

AGREEMENT OF UNDERSTANDING
BETWEEN
THE CITY OF Jonesboro, ARKANSAS
AND
THE ARKANSAS HIGHWAY AND
TRANSPORTATION DEPARTMENT

In Cooperation with the
U.S. Department of Transportation
Federal Highway Administration

RELATIVE TO

The improvement and maintenance of Urban Arterial and Collector Routes on the Federal Aid Urban System.

WHEREAS, the 1978 Surface Transportation Assistance Act provides 75% Federal-Aid funds to be matched with 25% local funds for improvements to facilities on the Federal-Aid Urban System, and

WHEREAS, the City has expressed its desire to participate in the Federal Aid Urban System Program, and

WHEREAS, the City understands that the Department will adhere to the General Requirements for recipients and subrecipients concerning minority business enterprises as stated on the attachment,

IT IS HEREBY AGREED that the City of Jonesboro and the Arkansas Highway and Transportation Department, in cooperation with the Federal Highway Administration, will participate in a cooperative program for implementation, and

HEREBY, accept the responsibilities and assigned duties as described hereafter.

THE CITY WILL:

1. Be responsible for satisfactory maintenance and operation of all improvements on that portion of the Federal Aid Urban System not on the Arkansas Highway System and all traffic signals on the Arkansas Highway System. Failure to adequately maintain and operate the facility in accordance with Federal Aid requirements will result in withholding future Federal Aid highway funds.
2. Be responsible for 25% of the total project cost, which will include preliminary engineering services, construction engineering services, appraisal and acquisition of right-of-way, relocation services (when required), and adjustment of all man-made improvements, including utilities, for urban system projects not on the Arkansas Highway System.
3. Be responsible for 100% of all preliminary engineering and other costs incurred should the city not enter into the construction phase of the project.

4. Be responsible for any and all expenditures which may be declared non-participating, including right-of-way and utilities as discussed in Item 2 above, where sufficient Federal-Aid funds are not available to the City. This is to be a joint agreement developed between the Department and the City after preliminary project investigations have been completed and the magnitude of the project determined.
5. Submit a letter to the Right-of-Way Division of the Arkansas State Highway and Transportation Department stipulating the services relative to right-of-way acquisition, appraisal, relocation and utilities that the City will assume or request that the Arkansas State Highway and Transportation Department handle some or all of these services.
6. Transmit to the Arkansas State Highway and Transportation Department a copy of the Resolution from the City Council or Board of Directors which requests a project and authorizes the Mayor or City Manager to execute contracts with the Arkansas State Highway and Transportation Department for projects on city streets.
7. Submit to the Arkansas State Highway and Transportation Department 5% of the estimated total project cost before preliminary engineering begins.
8. Submit to the Department the local matching share of the final estimated cost before the project is advertised for construction letting.
9. Make no alterations to the improvements constructed under the Urban System Program without first consulting with the Arkansas State Highway and Transportation Department.
10. Maintain or adopt regulations and ordinances as necessary for proper operation of the improvements.
11. Be responsible for the necessary enforcement of operations as required by improvements on the Arkansas State Highway System and the Urban System.
12. Hereby attest that the employment policies and practices with regard to its employees, any part of whose compensation is reimbursed from Federal funds, will be without regard to race, color, creed, or national origin.

THE ARKANSAS STATE HIGHWAY AND TRANSPORTATION DEPARTMENT WILL:

1. Be responsible for administering Federal-Aid Urban System funds and for supervision of improvement projects funded through the Federal-Aid Urban System program.

2. Provide technical assistance to the City upon request for continuing the Federal-Aid Urban System program.
3. Provide technical assistance upon request for developing the necessary plans and specifications for all Federal-Aid Urban projects.
4. Provide a continuing traffic engineering function for those urban areas where a continuing transportation planning process is not established.
5. When requested, provide the necessary services relative to right-of-way acquisition, appraisal, relocation, and utility adjustments and will be reimbursed for costs involved in performing these services.

IT IS FURTHER AGREED that, should the City fail to fulfill its responsibilities and assigned duties as related in the Agreement, such failure will disqualify the City from future participation in the Federal-Aid Urban System program.

IN WITNESS WHEREOF, the parties thereto have executed this Agreement this 5th day of March, 1984.

ARKANSAS STATE HIGHWAY
AND TRANSPORTATION DEPARTMENT

Director of Highways
and Transportation

GENERAL REQUIREMENTS
FOR
RECIPIENTS AND SUBRECIPIENTS
CONCERNING MINORITY BUSINESS ENTERPRISES

It is the policy of the Department of Transportation that minority business enterprises as defined in 49 CFR Part 23 shall have the maximum opportunity to participate in the performance of contracts financed in whole or in part with Federal funds under this agreement. Consequently the MBE requirements of 49 CFR Part 23 apply to this agreement.

The recipient or its contractor agrees to ensure that minority business enterprises as defined in 49 CFR Part 23 have the maximum opportunity to participate in the performance of contracts and subcontracts financed in whole or in part with Federal funds provided under this agreement. In this regard all recipients or contractors shall take all necessary and reasonable steps in accordance with 49 CFR Part 23 to ensure that minority business enterprises have the maximum opportunity to compete for and perform contracts. Recipients and their contractors shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of DOT-assisted contracts.

If as a condition of assistance the recipient has submitted and the Department has approved a minority business enterprise affirmative action program which the recipient agrees to carry out, this program is incorporated into this financial assistance agreement by reference. This program shall be treated as a legal obligation and failure to carry out its terms shall be treated as a violation of this financial assistance agreement. Upon notification to the recipient of its failure to carry out the approved program the Department shall impose such sanctions as noted in 49 CFR Part 23, Subpart E, which sanctions may include termination of the agreement or other measures that may affect the ability of the recipient to obtain future DOT financial assistance.

The recipient shall advise each subrecipient, contractor, or subcontractor that failure to carry out the requirements set forth in Subsection 23.43(a) shall constitute a breach of contract and, after the notification of the Department, may result in termination of the agreement or contract by the recipient or such remedy as the recipient deems appropriate.

(NOTE: Where appropriate, the term "recipient" may be modified to mean "subrecipient," and the term "contractor" modified to include "subcontractor.")