

Section One | Project Development and Selection Process

- 1.1 | MPO Congestion Management Program/Project Selection Process - Program overview
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- 1.8 | Field Review - TAC reviews projects in the field, sponsors present
- 1.9 | Project Priority List - Create list to prioritize funding

1.1 | MPO Congestion Management Program/Project Selection Process

The Mountainland AOG administers the Metropolitan Planning Organization over the Provo/Orem Urban Area with a planning area that includes all the municipalities within Utah County. The MPO programs transportation funds from federal, state, and county sources. Federal transportation funds are appropriated to the MPO based off the urban populations of the cities of Eagle Mountain through Provo to Santaquin. The majority of federal funds are exchanged with the Utah Department of Transportation (UDOT) to allow the MPO to program state funds. Utah County Transportation Sales Tax funds derived countywide are also used. Funding is programmed by the MPO to eligible applicants including member jurisdictions, UDOT, UTA, state agencies, and private organizations. The MPO selects projects through its committees based off congestion relief strategies, mode choice, air quality improvement, and safety.

1.2 | Kick Off Meeting

Biennially (every two years) MPO staff review with the MPO Technical Advisory Committee (MPO TAC) and MPO Regional Planning Committee (MPO RPC) the process for selecting projects to be funded with MPO funds. MPO staff also compile a draft listing of projects derived from the MPO transportation plan, transportation studies, traffic model results, public involvement, and past projects discussed by the TAC Committee. This list can be used by the MPO TAC Committee members or others in compiling their Project Idea Report listed in 1.3 below.

1.3 | Project Idea Report

Project and study suggestions from MPO member jurisdictions, state agencies, the transit district, and private organizations are submitted to the MPO in the form of a Project Idea Report. This one-page report includes the project description, project type, phasing, right-of-way needed, a draft cost estimate, and a history of the local process and approvals the project has been through (if local approvals haven't been done, they will need to be completed by concept stage). Maps and supporting information can be submitted as supplements to the one-page report. Any projects suggested by MPO staff in 1.2 above must have a sponsor by this stage. The project sponsor submits the draft Project Idea Report(s) to the MPO. MPO staff will schedule time to meet with each sponsor to review the report(s), give suggestions and feedback and answer any questions. Final reports are then submitted to the MPO and are compiled by MPO staff to be disseminated to the MPO TAC committee members before they meet to review and score projects moving forward to Concept Report stage.

1.4 | Project Idea Report Review Meeting

At the MPO TAC committee meeting where the Project Idea Reports are presented and scored, each sponsor can take five

minutes to present their ideas and answer questions. The TAC committee can give feedback and suggestions. Each member jurisdiction and agency shall have one representative score each project. All advancing projects must have a sponsor, private sponsored projects must partner with a government agency. The TAC committee will decide after creating a scored listing of project ideas what projects should move forward to the Concept Report stage. The project sponsor ultimately decides whether to advance forward to a Concept Report.

1.5 | Transportation Studies

Transportation studies proposed by MPO member jurisdictions, state agencies, the transit district, private organizations, or the MPO shall be submitted and reviewed as part of the Project Idea Reports mentioned in section 1.3. Transportation studies must be regional in nature including; transportation area plans (not a city master transportation plan); regional trail, pedestrian, and bike plans; congestion relief studies; interchange or freeway studies; major corridor studies; regional ITS plans; regional traffic model development; transit network development; air quality planning. Due to the lower cost of most transportation studies, studies could be proposed outside of the biennial selection process, if funding is available, through the TIP modification process. A Concept Report will not be required for studies. Most studies will be managed by UDOT, UTA, or the MPO. If the study is to be managed by the MPO, the study will be placed in the Unified Planning Work Program; otherwise it will be placed on the TIP/STIP.

