

**MEMORANDUM OF UNDERSTANDING RELATING TO  
MUTUAL RESPONSIBILITIES IN CARRYING OUT THE  
METROPOLITAN  
TRANSPORTATION PLANNING PROCESS**

This Memorandum of Understanding (hereinafter referred to as "MOU") is entered into by the Idaho Transportation Department, hereinafter referred to as "ITD", and Metropolitan Planning Organization hereinafter referred to as "MPO" ("ITD together with "MPO" hereinafter referred to as "Parties").

**PURPOSE**

It is the desire of all Parties to support the national policy of carrying out a continuing, cooperative, and comprehensive multimodal transportation planning process in each urbanized area that promotes the safe and efficient development, management, and operation of surface transportation systems serving the mobility needs of people and freight and fostering economic growth and development;

Parties understand the importance of a single metropolitan transportation process to serve the interests of all government agencies with responsibilities within the metropolitan planning area;

Parties recognize that transportation planning, programming, and project delivery must be conducted with the fullest possible participation by regional authorities and commissions, state agencies, local governments, private institutions and other stakeholders;

Parties desire to enter into a mutual agreement of the Federal funding in support of metropolitan planning and project activities;

Parties desire to work together in support of Idaho's Statewide Transportation Policy Plan;

Parties are committed to a transportation performance program that strives to continually enhance system performance, accountability, and transparency as well as improve transportation safety, mobility, and economic opportunity; and

Parties desire to enter into a mutual agreement to efficiently and effectively implement the requirements of the referenced federal regulations for a comprehensive metropolitan transportation planning, programming, and project delivery process within the Urbanized Area.

**NOW, THEREFORE BE IT MUTUALLY AGREED**, the Parties hereto jointly agree as follows:

**AUTHORITY**

- 1.1 Authority for this MOU is established by:
  - 1.1.1 23 USC §104 – Apportionment
  - 1.1.2 23 USC §133 – Surface Transportation Planning
  - 1.1.3 23 USC §134 and Idaho Code §49-5303 – Metropolitan Transportation Planning
  - 1.1.4 23 USC §135 – Statewide and Nonmetropolitan Transportation Planning
  - 1.1.5 31 USC §1352 – Limitation on use of appropriate funds to influence certain Federal contracting and financial transactions
  - 1.1.6 Idaho Code Title 40 – Highways and Bridges
  - 1.1.7 Idaho Code Title 67 Chapter 23 – Miscellaneous Provisions

- 1.1.8 2 CFR Part 200 - Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards
- 1.1.9 2 CFR §200.31 – Real Property
- 1.1.10 23 CFR Part 420 – Planning and Research Program Administration
- 1.1.11 23 CFR Part 450 – Planning Assistance and Standards
- 1.1.12 40 CFR Part 93 – Determined Conformity of Federal Actions to State or Federal Implementation Plans
- 1.1.13 49 CFR Part 26 – Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs

**ARTICLE II**  
**PARTICIPATION, PUBLICATIONS, AND COORDINATION**

- 2.1 Interested parties, participation, and consultation
  - 2.1.1 The MPO will develop, adopt, and implement proactive public participation outcomes, including related plans.
  - 2.1.2 Effective public participation efforts shall provide citizens, affected public agencies, representatives of public transportation agencies, freight shippers, providers of freight transportation services, private providers of transportation, representatives of users of public transportation, representatives of users of pedestrian walkways and bicycle transportation facilities, representatives of the disabled, and other interested agencies with reasonable opportunities to be involved in the metropolitan transportation planning process.
- 2.2 Partnership Role and Responsibilities
  - 2.2.1 Parties will cooperate, coordinate, and collaborate with all parties in the development of statewide and metropolitan transportation planning and programming processes and studies.
  - 2.2.2 Parties will provide its transportation plans, program information, and funding estimates to all parties.
  - 2.2.3 Parties will participate in the development of all transportation and mobility plans and programs; responding to all parties in a timely manner.
- 2.3 Publications
  - 2.3.1 Parties shall publish or otherwise make available for public review transportation plans and studies, Transportation Improvement Program (TIP), Statewide Transportation Improvement Program (STIP), Unified Planning Work Program (UPWP), and other items outlined within this MOU.
- 2.4 Annual Partnership Meeting
  - 2.4.1 The MPO and ITD–Division of Engineering Services (ITD-DES) will arrange for an annual meeting with the parties of this MOU as well as any interested policy board member representatives.
  - 2.4.2 The participants and point of contact information is provided in Exhibit “A”.
  - 2.4.3 The purpose of this annual meeting will be to discuss and review the areas of coordination, cooperation, and consultation as outlined in this MOU. The meeting will also provide an opportunity to discuss areas of mutual interest, program/task schedules, closeout the prior year program, and will serve as an opportunity to assess modifications to this MOU.
  - 2.4.4 The Annual Partnership Meeting shall take place during the first scheduled Urban Balancing Committee Director’s meeting each year.

**ARTICLE III  
BOUNDARY DESIGNATIONS**

3.1 Metropolitan Planning Area (MPA) Boundary

- 3.1.1 The MPO MPA boundary shall consist of the area defined in Exhibit "B".
- 3.1.2 The MPO planning process is conducted within the defined MPA boundary. The MPA boundary will be reviewed when new urbanized area boundaries are established following each decennial census, and at intermediate intervals as prompted by requests by the MPO, local, or state governments to modify the current MPA boundary.
- 3.1.3 The MPA boundary changes must be approved by the MPO governing board and the ITD– District Office prior to submission to ITD-DES for processing and ITD Director recommendation to the Federal Highway Administration of Idaho (FHWA-ID) for final decision.
- 3.1.4 The MPO will prepare and maintain a description and map of the current MPO boundary, and make it available to the other planning partners and the public.
- 3.1.5 ITD will use the current MPA boundary in planning activities to accurately reflect the area within which MPO planning, programming, and decision-making processes are to be followed.

