



**STATE OF TENNESSEE
DEPARTMENT OF TRANSPORTATION**

COMMISSIONER'S OFFICE
SUITE 700, JAMES K. POLK BUILDING
505 DEADERICK STREET
NASHVILLE, TENNESSEE 37243-1402
(615) 741-2848

BUTCH ELEY
DEPUTY GOVERNOR/COMMISSIONER

BILL LEE
GOVERNOR

Date: 27 June 2022

Brandon McBride, Executive Director
Appalachian Regional Commission
1666 Connecticut Avenue, NW, Suite 700
Washington DC 20009-1068

Dear Mr. McBride:

The Appalachian Regional Development Act (40 U.S.C. §§ 14101- 14526, 14701-14704) contains a general authorization for other agencies to assist ARC with the administration of construction grants. This Memorandum of Understanding (MOU) is entered into by the signatory agencies to allow the Tennessee Department of Transportation (TDOT) to manage and administer the Oak Ridge General Aviation Airport Construction (TN-18621-C1) project. This MOU allows the ARC to disburse construction grant funds to TDOT so that the funds can be properly administered.

TDOT has reviewed the project application and associated information and agrees to serve as the Registered State Basic Agency to oversee and administer ARC funding in the amount of \$1,000,000.00 for the Oak Ridge General Aviation Airport Construction project. The proposed project budget is:

ARC:	\$1,000,000 (50%)
<u>Local:</u>	<u>\$1,000,000 (50%)</u>
Total:	\$2,000,000 (100%)

TDOT will coordinate with the City of Oak Ridge to adhere to the following guidelines in administering the project:

- Spending: City of Oak Ridge will ensure that spending of ARC funds will be consistent with the percent of project costs specified in the project approval (approved cost-share rate).
- Reporting: City of Oak Ridge will provide annual reports to ARC on construction progress and grant expenditures. City of Oak Ridge will provide a final report that includes performance measures and final expenditures of ARC and matching funds. TDOT shall also obtain the grantee's written certification of final project performance measures as required by ARC and the grantee's written certification of final budget tracking on the use of ARC grant funds and matching funds.

- Recovery: In the case of cost underruns, ARC funds will be limited to the percent of project costs specified in the approval (approved cost-share rate). TDOT will return excess funds for use in other ARC projects.

The primary contact at TDOT for this project is John-Paul Saalwaechter (john.saalwaechter@tn.gov). The fiscal contact for this project is John Briggs (john.briggs@tn.gov).

Sincerely,



BRANDON MCBRIDE, Executive Director
Appalachian Regional Commission

7-12-22

Date



Howard H. Eley (Jun 27, 2022 10:12 CDT)

