

HURF Exchange Overview

Annually, ADOT provides federal surface transportation program (STP) funding on a discretionary basis to Arizona's Councils of Governments (COG) and Metropolitan Planning Organizations (MPO), which then program the funds for specific local projects in their region. To use STP funding, federal law requires project sponsors to be "certified" by the Federal Highway Administration (FHWA) to administer federal aid projects. Since most cities/towns/counties receive very limited federal funding, it is not worth their time and effort to become certified. Therefore, these project sponsors must contract with a certified entity (usually ADOT) to develop and construct their projects.

The use of federal funding also requires compliance with certain federal environmental, procurement and other regulations. These requirements lengthen project delivery time and typically result in higher costs than if the project were built with non-federal funds.

ADOT routinely administers federally-funded projects and can generally deploy the discretionary STP funding quickly. In light of this, the COGs/MPOs and ADOT supported legislation in the early 1990s authorizing the exchange State Highway Funds (SHF) for COG/MPO STP funding. Known as "HURF Exchange," this program enables cities/towns/counties to build projects themselves, avoiding most expensive and time-consuming federal regulatory requirements. Because the HURF Exchange results in reduced costs and administrative burden for the cities/towns/counties and transfers that burden to ADOT, the statute allows ADOT to pay 90 cents in SHF for each \$1 of federal funding exchanged.

The program was successful and approximately 150 projects received HURF Exchange funding throughout the state. In 2008 however, Highway User Revenue Fund (HURF) revenues fell precipitously and ADOT was forced to suspend the program because it did not have sufficient SHF for operating purposes and to make the required match on federal aid – let alone to provide funding to local entities for HURF Exchange projects. All projects with executed contracts were honored, but no new HURF Exchange projects were initiated between 2009 and 2017.

ADOT supports the HURF Exchange Program as it can reduce the costs and time required to address infrastructure needs for the benefit of the traveling public. As of October 1, 2017, the program has been reinstated, again allowing eligible jurisdictions to take advantage of the flexibility of state funding in exchange for red tape-laden federal dollars.

Arizona Department of Transportation
HURF Exchange Program

Frequently Asked Questions

Q: What is the HURF Exchange program?

A: It was created by the Arizona Legislature in 1997 and authorizes ADOT to provide State Highway Funds to eligible entities in exchange for federal surface transportation (STP) funds. This typically enables eligible cities/towns/counties to build projects faster and cheaper by avoiding expensive and time-consuming federal regulatory requirements.

Q: How does the program work?

A: Local transportation projects are programmed by Arizona Councils of Governments (COG) and Metropolitan Planning Organizations (MPO) in Transportation Improvement Plans (TIP). ADOT provides a certain amount of STP funding on a discretionary basis to all Arizona COGs and MPOs (the amount varies by region). This funding is programmed on local projects, which must meet all applicable federal requirements. Under the HURF Exchange program, the COG/MPO (with the project sponsor's consent) can exchange the federal aid with ADOT and receive 90% of the amount exchanged in State Highway Funds to program on the project. State Highway Funds have far fewer restrictions and requirements, resulting in a less expensive project which is completed more quickly.

Q: What entities are eligible?

A: Arizona cities, towns and counties with population of 200,000 or less according to the most recent annual population estimates produced by the Arizona Department of Administration, and unincorporated areas. Annual estimates are available at <https://population.az.gov/population-estimates>.

Q: Can tribal nations participate?

A: Because tribal nations are not eligible to receive HURF funding directly, they are not direct recipients under the HURF Exchange program. However, tribal nations can work through another direct recipient, such as an eligible city or county.

Q: Is this new funding?

A: No. The program simply allows federal aid to be swapped for State Highway Fund monies, provided sufficient funds exist. The HURF Exchange program is available at ADOT's discretion and may be discontinued if State Highway Funding diminishes.

Q: How does an eligible entity get HURF Exchange funds for its project?

A: The project must be programmed as a HURF Exchange project by the COG/MPO. Consult the applicable COG/MPO for further information.

Q: Is there a local match required on this funding?

A: No match is required by ADOT. However, some COGs/MPOs may require project sponsors to pay a certain percent of the project costs.

Q: What kind of projects can HURF Exchange funding be used for?

A: Eligible projects are those with the primary purpose of improving the efficiency and safety of motor vehicle travel on roadways. Projects must be on the federal aid system (rural minor collectors and above) and be eligible for federal STP funding. Projects on local roads are not eligible.

Q: How does the money flow for an approved project?

A: An intergovernmental agreement (IGA) will first be executed between the project sponsor and ADOT. Generally, 30% of the cost of the project will be advanced to the project sponsor at the start of work. Additional funding is advanced at various intervals as projects reach certain milestones and percentage of completion. The project sponsor is responsible for covering the final 10% of project costs, which will be reimbursed by ADOT when the final project accounting has been completed.