**ARTICLE IV  
TRANSPORTATION PLANNING, PROCESSES, AND STUDIES**

4.1 Metropolitan Planning

- 4.1.1 The MPO will cooperatively develop plans and programs within the defined MPA boundary.
- 4.1.2 Special emphasis will be placed to ensure the participation and consultation on all metropolitan transportation planning processes with Tribal Nations, and Tribal and Federal Land Management agencies within the MPA boundary.

4.2 Metropolitan Transportation Plan (MTP)

- 4.2.1 The MTP is the comprehensive transportation planning document for the Urbanized Area.
- 4.2.2. The MPO will prepare an MTP, which is developed, adopted, and updated every five years through the metropolitan transportation planning process.
- 4.2.3 The MTP must be approved by the MPO Board and submitted to ITD–DES, FHWA-ID, and the Federal Transit Administration (FTA).
- 4.2.4 The MPO will annually monitor plans, studies, and other activities in the region that might warrant amendments to the MTP.
- 4.2.5 ITD will provide technical assistance to parties during the development or amendment of the MTP.
- 4.2.6 Parties will collaborate in the development of the MTP. Parties will monitor internal plans, studies, and other activities to identify potential issues or conflicts with the MTP and will take appropriate actions to resolve any potential issues or conflicts.
- 4.2.7 Parties shall coordinate parallel planning activities and provide consistency between metropolitan and statewide planning outcomes. This includes mutual consideration of visions and priorities articulated in each entity's transportation planning documents and project selection process.

4.3 Metropolitan Transportation Plan Amendments

- 4.3.1 The MTP amendments are supported for the purpose of adding, deleting, significantly changing a regionally significant project, or changing a project between scheduled MTP updates as long as the remaining MTP horizon is at least 20 years at the time of the amendment action.

- 4.3.3 MTP amendments must be approved by the MPO Board and submitted to ITD- Office of Transportation Investments (OTI) to forward to FHWA-ID, and the FTA.
- 4.4 Idaho's Statewide Transportation Plan (ISTP)
  - 4.4.1 In collaboration with all parties, ITD will prepare, develop, adopt, and update through the statewide transportation planning process. The ISTP will be directed at achieving policy guidance for a coordinated, balanced, and integrated intermodal and multimodal transportation system.
  - 4.4.2 Parties will participate in the development of the ISTP, and utilize the metropolitan transportation planning process to inform the ISTP, and work towards aligning agency goals to the extent practical, between the transportation vision outlined within the ISTP and the MTP.
- 4.5 Unified Planning Work Program (UPWP)
  - 4.5.1 Metropolitan transportation planning activities performed with federal funds shall be documented in a UPWP.
  - 4.5.2 The MPO will lead the development, preparation, and publication of an annual metropolitan UPWP for the metropolitan planning area.
  - 4.5.3 ITD will ensure that all metropolitan transportation planning activities undertaken within the MPA are represented in the Metropolitan UPWP.
  - 4.5.4 The MPO will develop and maintain a metropolitan UPWP to ITD-DES by September 30<sup>th</sup> annually.
  - 4.5.5 The MPO will submit a copy of their MPO Board approved annual metropolitan UPWP to ITD-DES, who in turns forwards the request for approval to FHWA-ID and FTA.
  - 4.5.6 ITD-DES will use the metropolitan UPWP as the basis for the Consolidated Planning Grant (CPG) Agreement with the MPO.
  - 4.5.7 The UPWP approval date or that date shown as the effective date in the approval by FHWA-ID is the earliest date for which CPG charges can be incurred against the work program.
  - 4.5.8 Events having significant impact on the metropolitan UPWP(s) (i.e., problems, delays, or adverse conditions that will materially affect the ability to attain objectives) are to be reported as soon as they become known. Communication methods should include direct contact with the ITD-District Office and DES, FHWA-ID, and FTA as well as inclusion in the annual progress report.
  - 4.5.9 If at any time it is determined after consultation and collaboration with the MPO, that work is not progressing satisfactorily or as scheduled, ITD-DES may refuse to make full progress payments, and may withhold any progress payment or payments, as are considered necessary. The MPO may appeal the decision to withhold payments to the ITD Board, FHWA-ID, or FTA.
- 4.6 UPWP Annual Performance and Expenditure Report
  - 4.6.1 No later than three months following the end of each federal fiscal year (December 31<sup>st</sup>)the MPO will prepare and submit to ITD-DES, who will forward approval request to FHWA-ID and FTA, a UPWP annual performance and expenditure report outlining performance, progress, and expenditure reports detailing activities conducted for each metropolitan UPWP task.
- 4.7 UPWP-Amendments/Changes/Closeouts
  - 4.7.1 The MPO may, from time- to-time, require an amendment of the metropolitan UPWP to reflect changes in local priorities, add/delete funds and planning activities, or adjust costs.

