity of work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of the contractor's record of past performance, and industry profit rates in the region for similar work, if available.

3.6 Restricted Practices

The following practices are restricted or prohibited in Federally-assisted procurements:

1. Unreasonable requirements placed on firms in order for them to qualify to do business with the District.
2. Unnecessarily high experience requirements.
3. Unnecessarily high bonding requirements.
4. Non-competitive pricing practices between firms or between affiliated companies.
5. Non-competitive contracts to consultants that are on retainer contracts.
6. The use of a tag-on is prohibited and is defined as the addition of work (supplies, equipment or services) that is beyond the scope of the original contract that amounts to a cardinal change and is subject to non-competitive procurement procedures.
7. Organizational conflicts of interest.
8. Restrictive use of brand names without allowing an equal product to be offered and describing the performance or other relevant requirements of the procurement.

9. Geographic preferences. However, procurements for architectural and engineering (A&E) may have a geographic location as part of the selection criterion. Contracts and agreements entered into due to state licensing requirements that don't conflict with Federal law and major disaster or emergency relief under the Stafford Act, 42 U.S.C. Section 5150, are also exempt from in-state or local geographic restrictions.
10. Any arbitrary action in the procurement process.
11. Improper prequalification procedures which do not allow for enough qualified sources to ensure maximum full and open competition. Potential bidders must be allowed an opportunity to qualify up until the bid/proposal deadline.
12. Cost plus percentage of cost contracting.
13. Percentage of construction cost method of contracting.
14. Time and material type contracts may only be used after a determination that no other type of contract is suitable, and if the contract specifies a ceiling price that the contractor shall not exceed except at its own risk.
15. Advance payments are prohibited except in limited circumstances or with prior FTA concurrence. Adequate security must be obtained.

3.7 Use of Illinois Government Purchasing Schedules

In accordance with 30 ILCS 525, Governmental Joint Purchasing Act, the District may, without violating any bidding requirement otherwise applicable to it, procure supplies and services under any contract let by the State pursuant to lawful procurement procedures. Purchases made with FTA-assistance must adhere to FTA policies.

3.8 Interstate Cooperative Procurement Contracts

The FAST Act, Section 3019, allows the District to use FTA assistance to purchase rolling stock and related equipment in a cooperative contract without regard to whether the District is located in the same State as the parties to the contract. The contract term for a cooperative procurement contract may be for an initial term of not more than two years and may include three optional extensions of one year each. A lead procurement agency or lead nonprofit entity in such a procurement may charge participants in the contract no more than 1 percent of the total value of the contract, or, may incorporate the cost into the price of the contract, but not both.

3.9 Bonding Requirements

Construction contracts shall provide adequate protection to guarantee construction performance and payment of materials and labor used in such work. At the sole discretion of the District, bonding for non-construction contracts may be used in order to protect the District's interest. The following bonding policies are applicable based on the specific project's funding sources in order to comply with FTA's requirements and the Illinois Public Construction Bond Act (30 ILCS 550/).

Bonds for Federally funded construction projects must be from qualified surety companies holding certificates of authority as an acceptable surety under Department of the Treasury regulations, "Surety Companies Doing Business with the United States," 31 CFR Part 223. For a current list of approved sureties, see Department of the Treasury's Listing of Approved Sureties (Department Circular 570), <https://www.fiscal.treasury.gov/fsreports/ref/suretyBnd/c570.htm>.

Bonds for locally funded public works projects without federal funds may be from the company, agent or broker of the contractor's choice but at a minimum must have a financial strength rating of at least A- as rated by A.M. Best Company, Inc., throughout the term of the contract or project, and any extension thereof.

Bonds are required for:

- Non-Federally funded public works contracts exceeding \$50,000
 - Federally funded construction or facility improvement contracts exceeding the Simplified Acquisition Threshold, as adjusted or revised, currently set at \$250,000
1. Bid Guarantee. The District will require a bid guarantee from each bidder equivalent to 5 percent of the bid price. The "bid guarantee" shall consist of a firm commitment such as a bid bond, certified check, or letter of irrevocable credit accompanying a bid as assurance that the bidder will, upon acceptance of the bid, execute such contractual documents as may be required within the time specified.

