AGREEMENT OF UNDERSTANDING BETWEEN

THE CITY OF ______, ARKANSAS AND

THE ARKANSAS STATE HIGHWAY AND TRANSPORTATION DEPARTMENT

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

RELATIVE TO

Installation and maintenance of acaffic control signalization on the Federal-aid Urban System.

WHEREAS, the 1978 Surface Transportation Assistance Act provides for 100% Federal-aid funds for traffic control signalization 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 <u>Jonesboro</u> and the Arkansas State 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 traffic signals and of all other improvements on that portion of the Federal-aid Urban System not 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 cost of 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, right-of-way, and other costs incurred should the City not enter into the construction phase of the project.

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, when applicable, 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 or 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.
- 13. Be responsible for any award made by State Claims Commission or Board of Arbitration, as set up by Minute Order 85-060, that is declared a non-federal participating cost.

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.

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 17th day of August , 1987.

ARKANSAS STATE HIGHWAY AND TRANSPORTATION DEPARTMENT

CITY OF JONESBORO, ARKANSAS

Director of Highways and Transportation