- 4.7.2 Additions in funding, changes in planning activities, or cumulative transfers in the budget that exceed \$100,000 or 30% of the metropolitan UPWP budget are not effective until the submitted change is forwarded to ITD-DES and approved in writing by FHWA-ID and FTA.
  - 4.7.3 No later than three months following the end of each federal fiscal year (December 31<sup>st</sup>), the MPO shall close out the prior year metropolitan UPWP with appropriate on-going tasks transferred to the new metropolitan UPWP. A close out report shall be forwarded by ITD-DES to the ITD-District Office and FHWA-ID and FTA.
- 4.8 Air Quality Conformity
- 4.8.1 If an area within the MPO's MPA boundary should be designated as an air quality non-attainment area the MPO must ensure compliance with the Clean Air Act 176(c) by coordinating the development of transportation plans and improvement programs with the State Implementation Plan (SIP) development process.
  - 4.8.2 The MPO will maintain appropriate Interagency Consultation agreements in support of conformity efforts including roles and responsibilities for air quality.
  - 4.8.3 The MPO shall provide air quality conformity determinations to the ITD-District Office.
- 4.9 Congestion Management Process (CMP) (COMPASS Only)
- 4.9.1 COMPASS is required to develop and maintain a formal CMP.
  - 4.9.2 The development of a CMP should result in multimodal system performance measures and strategies, as well as the CM, which is reflected in the MTP and the TIP.
  - 4.9.3 The CMP shall be developed, established and implemented as part of the metropolitan transportation planning process that includes coordination with transportation system management and operations activities.
- 4.10 Functional Classification System
- 4.10.1 Functional classification in metropolitan planning areas should be developed within the framework of the continuing, comprehensive, and cooperative planning process as needed throughout the year; however, a formal statewide update is triggered upon the new release of Decennial Census Bureau data.
  - 4.10.2 The MPO and the ITD-District Office in collaboration with local jurisdictions and agencies will cooperate to determine how roadways within the metropolitan planning area are functionally classified.
  - 4.10.3 The MPO and ITD-DES will establish and maintain policies to guide the maintenance of the metropolitan planning area's functional classification system.
  - 4.10.4 The ITD-District Office will actively participate in each review of the metropolitan planning area's functional classification system, including cooperation with the MPO in meeting state and federal guidelines.
  - 4.10.5 After the ITD-District Offices accepts changes to functional classifications, ITD-DES will review and forward requested changes to FHWA-ID for final approval. ITD-DES will reflect the federally approved functional classification system amendments in the statewide system.
- 4.11 Studies
- 4.11.1 All parties should ensure that transportation studies reflect the broad policy framework articulated in the MTP and/or project level details that are reflected in the TIP.
  - 4.11.2 All parties will present metropolitan study conclusions to the appropriate MPO committee to ensure conclusions are reflected in the MTP and TIP as appropriate if in the UPWP.

#### 4.12 Intelligent Transportation Systems (ITS) Architecture

- 4.12.1 The MPO will participate in the development of a statewide ITS architecture to ensure inclusion of metropolitan planned and funded ITS strategies and projects.
- 4.12.2 The MPO may at its discretion, in partnership with all parties, develop a metropolitan or district intelligent transportation systems architecture.

#### 4.13 Coordinated Public Transit-Human Services Transportation Planning

- 4.13.1 The MPO shall ensure the timely development, acceptance, and update of a locally developed coordinated Public Transit-Human Services Transportation Plan; this item is not required if applicable transit program funds are not being utilized.
- 4.13.2 Parties shall ensure coordination and consistency between metropolitan, local, and statewide coordinated public transit-human services transportation plans, if applicable.

#### 4.14 Data Management and Access

- 4.14.1 Parties agree to support the exchange of transportation related data and information.
- 4.14.2 Parties will provide ample notice when data and information is requested.

### **ARTICLE V PROGRAMMING**

#### 5.1 Metropolitan Transportation Improvement Program (TIP)

- 5.1.1 The MPO shall develop and approve, in cooperation with all parties, a financially constrained multi-year spending plan, known as the metropolitan Transportation Improvement Program (TIP), for federal highway and transit funding, covering a period of no less than four years and updated at least every four years.
- 5.1.2 The TIP shall be consistent with the MTP and, in an air quality non-attainment or maintenance area, meet federal air quality conformity requirements and comply with the State Implementation Plan (SIP).
- 5.1.3 The MPO will establish a development schedule, and ITD-OTI will establish a final deadline and format for the TIP to ensure coordination with the Statewide Transportation Improvement Program (STIP).
- 5.1.4 The MPO will submit for review a "draft" and "final" TIP to ITD- OTI. ITD will incorporate without modification, directly or by reference the "final" approved TIP into the STIP. ITD– OTI will notify the MPO and appropriate federal agencies when the TIP, including projects under the jurisdiction of these agencies has been included in the STIP.

#### 5.2 TIP-Amendments and Administrative Modifications

- 5.2.1 TIP Amendments are to be submitted to ITD–OTI for inclusion within a STIP amendment to obtain FHWA-ID and FTA approvals; per the 2015 STIP/TIP Amendments and Administrative Modifications Process.
- 5.2.2 Administrative Modifications are to be submitted to ITD-OTI for inclusion in the STIP and forwarded to FHWA-ID and FTA for their information; per the 2015 STIP/TIP Amendments and Administrative Modifications Process.

#### 5.3 Surface Transportation Program Balancing Committee

- 5.3.1 Quarterly, or as needed, parties will work cooperatively through the Surface Transportation Program (STP) Urban Balancing Committee process to provide oversight of the programming of state and local funding for projects within the metropolitan planning area.

#### 5.4 Annual Listing of Obligated Projects

- 5.4.1 The MPO shall develop an annual listing of prior year obligated projects.
- 5.4.2 On an annual basis, no later than December 31st all parties shall cooperatively develop a listing of projects for which federal funds were obligated in the preceding program year.
- 5.4.3 The MPO shall post the annual listing of obligated projects to their website and make available to the public.