1.6 | Project Concept Reports

The sponsor of projects advancing from the Project Idea Reports Meeting shall complete a Concept Report. Concept Reports take time and extra resources to complete. When the draft Concept Report is submitted, MPO staff will determine whether projects meet the minimum requirements of the report including:

1. Preliminary Design
2. Right of Way needs
3. Cost Estimates
4. Cost effectiveness (safety improvements, LOS changes over time, average travel time reductions over time, projected air quality benefits.)
5. Project is consistent with the MPO TAC approved projects list.
6. Road project is on a facility identified on the Utah State Functional Class Map.
7. The project is regional in nature.
8. Project scope (total or phase) is an appropriate size to be funded with limited MPO federal funds.
9. Project is consistent with sponsor general or transportation plan
10. Officially supported by political leadership – approved by legislative body
11. Other transportation agencies or municipalities that are affected by the project are in agreement.
12. Local matching funds are approved.
13. Funding is adequate to clear design and completes the project.
14. Phased projects are proposed in logical increments.
15. Sponsor commitment to completion of project within 5 years from date of award.

After reviewing the draft Concept Reports, MPO staff schedule time to meet with each sponsor to review the draft report(s), give suggestions and feedback, and answer any questions. After meeting with MPO staff, sponsors will make any changes and submit the final Concept Report(s) to the MPO.

1.7 | MPO Staff Technical Score

MPO staff review each project and give a score based off section 3 of the Concept Report. Different types of projects, (road, transit, active transportation, etc.) score well in one ranking category and not as well in another. This allows all project types to score against another. Once all Concept Report projects are scored, MPO staff will disseminate the results as well as the Concept Reports to the MPO TAC committee for review before the Field Review.

1.8 | Field Review

The MPO TAC Committee should attend the Field Review of the projects. The review should generally last a whole day with each project being presented by the project sponsor to explain the proposal and allow the participants to get a better understanding of the project. Each sponsor will be responsible to present each project concept on the Field Review. Projects not visible in the field will be presented at the Project Priority List Meeting listed in 1.9 below.

1.9 | Project Priority List Meeting

MPO staff will submit for MPO TAC review those projects that meet the minimum requirements listed under 1.6 Project Concept Reports. MPO TAC shall consider each project on its technical merits, and in relation to the other proposed projects and use the following to aid in their decision of a final project selection list:

1. Field Review
2. Project Idea TAC Score
3. MPO Staff Technical Score
4. Funding available

During an MPO TAC Committee meeting, the body shall score each project to create a Project Priority List. Each member jurisdiction and agency shall have one representative scoring the individual projects. Once this list is complete and acceptable to the body, the MPO TAC Committee shall make recommendation to MPO RPC to approve, change or disapprove the Project Priority List.

The draft priority list is next presented to the MPO RPC. MPO RPC will have a month to review the MPO TAC work and recommendations. MPO RPC will next meet to discuss any changes to the priority order and make a final approval of the list. The final Project Priority List will be used to fund projects until the next selection process, two years later.

Section Two | TIP Policies and Procedures

- 2.1 | Project Eligibility - List of type of projects eligible for MPO funding
- 2.2 | Funding - Funding sources and policies
- 2.3 | Contingency Fund / Cost Overruns - Funding available for cost overruns
- 2.4 | Project Cost Savings - Funds to be returned to MPO balance
- 2.5 | Project Tracking and Progress - Outlines tracking system and coordination
- 2.6 | Scope Change - Defines types of scope changes and approval process
- 2.7 | Regional Project - Defines what regional projects are
- 2.8 | New Projects Outside Biennial Process - Adding new projects outside normal process

2.1 | Project Eligibility

The types of projects that can be funded include:

1. Capacity increasing highway projects
2. Shoulder and turn-lane projects
3. Spot improvements that mitigate congestion or safety issues
4. ITS projects
5. Pedestrian/trail and active transportation projects
6. Transit and park and ride projects
7. Air quality equipment
8. Transportation studies
9. Other transportation related projects

All roadway type projects must be identified on the Utah State Functional Class Map. They also must correspond with the projects and/or programs of the MPO Regional Transportation Plan.

