

**ADDENDUM TO THE INTERLOCAL COOPERATION AGREEMENT FOR
SANTAQUIN MAIN STREET IMPROVEMENTS PHASE 4**

WHEREAS, Mountainland Association of Governments (MAG) and Santaquin City (“City”), together hereafter, the “Parties”, agreed to an Interlocal Cooperation Agreement (“Agreement”) on May 5th, 2021; and

WHEREAS, MAG and City created the Agreement to outline the respective rights and responsibilities for design and construction of Main Street Improvements Project; and

WHEREAS, the Parties desire to preserve much needed funding for construction by designing Phase 4 (2022 funding basis) and Phase 5 (2024 funding basis) together at the same time; and

WHEREAS, The Parties desire now to modify the Agreement through this Addendum to outline the terms of participation in the aforementioned consolidated design of Phases 4 & 5 of the Approved Project;

NOW THEREFORE the parties hereto contract, covenant, and agree as follows:

The Parties agree to amend the Agreement to change Section 6 TERMS, Part 8 Total Project Costs and Section 6 TERMS, Part 8 Total Project Costs, Paragraphs a), b), d), and e) to read as follows:

- 8) **Total Project Cost** - Both the Program Manager and Project Sponsor acknowledge that the Approved Project has been authorized by the Mountainland MPO Regional Planning Committee (Utah County Commission must also approve if county funds are used) to be funded at an amount not to exceed \$ 9,720,000.00 (Total Project Cost) for the direct costs of the Approved Project.
 - a) **Matching Funds** - The Project Sponsor is required to pay a match or portion of the Total Project Cost. This amount is 6.77% of the Total Project Cost or \$658,044.00.
 - b) **Multi-Year Funding** - Some projects require funding across multiple fiscal years. Reimbursement for Approved Project activities can only be made up to the available amount identified in a single fiscal year. Any balance from a prior year where available funds have not been expended for the Approved Project are then advanced to the next fiscal year and are added to the funds available that fiscal year. Fiscal years for MAG Exchange Funds begin each year on October 1st or as otherwise designated in the Cooperative Agreement between MAG and UDOT, and for County Transportation Sales Tax Funds on January 1st. The Approved Project has \$4,450,000.00 available in 2022, and 5,270,000.00 available in 2024.
 - d) **Reimbursement** - The Project Sponsor, if desiring reimbursement for the direct costs of the Approved Project, will provide the Program Manager with one monthly itemized invoice detailing actual costs for the ROW acquisition, design, utility relocation,

construction, or other approved elements of the project. Appropriate backup materials shall also be supplied by the Project Sponsor to the Program Manager without requiring separate inquiry. The Program Manager agrees to reimburse the Project Sponsor within 30 days of receiving acceptable itemized invoices establishing the validity of the direct costs of the Approved Project. The maximum amount of reimbursement from the Program Manager to the Project Sponsor for any fiscal year shall be the available funds actually received by the Program Manager for such fiscal year. The maximum amount of reimbursement from the Program Manager to the Project Sponsor for the entire cost of the Approved Project shall not exceed \$ 9,061,956.00 (Total Project Cost less Matching Funds). Any costs which exceed \$ 9,061,956.00 shall be the sole responsibility of the Project Sponsor. The Program Manager will review and approve monthly each itemized invoice and will reimburse the total invoice amount less the required matching funds.

- e) **Cost Overruns** - The Program Manager maintains a contingency account for cost overruns. The Project Sponsor may request additional funds above the approved Total Project Cost with supporting documentation demonstrating the need for additional funds. The Program Manager may approve up to 10% of the Total Project Cost up to a maximum of \$906,195.00. The MPO Regional Planning Committee can approve higher amounts (Utah County Commission must also approve if county funds are used). The addition of these contingency funds would require a modification to this Agreement. If no additional funds are awarded or the Approved Project still requires additional funds, the Project Sponsor will be responsible to fund the overrun.

All other rights and responsibilities set forth in the Agreement remain unchanged.

Dated this 16th day of June 2021.

Mountainland Association of Governments

(Signatory), (Title)

ATTEST:

(Attester), (Title)

APPROVED AS TO FORM

(Name), MAG Attorney

SANTAQUIN CITY

Kirk F. Hunsaker, Mayor

ATTEST:

Aaron Shirley, City Recorder

APPROVED AS TO FORM

Brett Rich, Santaquin City Attorney