HOWARD H. ELEY, Commissioner
Tennessee Department of Transportation

Jun 27, 2022

Date

APPENDIX I: FINANCIAL MANAGEMENT PROCESS

OUTLAY REPORT AND REQUEST FOR REIMBURSEMENT FOR CONSTRUCTION PROGRAMS <i>(See Instructions on back)</i>		OMB APPROVAL NO. 0348-0002		PAGE _____ OF _____ PAGES
		1. TYPE OF REQUEST <input type="checkbox"/> FINAL <input type="checkbox"/> PARTIAL		2. BASIS OF REQUEST <input type="checkbox"/> CASH <input type="checkbox"/> ACCRUAL
3. FEDERAL SPONSORING AGENCY AND ORGANIZATIONAL ELEMENT TO WHICH THIS REPORT IS SUBMITTED		4. FEDERAL GRANT OR OTHER IDENTIFYING NUMBER ASSIGNED BY FEDERAL AGENCY		5. PARTIAL PAYMENT REQUEST NO
6. EMPLOYER IDENTIFICATION NUMBER	7. RECIPIENT'S ACCOUNT NUMBER OR IDENTIFYING NUMBER	PERIOD COVERED BY THIS REQUEST FROM (Month, day, year) TO (Month, day, year)		
9. RECIPIENT ORGANIZATION Name: No. and Street: City, State and ZIP Code:		10. PAYEE (Where check is to be sent if different than item 9) Name: No. and Street: City, State and ZIP Code:		
11. STATUS OF FUNDS				
CLASSIFICATION	PROGRAMS -- <i>(a)</i>	FUNCTIONS -- <i>(b)</i>	ACTIVITIES <i>(c)</i>	TOTAL
a. Administrative expense	\$	\$	\$	\$ 0.00
b. Preliminary expense				0.00
c. Land, structures, right-of-way				0.00
d. Architectural engineering basic fees				0.00
e. Other architectural engineering fee				0.00
f. Project inspection fees				0.00
g. Land development				0.00
h. Relocation expense				0.00
i. Relocation payments to individuals and businesses				0.00
j. Demolition and removal				0.00
k. Construction and project improvement cost				0.00
l. Equipment				0.00
m. Miscellaneous cost				0.00
n. Total cumulative to date (sum of lines a thru m)	0.00	0.00	0.00	0.00
o. Deductions for program income				0.00
p. Net cumulative to date (line n minus line o)	0.00	0.00	0.00	0.00
q. Federal share to date				0.00
r. Rehabilitation grants (100% reimbursement)				0.00
s. Total Federal share (sum of lines q and r)	0.00	0.00	0.00	0.00
t. Federal payments previously requested				0.00
u. Amount requested for reimbursement	\$	\$	\$	\$ 0.00
v. Percentage of physical completion of project	%	%	%	%
12. CERTIFICATION I certify that to the best of my knowledge and belief the billed costs or disbursements are in accordance with the terms of the project and that the reimbursement represents the Federal share due which has not been previously requested and that an inspection has been performed and all work is in accordance with the terms of the award.		a. RECIPIENT SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL TYPED OR PRINTED NAME AND TITLE		DATE REPORT SUBMITTED TELEPHONE (Area code, number, and extension)
		b. REPRESENTATIVE CERTIFYING TO LINE 11V SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL TYPED OR PRINTED NAME AND TITLE		DATE SIGNED TELEPHONE (Area code, number, and extension)

AUTHORIZED FOR LOCAL REPRODUCTION
PREVIOUS EDITION USABLE
271-103

STANDARD FORM 271 (Rev. 7-97)
Prescribed by OMB Circular A-102 and A-110

INSTRUCTIONS

Public reporting burden for this collection of information is estimated to average 60 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0349-0004), Washington, DC 20503.

PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

Please type or print legibly. Items 3, 4, 5, 8, 9, 10, 11s and 11v are self explanatory; specific instructions for other items are as follows:

