

ADOT/MAG Project Initiation Pool (PIP) Letter Agreement

Agency:
Project:
Date:
TIP ID:
Project Description:

The Arizona Department of Transportation (ADOT) reviews federally funded projects on behalf of member agencies. Member agencies pay ADOT to review the projects. ADOT cannot begin work on the projects until the review fees are received.

Scope:

[AGENCY NAME] shall:

1. Initiate the above referenced project through the LPA Section.
2. Provide federal funding through the Maricopa Association of Governments' Project Initiation Pool funding allocation.
3. Provide the 5.7% required local match.

ADOT shall:

1. Set up the project in the ADOT database management system, assign ADOT and federal project identification numbers, assign an ADOT Project Manager, and submit the above referenced project for federal authorization under scoping activities.
2. Hold a kickoff meeting with ADOT staff and member agency to inform the member agency of the process needed to authorize projects and allow ADOT staff a preliminary view of the project.
3. Begin early work on the development of an Intergovernmental Agreement.

Fee:

The total amount of funding for the above referenced project is \$3,000. The federal share is \$2,829 and the local matching amount is \$171. The federal share of this total is subject to federal payback requirements only if the project advances beyond predesign (approximately 15% design) and the project is cancelled or does not construct within the 10 year PE limitation.

The estimated fee outlined above includes the costs to initiate the project in the ADOT system and complete preliminary project review tasks by the ADOT PM in cooperation with [AGENCY NAME].

Any unused amounts in excess of these activities will be used to cover other ADOT review activities as needed during the design and/or construction phases.

Schedule:

Once [AGENCY NAME] delivers this executed agreement by [INSERT DATE] along with the project initiation request letter and payment for the required local match, the following tasks will be executed in the estimated timeframes:

1. Project initiation and PM Assignment: 2 weeks
2. Project Authorization: 2-4 weeks
3. Hold a Kick-off Meeting: 1-2 weeks
4. Initiation of the IGA, if required: 1-2 weeks (Concurrent with item #3)

Terms of Payment:

[AGENCY NAME] will submit a check for the required 5.7% local match in the amount of \$171.00, made payable to the Arizona Department of Transportation. This check must be submitted along with this signed letter agreement and the project initiation request.

Miscellaneous Provisions:

1. The terms, conditions and provisions of this Agreement shall remain in full force and effect until completion of said Project. Further, this Agreement may be cancelled at any time prior to the award of the Project construction contract, upon thirty (30) days written notice to the other party. It is understood and agreed that, in the event the [AGENCY NAME] terminates this Agreement, the [AGENCY NAME] may be responsible for all applicable costs incurred by the State up to the time of termination.
2. The State assumes no financial obligation or liability under this Agreement, or for any resulting construction Project. The [AGENCY NAME] assumes full responsibility for the design, plans, specifications, reports, the engineering in connection therewith and the construction of the improvements contemplated, cost over-runs and construction claims. It is understood and agreed that the State's participation is confined solely to securing federal aid on behalf of the [AGENCY NAME] and the fulfillment of any other responsibilities of the State as specifically set forth herein; that any damages arising from carrying out, in any respect, the terms of this Agreement or any modification thereof shall be solely the liability of the [AGENCY NAME] and that to the extent permitted by law, the [AGENCY NAME] hereby agrees to save and hold harmless, defend and indemnify from loss the State, any of its departments, agencies, officers or employees from any and all liability, costs and/or damage incurred by any of the above arising or resulting from this Agreement; and from any other liability, damage to any person or property whatsoever, which is caused by any activity, condition, misrepresentation, directives, instruction or event arising out of the performance or non-performance of any provisions of this Agreement by the State, any of its departments, agencies, officers and employees, or its independent contractors, the [AGENCY NAME], any of its agents, officers and employees, or its independent contractors. Costs incurred by the State, any of its departments, agencies, officers or employees shall include in the event of any action, court costs, and expenses of litigation and attorneys' fees.
3. The cost of work under this Agreement is to be covered by the federal funds set aside for this Project, up to the maximum available. The [AGENCY NAME] acknowledges that the eventual actual costs may exceed the maximum available amount of federal funds, or that certain costs may not be accepted by the federal government as eligible for federal funds. Therefore, the [AGENCY NAME] agrees to furnish and provide the difference between actual Project costs and the federal funds received.
4. Should the federal funding related to this Project be terminated or reduced by the federal government, or Congress rescinds, fails to renew, or otherwise reduces apportionments or obligation authority, the State shall in no way be obligated for funding or liable for any past, current or future expenses under this agreement.
5. The cost of the project under this Agreement includes indirect costs approved by FHWA, as applicable.

6. The Parties warrant compliance with the Federal Funding Accountability and Transparency Act of 2006 and associated 2008 Amendments (the "Act"). Additionally, in a timely manner, the [AGENCY NAME] will provide information that is requested by the State to enable the State to comply with the requirements of the Act, as may be applicable.
7. The [AGENCY NAME] acknowledges compliance with federal laws and regulations and may be subject to the Office of Management and Budget (OMB), Single Audit, Circular A-133 (Audits of States, Local Governments, and Non-Profit Organizations). Entities that expend \$500,000.00 or more (prior to 12/26/14) and \$750,000.00 or more (on or after 12/26/14) of federal assistance (federal funds, federal grants, or federal awards) are required to comply by having an independent audit. Either an electronic or hardcopy of the Single Audit is to be sent to Arizona Department of Transportation Financial Management Services within the required deadline of nine (9) months of the sub recipient fiscal year end.
8. This Agreement may be cancelled in accordance with Arizona Revised Statutes § 38-511.
9. To the extent applicable under law, the provisions set forth in Arizona Revised Statutes §§ 35-214 and 35-215 shall apply to this Agreement.
10. This Agreement is subject to all applicable provisions of the Americans with Disabilities Act (Public Law 101-336, 42 U.S.C. 12101-12213) and all applicable Federal regulations under the Act, including 28 CFR Parts 35 and 36. The parties to this Agreement shall comply with Executive Order Number 2009-09 issued by the Governor of the State of Arizona and incorporated herein by reference regarding "Non-Discrimination".
11. Non-Availability of Funds: Every obligation of the State under this Agreement is conditioned upon the availability of funds appropriated or allocated for the fulfillment of such obligations. If funds are not allocated and available for the continuance of this Agreement, this Agreement may be terminated by the State at the end of the period for which the funds are available. No liability shall accrue to the State in the event this provision is exercised, and the State shall not be obligated or liable for any future payments as a result of termination under this paragraph.
12. In the event of any controversy, which may arise out of this Agreement, the Parties hereto agree to abide by required arbitration as is set forth for public works contracts in Arizona Revised Statutes § 12-1518.
13. The Parties shall comply with the applicable requirements of Arizona Revised Statutes § 41-4401.
14. The Parties hereto shall comply with all applicable laws, rules, regulations and ordinances, as may be amended.

By signing this letter agreement the [AGENCY NAME] is acknowledging and accepting all terms and conditions referenced herein. Once completed, send the signed letter agreement, project initiation request letter, and a check for the required local match to:

Arizona Department of Transportation
Local Public Agency Section
Attention: Mark Henige, LPA Program Manager
205 South 17th Avenue, Mail Drop EM11
Room 291
Phoenix, Arizona 85007
mhenige@azdot.gov

ACCEPTANCE:

Signature

Name & Agency

Date