

**Matanuska-Susitna Borough,  
City of Palmer,  
City of Wasilla,  
Knik Tribe,  
Chickaloon Native Village  
and  
State of Alaska**

**INTER-GOVERNMENTAL OPERATING  
AGREEMENT AND MEMORANDUM OF  
UNDERSTANDING  
FOR TRANSPORTATION PLANNING**

In the Metropolitan Area  
of the  
Mat-Su Metropolitan Planning Organization

**SECTION 1- PARTIES TO THIS AGREEMENT**

The Parties to this Agreement are the State of Alaska (State) and Matanuska-Susitna Borough (MSB), Knik Tribe, Chickaloon Native Village, City of Palmer, and City of Wasilla.

**SECTION 2- PURPOSE**

This Agreement is entered into in accordance with 23 USC § 134--135, 49 USC § 5303-5306, and 23 CFR 450.300 to provide the structure and process for the continuing, cooperative, and comprehensive consideration, consultation, development and implementation of transportation plans and programs for intermodal transportation in the metropolitan planning area (MPA).

Metropolitan Planning Organizations (MPOs) are required to develop long-range transportation plans and Transportation Improvement Programs through a performance-driven, outcome-based approach to planning. The MPO will conduct the transportation planning process and provide for consideration and implementation of projects, strategies, and services that will address the planning factors outlined in 23 CFR 450.306 (b) and (c).

## **SECTION 3 - LEGAL AUTHORITY**

### **3.1 FEDERAL TRANSPORTATION PLANNING STATUTES**

23 USC § 104(f), 23 USC § 134 and 49 USC § 5303-5306 provide funding and require designation of a metropolitan planning organization (MPO) for urbanized areas of at least 50,000 population to carry out a transportation planning process and receive federal funding. Those Statutes require the State and the local governments to coordinate the planning and construction of all urban transportation facilities with a continuing, cooperative, and comprehensive transportation planning process.

### **3.2 MPO DESIGNATION**

On December 19, 2023, the Governor of the State of Alaska designated the MPO and identified the Matsu Valley Planning for Transportation (MVP) Policy Board as the body providing the direction of transportation planning in the MPA in accordance with Federal law.

## **SECTION 4 - DEFINED TERMS**

"ADEC" means the State of Alaska Department of Environmental Conservation.

"Alaska DOT&PF" or "ADOT&PF" means the State of Alaska Department of Transportation and Public Facilities.

"ARRC" means the Alaska Railroad Corporation

"AOR" means the Annual Obligation Report which includes all projects and strategies listed in the Transportation Improvement Program (TIP) for which Federal funds were obligated during the immediately preceding program year.

"ASSEMBLY" means the MSB Assembly, the legislative governing body of the MSB.

"CHICKALOON NATIVE VILLAGE" (Nay'dini'aa Na') is a federally recognized Tribe that administers federally funded Tribal Transportation Program within the MPA.

"CITY OF PALMER" means the home rule city, a political subdivision of the State of Alaska within the MPA.

"CITY OF WASILLA" means a first-class city, a political subdivision of the State of Alaska, and the most populated city located within the MPA.

"CONSULTATION" means that one or more parties confer with other identified parties in accordance with an established process and, prior to taking action(s), considers the views of the other parties and periodically informs them about action(s) taken. This definition does not apply to the "consultation" performed by the States and the MPOs in comparing the long-range statewide transportation plan and the MTP, respectively, to State and tribal conversation plans or maps or inventories of natural or historic resources.

"COOPERATION" means that the parties involved in carrying out the transportation planning and programming processes work together to achieve a common goal or objective.

"COORDINATION" means the cooperative development of plans, programs, and schedules among agencies and entities with legal standing and adjustment of such plans, programs, and schedules to achieve general consistency, as appropriate.

"DBE" or "Disadvantaged Business Enterprise" means a for-profit small business concern (1) that is at least 51-percent owned by one or more individuals who are both socially and economically disadvantaged or, in the case of a corporation, in which 51 percent of the stock is owned by one or more such individuals; and (2) whose management and daily business operations are controlled by one or more of the socially and economically disadvantaged individuals who own it.

"DESIGNATED RECIPIENT" means: (i) an entity designated, in accordance with the planning process under Sections 5303 and 5304, by the governor of a state, responsible local officials, and publicly owned operators of public transportation, to receive and apportion amounts under Section 5336 to urbanized areas of 200,000 or more in population; or (ii) a state or regional authority, if the authority is responsible under the laws of a state for a capital project and for financing and directly providing public transportation.

