

**LHTAC/LOCAL AGREEMENT**  
**2024 LOCAL CHILDREN PEDESTRIAN SAFETY (CPS) PROGRAM**  
**SPONSOR ADMINISTRATION**  
**DIVISION AVENUE CORRIDOR SAFETY IMPROVEMENT PROJECT, PHASE 2,**  
**CITY OF SANDPOINT**  
CPS#24

**PARTIES**

THIS AGREEMENT is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by and between the **LOCAL HIGHWAY TECHNICAL ASSISTANCE COUNCIL (LHTAC)**, hereafter called LHTAC, and **City of Sandpoint**, acting by and through its Board or Council (Sponsor).

**PURPOSE**

LHTAC is administering the Children Pedestrian Safety (CPS) Program with state and federal funds obligated from the Idaho Legislature. This program is intended to serve the cities, counties and highway districts. The Sponsor has requested to receive a grant award to complete construction of its sidewalk/pathway project. The purpose of this Agreement is to set out the terms and conditions to accomplish this Project.

Authority for this Agreement is established by House Bill 770 of the 2024 legislative session.

The Parties agree as follows:

**SECTION I. GENERAL**

1. It is necessary for Sponsor to construct the project as part of this Agreement.
2. Federal participation in the project is in the form of a grant for the amount of \$250,000. No match is required. Scheduled funding for this project is listed in the approved CPS Program rankings, and subsequent revisions.
3. LHTAC shall make payments directly to the Contractor for eligible project costs up to the grant amount of \$250,000. The Contractor shall submit all required documentation, including but not limited to I-9 tax forms and direct payment forms, to facilitate such payments. Payments shall be made after construction begins and upon verification of completed work. In the event of project termination prior to completion, repayment obligations shall be determined based on the cause of termination. If termination occurs due to Contractor default or failure to perform, the Contractor shall be responsible for repaying to LHTAC all federal funds received for the

project, and the Sponsor shall include this repayment obligation in its construction contract with the Contractor. If termination occurs due to Sponsor default or circumstances within Sponsor's control, Sponsor shall be responsible for repayment of all federal funds received. If termination occurs due to circumstances beyond the reasonable control of either Sponsor or Contractor (force majeure), the parties shall negotiate in good faith to determine an equitable resolution regarding repayment obligations.

4. The Sponsor acknowledges that eligible uses of funds are material purchases and hiring a contractor to perform work. Ineligible uses of funds include reimbursement of sponsor for agency work or salary cost including but not limited to design, construction or inspection related activities. Other ineligible uses of funds include engineering fees of any kind, equipment fees, project costs prior to agreement execution, project match, education and outreach.
5. Sufficient Appropriation. It is understood and agreed that LHTAC is a public agency, and this Agreement shall in no way be construed to bind or obligate LHTAC beyond the term of any particular appropriation of funds by the State.

**SECTION II.** LHTAC shall:

1. Provide the following services incidental to Project development:
  - a. Provide support to the Sponsor on project bidding, procurement processes, general questions, and other technical assistance.
  - b. Provide approved funding to Sponsor upon receipt of agreement.
  - a. Complete final acceptance of each Project based on Sponsor documentation and physical observation.
2. Maintain all application and award records for a period of three (3) years from the date of final acceptance. 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.
3. Bill Sponsor for any federal funds to be repaid by Sponsor if Project is terminated prior to completion.
4. Cancel the Agreement should Sponsor not be able to

provide an acceptable construction ready design by December 20, 2024 and request Sponsor to return the funds, unless a written extension has been granted by LHTAC.

**SECTION III.** Sponsor shall:

1. Sponsor warrants that it will repay any federal funds on this project if Project is terminated prior to completion. The Sponsor also warrants that it will repay all state/federal funds if a construction ready design is not delivered to LHTAC by December 20, 2024
2. Provide LHTAC with an update on design status by November 1, 2024.
3. Provide LHTAC with before and after pictures upon completion of the project.
4. Maintain all records, including source documentation for all expenditures for a period of three (3) years from the date of final acceptance. 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.
5. Bid and award the project following state procurement rules if applicable.
6. Complete Project and provide Project Closeout Form and financial records to LHTAC by August 31<sup>st</sup>, 2026. No expenditures are eligible under this grant on or after September 1, 2026.
7. Comply with all other applicable Federal and State statutes and regulations.
8. Sponsor agrees that failure to deliver any of the specified items listed above may result in the program award being rescinded.
9. Any excess funds that cannot be used on eligible expenses shall be returned to LHTAC for the CPS Program.

**EXECUTION**

This Agreement is executed for LHTAC by its Administrator, and executed for Sponsor by its duly appointed representative, attested to by its Clerk.

**LHTAC**

\_\_\_\_\_  
Administrator

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**Local Sponsor**

**ATTEST:**

**Authorized Official**

\_\_\_\_\_  
Clerk

\_\_\_\_\_  
(signed)

\_\_\_\_\_  
(title)