Q: What kind of costs can HURF Exchange funding be used for?

A: HURF Exchange funds may be used only for costs directly related to the design, right of way and construction of eligible HURF Exchange projects. Ancillary items such as utility relocation required for the primary purpose of the project, sidewalks and ADA ramps may be included in the eligible project. Other costs, including but not limited to the following, are not eligible for HURF Exchange and are the responsibility of the project sponsor:

- Scoping.
- Maintenance, which is scheduled or unscheduled work that is performed to preserve existing infrastructure, or in reaction to an event (crash) or season (potholes), or work requiring regular reoccurring attention, such as fence repair, culvert cleanouts, etc.
- Costs incurred prior to date of finance authorization.
- Any items outside of the project right of way.
- Utility relocation which is not directly and unavoidably caused by the HURF Exchange project.
- Betterments of utilities.

Q: Can projects designed with federal aid avoid federal requirements by using HURF Exchange funding for construction?

A: Most federal requirements will probably still apply. ADOT project managers (PM) will review the project and consult with the Federal Highway Administration (FHWA) to determine what federal requirements must be observed. These will be the responsibility of the project sponsor and will be documented in the intergovernmental agreement.

Q: When are the funds available?

A: HURF Exchange funding is available on a federal fiscal year basis beginning October 1, 2017. Finance authorization requests for each phase of a HURF Exchange project must be submitted by May 15th in the year programmed or the funding will lapse. In order to receive finance authorization, all approvals and intergovernmental agreements must be approved and fully executed, and the project must be ready to advertise, initiate selection of consultants/contractors or begin work within 60 days of the date of authorization.

Q: What happens if the City Council/Board of Supervisors turns over and a project designed and paid for with HURF Exchange is not a priority for the new members?

A: Pursuant to the terms of the IGA executed with the City/County, any HURF Exchange funding expended must be repaid if construction is not completed within 2 years of the completion of design or three years from the from the date of the initial obligation of HURF Exchange funding, whichever is earlier.

Q: What happens if the HURF Exchange funding is not spent according to the terms of the IGA?

A: The HURF Exchange funds must be repaid. In addition, ADOT reserves the right to refuse to enter into any further HURF Exchange agreements with project sponsors that owe or have misused HURF Exchange funds.

ARIZONA DEPARTMENT OF TRANSPORTATION POLICIES AND PROCEDURES

FIN-5.01 HURF Exchange Program

Effective: October 1, 2017

Supersedes: None

Responsible Office: Financial Management Services,
Office of the Chief Financial Officer

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1.01 PURPOSE

To ensure the timely and effective use of Highway User Revenue Fund (HURF) Exchange funds for the benefit of the traveling public. Due to the less restrictive and more flexible nature of HURF Exchange funding, projects are expected to cost less and progress much more rapidly than federal aid projects.

1.02 SCOPE / APPLICABILITY

This policy applies to the Arizona Department of Transportation's (ADOT) management of the HURF Exchange program, as well as ADOT's interactions with Arizona Councils of Governments (COG) and Metropolitan Planning Organizations (MPO) wishing to participate in the HURF Exchange program and any local project agency (LPA) wishing to receive HURF Exchange funding.

1.03 AUTHORITY

[A.R.S. § 28-6993\(G\)](#)

1.04 BACKGROUND

Annually, ADOT provides federal Surface Transportation Block Grant Program (STBGP) funding on a discretionary basis to Arizona's Councils of Governments (COG) and Metropolitan Planning Organizations (MPO), which then program the funds for specific local projects in the applicable region. To use STBGP funding, federal law requires LPAs to be "certified" by the Federal Highway Administration (FHWA) to administer federal aid projects. Since most cities/towns/counties with population of 200,000 or less receive very little federal funding, it is not cost effective to become certified. Therefore, these LPAs must contract with a certified entity (usually ADOT) to develop and construct federally funded projects.

The use of federal funding also requires compliance with certain federal environmental, procurement and other regulations. These requirements typically result in longer project duration and higher costs than if the project were built with non-federal funds.

ADOT routinely administers federally-funded projects and can generally deploy the discretionary federal funding quickly. In light of this, the COGs/MPOs and ADOT supported legislation in 1997 authorizing the exchange of HURF monies distributed to the State Highway Fund (SHF) for

COG/MPO STPBG funding. Known as “HURF Exchange,” this program is targeted to cities/towns/counties with population of 200,000 or less. It enables these LPAs to build projects using state funding, avoiding the expensive and time-consuming federal regulatory requirements. Because the HURF Exchange results in reduced costs and administrative burden for participating LPAs and transfers that burden to ADOT, the statute allows ADOT to pay \$.90 cents in SHF for each \$1 of federal funding exchanged.