### **ARTICLE VI PROJECT CONTROL AND OVERSIGHT**

#### 6.1 Project Oversight

- 6.1.1 ITD is required to maintain overall accountability for the Federal-aid program in Idaho.
- 6.1.2 ITD may establish "Stewardship Agreements" with public agencies to perform specific functions on behalf of ITD.
- 6.1.3 ITD will monitor project activities assigned under Stewardship Agreements to ensure appropriate oversight.

#### 6.2 Project Programming

- 6.2.1 In addition to the metropolitan planning process, the MPO is responsible for the financial control and programming of all metropolitan transportation projects.
- 6.2.2 Transportation projects within a metropolitan planning area are to be identified through the MTP, TIP and STIP approval process.
- 6.2.3 Requested changes to metropolitan transportation projects shall be directed to the MPO.
- 6.2.4 Upon the MPO Board approval, the MPO shall initiate a TIP amendment directly with ITD-OTI.

### **ARTICLE VII FUND AUTHORITY AND CONTROL**

#### 7.1 Metropolitan Planning Funding

- 7.1.1 The Federal agencies provide funds for transportation planning activities within metropolitan planning areas. Whereas, the MPO is designated to accomplish these activities, it is recognized that the MPO is eligible for such funds.

#### 7.2 Financial Plan and Forecasting

- 7.2.1 The MTP and TIP must include a financial plan that demonstrates an implementation based on estimates of revenue that can reasonably be expected. Estimates of revenue are to be prepared cooperatively between all parties.
- 7.2.2 The MPO will develop and maintain procedures and methodologies, in cooperation with the ITD-Office of Transportation Investment, for generating revenue forecasts consistent with federal guidance for financial forecasting. The MPO will generate estimates of local funds available to support transportation investments in the metropolitan planning area. The MPO will coordinate with partner agencies as necessary to review methodologies, assumptions, and estimates.
- 7.2.3 ITD-OTI will provide historical information regarding funding levels and expenditures within the MPA and any estimates they have prepared for future state and federal revenues that would be available within the MPA boundaries for any projects of regional significance and future capacity expansion projects. ITD will also provide information on operating, preservation and rehabilitation needs to satisfy federal requirements. The ITD-District Office will actively participate in revenue forecasting efforts for the MPA.

### 7.3 Fund Distribution

- 7.3.1 ITD is the designated state agency responsible for the administration of FHWA-ID and FTA metropolitan planning funds.
- 7.3.2 ITD will adhere to the development of a distribution formula, communication of metropolitan allocations, and distribution of metropolitan planning funds.
- 7.3.3 All MPOs and ITD, with the approval of the FHWA-ID Division Administrator, have developed a distribution formula. The currently approved distribution formula is the total available metropolitan planning funds divided by the percentage representation each MPO has of the total population of the urbanized areas within the state of Idaho. The population figures are taken from the most recent population established in the decennial census.
- 7.3.4 The distribution formula will be updated with the release of the decennial census update and will be effective in the following budget year.

### 7.4 Consolidated Planning Grant (CPG)

- 7.4.1 In an effort to streamline the delivery of metropolitan planning funds, parties mutually agree to participate in the CPG program electing FHWA-ID for the administration of all metropolitan planning funds.
- 7.4.2 CPG funding will be contingent upon FHWA-ID and FTA apportioned funding, successful adherence to all articles of this MOU, and a duly executed CPG Agreement between ITD, administered through ITD-DES, and the MPO.
- 7.4.3 Annually, ITD-DES will communicate with each MPO and FHWA-ID on the amount of anticipated CPG funds for the upcoming program year based on projected State apportionments and allocated to each MPO per the approved distribution formula.
- 7.4.4 When an MPO administers multiple urbanized areas, thus receiving multiple apportionments, the MPO must separately identify each apportionment in their metropolitan UPWP.
- 7.4.5 The MPO is responsible to meet all local matching requirements associated with CPG funding.
- 7.4.6 Each fiscal year a CPG Agreement will be executed between the MPO and ITD establishing the fiscal terms and conditions associated with the CPG.

### 7.5 Surface Transportation Program Funds (STP)

- 7.5.1 STP funding to be expended on planning programs and tasks. Access to STP funding will be contingent upon:
  - i. Receiving an FHWA-ID apportionment;
  - ii. An active MOU;
  - iii. Funds being programmed in the TIP;
  - iv. Funds being included in the metropolitan UPWP and separated from CPG funds; and
  - v. Funds being tracked separately for each urbanized area.

### 7.6 Non-Binding

- 7.6.1 This MOU and CPG Agreements shall in no way or manner be construed so as to bind or obligate ITD, the state of Idaho, or the MPO. All funding is contingent upon the availability of federal funds and continued authorization of activities.

### 7.7 Reprogrammed Project (Capital) Funding

- 7.7.1 After coordination and cooperative discussions with the affected MPO and STP Urban Balancing Committee, excess amounts of STP-U funds unexpended, unencumbered, or unobligated after August 1st of each year, may be reprogrammed by ITD for use in the next fiscal year.



## 7.8 Transferring FHWA and STP-U FTA Funds - Approval Process

- 7.8.1 Upon request by the MPO and following approval of a TIP containing such a transfer, ITD-OTI submits a request to FHWA-ID to transfer the specified FHWA funds to the FTA. FHWA-ID then reviews and forwards ITD's request to FHWA-HQ. FHWA-HQ will then execute the transfer in FMIS and notify FHWA-ID and the FTA Region 10 office. The FTA Region 10 office executes the funding grant using the transferred funds and notifies ITD of the action.
- 7.8.2 ITD-OTI submits a request to FTA Region 10 to transfer specified FTA funds to FHWA. FTA Region 10 then reviews and forwards ITD's request to FTA-HQ. FTA-HQ will then execute the transfer in FMIS and notify FTA Region 10 and the FHWA -ID Offices. The FHWA-ID office executes the funding grant using the transferred funds and notifies ITD of the action.