"DIRECT RECIPIENT" means an eligible entity authorized by a designated recipient or state to receive Urbanized Area Formula Program funds directly from FTA. A state or designated recipient may authorize another public entity to be a "direct recipient" for Section 5307 funds. A direct recipient is a public entity that is legally eligible under federal transit law to apply for and receive grants directly from FTA. The designated recipient may make this authorization one time or at the time of each application submission, at the option of the designated recipient.

"FHWA" means the Federal Highway Administration, an operating agency of the United States Department of Transportation (USDOT).

"FINANCIAL PLAN" means documentation required to be included with a metropolitan transportation plan and TIP that demonstrates the consistency between reasonably available and projected sources of Federal, State, local and private revenues, and the costs of implementing proposed transportation system improvements.

"FRA" means the Federal Railroad Administration, created by the Department of Transportation Act of 1966.

"FTA" means the Federal Transit Administration, an operating agency of the USDOT.

"KNIK TRIBE" is a federally recognized Tribe that administers a federally funded Tribal Transportation Program within the MPA.

"MATSU VALLEY PLANNING FOR TRANSPORTATION (MVP)" means the Matanuska-Susitna area Metropolitan Planning Organization, also know as MVP for Transportation.

"METROPOLITAN PLANNING AGREEMENT" means a written agreement between the MPO, the State(s), and the providers of public transportation serving the metropolitan planning area that describes how they will work cooperatively to meet their mutual responsibilities in carrying out the metropolitan transportation planning process.

"MPA" or "METROPOLITAN PLANNING AREA" means the geographic area in which the MPO carries on metropolitan transportation planning process as described in Section 5.4 of this Agreement.

"MPO" or "METROPOLITAN PLANNING ORGANIZATION" means the policy board created by Section 5.2 of this Agreement to carry out the metropolitan transportation planning process.

"MSB" means the Matanuska-Susitna Borough, a second-class borough, a political subdivision of the State of Alaska that includes the City of Palmer, City of Wasilla, and MPA within its boundaries.

"MTP" or "METROPOLITAN TRANSPORTATION PLAN" means the official multimodal transportation plan addressing no less than a 20-year planning horizon that the MPO develops, adopts, and updates through the MTP process.

"PERFORMANCE-BASED APPROACH" means the application of performance management within the planning and programming process to achieve desired performance outcomes for the multimodal transportation system.

"PERFORMANCE MEASURE" means an expression on a metric that is used to establish targets and to assess progress toward achieving the established targets.

"PERFORMANCE METRIC" refers to "Metric" as defined in 23 CFR 490.101 and means a quantifiable indicator of performance or condition.

"PERFORMANCE TARGET" refers to "Target" as defined in 23 CFR 490.101 and means a quantifiable level of performance or condition, expressed as a value for the measure, to be achieved within a time period.

"PL FUNDS" means the Federal Highway Administration Metropolitan Transportation Planning funds authorized under 23 USC 104 to carry out the requirements of 23 USC 134.

"POLICY BOARD" means the board established under Section 5.2 of the Agreement for cooperative decision-making in accordance with this Agreement.

"PUBLIC PARTICIPATION PLAN" means a documented process for providing citizens, affected public agencies, representatives of public transportation employees, freight shippers, providers of freight transportation services, private providers of transportation, representative of users of public transportation, representatives of users of pedestrian walkways and bicycle transportation facilities, representatives of the disabled, and other interested parties with reasonable opportunities to be involved in the metropolitan transportation planning process.

"SECTION 5303 FUNDS" means the FTA funds made available under 49 USC 5305(9) to carry out the requirements of 49 USC 5303.

"SSOW" OR "SIMPLIFIED STATEMENT OF WORK" means a statement of work documenting metropolitan transportation planning activities performed with funds provided under title 23 U.S.C. and title 49 U.S.C. Chapter 53 in accordance with the provisions of 23 CFR 450.308 and 23 CFR part 420.

"STATE" means the State of Alaska.

"TECHNICAL COMMITTEE" means the Mat-Su MPO committee established in Section 5.3 of this Agreement for the cooperative decision-making in accordance with this Agreement.