The HURF Exchange program is offered at ADOT’s discretion.

1.05 DEFINITIONS AND ACRONYMS

Apportionments	Surface Transportation Block Grant Program (STBGP) funds provided by ADOT to COGs/MPOs on a discretionary basis.
Authorization	The approval by ADOT of the use of HURF Exchange funding for a project phase.
Arizona Financial Information System (AFIS)	The Arizona State accounting system
Change in scope	Any change to a project or project phase which increases the footprint or adds or decreases features to a project (for example: pedestrian bridge, roundabout, traffic signal, etc.).
COG	Council of Governments
COG/MPO ledger	The COG/MPO federal aid funding ledger. This document reflects the authorization status of projects in the current federal fiscal year, apportionments and obligation authority, transfers and loans, available and lapsing funds. Ledgers are prepared by ADOT Resource Administration for each COG/MPO and posted monthly on ADOT’s website at: http://www.azdot.gov/about/FinancialManagementServices/transportation-funding/federal-aid-highway-program .
Date of Authorization	The date on which the State approves the use of HURF Exchange funding for a Project phase. This is also the date on which HURF Exchange funded costs for the Project phase may begin to be incurred.
Eligible Costs	Costs directly associated with the design, acquisition or right of way, and construction of the project, including necessary safety items. Other items unavoidably required for the primary purpose of the project, which is to improve the efficiency and safety of motor vehicle travel on the roadway, may be considered part of the eligible costs.

	These items may include utility relocation, sidewalks, ADA ramps and safety features.
Federal Highway Administration (FHWA)	A division of the US Department of Transportation specializing in highway transportation
Fiscal Management Information System (FMIS)	FHWA’s major financial information system for tracking federally-funded projects
Final Voucher unit	FMS unit responsible for preparing a final project accounting for each project.
Financial Management Services (FMS)	ADOT division responsible for project funding, accounting, final vouchers, accounts receivable, accounts payable and other accounting and financial management functions.
Fully executed IGA	An IGA which has received all required approvals and opinions and has been signed by all parties.
HURF Exchange sub-fund	A sub-fund of the State Highway Fund (SHF) to which SHF monies are transferred for approved and authorized HURF Exchange projects.
HURF Exchange Project Forms	The following Excel forms prescribed by ADOT to be used by Project Sponsors for HURF Exchange projects, completed, approved and signed as required: <ul style="list-style-type: none"> • HURF Exchange Project Scoping Form • HURF Exchange Project Cost Estimate • HURF Exchange Project and Draw Schedule • HURF Exchange Draw and Final Reimbursement Invoice
Ineligible costs	Costs which are not eligible. Ineligible costs include, but are not limited to, the following: <ul style="list-style-type: none"> • Maintenance, which is scheduled or unscheduled work that is performed to preserve existing infrastructure, in reaction to an event (crash) or season (potholes), or work requiring regular reoccurring attention, such as fence repair, culvert cleanouts, etc. • Scoping. • Costs incurred prior to date of finance authorization. • Any items outside of the project right of way. • Utility relocation which is not directly and unavoidably caused

- by the HURF Exchange project.
- Betterments of utilities.
- Any other costs which are not eligible costs as defined above.

Infrastructure Delivery and Operations (IDO)	ADOT division responsible for the management, design and construction of state and local transportation projects.
IGA	Intergovernmental agreement
Maintenance	Scheduled or unscheduled work that is performed to preserve existing infrastructure, in reaction to an event (such as an accident) or season (such as potholes), or work requiring regular reoccurring attention, such as fence repair, culvert cleanouts, and other ongoing work.
Monthly Receipts and Expenditures Report	A monthly report prepared by the General Ledger unit of ADOT Financial Management Services reflecting receipts and expenditures by fund/sub-fund.
MPO	Metropolitan Planning Organization
Multimodal Planning Division (MPD)	ADOT division responsible for managing the planning of the statewide transportation network.
Obligation	The application of State Highway Funds on a project phase in AFIS.
Obligation Authority	The amount of apportionments which may be obligated in a federal fiscal year. ADOT provides obligation authority, on a discretionary basis, to COGs/MPOs.
Project Sponsor	The Arizona city, town or county with which ADOT will enter into an IGA for the HURF Exchange project.
Resource Administration Database	The Access database used by Resource Administration to track federal aid and HURF Exchange funding and produce the COG/MPO ledgers.
Resource Administration	ADOT’s Financial Management Services Resource Administration unit, which processes and obligates project funding.
Substantial completion	The Project is substantially complete when all of the following have occurred: <ul style="list-style-type: none"> a. All lanes of traffic of the completed project are finished and accepted and traffic can move unimpeded through the project at the posted speed;

- b. All signage is in place and accepted;
- c. All guardrails, drainage devices, ditches, excavation and embankment have been accepted; and
- d. The only work left for completion is incidental, away from the paved portion of the road, and does not affect the safety or convenience of the traveling public.