2.2 | Funding

Funding can come from various sources including MPO federal funds, Utah County transportation sales tax funds, and state exchange funds. Federal funds include Congestion Mitigation/Air Quality funds (CM/AQ), CM/AQ PM2.5, Surface Transportation Program Small Urban Area (STP-SU-MAG) funds, and the Transportation Alternatives Program (TAP) funds.

To program funding to a specific project, MPO staff will recommend to the MPO TAC Committee which funds should be used for all new projects on the Project Priority List. Generally, MPO staff will propose that state and county funds be used first for the higher scored projects. Federal funds, being more restrictive, will first be programmed to UDOT, UTA, or lower scored projects within the available funding identified. All funds require a match be paid. The required match is 6.77% of the total project cost, but the committee can require a higher match. The match shall be paid by the project sponsor.

Projects not receiving funding that scored lower on the Priority List or new projects amended into the program can be eligible for any new funding identified outside the normal biennial selection process. MPO staff will compile any new reports and present the additional funding to the MPO TAC and MPO RPC for their respective recommendations and approvals.

2.3 | Contingency Fund / Cost Overruns

The MPO will hold back 10% of each funding category each year as a contingency fund for project cost overruns and other needs. At the end of each fiscal year, any leftover contingency funds shall be placed back into the general fund of each funding category and made available for future projects. The inter-local agreement between the MPO/county and the sponsor requires that, if a project cost escalates above what was awarded by the MPO, the sponsor is required to cover the cost overrun. A project sponsor can request to MPO staff to help cover small cost overruns up to 10% of the approved cost of the project. There is no guarantee the project will receive the additional funds. Any cost overrun over 10% must be presented to the MPO TAC and to MPO RPC for their recommendation/approval.

2.4 | Project Cost Savings

If a project does not utilize all MPO funding that was programmed to it, any remaining funds shall be returned to the general MPO account to be reallocated to future projects. If the sponsor has additional MPO funded projects that require additional funds, MPO staff can transfer remaining funds between these projects. No new projects or projects that are not funded with MPO funds can have MPO funds transferred to it without first going through the normal biennial selection process or amendment process to receive funding.

2.5 | Project Tracking and Progress

MPO staff will track all projects to ensure the project is progressing and to help with any problems. Regular updates will be given to the TAC and Regional Planning committees of all projects and programs to show what progress has been made. It is hoped that through project tracking, the MPO and the project sponsor will be able to better coordinate and avoid potential conflicts. This coordination will also help to determine the best years to program the project within the TIP. If a project is found to not be making progress, MPO staff will work with the sponsor to move the project to a later year. If staff cannot resolve the problem, then the project sponsor will report to the MPO TAC Committee their plan to move forward the project or a reason to cancel the project. The committee can recommend to the MPO Regional Planning Committee that a project that is not moving forward be canceled and removed from the TIP. Any funds expended toward an unfinished phase of a project shall be required to be reimbursed by the sponsor.

2.6 | Scope Change

Minor scope changes to a project are common and are handled through the project management process. A major scope change needs to be approved by the MPO TAC Committee. A major change can include changing project limits, reducing or expanding capacity, adding major components to the projects that were not approved, subtracting major components that were approved, adding equipment not part of the scope, or adding additional work to the project because of left over funding. A sponsor can add major scope items to a project without MPO staff or committee approval if the sponsor demonstrates that it is fully funding the additional work.

2.7 | Regional Project

All projects funded by the MPO must be regional in nature. This includes highways listed on the Utah State Functional Class System map and projects being listed on the MPO transportation plan or supporting the goals and programs of the plan (functionally classified collector roads are not individually listed in the plan, but the collector system as a whole is supported, therefore improvements on these corridors are eligible for MPO funds). If a road project is proposed that is not on the functional class map, the MPO TAC Committee can review and determine that the corridor is regional and recommend to the state that it be included on the functional class map.

