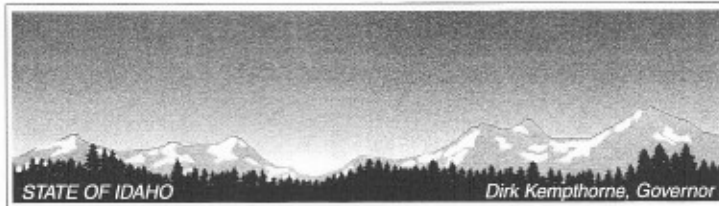


Jayne

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RECEIVED

OCT 01 2001

Community Planning
Association

TRANSPORTATION DEPARTMENT

P.O. BOX 7129 • BOISE, ID • 83707-1129 • (208) 334-8000

September 24, 2001

Mr. Erv Olen, Chairman
STP-Urban Committee
COMPASS
800 S. Industry Suite 100
Meridian, ID 83642

Dear Mr. Olen:

Please find enclosed your copy of the executed Memorandum of Understanding (MOU) between the Idaho Transportation Department, Community Planning Association, Bannock Planning Organization, Bonneville Metropolitan Planning Organization, Local Highway Technical Assistance Council regarding state distribution of the Surface Transportation Program (STP) Urban Funds. Also, enclosed is a copy of the July 25, 2001 and August 24, 2001 letters between Dwight Bower, Director of the Idaho Transportation Department (ITD) and Erv Olen, Chairman of the STP-Urban Committee, clarifying questions about the above MOU.

The Idaho Transportation Board and ITD Management have been very complimentary and supportive of the successful efforts of the STP Urban Program partners in implementing the terms of the above MOU. For my part, I look forward to tackling further procedural and communication improvements we need for insuring continued success in the Urban Program.

Sincerely,

DAVID R. AMICK
Highway Programming Manager

Enclosures

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**Memorandum of Understanding between the
Idaho Transportation Department, Community Planning Association,
Bannock Planning Organization, Bonneville Metropolitan Planning
Organization, Local Highway Technical Assistance Council
Regarding State Distribution of the Surface Transportation Program -
Urban Funds**

1. Statement of Purpose

To establish a process for distributing and programming Transportation Equity Act for the 21st Century (TEA-21) Surface Transportation Program (STP) Urban program funds. Federal legislation requires that the Idaho Transportation Department (ITD) work cooperatively with the established Idaho Metropolitan Planning Organizations (MPO) on development of the Metropolitan Transportation Improvement Programs (MTIP) and the Statewide Transportation Improvement Program (STIP). Federal regulations and Idaho state regulations require that ITD work cooperatively with local elected officials on development of the MTIPs and STIP. The Local Highway Technical Assistance Council (LHTAC) has been established by Idaho law to prioritize and recommend local urban projects for non MPO urban areas to the IT Board. This MOU recognizes the policy and procedures for implementing the local Urban Surface Transportation Program under TEA-21 dated 4-12-99.

ITD has established policies that meet the requirements of cooperation outlined in TEA-21 and Idaho law. However, the policies do not establish project funding and selection procedures. Therefore this MOU establishes a Surface Transportation Program - Local Urban (STP-LU) committee to cooperatively work with all urban areas and ITD to develop and implement this STP-Local Urban portion of the annual STIP.

2. Participants

The participants in this Memorandum of Understanding are the Community Planning Association (COMPASS) 413 West Idaho Boise, Idaho 83702, Bonneville Metropolitan Planning Organization (BMPO) P.O. Box 50220 Idaho Falls, Idaho 83405-0220, Bannock Planning Organization (BPO) c/o Southeast Idaho Council of Governments 214 East Center Pocatello, Idaho 83201, Idaho Transportation Department (ITD) P.O. Box 7129 Boise, Idaho 83707, and Local Highway Technical Assistance Council 1436 West Bannock Boise, Idaho 83702 (LHTAC). This MOU recognizes the potential of new MPO's being added after the 2000 census, and will reevaluate the MOU after the results of the census.