Surface Transportation Block Grant Program (STBGP)

A category of funding under the federal aid highway program. The subcategories of STBGP applicable to the HURF Exchange program are Under 200,000 population and Under 5,000 population. These categories appear on the COG/MPO ledgers as “STP Other.”

TIP Transportation Improvement Plan

1.06 POLICY

A. Availability and Amount

1. Availability of the HURF Exchange Program is at ADOT’s discretion. ADOT reserves the right to discontinue the program at any time. Appropriations, transfers, distributions or revenue shortfalls which diminish SHF revenues may result in the immediate discontinuation of the program.
2. The amount of HURF Exchange available will be determined annually in conjunction with the development of the ADOT Five Year Transportation Facilities Construction Program (5-year Program).
3. The only types of federal aid eligible for exchange are the Under 200,000 population and Under 5,000 population categories of STBGP provided to COGs/MPOs. The annual amount of HURF Exchange available to each COG/MPO for programming will be based on its pro-rata share of discretionary funding in these categories.
4. Federal aid apportionments and obligation authority will be exchanged for SHF based on the process discussed in Section 1.06.E. The HURF Exchange rate is \$.90 in SHF for each \$1.00 in federal obligation authority exchanged.
5. All discretionary funding, including federal aid and HURF Exchange funds, must be transferred or loaned to another COG/MPO or ADOT by March 31, or obligated to projects by June 30, of each fiscal year. Any funding remaining at July 1 will revert to ADOT.

B. Funds Management

1. STBGP funds will be converted to HURF Exchange funding only at the time an approved HURF Exchange project phase seeks finance authorization. Conversions not associated with a HURF Exchange project finance authorization will not be processed.

2. HURF Exchanges and HURF Exchange project transactions will be reflected on the COG/MPO federal aid funding ledgers produced by the ADOT Resource Administration database.
3. ADOT General Ledger will transfer funding from the SHF into the HURF Exchange sub-fund as each project phase is authorized. An exhibit for the HURF Exchange sub-fund will be presented in the Monthly Receipts and Expenditures Report.
4. A monthly reconciliation will be performed by ADOT Resource Administration of the AFIS HURF Exchange sub-fund and the Resource Administration database.
5. HURF Exchange projects will be subject to ADOT’s Inactive Project Obligation policy and procedures, which includes inactive projects.

C. Eligible Entities, Projects and Costs

1. Entities eligible for HURF Exchange funding include Arizona cities, towns and counties with population of 200,000 or less, according to the most recent annual population estimates produced by the Arizona Department of Administration pursuant to Executive Order 2011-04, and unincorporated areas.
2. To be eligible for the HURF Exchange program, a project must:
 - a. Have as its primary purpose the improvement of the efficiency, reliability and safety of the traveling public;
 - b. Be on the federal aid system and be eligible for federal STBGP funding (limits eligibility to projects on roads classified as rural minor collectors or above; projects on local roads are not eligible);
 - c. Have all phase(s) approved by the COG/MPO Technical Advisory Committee and be programmed as HURF Exchange in the approved, fiscally-constrained portion of the Transportation Improvement Plan (TIP); and
 - d. Demonstrate a realistic schedule indicating all phases of the project will be completed within three years of the date of finance authorization of the design phase.
3. HURF Exchange funds may be used only for Eligible Costs directly related to the design, right of way and construction of eligible HURF Exchange projects. Ineligible costs are the responsibility of the Project Sponsor and include, but are not limited to, the following:
 - Maintenance.
 - Scoping.
 - Costs incurred prior to date of finance authorization.
 - Any items outside of the project right of way.

- Utility relocation which is not directly and unavoidably caused by the HURF Exchange project.
 - Betterments of utilities.
 - Any other costs which are not defined as Eligible Costs.
4. Project phases authorized with federal aid prior to October 1, 2017 are not eligible for HURF Exchange funding. The phase must be completed with its current funding type.
 5. Subsequent phases of federally-funded projects authorized prior to October 1, 2017 are eligible for HURF Exchange funding, subject to applicable federal requirements. These projects may still be subject to oversight by ADOT and/or the Federal Highway Administration (FHWA).
 6. As of the effective date of this Policy, all new projects, and each phase thereof, must be programmed with HURF Exchange **or** federal funds, either of which may include local funds. After October 1, 2017, any new projects authorized with federal funds will not be eligible for HURF Exchange.