## 7.9 Contract and Fund Authority

- 7.9.1 The MPO is empowered to make and enter into contracts in its own name and to accept grants, gifts, donations, and other monies to carry out its purpose and functions.

## **ARTICLE VIII CERTIFICATION**

### 8.1 Certification Process

- 8.1.1 The MPO will comply with and participate in the appropriate MPO certification process and will coordinate with the federal agencies and the ITD.
- 8.1.2 The MPO annually shall provide a self-certification of its metropolitan transportation planning process to ITD-DES and shall include the annual self-certification document in the metropolitan TIP.
- 8.1.3 ITD will certify to FHWA-ID and FTA that the MPO metropolitan transportation planning process satisfactorily meets all applicable federal requirements.

## **ARTICLE IX METROPOLITAN PERFORMANCE PROGRAM**

### 9.1 Performance Program

- 9.1.1 Parties are committed to the development of a Metropolitan Performance program including metrics, benchmarks, and publishing results that is collaboratively developed between MPO, ITD, and transit providers within the MPA.
- 9.1.2 Parties support the development of transportation plans and transportation improvement programs through a performance-driven, outcome-based approach to planning.

### 9.2 Future Performance Program Development

- 9.2.1 As found within any current federal transportation bill or act, guidance is released related to the development of a metropolitan performance program, parties agree work collaboratively to respond accordingly including to update this MOU.

## **ARTICLE X PROCUREMENT AND TRAVEL**

### 10.1 Third-Party Administrative Services

10.1.1 Subject to the provisions of this MOU, the MPO may, at its discretion, negotiate for and contract with third-party service providers to carry out administrative services. Administrative services could include functions such as accounting, auditing, legal, etc. All administrative activities provided by or contracted through the MPO will be consistent with federal requirements and FHWA guidelines and directives as well as all requirements of the state of Idaho.

### 10.2 Failure to Comply

10.2.1 If an audit indicates that payments to the MPO fail to comply with applicable federal or state laws, rules, or regulations, the MPO shall refund any compensation paid arising from such noncompliance, plus costs, including audit costs.

### 10.3 Procurement Requirements

10.3.1 The MPO shall follow the following procurement guidelines:

- i. Idaho Administrative Code, Rules of the Division of Purchasing;
- ii. Disadvantage Business Enterprises;
- iii. Federal procurement regulations, policies, procedures, and directives as they may be amended or promulgated from time to time during the term of this MOU;
- iv. Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments; and
- v. Cost Principles for State, Local, and Indian Tribal Governments (OMB A-87 Revised).

### 10.4 Equipment and Supplies

10.4.1 Title to equipment and supplies acquired under this MOU and a CPG Agreement vests with the MPO. The MPO will use, manage and dispose of equipment and supplies in accordance with State and Federal laws and procedures.

10.4.2 Non-expendable items acquired to perform work must be identified in the metropolitan UPWP as direct costs and approved as part of the metropolitan UPWP.

10.4.3 For direct purchase of equipment with CPG funds, equipment must be identified in the metropolitan UPWP. Property management of equipment should be in accordance with the Common Rule.

### 10.5 Travel and Subsistence

10.5.1 Compensation for travel and subsistence is allowed and shall be at the approved allowable rate for meals, lodging, incidental expense and transportation established by the MPO, but shall not exceed rates used by ITD as established by the Idaho State Board of Examiners through the "State Travel Policy and Procedures".

10.5.2 Parties shall meet the intent of the State Travel Policy and Procedures – Statement of Philosophy: "All reimbursable travel of state employees must have been properly authorized; actually incurred; essential in achieving the goals or fulfilling the responsibility of a particular department; and conducted in the most economical and practical manner for the state."

### 10.6 Real Property

10.6.1 The use and disposition of real property shall follow the procedures and requirements regulated in code.

**ARTICLE XI  
TERMS AND CLAIMS FOR PAYMENT**

11.1 Terms

- 11.1.1 In consideration of the terms and obligations of this MOU, ITD hereby agrees to compensate the MPO for the work performed in accordance with this MOU.
- 11.1.2 The MPO is not authorized to request payment for, any work that is not included in the current and approved metropolitan UPWP and CPG Agreement.
- 11.1.3 The use of federal metropolitan transportation planning funds shall be limited to transportation planning activities identified through the metropolitan UPWP.
- 11.1.4 Only allowable costs will be reimbursed. Costs shall be determined according to Cost Principles for State, Local, and Indian Tribal Governments (OMB Circular A-87 Revised).
- 11.1.5 The MPO shall be responsible for the remaining local share of the actual allowable costs.
- 11.1.6 As applicable, the MPO shall develop procedures to ensure proper payment of sales tax in adherence to Idaho State Tax Commission policy.

11.2 Program Income

- 11.2.1 Program income shall be deducted from Federal and non-Federal outlays.

11.3 Claims for Payment

- 11.3.1 Claims for payment are to be submitted on a monthly basis and include the following items:
  - i. Metropolitan UPWP Progress Report – Corresponding to, and balancing with, the approved metropolitan UPWP.
  - ii. Billing Information, Invoices, with support documentation, including:
    - a. Payroll costs
    - b. General and Administrative Costs
    - c. Out-of-Pocket Costs
    - d. Indirect Costs
  - iii. Disadvantaged Business Enterprise (DBE) Statement.
  - iv. Employee Activity Breakout.
  - v. In-Kind Match Documentation.
- 11.3.2 The MPO shall submit claims for payment directly to ITD-DES for processing.
- 11.3.3 All reimbursement payments made through this MOU to the MPO shall be processed through the financial records of the MPO and included within requirements outlined in Article 12 "Accounting, Controls, and Audits" of this MOU.
- 11.3.4 ITD shall make full payment of the value of such documented services as verified on the monthly progress report.

