

**TAP STATE/LOCAL AGREEMENT
(DESIGN AND CONSTRUCTION)
PROJECT NO. A024(687)
N BOYER AVE SW; E MTN VIEW TO JUNIPER
KEY NO. 24687**

PARTIES

THIS AGREEMENT is made and entered into this 19th day of February, 2026, by and between the **IDAHO TRANSPORTATION DEPARTMENT**, hereafter called the State and the **CITY OF SANDPOINT**, acting by and through its MAYOR AND COUNCIL, hereafter called the Sponsor.

PURPOSE

The Sponsor has requested funding under the Transportation Alternatives Program. The purpose of this Agreement is to set out the terms and conditions necessary to obtain Federal-aid participation in the work.

The Sponsor acknowledges that this Agreement covers a project wherein federal aid funds will be allocated, and Sponsor will comply with the requirements of 23 U.S.C. §313, 23 CFR §635.410, and 28 CFR Part II.

NOTE: The Sponsor is responsible for complying with all project requirements and project administration procedures outlined in the Transportation Alternatives Program Manual available at <http://apps.itd.idaho.gov/apps/manuals/manualsonline.html>.

Since certain functions under this Agreement are to be performed by the State, involving the expenditure of funds, and since the State can only pay for work associated with the State Highway System, the Sponsor is fully responsible for all costs related to the project for work off the State Highway System.

Authority for this Agreement is established by Section 40-317 of the Idaho Code.

The Parties agree as follows:

SECTION I. GENERAL

1. This Agreement is entered into for the purpose of complying with certain provisions of the Federal-Aid Highway Act, in obtaining federal participation in the design and construction of the project.
2. Federal participation in the costs of the project will be governed by the applicable sections of Title 23 U.S. Code (Highways) and rules and regulations prescribed or

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promulgated by the Federal Highway Administration, including, but not limited to, the requirements of 23 U.S.C. §313, 23 CFR §635.410, and 28 CFR Part II.

3. Funds owed by the Sponsor shall be remitted to the State through the ITD payment portal at: <https://apps.itd.idaho.gov/PayITD>.
4. Federal participation in the project is at the rate of 92.66%; local participation is 7.34%.
5. Scheduled funding for this project is listed on the approved Idaho Transportation Investment Program, and subsequent revisions. Current estimated funding is as follows:
 - a. Project Development - \$116,000
(PE-\$16,000) (PC-\$100,000)
 - b. Construction Engineering - \$51,000
(CC-\$51,000)
 - c. Construction (CN) - \$402,900
 - d. Total Estimated Project Costs - \$569,900
6. The Sponsor's match for this project will be provided in cash in the amount of 7.34 percent of the entire project (currently \$41,831).
7. This project shall be designed to State Standards as defined in the current version of the Idaho Transportation Department's Roadway Design Manual, or as subsequently revised. The current version of the Roadway Design Manual can be viewed at the following web site:
<http://itd.idaho.gov/manuals/ManualsOnline.html>.

SECTION II. That the Sponsor shall:

1. Provide a funding match of 7.34% of the Total Estimated Project Costs of \$569,900.
2. Pay to the State the sum of **THREE THOUSAND DOLLARS (\$3,000)**, estimated to be the total expense to the State for this project. This amount will be applied towards the Sponsor's match. Upon project completion, if the estimated expense does not reflect the true cost of the work performed by the State, the Sponsor shall remit to the State the additional sum needed to cover the actual costs incurred by the State.
3. Designate an authorized representative to act on the Sponsor's behalf. That authorized representative's name is Cheryl Hughes,
Phone No. 208.255.2657.

4. With the assistance of the State, secure the services of a consultant to design the project, and provide a copy of the project plans, specifications and estimate to the State for review and approval.
5. Before advertisement for bids, provide to the State a certification that all rights-of-way, easements, permits, materials sources, and agreements necessary for the construction and maintenance of the project have been acquired. The Sponsor will also certify that the contract proposal includes FHWA Form 1273 (Federal-aid Contract Provisions), and will provide an environmental determination in accordance with 23CFR 771.117.
6. Before advertisement for bids, provide to the State for review and approval a copy of the Contract Proposal form, Notice to Contractors, and construction plans, specifications and estimate. After the project is advertised for bids, provide the State with a copy of the bidding documents.
7. Advertise for the construction of the project, open bids, prepare a contract estimate of cost based on the successful low bid in accordance with State laws on procurement procedures for local governments, and request State concurrence prior to award.
8. Award a contract for construction of the project based on the successful low bid, and provide the State a copy of the contract.
9. During construction of the project, Sponsor will provide a project manager and staff to administer and inspect the project, and to provide inspection diaries and support to the State's Engineer.
10. The Sponsor shall prepare all monthly and final contract estimates and change orders, and submit all major change orders to the State for approval. During the life of the construction contract, prior approval of the State will be obtained if it is necessary to deviate from the plans and specifications to such a degree that the nature of the completed work is significantly changed.
11. In cooperation with the State, establish and cause to be maintained all construction traffic controls deemed necessary to best serve the public interests and to expedite the work in accordance with the MUTCD.
12. At no cost to the federal-share, cause to be replaced to original, equal or better condition any existing pavement, regulatory signs, and other similar items damaged as a result of the contractor's operation, except as hereafter stated as obligations of the State.
13. During design and construction of the project, be responsible for payment of all invoices for work performed on the project. The Sponsor will provide monthly