3. Effective Date

This Memorandum of Understanding will be effective upon signing by all parties and shall remain in force until modified by participants. This MOU includes programming and balancing STP-LU funds of projects to be included within the STIP, MTIPs, and STP-LU in fiscal year 2003 and beyond.

4. Guidelines for the Committee

IT Board Policy B-11-04, attached hereto, authorizes suballocation of STP-Urban funds to the MPO's and other urban areas (urban areas are cities or areas with a population greater than 5,000). This suballocation is subject to federal spending authority. B-11-04 also requires that all STP-Urban funding be used within the fiscal year authorized. The Committee is charged with cooperatively determining and recommending to the IT Board and the MPO's an annual update of the STP-LU program. The developed STP-LU program must be for five years with a preliminary development year. The STP-LU program may be modified throughout the fiscal year to allow for changes in project readiness and/or federal spending authority.

5. Committee Structure

BMPO, BPO, ITD programming, COMPASS, and LHTAC are members of the Committee. The officers of the Committee are a chair and treasurer. Local jurisdictions and ITD District STIP Coordinators are encouraged to attend committee meetings. The MPO representatives on the Committee shall appoint a Chairperson to a one year rotating term starting with BPO and proceeding alphabetically. The treasurer is the representative from LHTAC. The chair is responsible for running and scheduling the meetings. The chair and treasurer will be responsible for making presentations to the IT Board. This responsibility does not exclude other members from participating in IT Board Meetings. The treasurer is responsible for maintaining the annual balance for each urban area and recording the actions of the Committee. Decisions of the committee must be unanimous for it to be considered a recommendation from the committee.

6. Duties of Committee

Members of the Committee shall meet at least annually or as needed at a central location or at agreed upon rotating locations. The responsibility of the Committee is to assemble the individual Draft MTIPs and LTIP into a STP-LU program for submission to the IT Board in accordance with ITD's schedule and Board Policy B-11-04. The final STP-LU program must be consistent with the three MTIPs and the STIP.

The Committee is also responsible for ensuring that timely project adjustments and modifications within the STP-LU program are included in updated STIPs and/or MTIPs. Since all funds allocated within a fiscal year must be obligated, it is the responsibility of all Committee members to ensure that projects scheduled are obligated and that no funds remain unobligated.

The Committee shall streamline the development of the STP-LU program. The Committee should work cooperatively to reduce the steps and time required to make changes to projects within the STP-LU program within federal and state guidelines.

7. Duties of each Metropolitan Planning Organization (MPO)

Each MPO shall follow the STP-LU development schedule adopted by the Committee. Each MPO shall assign a representative to the Committee with the authorization to negotiate on behalf of their respective Boards. All final approval authority rests with their respective Boards. Each MPO shall submit to the Committee and ITD an annual MTIP for five years with a preliminary development year. This list should be financially constrained to reasonably expected revenues for the next five-year period. Individual MPOs may exceed their reasonably annually expected revenues which are annually allocated if negotiated with other members.

Each MPO is also responsible for working with their member agencies to ensure that STP-LU funded projects listed within their MTIP advance according to an established schedule and are ready for obligation in the approved fiscal year.

8. Duties of Idaho Transportation Department

ITD shall provide to the Committee a STIP development schedule. ITD shall assign a representative to the Committee with the authorization to negotiate on behalf of the IT Board. All final approval authority rests with IT Board. ITD shall, prior to each update process, provide an estimate of available funds for the next five-year period. ITD shall work with other members on placement of projects and transfer of urban and state funds from year to year.

9. Duties of Local Highway Technical Assistance Council

LHTAC shall follow the STP-LU development schedule adopted by the Committee. LHTAC shall

assign a representative to the Committee with the authorization to negotiate the STP-LU on behalf of the LHTAC. All final approval authority of committee activities rests with LHTAC's Board. LHTAC shall work with non MPO urban areas and the ITD Districts to develop and prioritize projects to be included in the annual STP-LU program. The projects should cover five years with a preliminary development year. This list should be financially constrained to reasonably expected revenues for the next five-year period. LHTAC may exceed their reasonably annually expected revenues which are annually allocated if negotiated with other members.

LHTAC is also responsible for working with member agencies to ensure that projects listed within their program are advanced according to an established schedule and are ready for obligation in the approved fiscal year.