**ARTICLE XII  
ACCOUNTING, CONTROLS, AND AUDITS**

12.1 Accounting

- 12.1.1 The MPO shall maintain an accounting system that has the capacity to track accounting and project level information and provide detailed reporting.
- 12.1.2 The MPO shall establish and maintain, within its accounting system, a separate account for each work task identified in the approved metropolitan UPWP.
- 12.1.3 All accounting records shall provide a current breakdown of costs charged to each task, and together with supporting documents, shall be kept separate from other documents and records.

12.1.4 The MPO shall maintain an accounting system, records and reports in accordance with uniform standards established by the Idaho State Controller, ITD and the Common Rule for work performed as outlined within this MOU that is to be partially or fully paid for by Federal funds, regardless of the granting agency.

## 12.2 General Records

12.2.1 The MPO shall maintain all records and documents relevant to this MOU or CPG Agreement for five (5) years from the date of final progress payment. If an audit, litigation or other action involving records is initiated before the five-year period has expired, the records must be retained until all issues arising out of such action are resolved, or until an additional five-year period has passed, whichever is later.

12.2.2 ITD and any persons duly authorized by ITD shall have full access to and the right to inspect, reviews, and audit any of these materials during the retention period.

## 12.3 Financial Controls

12.3.1 The MPO is required to ensure that adequate and functional financial management and oversight controls are in place.

12.3.2 Controls must ensure that no one person has authority or responsibility for the finances of the organization. The MPO Board shall develop an authority mandate for financial expenditures that clearly stipulates who can authorize spending for what and within what limits.

## 12.4 Monitoring

12.4.1 Regular and active monitoring will occur through ITD-DES, and periodically by ITD Internal Review.

12.4.2 ITD-DES shall develop an ongoing review schedule as well as develop and publish a final report that includes all review findings and schedule for correction every two (2) years.

## 12.5 Federal, State, and Local Audits

12.5.1 It is acknowledged that additional federal, state, and local audits may occur over the course of this MOU.

12.5.2 All records, reports, and documents are to be made available at the MPO business office and its subcontractors' business offices for audit and inspection as needed by State and Federal agencies.

## 12.6 Agency Audit

12.6.1 The MPO must comply with the current terms of the 'Single Audit Act'. Funds provided under this MOU and CPG may be used to pay for compliance with this Act in proportion to other funding sources.

12.6.2 The MPO must adhere to Federal Requirements for Independent Financial Audits of Local Government.

12.6.3 All audits must be performed by independent auditors in accordance with generally accepted governmental auditing standards, as defined by the United States general accounting office. The auditor shall be retained through a written contract

12.6.4 One copy of each completed audit report must be filed with the legislative services office within nine months after the end of the audit period. One copy of the report must also be filed with the ITD-District Office.

12.6.5 The MPO is responsible to provide an action plan for the resolution of any audit findings or recommendations.

## 12.7 Cost Allocation Plan (CAP)

- 12.7.1 The MPO must have an approved CAP if it intends to charge indirect costs to more than one program, state, or urbanized area.
- 12.7.2 The CAP must be approved by the MPO governing board annually and submitted to ITD-DES for departmental approval.
- 12.7.3 ITD-DES is responsible for ensuring the review and approval of the submitted annual CAP and /or the approval of indirect costs rates proposals.
- 12.7.5 ITD-DES may engage the ITD-Office of Internal Review (OIR) to assist in the review of CAP and/or the approval of indirect costs rates proposals.

## **ARTICLE XIII STANDARD REQUIREMENTS**

### 13.1 Indemnification

- 13.1.1 The MPO shall indemnify, defend and save harmless the State of Idaho and ITD, its officers, agents and employees, from and against all liability, claims, damages, losses, expenses, actions, and suits whatsoever, including injury or death of others or any employee of the MPO caused by or arising out of performance, act, or omission of any term of this MOU.
- 13.1.2 Nothing in this provision shall extend the MPO indemnification of ITD beyond the liability of ITD, the aggregate of which is limited to \$500,000. (See Idaho Tort Claims Act Idaho Code §6-924)

### 13.2 Independent Contractor Status

- 13.2.1 As an independent contractor, the MPO is responsible for all employee-related benefits, such as paid leaves and health insurance, and all withholding and payment of federal and state income taxes.
- 13.2.2 ITD shall not be responsible for these employee-related benefits and tax items, and shall be indemnified and held harmless for any liability, cost, or expense, including any interest, penalties, and attorney's fees that may be connected with the failure of the MPO to provide or pay such items.

### 13.3 Confidentiality

- 13.3.1 It is expressly acknowledged and agreed that the MPO shall observe the confidentiality of information provisions, and pertinent state and federal rules and regulations.
- 13.3.2 The MPO acknowledges that information or documents ITD receives from the MPO may be open to public inspection and copying unless exempt.

### 13.4 Copyright

- 13.4.1 The MPO shall be free to copyright material developed under this contract using federal funds with the provisions that ITD, FHWA-ID, and FTA reserve a royalty-free, nonexclusive, and irrevocable license to reproduce, publish, or otherwise use, and to authorize others to use, the work for government purposes.