2. **Performance Bond.** The District will require a payment bond on the part of the contractor for 100 percent of the contract price. A “performance bond” is one executed in connection with a contract to secure fulfillment of all the contractor’s obligations under such contract. At the sole option of the District for non-federally funded construction contracts, a bank cashier’s check or letter of irrevocable credit may be acceptable in lieu of the performance bond.
3. **Payment Bond.** The District will require a payment bond on the part of the contractor for 100 percent of the contract price. A “payment bond” is one executed in connection with a contract to assure payment as required by law of all persons supplying labor and material in the execution of the work provided for in the contract. At the sole option of the District, and in accordance with State law, for non-federally funded construction contracts, a bank cashier’s check or letter of irrevocable credit may be acceptable in lieu of the payment bond.

3.10 Contract Period Limitation

With regard to FTA-assisted contracts, the District may not enter into a multi-year contract to buy rolling stock with an option exceeding five (5) years to buy additional rolling stock or replacement parts.

3.11 Use of Contract Options

The District may allow for option prices in Federally-assisted contracts, and exercise options when it is deemed beneficial to the District. The option will provide the District with the unilateral right for a specified period of time to purchase additional equipment, supplies, or services called for in the contract, or may elect to extend the term of the contract. Before an option is exercised, the District will take the following actions:

1. Evaluate the option as part of the initial procurement.
2. Establish that the option price is better than prices available in the market or that the option is the more advantageous offer at the time the option is exercised.
3. Incorporate all terms and conditions of the option into the initial contract.

3.12 Organizational Conflict of Interest

When outside sources are used to perform a project’s technical, financial, or management duties for State and/or Federally-assisted projects, then an analysis of the contractor will be performed by the District in order to identify and evaluate potential organizational conflicts of interest that would result in conflicting roles that might bias a contractor’s judgment or would result in unfair competitive advantage. An organizational conflict of interest occurs when any of the following circumstances arise: 1) lack of impartiality or impaired objectivity; 2) unequal access to information; or 3) biased ground rules. The District may take all reasonable actions to resolve and end any organizational conflict of interest.

3.13 Change Order Procedures

For all Federally-assisted contracts, the District will adhere to formal change order procedures as described in this section. At any time while a particular contract is in force, the District may, by written order designated or indicated to be a change order, make any change in the work within the scope of the contract. Oral orders generally will not be binding unless confirmed in writing by the District.

When the District issues a change order, it will afford the affected contractor(s) an opportunity to respond when it is asserted that the change order causes an increase or decrease in the cost or time required for the performance of work under the contract. In such instances, the contractor(s) will be directed to submit a written statement setting forth the general nature and monetary extent of such claim within ten (10) days after receipt of the written change order from the District. Such claims will be considered in a timely manner, and an equitable adjustment may be made and the contract modified in writing accordingly. However, no claim will be allowed for any costs incurred before the contractor gives written notice to the District that an adjustment of compensation or other consideration is requested, nor will further adjustment be allowed after final payment is made under the contract.

3.14 Revenue Contracts

Revenue contracts are those in which the District provides access to public transportation assets for the primary purpose of either producing revenue in connection with an activity related to public transportation, or creating business opportunities with the use of FTA-assisted property. In order to ensure fair and equal access to FTA assisted property and to maximize revenue derived from such property, revenue contracts involving FTA-funded facilities or assets will be awarded according to FTA requirements.

3.15 Use of Liquidated Damages

The District may incorporate liquidated damages into contracts— ~~if it reasonably expects to suffer damages through delayed contract completion, or if weight requirements are exceeded, and the extent or amount of such damages are uncertain and would be difficult or impossible to determine. The rate and measurement standards must be calculated to reasonably reflect the District’s costs should the standards not be met, and must be specified in the solicitation and contract. In determining whether to use a liquidated damages clause, the District will consider the following issues: (a) the probable effect of its use on pricing and competition; and (b) the costs and difficulties of contract administration. The assessment for damages may be established at a specific rate per day for each day beyond the contract’s delivery date or performance period. A measurement other than a day or another period of time, however, may be established if that measurement is appropriate, such as weight requirements in a rolling stock purchase. For federally or state funded contracts, the calculation and rationale for the amount of damages established will be documented in the procurement file. Any liquidated damages recovered must be credited to the project account with the proportionate share returned to the federal and/or state government, unless permitted otherwise. Liquidated damages will be imposed only after all reasonable steps to ensure contract performance. The amount of liquidated damages will be specified in advance in the applicable contract.~~

3.16 Responsibility Requirements

Contract awards will only be made to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration may be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources.

3.17 Lease vs. Purchase

Where appropriate, consideration will be made of lease versus purchase alternatives, and any other appropriate analysis to determine the most economical approach.