10. Functions of the Treasurer

The treasurer is responsible for maintaining the internal funding balances of the different committee members. This balance should be reconciled annually. The reconciled balance should be approved by the committee and entered into the minutes.


11. Authority of the Idaho Transportation Board

The IT Board has all final authority to act on the recommendations of the committee. The IT Board can change the IT board policies governing this committee without the prior approval of the committee.

Policies and Procedures - Attached

Executed By:

 Date 11-21-2000
John Cotant, Chairman
Bannock Planning Organization Board

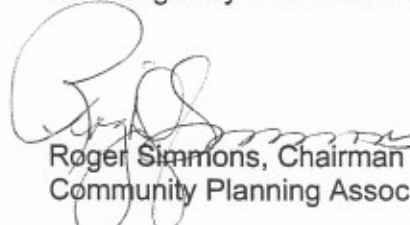
 Date 11-21-00
Mori Byington, Executive Director
Bannock Planning Organization

 Date 03-07-01
Craig Redwood, Chairman
Bonneville Metropolitan Planning Organization Board

 Date 3/6/01
Darrell West, Executive Director
Bonneville Metropolitan Planning Organization

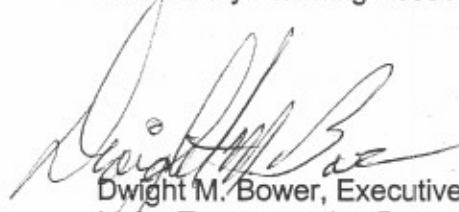
 Date 7/12/00
Chairman
Local Highway Technical Assistance Council

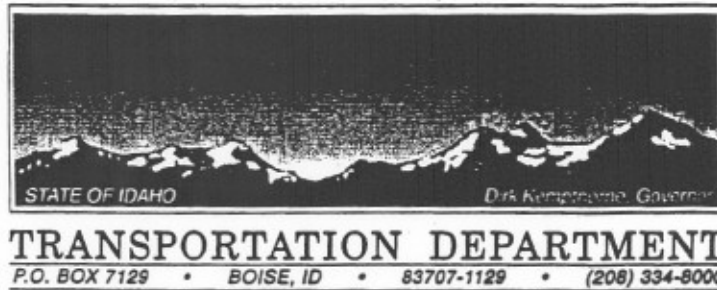
 Date 6/29/00
Joe Haynes, Executive Director
Local Highway Technical Assistance Council

 Date 6-22-00
Roger Simmons, Chairman
Community Planning Association

 Date 4/20/2000
Clair M. Bowman, Executive Director
Community Planning Association

 Date 9/20/01
Charles L. Winder, Chairman
Idaho Transportation Board

 Date 9/20/01
Dwight M. Bower, Executive Director
Idaho Transportation Department



BOARD POLICY B-11-04

Page 1 of 3

ALLOCATION OF SURFACE TRANSPORTATION PROGRAM APPORTIONMENTS TO LOCAL PUBLIC AGENCIES

The Director shall administer federal formula apportionments that are allotted to Idaho under the Transportation Equity Act for the 21st Century of 1998 (TEA-21). The Director is further authorized to annually allocate formula apportionments received under TEA-21 for use by Local Public Agencies (LPAs) having jurisdiction over federal-aid highways by applying the deductions and calculation methodology, identified as "Option D" (see attachment), as adopted by the Idaho Transportation Board on June 30, 1998. Option D becomes effective beginning October, 1998. LPAs will receive an amount of Surface Transportation Program (STP) apportionments equal to 12.6% of the total TEA-21 annual federal formula apportionments, as adjusted for obligation limitations, and that remain after deductions for State Planning and Research, Congestion Mitigation and Air Quality, STP-Enhancement, Recreational Trails, and High Priority Project Completion (as scheduled in November, 1998).

Distribution between Local Urban and Rural LPAs

Available STP apportionments, as adjusted for obligation limitations, that are allocated to LPAs shall be divided equally between urban LPAs having jurisdiction over federal-aid highways within urban areas with a population of 5,000 or greater, and rural LPAs having jurisdiction over federal-aid highways outside urban areas having populations of 5,000 or greater.