D. Project Initiation and Intergovernmental Agreements (IGA)

1. All HURF Exchange projects require an IGA and must be initiated through the ADOT Local Public Agency (LPA) section. The Project Sponsor will request project initiation and must provide the following HURF Exchange Project forms, completed, approved and signed as required:
 - a. Project Initiation Letter
 - b. HURF Exchange Project Scoping Form
 - c. HURF Exchange Project Cost Estimate
 - d. HURF Exchange Project and Draw Schedule
 - e. In addition, the initiation request must also include a map showing the project location and the functional classification of the roadway, a copy of the transportation improvement plan (TIP) listing reflecting the HURF Exchange programming and any other documents which may be required.

For each phase of the project, additional documents will also be required at the time of authorization of the phase based on the delivery method as discussed in Section E, Finance Authorization.

2. Upon receipt of a complete submission, the LPA Section will:
 - a. Establish an ADOT project number and assign an ADOT Project Manager (ADOT PM), and

- b.** Initiate an IGA, which must be fully executed before the project can seek authorization.
- 3.** The ADOT PM will review any projects funded with federal aid prior to the effective date of this Policy with FHWA to identify applicable federal requirements. The ADOT PM will request a list of such requirements in writing for incorporation into the IGA.
- 4.** The ADOT PM will also review the project scope to identify any ineligible costs under the HURF Exchange program. Such costs will be the responsibility of the Project Sponsor.
- 5.** Changes in the project scope, schedule or budget will require amendment of the IGA. To help avoid this, ADOT PMs should carefully review and discuss project documentation with Project Sponsors to ensure the project scope can actually be completed on time and with the funding provided.
- 6.** A fully executed IGA does not guarantee funding or constitute permission to begin work. The Project Sponsor must request and receive authorization for each project phase in advance of starting work as discussed in Section E, Finance Authorization. Expenditures incurred prior to the date of finance authorization of the applicable phase are not eligible for HURF Exchange.

E. Finance Authorization

- 1.** Upon full execution of the IGA, the Project Sponsor may request authorization for each project phase based on the schedule in the IGA. Subsequent phases will not be authorized until preceding phases are completed, with the exception of a right of way phase that must be undertaken concurrently with design.
- 2.** Each phase of a HURF Exchange project must be ready to proceed and Project Sponsors must submit the authorization request to the ADOT PM no later than May 15th of the fiscal year in which the phase is programmed. The ADOT PM will process authorization requests promptly to ensure authorization can be affected by June 30th. Funding for project phases which cannot proceed pursuant to this schedule will not be obligated. In such circumstances, the IGA will terminate and the applicable COG/MPO is responsible for transferring or loaning the funds to another COG/MPO or ADOT by March 31, or programming it to other projects which can authorize by June 30 of the applicable fiscal year. Any remaining funding will revert to ADOT on July 1.
- 3.** Depending on the delivery method, the following documents must accompany the authorization request for each project phase:
 - a.** HURF Exchange Project Cost Estimate (if different from that submitted in section D.1)
 - b.** HURF Exchange Project and Draw Schedule (if different from that submitted in section D.1)

- c. A copy of the transportation improvement plan (TIP) listing reflecting the HURF Exchange programming for the phase.
- d. For projects performed using the Project Sponsor’s own forces, the HURF Exchange invoice requesting the first 30% draw of HURF Exchange funding should also be submitted at this time.

Depending on the nature of the work, other documents may also be requested by the ADOT PM.

4. Upon receipt of a complete authorization submission, the ADOT PM will prepare a Project Funding Request (PFR) for the applicable phase of the project, checking the HURF Exchange box. The PFR, including all the documents listed in subsection 3 above, will be emailed to the ADOT Resource Administration email box no later than May 31st.
5. Upon receipt of a complete and accurate PFR, Resource Administration will review the project phase information to ensure eligibility under the HURF Exchange program. Once eligibility is confirmed, Resource Administration will transfer 100% of the federal apportionments and obligation authority from the applicable COG/MPO ledger to ADOT. This transaction will appear as a “transfer out” on the ledger.
6. Resource Administration will next transfer HURF Exchange funding to the COG/MPO at 90% of the federal obligation authority transferred to ADOT for the project phase. This transaction will appear as a “transfer in” of HURF Exchange funding on the COG/MPO ledger.
7. Resource Administration will record the Expected Draw Dates and amount for each HURF Exchange project and project phase in the HURF Exchange Invoice Log.
8. For projects with federally-funded phases authorized prior to the effective date of this policy, Resource Administration will also amend the end date of the project in FMIS and AFIS based on the schedule reflected in the IGA.
9. Upon completion of the ledger transfers, Resource Administration will approve the PFR and notify ADOT General Ledger by email to transfer the HURF Exchange amount for the applicable project phase from the SHF to the HURF Exchange sub-fund.
10. General Ledger will notify Resource Administration by email when the transfer is complete.
11. Upon notification from General Ledger of the completion of the transfer, Resource Administration will obligate the HURF Exchange funds on the applicable project phase, establish the project phase budget in AFIS and inform the ADOT PM via email the project phase is open. Resource Administration will also copy the LPA section group email box.