<i>Item</i>	<i>Entry</i>	<i>Item</i>	<i>Entry</i>
1	Mark the appropriate box. If the request is final, the amounts billed should represent the final cost of the project.	11j	Enter gross salaries and wages of employees of the recipient and payments to third party contractors directly engaged in performing demolition or removal of structures from developed land. All proceeds from the sale of salvage or the removal of structures should be credited to this account; thereby reflecting net amounts if required by the Federal agency.
2	Show whether amounts are computed on an accrued expenditure or cash disbursement basis.	11k	Enter those amounts associated with the actual construction of, addition to, or restoration of a facility. Also, include in this category, the amounts for project improvements such as sewers, streets, landscaping, and lighting.
6	Enter the Employer Identification Number (EIN) assigned by the U.S. Internal Revenue Service or FICE (institution) code if requested by the Federal agency.	11l	Enter amounts for all equipment, both fixed and movable, exclusive of equipment used for construction. For example, permanently attached laboratory tables, built-in audio visual systems, movable desks, chairs, and laboratory equipment.
7	This space is reserved for an account number or other identifying number that may be assigned by the recipient.	11m	Enter the amounts of all items not specifically mentioned above.
11	The purpose of vertical columns (a) through (c) is to provide space for separate cost breakdowns when a large project has been planned and budgeted by program, function or activity. If additional columns are needed, use as many additional forms as needed and indicate page number in space provided in upper right; however, the summary totals of all programs, functions, or activities should be shown in the "total" column on the first page. All amounts are reported on a cumulative basis.	11n	Enter the total cumulative amount to date which should be the sum of lines a through m.
11a	Enter amounts expended for such items as travel, legal fees, rental of vehicles and any other administrative expenses. Include the amount of interest expense when authorized by program legislation. Also show the amount of interest expense on a separate sheet.	11o	Enter the total amount of program income applied to the grant or contract agreement except income included on line j. Identify on a separate sheet of paper the sources and types of the income.
11b	Enter amounts pertaining to the work of locating and designing, making surveys and maps, sinking test holes, and all other work required prior to actual construction.	11p	Enter the net cumulative amount to date which should be the amount shown on line n minus the amount on line o.
11c	Enter all amounts directly associated with the acquisition of land, existing structures and related right-of-way.	11q	Enter the Federal share of the amount shown on line p.
11d	Enter basic fees for services of architectural engineers.	11r	Enter the amount of rehabilitation grant payments made to individuals when program legislation provides 100 percent payment by the Federal agency.
11e	Enter other architectural engineering services. Do not include any amounts shown on line d.	11t	Enter the total amount of Federal payments previously requested, if this form is used for requesting reimbursement.
11f	Enter inspection and audit fees of construction and related programs.	11u	Enter the amount now being requested for reimbursement. This amount should be the difference between the amounts shown on lines s and t. If different, explain on a separate sheet.
11g	Enter all amounts associated with the development of land where the primary purpose of the grant is land improvement. The amount pertaining to land development normally associated with major construction should be excluded from this category and entered on line k.	12a	To be completed by the official recipient official who is responsible for the operation of the program. The date should be the actual date the form is submitted to the Federal agency.
11h	Enter the dollar amounts used to provide relocation advisory assistance and net costs of replacement housing (last resort). Do not include amounts needed for relocation administrative expenses; these amounts should be included in amounts shown on line a.	12b	To be completed by the official representative who is certifying to the percent of project completion as provided for in the terms of the grant or agreement.
11i	Enter the amount of relocation payments made by the recipient to displaced persons, farms, business concerns, and nonprofit organizations.		

APPENDIX II: ENVIRONMENTAL ASSESSMENT PROCESS

The Tennessee Department of Transportation Aeronautics Division (TDOTAD) complies with the National Environmental Policy Act of 1969 (NEPA, 42 U.S.C. 4321 et seq.)—as implemented by the Council of Environmental Quality Regulations (CEQ) for Implementing the Procedural Provisions of NEPA (40 C.F.R. Parts 1500-1508), FAA’s NEPA procedures (FAA Order 1050.1, Environmental Impacts: Policies and Procedures and FAA Order 5050.4, NEPA Implementing Instructions for Airport Actions), and related FAA guidance (the FAA Order 1050.1 Desk Reference and Environmental Desk Reference for Airport Actions)—and applicable “special purpose laws and requirements.” Special purpose laws and requirements are federal laws, regulations, executive orders, and U.S. Department of Transportation and FAA directives that relate to the environment (e.g., air quality, water quality, wetlands, endangered species, and historic sites). Special purpose laws and requirements that apply to the TDOTAD’s administration of block grant funds are described in FAA Orders 1050.1 and 5050.4, and related FAA guidance.

For any project for which the TDOTAD proposes to use TDOTAD block grant funds that also includes an FAA action, the TDOTAD will consult with FAA on the appropriate level of NEPA analysis. After the FAA and TDOTAD agree on the level of analysis, the TDOTAD will conduct the analysis and prepare the appropriate NEPA documentation in accordance with FAA Orders 1050.1 and 5050.4.