The funds available to urban LPAs shall be those remaining after the deduction of:

- Federal funding for statewide ride-sharing coordination,
- The matching costs for the Local Technical Assistance Program Transportation Technology Transfer Center, and
- Any federally-required distributions of funding to a Transportation Management Area (TMA).

The funds available to rural LPAs shall be those remaining after the deduction of:

- The matching costs for the Local Technical Assistance Program Transportation Technology Transfer Center, and

- Apportionments for the Surface Transportation Program Rural (STPR) Exchange Program (Board Policy B-11-06).

The remaining funds available to rural LPA's shall be used for rural project selection under the Local Federal-Aid Incentive Program.

Project Selection

The Director, or a delegate, shall work cooperatively with locally-elected public officials, Metropolitan Planning Organizations, and the Local Highway Technical Assistance Council to formulate local jurisdiction project identification and funding recommendation procedures under the Local Federal-Aid Incentive Program which must be consistent with TEA-21 and federal project funding regulations and guidelines. All projects recommended for funding as a result of such procedures are subject to final approval by the Idaho Transportation Board for inclusion in the Statewide Transportation Improvement Program (STIP). Costs for any LPA project, or any phase of the project, incurred prior to inclusion of the project in the federally-approved STIP are not eligible for federal reimbursement.


"Full Use" Policy

By August 1 of each year, the Department or other LPAs shall obligate any available STP Urban and Rural apportionments which have not been obligated by an LPA project to other federally-funded projects that are ready to be obligated. Such apportionments obligated to other federal programs will no longer be available to the STP Urban and Rural Program for use in future years. This "full use" policy prevents loss of federal funds in Idaho.

The total annual federal costs for LPA projects shall remain within the applicable total annual available Urban or Rural apportionments provided under this policy. LPA projects, which have not qualified for federal funds because the projects were not obligated by August 1 of each year, may be deferred to another year in the STIP, but must be funded within the Urban or Rural apportionments made available under this policy in the year to which the project is deferred.

The continuation of this policy is contingent upon the continued availability of federal funding. This policy is subject to review by the Idaho Transportation Board in the event of changes in state or federal funding or related funding requirements.

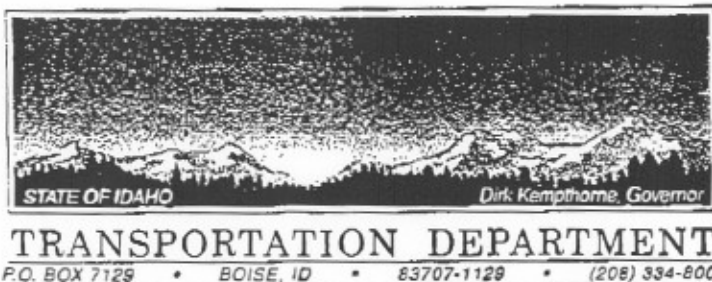
Approved by the Board on:



CHARLES L. WINDER

Board Chairman

Date 12/16/99



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AUG 22 2001
Community Planning
Association

July 25, 2001

Erv Olen, Chairman
STP-Urban Committee
COMPASS
413 W. Idaho, Suite 100
Boise, ID 83702-6064

Post-it* Fax Note	7671	Date	# of pages 3
To	Molly	From	Dave Amick
Co./Dept.	COMPASS	Co.	ITD
Phone #	855-2558	Phone #	334-8266
Fax #	855-2559	Fax #	334-3858

RE: Idaho Transportation Department (ITD) Review of Memorandum of Understanding (MOU) among STP-Urban Program Committee Member Agencies

Dear Mr. Chairman:

I have reviewed the above MOU and would like to offer my full support for your outstanding demonstration of interagency cooperation as exemplified by the procedures and terms set forth in the MOU. I will gladly forward the MOU for review and signature by the Idaho Transportation Board (Board).

However, before final review by the Board, I would like to clarify ITD's understanding of some of the language in the MOU so we are better prepared to answer some of the questions the Board may raise during their review. If your reply to this letter affirms our understanding as specified below, I will forward the MOU for Board review as quickly as possible.