3.18 Intelligent Transportation System (ITS)

ITS property and services must comply with the National ITS Architecture and Standards. To the extent applicable, the District will ensure that its contracts which involve ITS projects require provisions to ensure compliance with Federal requirements.

3.19 Bid / Proposal Mistakes

1. Minor Informalities/Irregularities in Bids

A minor informality or irregularity is one that is merely a matter of form and not of substance. It also pertains to some immaterial defect in a bid or variation of a bid from the exact requirements of the invitation that can be corrected or waived without being prejudicial to other bidders. The defect or variation is considered immaterial when the effect on price, quantity, quality, or delivery is negligible when contrasted with the total cost or scope of the services being acquired. If the District determines that the bid submitted contains a minor informality or irregularity, then the bidder shall be given an opportunity to cure any deficiency resulting from a minor informality or irregularity in a bid, or waive the deficiency, whichever is to the advantage of the District. In no event will the bidder be allowed to change the bid amount. Examples of minor informalities or irregularities include but are not limited to the following:

- a. Bidder fails to return the number of copies of signed bids required by the invitation for bid.

- b. Bidder fails to sign the bid, but only if the unsigned bid is accompanied by other material evidence, which indicates the bidder's intention to be bound by the unsigned bid (such as bid bond, or signed cover letter which references the bid number or title, and amount of bid).
 - c. Bidder fails to acknowledge an amendment. This may be considered a minor informality only if the amendment, which was not acknowledged, is insignificant and involves only a matter of form or has either no effect or merely a negligible effect on price, quantity, quality, or delivery of the items of services bid upon.
 2. Mistakes Where Intended Correct Bid is Evident
If the mistake and the intended correct bid are clearly evident to the District on the face of the bid document, the bid shall be corrected by the bidder to the intended correct bid and may not be withdrawn. Examples include, but are not limited to, typographical errors, errors in extending unit prices, and transposition errors.
 3. Mistakes Where Intended Correct Bid is not Evident
The District retains the discretion to allow a bidder to withdraw a bid, if the bidder submits proof satisfactory to the District that the bid contains substantive mistakes despite the exercise by the bidder of reasonable care. The test of reasonable care shall be that 1) the mistake relates to a material feature of the contract; and 2) the mistake occurred despite the exercise of reasonable care; and 3) withdrawal is deemed to be in the best interest of the District.
 4. Withdrawal of Bid Before Opening
Prior to the due date indicated in the solicitation, any bidder may withdraw its bid submitted to the District. The request for withdrawal shall be written and sent by either mail or fax notification, or in person by a firm principal or authorized representative, provided that his/her identity is made known and a receipt is signed for the return of the bid. Regardless of form, actual notice in writing must be received by the District prior to the hour and date specified for receipt of bids.
 5. Mistakes after Award of Contract
When a mistake in a contractor's bid is not discovered until after award of a contract, the mistake may be corrected if correcting the mistake would be favorable to the District without changing the substance of the bid. If the mistake is not in the favor of the District, the District will have the following options:
 - a. To rescind the contract via termination
 - b. Deny the Contractor's request to correct the mistake, or
 - c. To reform the contract by the following actions;
 - Delete the item(s) involved in the mistake
 - To increase the price of the contract by allowing the correction of the mistake, as long as the correction or increase in price does not exceed the price of the next lowest bidder. Note: Partial corrections will not be allowed in order to stay below the next lowest bidder's price.
- In all cases, the contractor has the duty to submit sufficient evidence to support its position. The alleged mistake must be proven by clear and convincing evidence that a mistake was indeed made. The contractor shall support the alleged mistake by submission of written statements and pertinent evidence such as, but not limited to; contractor's file copy of bid, contractor's original worksheets, including supporting data used to prepare bid, subcontractor or supplier quotes, and any other evidence that will serve to establish the mistake, the manner in which the mistake occurred, and the bid actually intended. If there is not clear and convincing evidence to support the alleged mistake then no correction(s) to the bid will be allowed.
6. Mistakes in Proposals
Since proposals are considered to be competitive negotiations there is more leeway allowed for correction of mistakes by an offeror. When it appears from a review of the proposal during evaluation and before award that a mistake has been made, the offeror may be asked to clarify their proposal in lieu of withdrawal.