- The environmental analysis and documentation will include the effects of FAA’s action.
- TDOTAD will approve the draft Environmental Assessments (EAs) for public availability purposes.
- The environmental analysis and documentation will be subject to FAA’s review and concurrence before FAA and the TDOTAD issue environmental decisions.
- Depending on the action, FAA may act as a cooperating agency or joint lead agency. This will be determined on a project-by-project basis, and through coordination between the TDOTAD and FAA.
- After completion of the final environmental document, FAA and the TDOTAD can either issue a joint environmental decision or separate environmental decisions. This will be determined on a project-by-project basis, and through coordination between FAA and the TDOTAD. For separate environmental decisions, the TDOTAD will issue a decision on the action involving block grant funds and FAA will issue a decision on the agency’s action(s).
- For Discretionary funded projects, the FAA will make a final determination on the EA/FONSI.
- For Part 150 or initial notifications for American Indian and Alaska Native Tribal Consultation, the FAA performs and the TDOTAD assists.
- TDOTAD will consult with the FAA for projects involving activities related to Section 106 of the National Historic Preservation Act of 1966, Public Law 89-665 (codified as amended at 16 U.S.C. § 470h-2) or coordination with the State Historical Preservation Office (SHPO).

APPENDIX III: LABOR STANDARDS PROCESS



Davis-Bacon Act Policies & Procedures

Davis-Bacon Act (DBA) Overview

Enacted in 1931, the DBA is intended to protect communities and workers from economic disruption caused by competition arising from non-local contractors obtaining federal construction contracts by underbidding local wage levels.

Applicability

The DBA requires payment of prevailing wages and fringe benefits for all construction contracts **exceeding \$2,000** funded in whole or in part with Federal funds (AIP, USDA, ARC, etc.). This requirement extends to all subcontractors employed under the prime Contractor. This requirement is included in the grant assurances, and is considered a condition of grant acceptance.

Wage Determinations (WD)

WD's are issued based on project location and construction type:

Highway, Building, Heavy, and Residential.

- **Highway** — Appropriate for most airfield projects
- **Building** — Non-residential sheltered enclosures
- **Residential** — Not applicable to airport work
- **Heavy** — Projects not classified as any of the above

A current wage rate determination and DBA contract provision must be **physically** included in the project bid solicitation. WD's must also be posted at the job site.



- Select State and County
- Select Construction Type

**Note: Tennessee has a statewide wage rate determination for the highway construction type*

Resources

[Davis-Bacon Act — 40 U.S.C. 3141 et seq.](#)
[29 CFR — Labor](#)
[29 CFR Part 541 — Exemptions](#)
[Department of Labor Resources](#)
[Federal Contract Provisions](#)
[Davis-Bacon Poster \(WH-1321\)](#)
[SF 1445 — Labor Standards Interview](#)
[Optional Form WH-347 \(Certified Payroll\)](#)

Guide to Compliance

Sponsor:

- Incorporate a current WD and required contract clause into the bid solicitation
- Do not award contract to a debarred contractor
- Discuss DBA requirements with Contractor(s) before construction activities begin—preferably, at the pre-construction meeting
- Review weekly payroll records for compliance
- Conduct labor standards interviews
 - No mandated frequency; however, *29 CFR Part 5.6* requires interviews to be conducted "with such frequency as may be necessary to assure compliance."

Contractor:

- Pay wages and fringe benefits per appropriate WD
- Post WD and Davis-Bacon Poster (*WH-1321*) in a prominent and conspicuous location on the job site
- Maintain payroll records for three (3) years from completion of contract
- Submit the "Timely Certified Payroll Attestation" form to TDOT before beginning work (**ALL** Contractor(s) must submit)
- Submit "each weekly statement... within seven [7] days after the regular payment date of the payroll period" to Sponsor and TDOT Aeronautics **Including periods when no work was performed** (*29 CFR 3.4 (a)*)
 - Shall **NOT** include Social Security Numbers or home addresses (*29 CFR 5.5(a)(3)(ii)(A)*)
 - **MUST** be accompanied with a "Statement of Compliance" which satisfies *OMB No. 1235-0008*
 - *Optional Form WH-347* satisfies DBA requirements, but is not mandated

TDOT Aeronautics Division:

- Save each weekly statement in the "Contractor Payrolls" folder in the project file on the network with the below name:
Contractor_WeekEndingDate(YYYYMMDD)
- Document the date of receipt by saving correspondence in the "Contractor Payroll" folder for each weekly statement and make sure they are being received within seven (7) days of Contractor pay period payment
- To approve an invoice reimbursement for a specific pay period:
 - Review wages and work classifications for compliance with the WD included in the contract
 - Attach all certified payrolls for the pay period with the approved Project Manager pay form
 - Attach all correspondence of received payrolls for the pay period
- Withhold reimbursement requests until all certified payrolls are submitted and reviewed for compliance

TIMELY CERTIFIED PAYROLL SUBMITTAL ATTESTATION

- The Copeland Act (40 U.S.C. § 3145) and 29 C.F.R. §§ 3.3(a) requires contractors and subcontractors performing work on Federally financed or assisted construction contracts to "furnish weekly a statement with respect to the wages paid each employee during the preceding week."
- U.S. Department of Labor (DOL) regulations at 29 C.F.R. § 3.4(a) require:
 - *Each weekly statement required under §3.3 shall be delivered by the contractor or subcontractor, within seven days after the regular payment date of the payroll period, to a representative of a Federal or State agency in charge at the site of the building or work, or, if there is no representative of a Federal or State agency at the site of the building or work, the statement shall be mailed by the contractor or subcontractor, within such time, to a Federal or State agency contracting for or financing the building or work.*
- 48 CFR 22.406-6(b) states that if the contractor fails to submit certified payrolls promptly, the department will withhold payments to protect the interest of the government and construction workers.

Late submittal of certified payrolls violates the Copeland Act and 29 C.F.R. § 3.4(a), and my signature acknowledges that I understand the Davis-Bacon Requirements in the contract and are aware of the requirement to submit certified payrolls within seven days after the regular payment date of the payroll period to the agency financing the construction project (TDOT Aeronautics Division). I understand that the Aeronautics Division will withhold payments until certified payrolls are submitted as required.

Please complete the following.

Name of Signatory Party: _____

Title: _____

Contractor or Subcontractor: _____

Project and Location: _____

Signature: _____ Date: _____

Example 1:

- A) The prime/subcontractor's weekly pay period ends on Friday, 9/13/2019.
- B) The prime/subcontractor must pay employees within 7 days of weekly pay period end date Friday, 9/13/2019, payment is due on or before Friday, 9/20/2019.
- C) Certified Payrolls are due to TDOT within 7 days of payment on Friday 9/20/2019, Certified Payrolls are due on or before Friday, 9/27/2019.

September 2019

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1	2	3	4	5	6	7
8	9	10	11	12	13 A	14
15	16	17	18	19	20 B	21
22	23	24	25	26	27 C	28
29	30					

Example 2:

- D) The prime/subcontractor's weekly pay period ends on Saturday, 9/14/2019**
- E) The prime/subcontractor pays employees every Tuesday, payment for weekly pay period end date of Saturday, 9/14/2019 occurs on Tuesday, 9/17/2019.**
- F) Certified Payrolls are due to TDOT within 7 days of payment on Tuesday, 9/17/2019, Certified Payrolls are due on or before Tuesday, 9/24/2019.**

September 2019

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1	2	3	4	5	6	7
8	9	10	11	12	13	14 D
15	16	17 E	18	19	20	21
22	23	24 F	25	26	27	28
29	30					

Example 3:

- G) The prime contractor's weekly pay period ends on Friday, 9/13/2019.
- H) The prime contractor pays employees every Wednesday, payment for weekly pay period end date of Friday, 9/13/2019 occurs on Wednesday, 9/18/2019.
- I) The subcontractor's weekly pay period ends on Wednesday, 9/11/2019, and 9/18/2019 (H).
- J) The subcontractor pays employees every Monday, so payment for weekly pay period end date of Wednesday, 9/11/2019 occurs on Monday, 9/16/2019.
- K) Certified Payroll for subcontractor is due to TDOT within 7 days of payment on Monday, 9/16/2019, Certified Payrolls are due on or before Monday, 9/23/2019.
- L) Certified Payrolls for prime contractor are due to TDOT within 7 days of payment on Wednesday, 9/18/2019, Certified Payrolls are due on or before Wednesday, 9/25/2019.