2.8 | New Projects Outside Biennial Process

The MPO supports funding all new projects through the biennial selection process, but there are instances where a project need or timing might require approval of funding outside the normal process. A sponsor can request that a project be reviewed by the MPO TAC Committee to seek its approval and to be amended into the program. Generally, the same

processes required for all projects will be followed (review by MPO staff for available funding, Project Idea Form, MPO TAC Committee approval to fill out a Concept Report, a Field Review, and final approval).

2.9 | CM/AQ Exempt Projects

Congestion Mitigation/Air Quality (CM/AQ) funds have federal regulations that require funding only go to projects that show a reduction to air pollution. A quantitative or qualitative analysis showing the amount of pollution reduction benefit will occur with the project is required. This process can be quite technical. The MPO has staff that can help with this portion of the Concept Report. Basically, all projects except for additional capacity highway projects (widen lanes, shoulders) must fill out the CM/AQ portion of the Concept Report. Listed below are the types of projects that can qualify for CM/AQ funds. The project sponsor must be able to show that a project is an eligible activity from one of the items listed.

1. Acquisition of diesel retrofits, including tailpipe emissions control devices, and the provision of diesel-related outreach activities.
2. Intermodal equipment and facility projects that target diesel freight emissions through direct exhaust control from vehicles or indirect emissions reductions through improvements in freight network logistics.
3. Alternative fuel projects including participation in vehicle acquisitions, engine conversions, and refueling facilities.
4. Establishment or operation of a traffic monitoring, management, and control facility, including the installation of advanced truck stop electrification systems.
5. Projects that improve traffic flow, including efforts to provide signal systemization, construct HOV lanes, streamline intersections, add turning lanes, improve transportation systems management and operations that mitigate congestion and improve air quality, and implement ITS and other CMAQ-eligible projects, including efforts to improve incident and emergency response or improve mobility, such as through real time traffic, transit and multimodal traveler information.
6. Projects or programs that shift travel demand to nonpeak hours or other transportation modes, increase vehicle occupancy rates, or otherwise reduce demand through initiatives, such as teleworking, ridesharing, pricing, and others.
7. Transit investments, including transit vehicle acquisitions and construction of new facilities or improvements to facilities that increase transit capacity. The MAP21 provision on operating assistance (23 USC 149(m)) is being reviewed and guidance interpreting the provision will be issued in the future.
8. Non-recreational bicycle transportation and pedestrian improvements that provide a reduction in single-occupant vehicle travel.
9. Vehicle inspection and maintenance programs.

Section Three | MPO Staff Scoring Process

- 3.1 | Scoring Matrix for Project Selection Process - Outlines scoring process
- 3.2 | MPO Staff Technical Score - Process for assigning technical score
- 3.3 | Congestion Relief - Items to be scored
- 3.4 | Mode Choice - Items to be scored
- 3.5 | Environmental Quality - Items to be scored
- 3.6 | Safety - Items to be scored
- 3.7 | Other Considerations - Items to be scored

3.1 | Scoring Matrix for Project Selection Process

General procedure: MPO staff assigns an overall score representing their judgment of the project's relative merit based off the Concept Report. The maximum score for each category reflects its relative significance in the scoring process. Scores are coupled with the following guidelines when selecting projects to fund:

1. The process should be simple.
2. It should recognize the special characteristics of our region.
3. The process should include geographical balance.
4. The process should consider transit, ITS, pedestrian/bike, as well as congestion relief for roads.
6. High priority should be given to projects that federal law recommends to be funded.
5. The outcome should not be completely dependent on scoring, but should also allow for each jurisdiction's own priorities.
6. MPO staff review the scoring questions with the MPO TAC Committee prior to the start of a selection cycle and make changes as deemed necessary by the committee.