3.20 Clear and Accurate Descriptions

For all Federally-assisted contracts, procurement transactions must incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured. Such description must not, in

competitive procurements, contain features which unduly restrict competition. The description may include a statement of the qualitative nature of the material, product or service to be procured and, when necessary, must set forth those minimum essential characteristics and standards to which it must conform if it is to satisfy its intended use. Detailed product specifications should be avoided if at all possible. When it is impractical or uneconomical to make a clear and accurate description of the technical requirements, a “brand name or equivalent” description may be used as a means to define the performance or other salient requirements of procurement. The specific features of the named brand which must be met by offerors must be clearly stated.

3.21 Value Engineering

Value engineering is a systematic and creative analysis of each contract item or task to ensure that its essential function is provided at the overall lower cost. The District will utilize value engineering as appropriate for construction projects of sufficient size to offer reasonable opportunities for cost reductions.

3.22 Protest Procedures

The District will administer any protest initiated by a protesting party concerning its procurement actions in accordance with the following procedures.

1. Submission of Protest. The protest must be filed (received) in writing by the District in accordance with the timing requirements set forth herein, and must include:
 - a. The name, address, phone number and e-mail address of the protestor;
 - b. The project name and solicitation number;
 - c. A statement of the grounds for the protest or appeal, along with any supporting documentation; and
 - d. A statement as to what relief is requested.

The written protest shall be directed to the District’s Managing Director with the word “Protest” clearly marked on the outside of the transmittal envelope. Protests should be submitted to:

Madison County Transit
Attn: Managing Director
One Transit Way
P.O. Box 7500
Granite City, IL 62040

2. Pre-bid protest. Any protest regarding a solicitation for a procurement must be filed a minimum of five (5) calendar days prior to the bid opening or proposal due date. Any protest filed after that date which raises issues regarding the solicitation will not be considered by the District. This type of protest may be based upon a) restrictive specifications, or b) the evaluation procedure, or c) the basis of award, or d) any claim that the solicitation documents or the solicitation process violates applicable Federal or State laws.
3. Pre-award protest. All other protests made prior to award must be filed no later than five (5) calendar days after the protesting party knows or should have known the alleged basis of the protest.
4. Post-award protest. Any protest regarding the award of the contract must be submitted no later than seven (7) calendar days after the date of award or after the earliest date that the protesting party should have known of the facts giving rise thereto. Any protest regarding the award of a contract filed after that date will not be considered by the District. Goods obtained or construction and/or services being performed under a protested contract will generally not be suspended pending the resolution of the protest.

The protesting party is required to furnish with its protest, at its sole expense, a Protest Bond in the amount of one thousand dollars (\$1,000). The protest bond shall be in the form of a cashier’s check or certified check made payable to Madison County Mass Transit District. The protest bond shall serve as a guarantee of the validity and accuracy of the protest. If the protest is upheld, the bond shall be returned to the protesting party. If the protest is denied, the bond shall be used by the District to recover any administrative costs and damages incurred as a result of the protest and/or any resulting delay in the contracting for goods and services which were the subject of the bid.

5. District response. A protest submitted in a timely manner shall be reviewed by the District's Managing Director, who shall consider all facts, technical support, and justification submitted by the protesting party, and within a reasonable period render a written decision on behalf of the District as to the validity of the protest and the disposition thereof. The District's Managing Director may request additional information from the protesting party to clarify or support its assertions, in which case such information shall be submitted by the protesting party within seven (7) calendar days following the Managing Director's request.
6. Request for reconsideration. In the event that the protesting party disagrees with any decision of the District's Managing Director, the protesting party may, within five (5) calendar days following receipt of such written decision, appeal the decision in writing to the Chairman of the District's Board of Trustees. Such written notice of appeal shall include all documents and other information necessary to substantiate the appeal. The Chairman shall provide timely review of the appeal and transmit a written decision to the protesting party. This decision shall be considered final.
7. Decisions by District. When a protest is filed prior to a bid opening, proposal due date or award of a contract, the bid opening, proposal due date or contract award may be postponed until the protest is resolved. The District has sole discretion to proceed with the procurement process prior to resolution of protest if the District determines that:
 - a. The District's need for the goods or services is exigent; or
 - b. The protest appears vexatious or frivolous; or
 - c. Delivery or performance will be unduly delayed by failure to make the award promptly; or
 - d. Failure to make a prompt award will otherwise cause harm to District, FTA or other affected party.

3.23 Notification of Protests to Federal Transit Administration (FTA)

In all instances involving a project administered by FTA, the District shall disclose information regarding the protest to FTA, and keep FTA informed about the status of the protest.