"TIP" or the "TRANSPORTATION IMPROVEMENT PROGRAM" means a prioritized listing/program of transportation projects covering a period of four years that is developed and formally adopted by an MPO as part of the MTP process, consistent with the MTP, and required for projects to be eligible for funding under title 23 USC and title 49 USC chapter 53.

"TRANSIT" means public transportation systems, including buses, vans, rail, trollies and ferries and other rubber-tired public transportation vehicles.

"UPWP" or "UNIFIED PLANNING WORK PROGRAM" means a statement of work identifying the planning priorities and activities to be carried out within an MPA. At a minimum, a UPWP includes a description of the planning work and resulting products, who will perform the work, time frames for completing the work, the cost of the work, and the source(s) of funds.

"URBANIZED AREA" means a geographic area with a population of 50,000 or more, as determined by the Bureau of the Census also known as an UZA.

"USDOT" means the United States Department of Transportation.

"WASILLA CITY COUNCIL" means the legislative governing body of the City of Wasilla.

## **SECTION 5 - ORGANIZATION AND RESPONSIBILITIES**

### **5.1 MVP FOR TRANSPORTATION**

MVP for Transportation is the MPO's staffed organization, which works in cooperation with the State, units of local government and public transportation operators. In order to receive and expend federal funding for transportation in urbanized areas with a population of more than 50,000 individuals, there must be coordination between the State and the MPO as required by federal regulation. Therefore, the purpose of the MVP for Transportation is to provide the framework and mechanism for the MPO and the State to jointly develop and implement transportation plans and programs, which will assure compliance with State and Federal transportation planning.

## **5.2 POLICY BOARD**

The MVP for Transportation Policy Board (Policy Board) shall have as members a representative of the Alaska DOT&PF, a Knik Tribe representative, a Chickaloon Native Village Traditional Council representative, MSB Mayor, MSB Manager, City of Palmer Mayor, and the City of Wasilla Mayor. Each member of the Policy Board shall have one vote. MVP for Transportation's Executive Director will serve as Secretary to the Policy Board.

### **5.2.1 Powers and Duties of the Policy Board**

The Policy Board shall have overall responsibility for the implementation of this Agreement, coordination of MVP for Transportation's efforts and responsibilities of MVP for Transportation's Technical Committee, and the ultimate development and adoption of the UPWP, TIP, and MTP.

## **5.3 TECHNICAL COMMITTEE**

MVP for Transportation shall have a Technical Committee, which consists of representatives, such as planners, engineers, and other specialists from the City of Palmer, City of Wasilla, MSB Planning and Public Works, Alaska DOT&PF Planning and Pre-construction, ADEC Air Quality division, Alaska Railroad Corporation, trucking industry advocate, Mat-Su Road Service Area Advisory Board Chair, MSB Transportation Advisory Board Chair, Public Transit Provider, Mat-Su School District Operations, Knik Tribe, Chickaloon Native Village, and a non-motorized advocate. Each member of the MVP for Transportation's Technical Committee (Technical Committee) shall have one vote and all actions of the Technical Committee, including recommendations to the Policy Board, shall be by a majority vote of the members present once a quorum is established.

## **5.4 METROPOLITAN PLANNING AREA (MPA)**

The MPA specified by 23 USC§ 134(e) shall be the geographical area shown on Appendix A to the Agreement incorporated herein by reference. Provided such boundaries conform to the requirements of 23 USC§ 134(e), the MPO and the Governor may mutually agree to change the boundaries of the MPA.

## **5.5 MPO SELF-CERTIFICATION**

Every four years, the MPO will, in coordination with the Alaska DOT&PF, self-certify to the FHWA and the FTA that the planning process is addressing the major issues facing the area and is being conducted in accordance with all applicable requirements of 23 CFR 450.336(a).

## **SECTION 6 - KEY PLANS AND PROGRAMS**

### **6.1 PRIMARY PLANNING AND PROGRAMMING ACTIVITIES**

There are three primary planning or programming activities that the MPO is responsible for

developing. This section summarizes these key plans and programs, which include the MTP, TIP, and UPWP.

### **6.1.1 Metropolitan Transportation Plan (MTP)**

The MPO, in cooperation with the State, is responsible for developing or updating an MTP. The MPO shall follow the latest federal planning requirements, as prescribed in 23 CFR 450.324. The MPO shall update the MTP every five (5) years as prescribed by 23 USC§ 134(i)(1).