3.2 | MPO Staff Technical Score

The following categories are addressed in the Concept Report. MPO staff will score the responses in each Concept Report and give a technical score for each project. MPO Staff Technical Scores will be made available to the MPO TAC Committee for their use in making the draft Project Priority List recommendation. The MPO staff score is a tool to aid the MPO TAC Committee in their final selection. The committee is not required to pick projects solely on MPO staff scores.

3.3 | Congestion Relief (25 Points)

- a) Provides alternate transportation facility that corrects identified congested problem.
- b) Reduces congestion by reducing the number of vehicles.
- c) Reduces need for additional highway lanes for peak hour capacity.
- d) Increases efficiency of transportation system through traffic management measures.
- e) Adds turning movements to relieve congested intersection.

3.4 | Mode Choice (25 points)

- a) Benefits multiple transportation systems (transit and highway, pedestrian and transit).
- b) Promotes alternative transportation solution to SOV use.
- c) Creates or improves linkages between transportation modes.
- d) Reduces physical, psychological, or economic barriers to carpool, bike, walk, or transit use.
- e) Provides incentives to carpool, bike, walk, or transit use.

3.5 | Environmental Quality (15 points)

- a) Provides cost effective emission reductions (air quality score).
- b) Minimizes environmental impacts or reduces existing impacts (e.g. air/water/noise pollution).
- c) Enhances the natural, cultural, or historic environment.
- d) Mitigates invasive impacts to existing neighborhoods/commercial areas (minimal relocations).

3.6 | Safety (20 points)

- a) Corrects/improves a verified or potential safety or accident problem.
- b) Improves information/communications for traffic operations and emergency responders.
- c) Reduces severity of crashes.
- d) Enhances safe movement of pedestrian, bicycle traffic.
- e) Provides an intermodal safety improvement (e.g. separation of vehicles-trains, vehicles-pedestrian).

3.7 | Other Considerations (15 points)

- a) Effectively distributes funding throughout the MPO area.
- b) Phases project in a manner that the MPO can use limited funds efficiently.
- c) Additional funding above required match is pledged toward project (including any soft match).
- d) Project sponsor ranking of project.
- e) Project is a numbered project within the current RTP.

Section Four | MPO / Utah County Joint Project Management Process

- 4.1 | Project Management Process - Overview of process
- 4.2 | Purpose - Defines purpose of this policy
- 4.3 | Funding - Describes funding sources under this policy
- 4.4 | Responsibility Agency - MPO, county, and sponsor relationships defined
- 4.5 | Process - Outlines start to finish process and policies

4.1 Project Management Process

The following policies and procedures apply to all local government projects funded through the Mountainland Metropolitan Planning Organization (MPO) using state transportation funds exchanged for federal funds with the Utah Department of Transportation (UDOT) and Utah County Transportation Sales Tax funds. All project funds awarded to UDOT or the Utah Transit Authority (UTA) will be managed by their respective agencies with an inter-local agreement and a required statement of completion.

4.2 Purpose

1. Help jurisdictions develop complete, efficiently delivered, lasting transportation projects.
2. Remain accountable to the MPO committees (Technical Advisory Committee (TAC) and the Regional Planning Committee (RPC) that awarded the funds.
 - a. Ensure approved projects are completed in a timely manner.
 - b. Help local jurisdictions overcome unforeseen project funding and or scoping issues.
 - c. Follow proven project delivery processes and standards.

4.3 Funding

The MPO has multiple federal, state, and local transportation funds to program for regional transportation projects.

1. **MPO Funds** - The MPO has entered into agreement with UDOT to exchange Urban STP federal funds for state funds at an .85-cents to the dollar exchange rate. State funds are more flexible than federal funds when funding the smaller regional projects programmed through the MPO. They also have less regulations, projects typically are less expensive, and are completed in less time, all justifying the discounted exchange rate.
2. **Utah County Transportation Sales Tax Funds** - The MPO is tasked with developing and recommending a list of projects that utilize the two county transportation sales taxes. The county commission has the final approval of expending these funds, but by state law can only expend funds on MPO recommended projects.
3. **Funding Participation** - Both the MPO state funds and county sales tax funds require local or sponsor participation. The MPO/county will pay 93.23% of the total awarded project cost with the local jurisdiction or project sponsor required to pay 6.77% matching funds for each project.
4. **Soft Match** - A soft match that claims work done by the sponsor, Right-of-Way (ROW) acquisition, or other approved related incurred costs may be used toward the 6.77% matching funds if established within the inter-local agreement.