FTA is not a party to the District's third party contracts, and does not have any obligation to any participant in the District's third party contracts. FTA will not substitute its judgement for that of the District unless the matter is primarily a Federal concern. All violations of law will be referred to the local, state, or Federal authority having proper jurisdiction.

4 CLAUSES FOR FTA ASSISTED CONTRACTS

Unless otherwise modified by FTA, the District will incorporate the following clauses as applicable in FTA-assisted contracts.

APPLICABILITY OF THIRD-PARTY CONTRACT CLAUSES
(Excluding micro-purchases, except for construction contracts over \$2,000)

CLAUSE	TYPE OF PROCUREMENT				
	Professional Services/A&E	Operations/ Management/ Subrecipients	Revenue Rolling Stock Purchase	Construction	Materials & Supplies
No federal government obligations to third-parties by use of a disclaimer	All	All	All	All	All
Program fraud and false or fraudulent statements and related acts	All	All	All	All	All
Access to Records	All	All	All	All	All
Federal changes	All	All	All	All	All
Civil Rights (EEO, Title VI & ADA)	All	All	All	All	All
Incorporation of FTA Terms	All	All	All	All	All
Energy Conservation	All	All	All	All	All
Termination Provisions	>\$10,000	>\$10,000	>\$10,000	>\$10,000	>\$10,000
Debarment and Suspension	≥\$25,000	≥\$25,000	≥\$25,000	≥\$25,000	≥\$25,000
Buy America	>\$150,000	>\$150,000	>\$150,000	>\$150,000	>\$150,000 (for steel, iron, manuf.product)
Provisions for resolution of disputes, breaches, or other litigation	>\$250,000	>\$250,000	>\$250,000	>\$250,000	>\$250,000
Lobbying	>\$100,000	>\$100,000	>\$100,000	>\$100,000	>\$100,000
Clean Air	>\$150,000	>\$150,000	>\$150,000	>\$150,000	>\$150,000
Clean Water	>\$150,000	>\$150,000	>\$150,000	>\$150,000	>\$150,000
Cargo Preference			Involving property that may be transported by ocean vessel	Involving property that may be transported by ocean vessel	Involving property that may be transported by ocean vessel
Fly America	Involving foreign transport or travel by air	Involving foreign transport or travel by air	Involving foreign transport or travel by air	Involving foreign transport or travel by air	Involving foreign transport or travel by air
Davis Bacon Act				>\$2,000 (including ferry vessels)	

APPLICABILITY OF THIRD-PARTY CONTRACT CLAUSES
(Excluding micro-purchases, except for construction contracts over \$2,000)

CLAUSE	TYPE OF PROCUREMENT				
	Professional Services/A&E	Operations/ Management/ Subrecipients	Revenue Rolling Stock Purchase	Construction	Materials & Supplies
Copeland Anti-Kickback Act Section 1 Section 2				All >\$2,000 (including ferry vessels)	
Contract Work Hours & Safety Standards Act		>\$100,000	>\$100,000	>\$100,000 (including ferry vessels)	
Bonding				>\$250,000 (including ferry vessels)	
Seismic Safety	A&E for new buildings & additions			New buildings & additions	
Transit Employee Protective Arrangements		Transit operations funded with Section 5307, 5309, 5311 or 5316 funds			
Charter Service Operations		All			
School Bus Operations		All			
Drug and Alcohol Testing		Transit operations funded with Section 5307, 5309 or 5311			
Patent Rights	Research & development				
Rights in Data and Copyrights requirements	Research & development				
Disadvantaged Business Enterprises (DBEs)	All	All	All	All	All
Prompt Payment	All if threshold for DBE program met	All if threshold for DBE program met	All if threshold for DBE program met	All if threshold for DBE program met	All if threshold for DBE program met
Recycled Products		Contracts for items designated by EPA, when procuring \$10,000 or more per year		Contracts for items designated by EPA, when procuring \$10,000 or more per year	Contracts for items designated by EPA, when procuring \$10,000 or more per year
ADA Access	A&E	All	All	All	

RESOLUTION 20-12

AUTHORIZING THE EXECUTION OF AN AGREEMENT FOR LAND ACQUISITION SERVICES

WHEREAS, the Madison County Mass Transit District (District) was created in December 1980 by resolution of the Madison County Board pursuant to Section 3 of the Local Mass Transit District Act, approved July 21, 1959, as amended (70 ILCS 3610/1 et seq.) to foster an improved coordinated transportation system; and,

WHEREAS, the District adopted its Capital Budget effective July 1, 2019, which includes a transit transfer center, park and ride lot, and various bikeway projects; and,