### **6.1.2 Transportation Improvement Program (TIP)**

The MPO, with full assistance from the State and all other cooperating agencies, is responsible for developing or updating the TIP. The MPO shall follow the latest federal planning requirements, as prescribed in 23 CFR 450.326 and 23 USC§ 134(j).

### **6.1.3 Unified Planning Work Program (UPWP) or Simplified Scope of Work (SSOW)**

1. The MPO, with full assistance from the State and all other cooperating agencies, is responsible for developing or adjusting the UPWP or SSOW, as prescribed by 23 CFR 450.308. The MPO shall:
  - a. Describe all the transportation activities to be completed in a fiscal year.
  - b. Ensure early coordination with FHWA and FTA.
    - i. No later than June 1 of each year, the Alaska DOT&PF, in consultation with the MPO, will provide to the Policy Board in writing the amount of estimated Federal PL and Section 5303 funds, and required match ratios, to be made available to MVP for Transportation for the next fiscal year of October 1 through September
30. MVP for Transportation staff, working with member organizations, shall recommend work tasks with budgets for tasks in which it participates. MVP for Transportation staff shall develop and implement a UPWP or SSOW public involvement program, within a Public Participation Plan, and prepare a UPWP or SSOW with the full cooperation of all members and the MPO. Discussions between Alaska DOT&PF and the MPO shall take place to determine how the proposed tasks can be accomplished in the most efficient and effective manner. The UPWP or SSOW shall be reviewed by the Technical Committee, approved by the Policy Board and forwarded to Alaska DOT&PF for concurrent approval by FHWA and FTA prior to any work being performed.

## **6.2 CHANGES/AMENDMENTS TO KEY PLANS AND PROGRAMS**

### **6.2.1 Amendments to the MTP and TIP**

The MPO, with its responsibility to maintain existing plans and programs, shall approve amendments, in accordance with its Public Participation Plan. An Amendment is triggered by the addition or deletion of a project or a major change in the project cost, project/project phase initiation dates, or a major change in design concept or design scope. An amendment is a revision that requires public review and comment periods consistent with the MPO public involvement policy and re-demonstration of fiscal constraint. Amendments require the concurrence of the MPO, Alaska DOT&PF, FHWA, and FTA before becoming effective.

### **6.2.2 Administrative Modifications to the MTP and TIP**

The MPO, with its responsibility to maintain existing plans and programs, shall approve Administrative Modifications in accordance with the Public Participation Plan. An Administrative Modification is triggered by a minor revision to a metropolitan transportation plan or TIP that includes minor changes to project/project phase costs, minor changes to funding sources of previously included projects, and minor changes to project/project phase initiation dates. It is a revision that does not require public review and comment, or re-demonstration of fiscal constraint. Administrative Modifications require the concurrence of the MPO and the Alaska DOT&PF before becoming effective. The FHWA and FTA will be notified as soon as possible of these changes.

### **6.2.3 Amendments/Changes to the UPWP or SSOW**

Changes in work assignments and studies to be performed to meet transportation planning requirements may be made by the MPO at such times and to such an extent as deemed necessary. Total funds to be made available for the performance of said work and services shall not exceed the amount specified in the UPWP or SSOW. Reimbursement will be made by Alaska DOT&PF in accordance with procedures slated herein and shall be expended only on the UPWP or SSOW approved by the MPO, Alaska DOT&PF, FHWA, and FTA.

1. Changes in funding levels for tasks, or changes in tasks, shall be requested as soon as possible after the need for such change is recognized.
  - a. Amendment to the UPWP or SSOW (No additional funding required)

An Amendment to the UPWP or SSOW is triggered when task budget amounts exceed 20 percent of the original approved program budget, when there are individual changes of \$35,000 or more to task budgets, or when there are significant scope changes. Amendments require the concurrence of the MPO, Alaska DOT&PF, FHWA, and FTA before becoming effective. Amendments to the UPWP or SSOW require public review.
  - b. Administrative Modifications to the UPWP or SSOW (No additional funding required or no significant change to scope)

An Administrative Modification is triggered when task budget amounts do not exceed 20 percent of the approved program budget or when individual changes are for \$35,000 or less of a task budget. Administrative Modifications require the concurrence of the MPO and the Alaska DOT&PF before becoming effective. The FHWA and FTA will be notified as soon as possible of these changes.