### 13.5 Administrative Procedures

- 13.5.1 The MPO administrative procedures shall meet the requirements of the Common Rule, and will follow policies and procedures for administration of activities undertaken by States and their sub recipients, including MPOs, with FHWA-ID and FTA metropolitan planning funds relating to the activities and studies funded as part of a metropolitan UPWP or as separate Federal-aid projects not included in a metropolitan UPWP, and also relating to the approval and authorization of research, development, and technology transfer (RD&T) work programs.

### 13.6 Title VI - Civil Rights

- 13.6.1 The MPO agrees to adopt the ITD approved Title VI Plan as the official document for implementation of the requirements stated under Authority of this MOU.
- 13.6.2 ITD as a recipient of federal funding agrees to develop and maintain the Title VI Plan.
- 13.6.3 ITD agrees to update the Title VI Plan as needed.
- 13.6.4 ITD agrees to provide information on the Title VI Plan as needed.
- 13.6.5 The MPO agrees to operate as required under the ITD Title VI Plan.
- 13.6.6 The MPO agrees to provide to ITD a Limited English Proficiency (LEP) Plan as an addendum to the ITD Title VI Plan.
- 13.6.7 The MPO agrees to include the following information with every State & Local Agreement:
- i. Designation of a Title VI Coordinator
  - ii. List all Federal-aid transportation programs and activities
  - iii. ADA Transition Plan (Organizations with 50 or more employees)
  - iv. Title VI Policy Statement, signed by someone in authority
  - v. Title VI Complaint Procedure
  - vi. Limited English Proficiency (LEP) Plan
  - vii. Pre-Award Assurance Checklist
- 13.6.8 All Title VI- Civil Rights documents, issues, or questions shall be directed through the ITD EEO/DBE Program Manager.

### 13.7 Disadvantaged Business Enterprise

- 13.7.1 The MPO shall meet the requirements dealing with Disadvantaged Business Enterprises, and will follow specific procedures set forth in any ITD program.

### 13.8 Restrictions on Lobbying

- 13.8.1 The MPO certifies to the best of their knowledge and belief that:
- i. Influence: The MPO certifies that none of the funds provided by this MOU have been paid or will be paid by or on behalf of the MPO to any person for influencing or attempting to influence an officer or employee of any governmental agency, a member, officer, or employee of Congress or the State Legislature in connection with the awarding, continuation, renewal, amendment, or modification of any contract, MOU, loan or cooperative agreement.
  - ii. Standard Form LLL: If any funds, other than funds provided by this MOU, have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any governmental agency, a member, officer, or employee of Congress or the State Legislature in connection with this MOU, the MPO shall complete and submit Standard Form LLL, 'Disclosure Form to Report Lobbying', in accordance with its instructions, and a copy of Standard Form LLL to ITD.

- iii. False Statement: The MPO understands that a false statement of this certification may be grounds for rejection or termination of this MOU, and that their signature upon this MOU is a material representation of fact upon which reliance was placed when this MOU was made or entered into. In addition, a false statement shall be subject to a civil penalty of not less than \$10,000.00 and not more than \$100,000.00 for each such false statement.

**ARTICLE XIV  
SCHEDULE OF REQUIRED ACTIVITIES**

1.14 The following table outlines requirements, due dates, and the responsible agency.

Article	Task Description	Due Date	Frequency	Responsible Agency*
2.1	Public Participation	On-Going		MPO
2.4	Partnership Meeting	February	Annual	ITD-DES
4.2	Metropolitan Transportation Plan	On-Going		MPO
4.5	Unified Planning Work Program (UPWP)	September 30th	Annual	MPO
4.6	UPWP Performance and Expenditure Report	December 31st	Annual	MPO
4.7	UPWP Closeout	December 31st	Annual	MPO
4.8	Air Quality Conformity Determinations	On-Going		MPO
4.9	Congestion Management Process	On-Going		MPO
4.10	Functional Classification Process**	On-Going		MPO
4.12	Intelligent Transportation Systems Architecture	On-Going		ITD-DEPP
4.13	Coordinated Public Transit Human Services Transportation Planning	On-Going		MPO
5.1	Transportation Improvement Program (TIP)	September 30th	Annual	MPO
5.4	Listing of Obligated Projects	December 31st	Annual	MPO
7.4	Consolidated Planning Grant Agreement		Annual	ITD-DES
8.1	Self-Certification	September 30th	Annual	MPO
11.3	Claims for Payment		Monthly	MPO
12.4	ITD Program Review		2 Year	ITD-DES
12.6	Agency Independent Financial Audit		Annual	MPO
12.7	Cost Allocation Plan (CAP)		Annual	MPO
13.6	Title VI – LEP Plan	On-Going		MPO
13.6	Title VI – SLA Packet	On-Going		MPO

\*ITD-DEPP: ITD-Division of Engineering Products and Plans

\*ITD-DES: ITD-Division of Engineering Services

\*\*On-going as needed; however, formal statewide update based on available Decennial Census Bureau data.

**ARTICLE XV  
GENERAL PROVISIONS**

15.1 Effective Date

15.1.1 This MOU shall commence upon the day and date last signed and is executed by the duly authorized representatives of the parties to this MOU, and shall remain in full force and effect until terminated.

15.2 Entirety of this Memorandum

15.2.1 This MOU represents the entire and integrated agreement between the parties and supersedes and replaces any prior memorandums of understanding, negotiations, representations, and agreements, whether written or oral.