WHEREAS, the projects will be located on property that will be acquired or developed with the assistance of federal, state, or local funds; and,

WHEREAS, such property acquisitions are required to conform to the Uniform Relocation Assistance and Real Property Acquisition Act (URA); and,

WHEREAS, the District requires the services of a qualified firm to provide real property acquisition services in accordance with the URA; and,

WHEREAS, the District solicited and received qualification statements from three interested firms, resulting in interviews; and,

WHEREAS, it has been determined to be in the best interest of the District to negotiate and execute an agreement with Lochmueller Group, of Troy, Illinois, to provide land acquisition services for various property acquisitions.

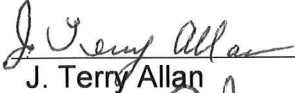
NOW, THEREFORE, BE IT RESOLVED BY THE CHAIRMAN AND THE BOARD OF TRUSTEES OF THE MADISON COUNTY MASS TRANSIT DISTRICT THAT:

1. Jerry J. Kane, Managing Director of Madison County Mass Transit District, is hereby authorized to negotiate an agreement with Lochmueller Group, of Troy, Illinois, for land acquisition and related services for the various property acquisitions needed for the District's capital projects.
2. The Madison County Mass Transit District Capital Budget line items be increased by an amount commensurate with the expense incurred as a part of the property acquisition cost.
3. The Madison County Mass Transit District increase the Assigned Fund Balance by an amount proportional to the local match required for federal, state, or local grants.
4. Ronald Jedda, Chairman, or J. Kelly Schmidt, Vice Chair; and Jerry J. Kane, Managing Director, of the Madison County Mass Transit District, are hereby authorized and directed to take all action necessary to execute, complete, and perform all obligations associated with the agreement, including any and all change orders, and to take any such further actions as are necessary and appropriate on behalf of and in a manner most beneficial to the Madison County Mass Transit District.

ADOPTED by the Madison County Transit District, Madison County, Illinois, on this thirty-first day of October 2019.



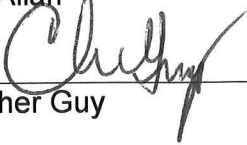
Ronald L. Jedda, Chairman




J. Terry Allan



Edward A. Hagnauer

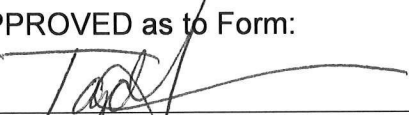


Christopher Guy



J. Kelly Schmidt

APPROVED as to Form:



Tonya Genovese, Legal Counsel

CERTIFICATE

I, Donna Price, do hereby certify that I am the fully qualified and acting Secretary of the Board of Trustees of the Madison County Mass Transit District, and as such Secretary, I am the keeper of the records and files of the Madison County Mass Transit District.

I do further certify that at a duly constituted and legally convened meeting of the Board of Trustees of the Madison County Mass Transit District held on Thursday, October 31, 2019, a resolution was adopted in full accordance and conformity with the by-laws of the Madison County Mass Transit District and the statutes of the State of Illinois, as made and provided, and that the following is a full, complete, and true copy of the pertinent provisions of said Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE MADISON COUNTY MASS TRANSIT DISTRICT THAT:

1. Jerry J. Kane, Managing Director of Madison County Mass Transit District, is hereby authorized to negotiate an agreement with Lochmueller Group, of Troy, Illinois, for land acquisition and related services for the various property acquisitions needed for the District's capital projects.
2. The Madison County Mass Transit District Capital Budget line items be increased by an amount commensurate with the expense incurred as a part of the property acquisition cost.
3. The Madison County Mass Transit District increase the Assigned Fund Balance by an amount proportional to the local match required for federal, state, or local grants.
4. Ronald Jedda, Chairman, or J. Kelly Schmidt, Vice Chair; and Jerry J. Kane, Managing Director, of the Madison County Mass Transit District, are hereby authorized and directed to take all action necessary to execute, complete, and perform all obligations associated with the agreement, including any and all change orders, and to take any such further actions as are necessary and appropriate on behalf of and in a manner most beneficial to the Madison County Mass Transit District.

I further certify that the original of the complete said resolution is on file in the records of the Madison County Mass Transit District in my custody. I do further certify that the foregoing Resolution remains in full force and effect.

IN WITNESS WHEREOF, I have hereunto affixed my official signature as Secretary of the Madison County Mass Transit District on this thirty-first day of October 2019.