## **SECTION 7- CONSULTANT CONTRACTS**

### **7.1 FHWA AND FTA APPROVAL**

For all federally funded work to be done under a consultant contract, prior FHWA and/or FTA approval of a Project Development Authorization including the scope of work is required before a Request for Proposal (RFP) is issued. Early coordination is essential. The contracting agency will be the Alaska DOT&PF which will coordinate review and approvals directly with FHWA and FTA.

### **7.2 ALASKA DOT&PF APPROVAL**

The Alaska DOT&PF will be the contracting agency for review of the final RFP, scope of services, project budget, and project management plan for all federally funded MPO solicitations; the MPO may perform project management duties for a federally funded consultant contract with prior approval from FHWA and/or FTA. Alaska DOT&PF shall reserve the right to select members for the Selection Committees for all consultant contracts. Alaska DOT&PF may provide opportunity to the MPO, as appropriate, to serve on the Selection Committees.

### **7.3 WORK PRODUCTS**

Alaska DOT&PF and the MPO will have an opportunity to review draft work products prior to review by the Technical Committee and Policy Board.

### **7.4 INSPECTION OF WORK**

Alaska DOT&PF shall at all times be accorded review and inspection of the work performed by consultants and shall at all reasonable times have access to the premises, to all data, notes, records, correspondence, and instruction memoranda or description which pertain to the work involved.

## **SECTION 8- ADDITIONAL AND SEPARATE WORK PROJECTS**

From time to time, Alaska DOT&PF or the MPO may desire one of the other parties to perform additional work projects for services separate and apart from those set forth in the UPWP. At such times, the requesting party will notify the other party of the intention, including a request for the specific work and/or services desired. If the other party is willing and able to do the work or perform the services requested, written acceptance by the requesting party of the terms accepted shall constitute authority to proceed with the work and/or services requested. The requesting party shall pay for such work or services within a reasonable time after billing. Such billing shall be made pursuant to the terms agreed upon for each particular work project.

## **SECTION 9- PROGRAM REPORTING REQUIREMENTS**

### **9.1 REPORTING: UPWP OR SSOW**

In accordance with 23 CFR 420.117, the Alaska DOT&PF is responsible for monitoring the UPWP or SSOW supported activities to assure compliance with applicable federal requirements and assure performance goals are being achieved. Monitoring must cover each program, function, or activity. The reporting procedures shall include, but are not limited to, the following:

#### **9.1.1 Monthly Reports**

The parties receiving federal planning funds pursuant to this Agreement shall prepare a monthly financial statement and a narrative progress report, in a format provided by the Alaska DOT&PF, for all tasks identified in the UPWP or SSOW for which they are responsible and submit to the Alaska DOT&PF office no later than 15 days following the last day of each UPWP or SSOW month. The monthly reports shall serve as the basis for monthly reimbursements.

Within 15 days of receipt of monthly report, Alaska DOT&PF will compile all reports and shall either review and approve the reports, or request modifications. Upon approval, the Alaska DOT&PF staff will forward the reports to the MPO and submit the invoices for reimbursement.

If Alaska DOT&PF requests modifications, the report will be forwarded to the MPO as a draft report. Within 15 days following the request for modifications, all requested report modifications shall be submitted to Alaska DOT&PF. Upon approval, the Alaska DOT&PF will re-submit the report to the MPO no later than 60 days following the last day of each UPWP month.

The final UPWP or SSOW Monthly Report shall consist of the following:

1. A financial statement which shall include task and program summary of the following data:
  - a. Current monthly expenditures
  - b. UPWP fiscal year to date expenditures
  - c. PL, Sec. 5303, and local funds/ in-kind expended to date
  - d. PL, Sec. 5303, and local funds/ in-kind remaining
2. A narrative progress report which shall include:
  - a. A description of work accomplished during the month.
  - b. Significant events. (i.e. travel, training, conferences)
  - c. Milestones reached in sufficient detail to justify the monthly expenditures.

For tasks consisting of a scheduled completion date, the progress report shall include each task's percentage complete, explanatory information on the progress, and any issues relating to the task such as schedule delays.

#### **9.1.2 Annual Report**

Upon receipt of the final twelfth month UPWP or SSOW Monthly Report, the Alaska DOT&PF will draft the UPWP or SSOW Annual Report. The Alaska DOT&PF will forward the UPWP or SSOW Annual Report to the MPO no later than 60 days following the last day of the UPWP or SSOW fiscal year. The Alaska DOT&PF will submit the UPWP or SSOW Annual Report to

FHWA and FTA to meet the reporting requirements of 23 CFR 420.117, as currently adopted or hereafter amended. Alaska DOT&PF may combine the UPWP or SSOW Annual Report with similar reports from other subrecipients of federal planning funds into a single report.