5. **Additional Funds**- The local jurisdiction can pledge additional funds above the required cash match to fund different aspects of the project including betterments. These funds add value to the total project, but do not require additional cash match.

4.4 Responsible Agency

The Project Management Process for MPO Exchange funds will be managed by the MPO with County sales tax funds managed by Utah County. A local jurisdiction or agency, known as the Project Sponsor, will work directly with the MPO or county, known as the Project Manager, based on which funding source a project is awarded. The Project Manager will manage each project as outlined below from the beginning of the Inter-Local Agreement, to approving and paying invoices, to project completion. Both the MPO and the county will collaboratively share information about the projects they manage to allow accountability to the MPO committees and the county commission on all approved projects. If a project is within multiple jurisdictions and/or agencies, one jurisdiction or agency will enter in to the interlocal agreement and interface with the Program Manager as the Project Sponsor. Multiple jurisdictions and/or agencies interactions will be outlined within a separate interlocal agreement between said jurisdictions and/or agencies. This agreement shall be referenced in such agreement as an Exhibit.

4.5 Process

The process to start, design, construct and fund a project is as follows:

1. **Inter-Local Agreement** - The Project Manager and Project Sponsor will enter into an inter-local agreement confirming the total project funds awarded by the MPO, matching funds, other pledged funds, soft match, project scope and adherence to the project management process herein. No project activities paid for by the Project Sponsor prior to an approved Interlocal Agreement shall be reimbursed by the Project Manager except as allowed for soft match purposes.
2. **Procurement** - The Project Sponsor will designate a qualified project engineer from its staff or hire a project engineer from the Project Sponsors consultant pool or the prequalified UDOT pool, who will be responsible for project delivery. The Project Sponsor shall follow Utah state code Section 63G-6a-101 or its own procurement/purchasing policy. Different project engineers can be designated or hired for different phases of the project.
3. **Project Development** - The Project Sponsor and the designated project engineer, will design, acquire the necessary ROW, bid out and manage the construction of the Approved Project.
 - a. **Design Standard:** The project design will adhere to American Association of State Highway and Transportation Officials (AASHTO), UDOT, American Public Works Association (APWA), or other applicable local/state/national standards.
 - 1) The local jurisdiction and the project engineer will acquire the appropriate clearances and permits through the design process.
 - b. **Environmental Work:** The Project Sponsor will acquire the appropriate clearances and permits through the design process. The Project Sponsor can follow their own adopted environmental process, or follow the Recommended Environmental Guidance / Mountainland & Utah County Programmed Projects document (including designating with the Program Manager the type of environmental work to be completed), or any other stricter environmental process under local or federal law. The Project Sponsor must follow any National

Environmental Policy Act (NEPA) requirements required (Endangered Species Act, Clean Water Act, etc.), and any other local or government agency requirements for the Approved Project.

- c. Design Work: The Project Sponsor will involve the Program Manager at the following design milestones:
 - 1) Kickoff Meeting,
 - 2) 30% Scope and Schedule Review,
 - 3) 60% On Site Plan Review,
 - 4) 90% Plans, Specifications and Estimate
- d. Final Design Approval: Once project design is complete the Project Sponsor will review the final design with the Program Manager. Both parties shall agree that the project is ready for the construction phase.
- e. ROW Acquisition: The Project Sponsor will be responsible to acquire all necessary ROW adhering to state and local laws. The Project Sponsor can follow their own adopted ROW acquisition process or follow the Recommended Right of Way Acquisition Guidance / Mountainland & Utah County Programmed Projects guidance document, or as required by Utah law.
- f. Construction Advertising - To advertise construction, the Project Sponsor shall follow Utah state code Section 63G-6a-101 or its own procurement/purchasing policy. All construction bids will include a 10% construction contingency. The Project Sponsor will provide a copy of the advertisement and the notice of award to the Program Manager.