invoices, and proof of payment of same, to the State for reimbursement of the federal-aid share, up to the federal-aid limit noted in Section I, Paragraph 4 above.

14. Maintain all project records, including source documentation for all expenditures for a period of three (3) years from the date of final acceptance. Provide the State an electronic copy of these documents and records upon completion of the project. If any litigation, claim, negotiation, or audit has been started before expiration of the three-year period, the records shall be retained until completion of the action and resolution of all issues that arise from it.
15. Maintain the project upon completion to the satisfaction of the State. Such maintenance includes, but is not limited to, preservation of the building and landscape as is necessary for safe and efficient utilization in accordance with approved agreement with State, Federal, and Local preservation entities.
16. Comply with Exhibit B attached hereto and made a part hereof. By this agreement Sponsor agrees to comply with and be bound to the Civil Rights provisions of Title VI of the Federal Code and to generally insert those provisions in all contracts that it enters into that are federally funded on this project. If property acquired for this project with Federal financial assistance is transferred, the recipient of the property will be subject to Exhibit B if the property is used for the same purpose it was originally acquired or for another purpose involving similar services or benefits to the general public. Sponsor should contact the State prior to disposing of any property acquired under this agreement.
17. Comply with all other applicable State and Federal regulations.
18. To the extent permitted by Idaho law and as provided by the Idaho Tort Claims Act, indemnify, save harmless the State, regardless of outcome, from the expenses of and against suits, actions, claims or losses of every kind, nature and description, including costs, expenses and attorney fees that may be incurred by reason of any act or omission, neglect or misconduct of the Sponsor or its consultant in the design, construction and maintenance of the work which is the subject of this Agreement, or Sponsor's failure to comply with any state or federal statute, law, regulation or rule. Nothing contained herein shall be deemed to constitute a waiver of the State's sovereign immunity, which immunity is hereby expressly reserved.

SECTION III: That the State shall:

1. Enter into an Agreement with the Federal Highway Administration covering the federal government's pro rata share of design and construction costs, up to a maximum of the federal-aid limit noted in Section I, Paragraph 4 above.
2. Assist in the selection of a Consultant, negotiate, and furnish the Agreement for Consultant Services and any supplements thereto, to be used between the Sponsor and Consultant on this project.

3. Review and approve the project plans and specifications.
4. Authorize the Sponsor to administer the project and make any necessary changes and decisions within the general scope of the plans and specifications.
5. Appoint the Local Highway Technical Assistance Council (LHTAC) as the contract administrator for the State.
6. Designate a resident engineer and other personnel, as the State deems necessary, to supervise construction in accordance with the plans, specifications and estimates in the manner required by applicable state and federal regulations. Review for approval all major change orders submitted by the Sponsor, and conduct a final inspection of the project when completed.
7. Upon receipt of monthly invoices from the Sponsor, submit same to the Federal Highway Administration for reimbursement at the federal-aid participation rate of 92.66%, up to a maximum of the federal-aid limit noted in Section I, Paragraph 4 above.
8. Maintain complete accounts of all project funds received and disbursed, which accounting will determine the final project costs.
9. Cooperate with the Sponsor in selection and designation of suitable construction traffic control during project construction.
10. Designate an authorized representative to act on the State's behalf. That authorized representative's name is _____ Lisa Popoff _____, Phone No. _____.