The Annual Performance and Expenditure Report for the UPWP or SSOW fiscal year will contain all information required by 23 C.F.R. 420.117.

### **9.1.3 Significant Events**

Events that have significant impact on UPWP or SSOW work elements must be reported by the Parties to this Agreement to Alaska DOT&PF as soon as they become known. The types of events or conditions that require reporting include problems, delays, or adverse conditions that will materially affect the ability to attain program objectives. This disclosure must be accompanied by a statement of action taken, or contemplated, and any Federal assistance required to resolve the situation.

### **9.1.4 Other Reports**

Copies of formal reports, informal reports, and material emerging out of a task specified in the UPWP or SSOW shall be governed by Section 10 of this Agreement.

## **SECTION 10- PLANNING REPORTS**

### **10.1 PLANNING REPORTS**

From time to time, Alaska DOT&PF and the MPO may publish reports, documents, etc., upon completion of a portion and/or a phase of a particular planning element in the continuing transportation planning process. In order for the preparation and publishing of such reports to be eligible for participation of Federal funds, the Technical Committee shall review the reports with final approval by the MPO Policy Board, as appropriate.

### **10.2 PUBLICATION**

Publication, whether in hard copy or through the use of digital technologies such as via the World Wide Web, by any party to the Agreement shall give credit to other parties, FTA, and FHWA. However, if any party, FTA, or FHWA does not wish to subscribe to the findings or conclusions in the reports, the following statement shall be added:

"This report was funded in part through grant(s) from the Federal Highway Administration and/or the Federal Transit Administration, U.S. Department of Transportation. The views and opinions of MVP for Transportation expressed herein do not necessarily state or reflect those of the U.S. Department of Transportation."

Furthermore, consultant logos are prohibited from the cover of all reports, documents, etc. that are approved by FTA and FHWA.

### **10.3 COPIES**

Copies of draft and final reports, documents, etc., will be provided as required to Federal and State Agencies. Parties to this Agreement will be provided copies as requested. Final reports will be added to the MVP for Transportation website.

The FHWA reserves a royalty-free, non-exclusive, and irrevocable right to reproduce, publish, or otherwise use, and authorize others to use, the work for Government purposes.

## **SECTION 11- DIVISION OF COST AND PAYMENT**

### **11.1 REIMBURSEMENT**

The maximum amount of Metropolitan Planning Funds available each year for reimbursement to the Parties shall not exceed the budget approved in the UPWP or as amended. Alaska DOT&PF will make reimbursement in accordance with the following procedures:

1. The Parties shall submit to Alaska DOT&PF monthly narrative progress reports and financial statements, as defined in Section 9 of this Agreement.
2. Reimbursement will be made within 30 days after Alaska DOT&PF receives and approves the monthly narrative progress reports and financial statements, subject to Federal planning funds being made available and received for the allowable cost.
3. Within 60 days of Alaska DOT&PF's approval of the last monthly narrative progress report and financial statement for the fiscal year, Alaska DOT&PF will close the UPWP or SSOW account and request that an audit be performed.
4. The audit will be completed, and final payment adjustments made within 120 days of the last quarter or as soon thereafter as reasonably possible.

### **11.2 ALASKA DOT&PF TASKS**

The Parties may agree that Alaska DOT&PF can most efficiently and effectively perform a task or a portion of a task to be funded with PL funds in the approved UPWP. In such cases, Alaska DOT&PF shall:

1. Provide the MPO with all necessary documentation in order to permit the preparation of the reports required in Section 9 of this Agreement.
2. Upon Alaska DOT&PF approval of the quarterly, Alaska DOT&PF shall submit a billing to FHWA for direct payment to Alaska DOT&PF for approved UPWP or SSOW costs.
3. Alaska DOT&PF shall be reimbursed at the rate contained in the applicable UPWP or SSOW.
4. Alaska DOT&PF shall promptly provide the MPO with copies of its billings and statements.

### **11.3 OVERRUNS**

When expenditures are anticipated to overrun in any UPWP or SSOW work element, the procedures for budget changes as outlined in Section 6.2 must be followed.