4. Project Signage/Contact Info

It is recommended that the Project Sponsor install signage informing the public of the following:

- a. Project name.
- b. Project description.
- c. Start and completion dates (general).
- d. Contact name, phone number, website address, email.
- e. Use the sentence "This project funded with Mountainland Transportation Funding".
- f. List project sponsors and their logos (Project Sponsor, Mountainland, Utah County).
- g. Generally, one sign at each access point to the project shall be installed.
- h. Signs should be at least 4' x 6', or large enough for passing motorists to read.
- i. Signs should be installed prior to construction and stay in place through construction.

5. Construction Process

The Project Sponsor will manage the construction process. The Program Manager will be notified by the Project Sponsor of any changes that affect the scope of the project or costs that exceed the construction contingency.

6. Project Completion

Program Manager staff will be notified and allowed to attend the final inspection of the completed project.

7. Project Hold

The Program Manager has the authority to place a project on hold at any time during the project development process or withhold reimbursement of invoices during the construction process if the Program Manager deems that the Approved Project is not within the Approved Project scope or budget. The Program Manager shall notify the Project Sponsor of the hold in writing and will work with the Project Sponsor to rectify the issues promptly. If the Project Sponsor and Program Manager cannot bring the Approved Project back into scope or if additional

funding is needed above what the Program Manager or the Project Sponsor can provide, the issues will be brought to the Mountainland MPO committees for their review, recommendations, resolutions, and approvals.

8. Total Project Cost

Both the Program Manager and Project Sponsor acknowledge that the Approved Project has been authorized by the Mountainland MPO Regional Planning Committee (Utah County Commission must also approve if county funds are used) to be funded at an amount not to exceed \$(enter Total Project Cost amount) (Total Project Cost) for the direct costs of the Approved Project.

- a) **Matching Funds:** The Project Sponsor is required to pay a match or portion of the Total Project Cost. This amount is 6.77% of the Total Project Cost. The use of Project Sponsor equipment and/or Project Sponsor employee time for the project shall not be reimbursable, but can be claimed by the Project Sponsor as a soft match toward the required 6.77% matching funds required from the Project Sponsor. The Project Sponsor is required to pay the difference between the required match and the value of the soft match, if any.
- b) **Multi-Year Funding -** Some projects require funding across multiple fiscal years. Reimbursement for Approved Project activities can only be made up to the available amount identified in a single fiscal year. Any balance from a prior year where available funds have not been expended for the Approved Project are then advanced to the next fiscal year and are added to the funds available that fiscal year. Fiscal years for MAG Exchange Funds begin each year on October 1st or as otherwise designated in the Cooperative Agreement between MAG and UDOT, and for County Transportation Sales Tax Funds on January 1st.
- c) **Funding Availability -** MAG Exchange funds are distributed to the MPO generally in October each year through a cooperative agreement with UDOT. The exchange process requires that MPO federal funds be exchanged with UDOT for state funds on an annual basis. The federal funds are made available by congress, the release of funds can fluctuate yearly. County Transportation Sales Tax funds are generally available each January and are generated by sale tax revenue, which can fluctuate with the economy. MAG will not reimburse expenses on an Approved Project unless funding is made available by UDOT and Utah County. This could require the Approved Project to be placed on hold by the Program Manager or that the Project Sponsor advance their own funds toward the Approved Project with reimbursement to be made by the Program Manager upon receipt of available funding from UDOT and/or Utah County.
- d) **Reimbursement -** The Project Sponsor, if desiring reimbursement for the direct costs of the Approved Project, will provide the Program Manager with one monthly itemized invoice detailing actual costs for the ROW acquisition, design, utility relocation, construction, or other approved elements of the project. Appropriate backup materials shall also be supplied by the Project Sponsor to the Program Manager without requiring separate inquiry. The Program Manager agrees to reimburse the Project Sponsor within 30 days of receiving acceptable itemized invoices establishing the validity of the direct costs of the Approved Project. The maximum amount of reimbursement from the Program Manager to the Project Sponsor for any fiscal year shall be the available funds actually received by the Program Manager for such fiscal year. The maximum amount of reimbursement from the Program Manager to the Project Sponsor shall not exceed the Total Project Cost less the matching funds. Any costs which exceed the Total Project Cost less the matching funds shall be the sole responsibility of the Project Sponsor. The Program Manager will review and approve monthly each itemized invoice and will reimburse the total invoice amount less the required matching funds.