12. For projects performed using the Project Sponsor's own forces, Resource Administration will approve and forward the HURF Exchange invoice requesting the first 30% draw to Accounts Payable for payment.
13. Resource Administration will update the HURF Exchange Invoice Log with the date the invoice was received, approved and sent to Accounts Payable.
15. Within five business days of the receipt of the email from Resource Administration, the ADOT PM will provide a Notice To Proceed to the Project Sponsor, indicating that the project phase may be advertised, consultants may be selected or work can begin.
16. Project Sponsors must begin work, initiate selection of consultants/contractors or advertise the project, as applicable, within 60 days of the date of authorization.
17. Within 60 days of the selection of consultants or the award of a contract for each project phase, as applicable, Project Sponsors are required to submit the final itemized project scope, budget and schedule including the dates the work will start and end and the anticipated dates of each progress payment request. The submission is to include the consultant scope with itemized costs, or the itemized cost breakout for the awarded contract, as applicable. IGA amendments may be required if the final, itemized project budget, scope, and schedule varies from that reflected in the IGA. A TIP amendment may also be required.
18. For all project phases, after deducting ineligible costs, if the final project phase amount is less than the amount authorized, the ADOT PM will inform Resource Administration via email, which will release the excess HURF Exchange funding from the project phase and return it to the COG/MPO. This transaction will be reflected on the applicable COG/MPO ledger as a credit in the HURF Exchange column. These funds must be transferred or loaned to another COG/MPO or ADOT by March 31, or obligated to other projects by June 30, of the fiscal year in which the funding is released.

If the final, itemized project phase amount is greater than the amount of HURF exchange funding obligated, the Project Sponsor is responsible for the difference.
19. As each subsequent phase is authorized and the final 10% HURF Exchange payment has been made pursuant to Section 1.06.F.1.d, any preceding phases will be closed in AFIS pursuant to ADOT's Project Obligation policy and any remaining funds will be returned to the COG/MPO for reprogramming. These funds must be transferred or loaned to another COG/MPO or ADOT by March 31, or obligated to projects by June 30, of the fiscal year in which the funding is released.

F. Project Billing

1. The invoicing schedule for each phase of HURF Exchange projects will follow a standard protocol of 30%/30%/30%/10%:

- a. Prior to the start of the phase - the Project Sponsor will submit to the ADOT PM HURF Exchange Draw and Final Reimbursement Invoice for 30% of the HURF Exchange funding for that phase. After adjusting the project phase budget as discussed in Section 1.06.E.12, ADOT will advance 30% of the HURF Exchange amount to the Project Sponsor within 30 days of receipt and approval of the invoice and documents required in Sections 1.06.E.3.a and 1.06.E.12.
 - b. At 30% completion of the phase work – at least 30 days but not more than 60 days prior to when the funds will be needed, the Project Sponsor will submit to the ADOT PM a HURF Exchange Draw and Final Reimbursement Invoice for an additional 30% of the HURF Exchange funding. The invoice must include copies of project phase invoices received and/or expenses incurred and paid to date which demonstrate the work is progressing to the 30% mark. ADOT will advance the next 30% to the Project Sponsor within 30 days of receipt and approval of the invoice and accompanying documentation.
 - c. At 60% completion of the phase work - at least 30 days but not more than 60 days prior to when the funds will be needed, the Project Sponsor will submit to the ADOT PM a HURF Exchange Draw and Final Reimbursement Invoice for an additional 30% of the HURF Exchange funding. The invoice must include copies of project phase invoices received and/or expenses incurred and paid to date which demonstrate the work is progressing to the 60% mark. ADOT will advance the next 30% to the Project Sponsor within 30 days of receipt and approval of the invoice and accompanying documentation.
 - d. Final 10%:
 - i. For Projects involving multiple phases – the final 10% for each phase, except for the last, will be reimbursed within 30 days of the receipt and approval of a HURF Exchange Draw and Final Reimbursement Invoice and documentation demonstrating the phase is completed.
 - ii. At final Project completion - The final 10% of HURF Exchange funding will be reimbursed as outlined in the Section G, Project Close-out.
2. Projects are expected to progress according to the scope, schedule and budget in the IGA and submitted pursuant to Sections 1.06.E.3.a and 1.06.E.11. In accordance with ADOT Inactive Project Obligation policies and procedures, Project Sponsors will be required to justify the viability of those projects which do not demonstrate adequate progress. If such justification is not provided, the funding will be deobligated by ADOT. Deobligated HURF Exchange funds will be credited to the applicable COG/MPO and must be transferred or loaned to another COG/MPO or ADOT by March 31, or obligated to projects by June 30 of the fiscal year in which the funds are credited.
 3. Expenditures made prior to the date of finance authorization are not eligible for HURF Exchange.