15.3 Amendment

15.3.1 This MOU is valid until terminated or changed.

15.3.2 Any party of this MOU can propose changes at any time. Any changes to one or more of the terms and conditions of this MOU shall not be valid unless made in writing and agreed to by all parties prior to change and implementation. Additional agreement may be incorporated as amendments or addenda as may be jointly determined by the MPO and the ITD, provided such agreements are consistent with the purpose of this MOU and agreed to in writing with an effective date.

15.4 Termination

15.4.1 Any party of this MOU may terminate this understanding by providing written notice at least 30 days prior to the effective date of termination and specifying the effective date of termination. Any notices required or permitted to be given hereunder shall be given in writing and shall be delivered (a) in person, (b) certified mail, postage prepaid, return receipt required, (c) by facsimile, or (d) by commercial overnight carrier that guarantees next day delivery and provides a receipt, and such notices shall be addressed as indicated in Exhibit "A", attached hereto and incorporated herein, or to such other address as either party has specified in writing to the other party. Any notice shall be effective only upon delivery which for any notice given by facsimile shall mean notice has been received by the party to whom it is sent as evidenced by the confirmation page.

15.4.2 The obligations and liabilities of the parties shall cease upon the date of termination, except that the obligations or liabilities incurred prior to the termination date shall be honored. Upon termination, the MPO and ITD shall determine the amount of compensation, if any, to be paid by the MPO to ITD in order to avoid any State liability to either FHWA-ID or FTA or others. All disposition of equipment due to project termination shall be in accordance with instruction from the ITD–District Office.

15.5 Remedies

15.5.1 Action inconsistent with the terms and conditions of this MOU shall be grounds for termination of the MOU by the other parties upon serving appropriate notice to that effect.

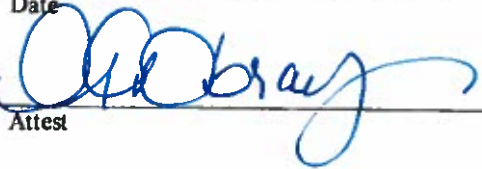
15.6 Limitations

15.6.1 Nothing in this MOU shall be construed as limiting or expanding the statutory or regulatory responsibilities of any involved individual in performing functions granted to them by law; or as requiring either entity to expend any sum in excess of its respective appropriation. Each and every provision of this memorandum is subject to the laws and regulations of the State of Idaho and the United States.



- 15.6.2 Nothing in this MOU shall be construed as expanding the liability of any party. In the event of a liability claim, each party shall defend their own interests. Parties shall be required to provide indemnification of the other parties except as herein stated.
- 15.7 Periodic MOU Review and Update
  - 15.7.1 This MOU shall be reviewed annually by ITD-DES during the development of the annual CPG Agreement to ensure that it articulates accurate roles and responsibilities of all parties
  - 15.7.2 This MOU will be modified as necessary to address new laws, rules, and regulations promulgated by the U.S. Department of Transportation.
- 15.8 Severability
  - 15.8.1 Should any portion of this MOU be judicially determined to be illegal or unenforceable, the remainder of the MOU shall continue in full force and effect, and parties may renegotiate the terms affected by the severance.
- 15.9 Third-Party Beneficiary Rights
  - 15.9.1 The parties do not intend to create in any other individual or entity the status of third party beneficiary, and this MOU shall not be construed so as to create such status. The rights, duties, and obligations contained in this MOU shall operate only between the parties to this MOU, and shall inure solely to the benefit of the parties to this MOU. The provisions of this MOU are intended only to assist the parties in determining and performing their obligations under this MOU.

IN WITNESS WHEREOF, the parties hereto have caused this MOU to be executed by their respective officers, duly authorized:

Idaho Transportation Department  
 3/18/2016  
 \_\_\_\_\_  
 Date  
  
 \_\_\_\_\_  
 Attest

  
 \_\_\_\_\_  
 Name:  
 Brian W. Ness, ITD Director  
 for

Bonneville Metropolitan Planning Organization  
 3/10/16  
 \_\_\_\_\_  
 Date

  
 \_\_\_\_\_  
 Name:  
 Darrell West, BMPO Director

**EXHIBIT A**  
**CONTACT OF RESPONSIBLE PARTY**

**Bonneville Metropolitan Planning Organization**

Contact: Darrell West  
Director  
1810 W. Broadway  
Idaho Falls, Idaho  
(208) 612-8530  
[dwest@bmpo.org](mailto:dwest@bmpo.org)

**Idaho Transportation Department**

**District #6 Office**

Contact: Jason Minzghor, P.E.  
District Engineer  
206 N. Yellowstone Avenue  
P.O. Box 97  
Rigby, Idaho 83442-0097  
(208) 745-7781  
[Jason.Minzghor@itd.idaho.gov](mailto:Jason.Minzghor@itd.idaho.gov)

**Idaho Transportation Department**

**Division of Engineering Services**

Contact: Blake Rindlisbacher, P.E.  
3311 West State Street  
Boise, Idaho 83702  
(208) 334-8231  
[Blake.Rindlesbacher@itd.idaho.gov](mailto:Blake.Rindlesbacher@itd.idaho.gov)

**Idaho Transportation Department**

**Office of Transportation Investments**

Contact: John Krause  
3311 West State Street  
Boise, Idaho 83702  
(208) 334-8292  
[John.Krause@itd.idaho.gov](mailto:John.Krause@itd.idaho.gov)

**Federal Highway Administration**

**Idaho Division**

Contact: Scott Frey and/or Lori Porreca  
3050 Lakeharbor Lane, #126  
Boise, Idaho 83703  
(208) 334-9180  
[Scott.Frey@dot.gov](mailto:Scott.Frey@dot.gov)

## EXHIBIT B METROPOLITAN PLANNING BOUNDARY