## **11.4 COST LIMITATIONS**

Reimbursement of administrative and operational costs will be made without profit or markup. These costs shall be limited to:

1. Direct salaries and wages, with payroll taxes and fringe benefits at actual costs, or if prorated to be allocated on an equitable basis.
2. Telephone charges and necessary travel limited to program specific charges.
3. Overhead or indirect costs as approved annually in the respective UPWP or SSOW line-item budget and verified by audit. Eligibility shall conform to the provisions of 23 CFR 420.113.
4. Training as approved specifically in the UPWP or SSOW or otherwise specifically approved by Alaska DOT&PF, FHWA or FTA.

## **11.5 RATE OF REIMBURSEMENT**

Reimbursement shall be at the rate specified and contained in the applicable UPWP.

## **11.6 FINANCIAL ACCOUNTING LEVEL**

The expended funds will be accounted for at the task level (100, 200, 300 etc.).

## **11.7 FISCAL YEAR**

The UPWP or SSOW fiscal year will be October 1 to September 30.

## **SECTION 12 - PROCUREMENT, MANAGEMENT, AND DISPOSITION OF PROPERTY**

Procurement and management of property acquired for the program, including disposition of property if the program is discontinued, will be in accordance with 23 CFR 420.121(f) and any other regulatory requirements applicable to the expenditure of federal funds made available for the implementation of this Agreement.

## **SECTION 13 - AUDIT PROCEDURES**

### **13.1 FEDERAL GUIDELINES**

In addition to the requirements stated in this section, requirements for audit as defined in 23 CFR 420 will be used as guidelines.

### **13.2 RECORDS**

Each participating party will maintain complete records of all manpower, materials, and out-of-pocket expenses, and will accomplish all record keeping in accordance with the following procedures:

#### **13.2.1 Certified Payrolls**

Each participating party will furnish Alaska DOT&PF copies of all certified payrolls which shall

include the hourly rate for each employee working on the project during the reporting period. In addition, a loaded rate factor will be shown in a manner compatible with existing approved local procedures. The load rate factor is subject to adjustment based upon audits occurring during the life of this Agreement.

### **13.2.2 Time Sheets**

Individual time sheets will be maintained reflecting the daily total amount of hours worked and amount of time spent on each task within the program. It is imperative that the hours be traceable to the task.

### **13.2.3 Materials**

Copies of invoices shall support the costs of any purchased materials utilized on this project.

### **13.2.4 Out-of-Pocket Expenses**

Copies of receipts shall support all expenses.

### **13.2.5 Record System**

The record system will be such that all costs can be easily traceable from all billings through the ledgers to the source document. Each expenditure must be identified with the task within the current approved UPWP or SSOW.

## **13.3 CONSULTANT CONTRACTS AND PROFESSIONAL SERVICES AGREEMENTS**

Each consultant contract or professional services agreement, in which any party engages, may require a specific audit for that project or agreement. The award of any such construction related engineering design services contract must be made in conformity with applicable Federal and Alaska DOT&PF contracting procedures including Alaska DOT&PF Procedure 10.02.010, and related Professional Services Agreement Handbook, or based on acceptable alternative contracting procedures approved by Alaska DOT&PF and FHWA. This requirement is in addition to any agency- wide audit conducted pursuant to OMB Circular A-133 (Single Audit Requirements).

## **13.4 ANNUAL AUDIT**

MVP for Transportation may be audited every year by Alaska DOT&PF Internal Review auditors for compliance and to ensure adequate coverage. MVP for Transportation will additionally hire an independent Certified Public Accountant (CPA) to conduct an annual audit of all revenues and expenditures, as well as participate in a state and/or federal single audit as requested. Both Parties and/or their subcontractors under this Agreement shall maintain all records and accounts relating to their costs and expenditures for the work during any fiscal year for a minimum of three (3) years following receipt of the final payment and shall make them available for audit by representatives of Alaska DOT&PF, FHWA, and FTA at reasonable times. Both parties shall maintain records in a form approved by Alaska DOT&PF. Final

payment is defined as the final voucher paid by FHWA to Alaska DOT&PF based on an audit. A request to close out a fiscal year or project account does not constitute final payment.

### **13.5 RESOLUTION AND CLOSURE**

Any review, which does not meet Federal requirements, will be resolved between Alaska DOT&PF and the other party. The financial records relating to a UPWP or SSOW year may be closed out once FHWA accepts the audit and final payment adjustments have been made.