- e) **Cost Overruns:** The Program Manager maintains a contingency account for cost overruns. The Project Sponsor may request additional funds above the approved Total Project Cost with supporting documentation demonstrating the need for additional funds. The Program Manager may approve up to 10% of the Total Project Cost up to a maximum of \$500,000. The MPO Regional Planning Committee can approve higher amounts (Utah County Commission must also approve if county funds are used). The addition of these contingency funds would require a modification to this Agreement. If no additional funds are awarded or the Approved Project still requires additional funds, the Project Sponsor will be responsible to fund the overrun.
 - f) **Surplus Funds:** Any surplus funds remaining after the completion of the Approved Project will be returned to the Mountainland or Utah County fund balance to be reallocated to other projects selected through the MPO project selection process. Note that Mountainland and Utah County selects and funds projects, not project sponsors. Surplus funds cannot be moved to a new project not already approved through the MPO project selection process. Any surplus funds paid by the Project Sponsor shall be returned to the Project Sponsor.
9. **Liability, Ownership and Maintenance of Approved Project:** The Project sponsor bears all liability through all stages of project development and construction. The Project Sponsor shall own and be responsible for maintenance, repair and replacement of the completed project.
 10. **Inspection of Approved Project:** The Program Manager and its designees, upon reasonable notice, reserve the right to enter upon the Approved Project to inspect the same to verify compliance with this Agreement.
 11. **Other Expenses:** Except as otherwise expressly stated herein, all expenses not identified as a part of the Approved Project or executed prior to the Agreement shall be the sole responsibility of the Project Sponsor.
 12. **Amendments:** The interlocal agreement may not be amended, changed, modified or altered except by an instrument in writing which shall be one of the following: (a) approved by Resolution of the governing body of each of the parties, (b) executed by a duly authorized official of each of the parties, and (c) filed in the official records of each party.
 13. **Change Orders:** Changes can occur throughout a project. Changes that are outside the approved scope outlined in the interlocal agreement must be amended. Minor changes and adjustments that fall within the original project scope can be addressed with a change order. A change order is defined as that additional effort necessary by reason of changed conditions which are radical, unforeseen, and completely beyond the control of the Project Sponsor. The Project Sponsor shall create the change order and keep records of them. Any additional costs incurred can be covered by the construction contingency or by added local funding and should be addressed in the change order. If additional costs are more than the construction contingency and available local funds, the Project Sponsor shall contact the Program Manager to review funding options.
 14. **Extra Work:** Extra work shall be undertaken only when previously authorized in writing by the Program Manager, and is defined as additional work which is neither shown nor defined in this Agreement. Extra work includes additional improvements adjacent to the Approved Project or in other locations that the Project Sponsor desires to complete as a package of other approved projects. Extra work can be for utility projects, facilities that tie into the Approved Project, project betterments, or other work desired by the Project Sponsor. No costs incurred by extra work can be billed to the Approved Project. Any invoices submitted by the Project Sponsor shall clearly detail costs incurred by the Approved Project and list separately costs incurred by the extra work. Extra work shall be outlined in a new exhibit.