4. All HURF Exchange submissions and invoices are to be submitted to the assigned ADOT PM, who is responsible for reviewing, approving and forwarding invoices to FMS for payment within 10 days of receipt.
5. Any invoicing protocol proposed for the IGA which varies from the 30%/30%/30%/10% structure must be approved in advance in writing by the ADOT Chief Financial Officer.

G. Project Close-out

1. Within 15 days of substantial completion of the construction phase, the Project Sponsor is to notify the ADOT PM. The PM will notify the applicable ADOT district the project is substantially complete and will schedule a final project walk-through.
2. The Project Sponsor, applicable COG/MPO and an ADOT district representative (and possibly FHWA if federal funds were used to design the project) must complete the final project walk-through before the close-out package is submitted.
3. Within 60 days of the completion of the project, the Project Sponsor will submit the close-out package to the ADOT PM. The close-out package must include a HURF Exchange Draw and Final Reimbursement Invoice for the final 10%, the Project Acceptance letter from the Project Sponsor to the contractor, and a close-out letter to ADOT.
4. The ADOT PM will review and approve the close-out package and submit it to Resource Administration.
5. Resource Administration will review the close-out package to ensure all documentation has been received. Upon confirmation, Resource Administration will forward the close-out package to the FMS Final Voucher unit.
6. A final voucher review will be conducted on all HURF Exchange projects. ADOT will reimburse the final 10% of the cost of the project to the Project Sponsor within 30 days of the completion of the final voucher. Upon payment of the final 10%, the project will be closed out in AFIS, any remaining funding will be released from the project and no further invoices will be processed.
7. Any released funding will be returned to the COG/MPO, and will appear as a credit to the project in the HURF Exchange section on the COG/MPO ledger. The released funds must be transferred or loaned to another COG/MPO or ADOT by March 31, or obligated to projects by June 30 of the fiscal year in which the funds are credited.

H. Miscellaneous

1. Any HURF Exchange funds deobligated, released or otherwise removed from projects will be returned to the applicable COG/MPO for reprogramming. The funding will appear on the ledger as a credit to the project in the HURF Exchange section on the COG/MPO ledger. The released funding must be transferred or loaned to another

COG/MPO or ADOT by March 31, or obligated to projects by June 30, of the fiscal year in which the funds are released. Any remaining funding will revert to ADOT on July 1.

2. ADOT employees are required to track their time on each HURF Exchange project using the administrative phase. These costs will not be billed to Project Sponsors without amendment of this policy in advance.
3. Total duration of a HURF Exchange project is a maximum of three years, including all phases:
 - a. If a project has not reached substantial completion within three years of the date of finance authorization of the first HURF Exchange funded phase, the Project Sponsor must repay all HURF Exchange funds to ADOT. Upon receipt of an invoice from ADOT, the Project Sponsor has 30 days to remit the full amount.
 - b. If a project developed (including Right of Way acquisition) with HURF Exchange funds is not constructed within two years of the completion of design, the Project Sponsor must repay all HURF Exchange funds to ADOT. Upon receipt of an invoice from ADOT, the Project Sponsor has 30 days to remit the full amount.

Any repaid funds will be deposited in the HURF Exchange sub-fund of the SHF and will be credited to the applicable COG/MPO to be transferred or loaned to another COG/MPO or ADOT by March 31, or obligated to projects by June 30 of fiscal year in which the funds were repaid. The returned funds will appear on the ledger as a credit to the project in the HURF Exchange section.

4. Project Sponsors are required to retain all records related to a HURF Exchange project for a period of five years after the date of the final payment of HURF Exchange funding from ADOT.
5. All HURF Exchange projects are subject to audit. ADOT may refer projects to the State Auditor General or ADOT's Internal Audit unit in cases of suspected misuse of HURF Exchange funding.
6. Any HURF Exchange funding used for ineligible costs or purposes, or otherwise misused, must be repaid by the Project Sponsor within 30 days of receipt of an invoice from ADOT. The repaid funds will be credited to the applicable COG/MPO to be transferred or loaned to another COG/MPO or ADOT by March 31 or obligated to projects by June 30 of the fiscal year in which the funds were repaid.
7. ADOT reserves the right to refuse to enter into further HURF Exchange transactions with a Project Sponsor which owes repayment of previous HURF Exchange funding or has misused funds.
8. ADOT assumes no liability or financial responsibility for HURF Exchange projects. Project Sponsors are solely responsible for complying with all applicable laws, rules and

regulations, for any additional funding required to complete the project and for any claims due to delays, change orders or any other circumstances.