## **SECTION 14 - COMPLIANCE WITH TITLE VI, CIVIL RIGHTS ACT OF 1964**

Both hereby agree as a condition to receiving any Federal financial assistance from USDOT, to comply with Title VI of the Civil Rights Act of 1964 and all requirements imposed by or pursuant to Title 49 CFR, Part 21, Nondiscrimination in Federally Assisted Programs of the USDOT, Effectuation of Title VI of the Civil Rights Act of 1964.

## **SECTION 15 - DBE PROGRAM REQUIREMENTS**

### **15.1 COMPLIANCE**

The Parties, their agents and employees shall comply with the provisions of 49 CFR 26 and Title VI of the Civil Rights Act of 1964. 49 CFR 26 requires that both parties shall agree to abide by the statements in paragraphs 15.2 and 15.3 and shall include these statements in their USDOT financial assistance agreements and in all subsequent agreements between any party and any sub-grantees and any contractor.

### **15.2 POLICY**

It is the policy of the USDOT that DBEs, as defined in 49 CFR 26.5, shall have an equal opportunity to participate in the performance of contracts financed in whole or part with Federal funds under this Agreement. Consequently, the DBE requirements of 49 CFR 26 apply to this Agreement.

### **15.3 DBE OBLIGATION**

The Parties to this Agreement agree to ensure that DBEs, as defined in 49 CFR 26.5, have an equal opportunity to participate in the performance of contracts and sub-contracts financed in whole or part with Federal funds provided under this Agreement. In this regard the Parties to this Agreement and/or their contractors shall not discriminate on the basis of race, color, national origin, or in the award and performance of USDOT assisted contracts.

## **SECTION 16 - AMENDMENTS**

This Agreement may be amended only in writing and must be done prior to undertaking changes or work resulting therefrom or incurring additional costs or any extension of time. Said amendments are subject to approval by the MPO and the State.

## **SECTION 17 - LIMITATION OF LIABILITY**

No liability shall be attached to any party to this Agreement by reason of entering into this Agreement, except as expressly provided herein.

## **SECTION 18 - COMPLIANCE WITH LAWS**

In addition to the laws, statutes, regulations and requirements stated herein, the Parties to this Agreement shall be knowledgeable of and comply with all Federal, State and local laws and ordinances applicable to the work to be done under this Agreement.

## **SECTION 19 - TERMINATION OF AGREEMENT**

**This Agreement will continue in force until or unless the Parties terminate the Agreement in writing.**

## **SECTION 20 - NON-APPROPRIATION CLAUSE**

Nothing in this agreement shall obligate any party to expend monies if there are insufficient or other lack of funds lawfully appropriated by their respective legislative bodies for performance under this Agreement.

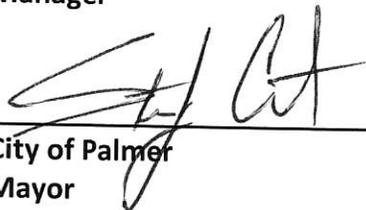
**SIGNATURES**

  
\_\_\_\_\_  
Matanuska-Susitna Borough  
Mayor

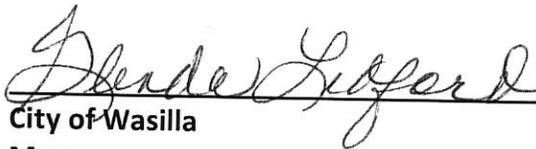
12-19-23  
Date

  
\_\_\_\_\_  
Matanuska-Susitna Borough  
Manager

12/19/23  
Date

  
\_\_\_\_\_  
City of Palmer  
Mayor

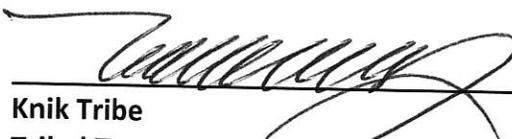
12/19/2023  
Date

  
\_\_\_\_\_  
City of Wasilla  
Mayor

12/19/2023  
Date

  
\_\_\_\_\_  
Chickaloon Native Village  
Transportation Department Director

12/19/23  
Date

  
\_\_\_\_\_  
Knik Tribe  
Tribal Transportation Program Manager

12/19/23  
Date

  
\_\_\_\_\_  
State of Alaska  
Governor

12/19/23  
Date

APPENDIX A

MATSU VALLEY FOR TRANSPORTATION  
METROPOLITAN PLANNING AREA BOUNDARY  
MAP