The Prime Contractor may submit prime and sub certified payrolls on 9/25/2019 (L) for prime contractor week ending date 9/13/2019 (G) and subcontractor week ending date 9/16/2019 (H) and be within the timeframes outlined in the Code of Federal Regulations.

If the prime contractor does NOT submit payrolls for subcontractor 9/11/2019 (I) until 9/25/2019 (L), the subcontractor payrolls will be late by two (2) days.

THE PRIME CONTRACTOR IS RESPONSIBLE FOR THE SUBMISSION OF COPIES OF PAYROLLS FOR ALL SUBCONTRACTORS.

September 2019

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1	2	3	4	5	6	7
8	9	10	11 I	12	13 G	14
15	16 J	17	18 H	19	20	21
22	23 K	24	25 L	26	27	28
29	30					

Example 4:

M) The prime contractor's weekly pay period ends on Friday, 9/27/2019

N) The prime contractor pays employees every Wednesday, payment for weekly pay period end date Friday, 9/27/2019 occurs on Wednesday, 10/2/019.

O) Certified Payrolls are due to TDOT within 7 days of payment on Wednesday, 10/2/2019, Certified Payrolls are due on or before Wednesday, 10/9/2019.

Prime/subcontractor certified payrolls that are due to TDOT on or before the estimate run date must be received before processing the estimate.

September, 2019

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27 M	28
29	30 Estimate Cutoff Date					

October 2019

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		1	2 N	3	4	5
6	7	8	9 O	10 Estimate Run Date	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

APPENDIX IV: PROCUREMENT PROCESS

Procurement. If other terms of this Memorandum of Understanding (MOU) allow reimbursement for the cost of goods, materials, supplies, equipment, or contracted services, such procurement shall be made on a competitive basis, including the use of competitive bidding procedures, where practical. The Grantee shall maintain documentation for the basis of each procurement for which reimbursement is paid pursuant to this Grant Contract. In each instance where it is determined that use of a competitive procurement method is not practical, supporting documentation shall include a written justification for the decision and for use of a non-competitive procurement. The Grantee shall comply with 2 C.F.R. §§ 200.317—300.326 when procuring property and services under a federal award.

The Grantee shall obtain prior approval from the TDOTAD before purchasing any equipment under this Grant Contract.

For purposes of this Grant Contract, the term “equipment” shall include any article of nonexpendable, tangible, personal property having a useful life of more than one year and an acquisition cost which equals or exceeds five thousand dollars (\$5,000.00).

The Grantee must comply with 49 U.S.C. §47107(a)(17), which establishes the requirement to base selection of an A/E on qualifications similar to that required under Chapter 11 of title 40, Selection of Architects and Engineers.

Advisory Circular 150/5100-14, Architectural, Engineering, and Planning Consultant Services for Airport Grant Projects, serves as the official FAA guidance to the Grantee for procurement of A/E services.

Prior to soliciting for consultant qualifications, the Grantee must establish the evaluation criteria and the relevant importance for each factor (i.e., weighted criteria). Should the Grantee use external resources to prepare a request-for-qualification (RFQ) or Statement-of-work (SOW), the Grantee should advise the party providing the assistance that they cannot compete for the services identified in the RFQ.

The Grantee must publicly advertise the RFQ for the purpose of seeking maximum interest. The Grantee must identify all applicable evaluation criteria as part of the solicitation.

Upon receiving the qualification Statements by the stated deadline, the Grantee proceeds with evaluating each submitted qualification Statement and then rates each firm. The Grantee may prepare a short list of three to five firms from this evaluation in order to further assess the top-rated firms. Ultimately, the Grantee selects one firm as the most qualified firm. It is only after the Grantee makes this selection that the Grantee may enter into negotiations for the associated fees.

TDOT recommends the Grantee consult with the TDOT prior to soliciting for professional services to limit any risk that may jeopardize AIP participation due to noncompliance with Federal regulations.