

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

RELATIVE TO

The improvement and maintenance of Industrial Access Roads.

WHEREAS, Minute Order 87-272 provides 80% State funds to be matched with 20% local funds for improvements to qualified Industrial Access Roads not on the State Highway System, and

WHEREAS, the City has expressed its desire to participate in the Industrial Access Road Program,

IT IS HEREBY AGREED that the City of Jonesboro and the Arkansas State Highway and Transportation Department will participate in a cooperative effort for Industrial Access Road Improvement and

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

THE CITY WILL:

1. Transmit to the Arkansas State Highway and Transportation Department a copy of the Resolution from the City which requests a project and authorizes the the mayor/city manager to execute contracts with the Arkansas State Highway and Transportation Department for projects on city streets.
2. Be responsible for 20% of the total project cost including preliminary engineering, construction engineering services and other costs associated with the project.
3. Be responsible for 100% of adjustment of man-made improvements, and right-of-way
4. Submit to the Department a deposit (normally 5% of the estimated total project cost) before preliminary engineering begins.
5. Submit to the Department the local matching share of the final estimated cost before the project is advertised for construction letting.
6. Be responsible for 100% of all costs incurred should the City not enter into the construction phase of the project.
7. Make no alterations to the improvements constructed under the Industrial Access Road Program without first consulting with the Arkansas State Highway and Transportation Department.
8. Maintain or adopt regulations and ordinances as necessary for proper operation of the improvements.
9. Be responsible for satisfactory maintenance and operation of all improvements on the Industrial Access Road. Failure to adequately maintain and operate facility will result in withholding future highway funds.

THE ARKANSAS STATE HIGHWAY AND TRANSPORTATION DEPARTMENT WILL:

1. Be responsible for administering Industrial Access Road Program funds and for supervision of improvement projects funded through the program.
2. Provide technical expertise for development of the plans and specifications, and for construction engineering.
3. 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.
4. Provide 80% of all costs provided the project is let to contract and constructed in accordance with the terms of this agreement.

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 Industrial Access Road Program.

IN WITNESS WHEREOF, the parties thereto have executed this Agreement this _____ day of _____, 19__.

ARKANSAS STATE HIGHWAY
AND TRANSPORTATION DEPARTMENT

Director of Highways
and Transportation