SECTION IV. Both Parties agree as follows:

1. Federal participation is contingent upon ultimate completion of the project. If for any reason the project is removed from the program without being completed, then the Sponsor shall be responsible for One Hundred Percent (100%) of all project costs, and shall pay back to the State all costs previously reimbursed. If the Sponsor's deposit exceeds project costs, then the State shall return the unspent balance to the Sponsor.
2. Sufficient Appropriation. It is understood and agreed that the State is a governmental agency, and this Agreement shall in no way be construed so as to bind or obligate the State beyond the term of any particular appropriation of funds by the Federal Government or the State Legislature as may exist from time to time. The State reserves the right to terminate this Agreement if, in its sole judgment, the Federal Government or the legislature of the State of Idaho fails, neglects or refuses to appropriate sufficient funds as may be required for the State to continue

payments. Any such termination shall take effect immediately upon notice and be otherwise effective as provided in this Agreement.

3. All information, regulatory and warning signs, pavement or other markings, traffic signals required, the cost of which is not provided for in the plans and estimates, must be erected at the sole expense of the Sponsor upon the completion of the project.
4. The location, form and character of all signs, markings and signals installed on the project, initially or in the future, shall be in conformity with the Manual of Uniform Traffic Control Devices as adopted by the State.
5. This Agreement shall become effective on the first day mentioned above, and shall remain in full force and effect until amended or replaced upon mutual consent of the State and the Sponsor.

EXECUTION

This Agreement is executed for the State by its Division Administrator, and executed for the Sponsor by the Mayor, attested to by the City Clerk, with the imprinted Corporate Seal of City of Sandpoint.

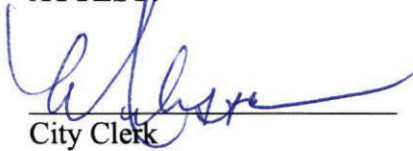
IDAHO TRANSPORTATION DEPARTMENT

David B Kuisti, P.E.

Digitally signed by David B Kuisti,
P.E.
Date: 2026.02.18 21:27:06 -07'00'

Division Administrator

ATTEST:


City Clerk

CITY OF SANDPOINT


Mayor

By regular/special meeting
on 12/17/25.

wd: Key No. 24687

No: 25-050
Date: December 17, 2025

RESOLUTION
OF THE CITY COUNCIL
CITY OF SANDPOINT

TITLE: TRANSPORTATION ALTERNATIVES PROGRAM (TAP) STATE/LOCAL AGREEMENT FOR DESIGN AND CONSTRUCTION OF A024(687) N BOYER AVE SW, E MTN VIEW TO JUNIPER – KEY NO. 24687

WHEREAS: On December 20, 2023, under Resolution 23-098, City Council authorized City staff to apply for Transportation Alternative Program (TAP) funding for a sidewalk project on North Boyer Avenue, with this funding now awarded;

WHEREAS: This project proposes to fill the gap between Juniper Drive and Alexander Way, where no sidewalk or shared-use facility exists, by constructing approximately 1,200 linear feet of new sidewalk and installing ADA-compliant curb ramps, significantly improving multimodal connectivity in an area that already includes bicycle lanes on both sides of North Boyer Avenue;

WHEREAS: Federal participation will be at a rate of 92.66%, requiring a local cash match of 7.34% of total project costs, with the current total estimated cost of the project at \$569,900, resulting in a City match obligation of approximately \$41,831;

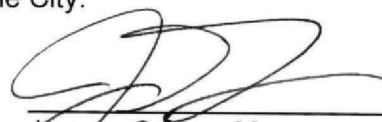
WHEREAS: Costs include engineering, construction, construction engineering, and inspection, with the City's local match programmed across FY2025 and FY2026 within the General Fund;

WHEREAS: The City is responsible for administering the project in accordance with federal-aid requirements, which includes selecting a consultant engineer from the Idaho Transportation Department (ITD) term agreement list, coordinating design reviews with the State, certifying right-of-way and environmental compliance prior to advertisement, bidding and awarding the construction contract, providing project management and inspection staff throughout construction, and maintaining all project records for the federally required retention period; and

WHEREAS: ITD, through the Local Highway Technical Assistance Council (LHTAC) administers the grant and will provide oversight, review plans and specifications, authorize project phases, and submit reimbursement requests to the Federal Highway Administration.

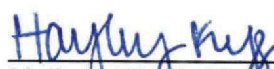
NOW, THEREFORE, BE IT RESOLVED THAT: City Council hereby accepts this grant award and approves the State/Local Agreement for the TAP State/Local Agreement for the N. Boyer Ave SW, E. Mtn View to Juniper project, a copy of which is attached hereto and made a part hereof as if fully incorporated herein.

BE IT FURTHER RESOLVED THAT: The Mayor or designee, as permitted, is hereby authorized to enter into this agreement on behalf of the City.



Jeremy Grimm, Mayor

ATTEST:



Melissa Ward, City Clerk