Section 5:

It is our understanding that only the metropolitan planning organizations will appoint representatives to a rotating term of chairmanship and that neither representatives from LHTAC nor ITD will serve as chairman. Further, although not directly stated, ITD's representative from Highway Programming does not vote.

Section 6:

We presume that all parties to the MOU understand that ITD's staff does not negotiate directly on behalf of the Board. It is our understanding that the term "negotiate on behalf of the IT Board" realistically refers to the Highway Programming staff member providing information, technical expertise and services, and perhaps a facilitation role in helping the Committee members reach consensus.

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STATE OF IDAHO — TRANSPORTATION DEPARTMENT

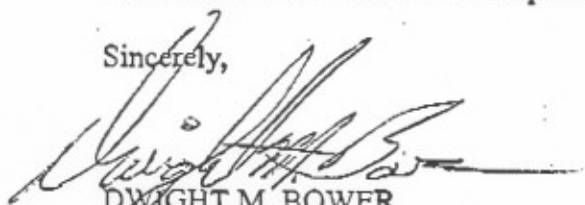
Erv Olen, Chairman
July 25, 2001
Page 2

Section 11:

Since the Committee recognizes the final authority of the Idaho Transportation Board to act on the recommendations of the Committee, it is our understanding that it is acceptable to all parties that recommendations of the Committee may first receive review and approval by the respective Boards of the MPO's and the LHTAC prior to Idaho Transportation Board final review and approval of the recommendations. In other words, prior review of recommendations by the Idaho Transportation Board is not necessary before the Committee may adopt its recommendations to the Idaho Transportation Board.

If you, as current Chairman of the Committee, respond in writing that the above understandings are accurate and meet the intent of the MOU which has been signed to date by all parties except the Idaho Transportation Board, I am comfortable with forwarding the MOU and our follow up letters of clarification to the Idaho Transportation Board without need for revision of the MOU.

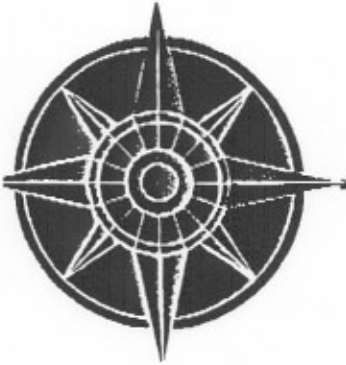
Sincerely,



DWIGHT M. BOWER
Director

cc: Mori Byington, Bannock Planning Organization
Darrel West, Bonneville Metropolitan Planning Organization
Joe Haynes, Local Highway Technical Assistance Council

CONTINUED



Community Planning Association

of Southwest Idaho

August 24, 2001

Mr. Dwight Bower, Director
Idaho Transportation Department
P.O. Box 7129
Boise, ID 83707-1129

Re: Idaho Transportation Department review of Memorandum of Understanding between STP-Urban Committee member agencies

Dear Mr. ~~Bower~~ *Dwight*:

On behalf of the STP-Urban Committee, I would like to thank you and the Idaho Transportation Board for supporting the Metropolitan Planning Organizations and the Local Highway Technical Assistant Council in our effort to balance the STP-Urban Program in the State of Idaho. The process has proven effective and has resulted in a high level of cooperation between our respective agencies.

At their July 24, 2001 meeting, the STP-Urban Committee reviewed the Idaho Transportation Department's clarifications concerning the Memorandum of Understanding and voted to accept them as meeting the intent of said agreement. We concur with the clarifications cited in your July 25, 2001 letter (attached) for Sections 5, 6 and 11 of the Memorandum of Understanding and urge the Idaho Transportation Board's approval without further need for revision.

Sincerely,

A handwritten signature in cursive script that reads "Ervin Olen".

Ervin Olen, P.E.,
Chair, STP-Urban Committee

Attachment

pc: Mori Byington, Bannock Planning Organization
Darrel West, Bonneville Metropolitan Planning Organization
Joe Haynes, Local Highway Technical Assistance Council
File: 685.01 Balancing

EO/nb T:\600transup\685tip\FY01\Bower MOU.doc.