I. Shutdown Process

1. Certain situations result in the diminishment of SHF revenues, and may result in the immediate discontinuation of the program. These include, but are not limited to: appropriations, transfers, or distributions of HURF or SHF funds; legislative fund sweeps; declining revenues or revenue shortfalls; delays in federal reimbursements; significant changes in federal aid funding or pro rata match requirements; and economic or market conditions. In such situations, ADOT may choose to discontinue the HURF Exchange program.
2. ADOT will implement a shutdown process as follows:
 - a. FMS will determine the effective date of the shutdown.
 - b. FMS will notify IDO, MPD, the JPA group and the COGs/MPOs of the shutdown date as soon as possible.
 - c. HURF Exchange IGAs which are fully executed as of the shutdown date will be honored. No further HURF Exchange IGAs will be executed or initiated after the shutdown date.
 - d. COGs/MPOs must reprogram any remaining HURF Exchange projects with federal aid within 60 days of the shutdown date. All applicable federal requirements will apply.
 - e. All federal aid projects (with the exception of those of CA agencies) will be administered by ADOT. ADOT staff will charge their time directly to the projects and the Project Sponsor will be billed for these charges.
 - f. The March 31 deadline for the transfer or loan to another COG/MPO or ADOT and the June 30 deadline for obligation of funds to projects and reversion to ADOT on July 1 will continue to apply.

1.07 CORRESPONDING POLICIES AND DOCUMENTATION

Executive Order 2011-04, Designating the Arizona Department of Administration as the State Agency Responsible for Preparing Official Population Estimates and Projections for the State of Arizona

Arizona Department of Administration, Office of Economic Opportunity - State, County and Place Level Population Estimates: <https://population.az.gov/population-estimates>

FIN-2.01 Funds Control Policy

FIN-5.09 Charging/Distributing Costs to Local, State and Federal Projects

MGT-14.01 Department-wide Agreement Policy

ADOT Local Public Agency Projects Manual: <http://azdot.gov/docs/default-source/business/lpa-manual.pdf?sfvrsn=50>

ADOT Project Development Process Manual: <http://azdot.gov/docs/projects/project-development-process.pdf?sfvrsn=0>

ADOT Project Funding Request

ADOT Inactive Project Obligation policy and procedures

State of Arizona Accounting Manual: <https://gao.az.gov/publications/SAAM/>

Functional Classification Maps: <http://www.azdot.gov/maps/functional-classification-maps>

HURF EXCHANGE PROJECT INITIATION SAMPLE LETTER

Place on Sponsoring Agency's Letterhead

***Note: All items in red should be removed and replaced with the required information prior to submission to the ADOT Local Public Agency Section.**

(Insert Date)

ADOT Local Public Agency Section
205 S. 17th Ave. Mail Drop EM11
Phoenix, AZ 85007

Re: Request for Local Government Project Initiation

Sponsoring Agency:

Project Name:

COG/MPO:

COG/MPO TIP ID Number:

Approved for Fiscal Year(s):

Funding Type: HURF Exchange

To Whom It May Concern:

On behalf of the **(Insert sponsoring agency's name)**, I am writing to request initiation of a HURF Exchange project and assignment of an ADOT project number and Project Manager for the above referenced project.

All phases of this project have been approved and programmed for HURF Exchange funding in the total amount of \$ **(Insert total amount of requested funding)**.

Attachments to this Request include:

***Note: All initiation requests that are submitted to the ADOT Local Public Agency Section will be returned *without* action unless all items listed below are submitted with this initiation letter.**

- Completed HURF Exchange Project Scoping Form
- Completed HURF Exchange Project Cost Estimate Form
- Completed HURF Exchange Project and Draw Schedule Form
- ADOT Functional Classification Map (available at <https://www.azdot.gov/maps/functional-classification-maps>)
- A legible copy of the local MPO/COG TIP page, with project highlighted and all phases shown in the fiscally constrained portion of the TIP

Please contact us if you have any questions regarding this request or require additional information. Thank you.

Sincerely,

Project Manager Name

Title

Agency

Address

City, AZ, Zip code

Phone Number

Email address

HURF Exchange Project Scoping Form

Note: The Project Scoping Form, Project Cost Estimate and Project and Draw Schedule forms (all contained in this file) must be completed and submitted with the project initiation request. Each phase requires advanced authorization by ADOT. HURF Exchange funding may not be combined with federal aid.

INSTRUCTIONS: This form is required to accompany a HURF Exchange Project Initiation request.

Enter information into GREEN CELLS

PROJECT INFORMATION

(information provided in this section will auto-populate to the Project Cost Estimate and Draw Schedule tabs)

Project Sponsor	
Sponsor Contact	
Contact Phone #	
Contact Email	
Project Name	
Project Location	
Functional Classification (select from list)	
Termini Begin/End	
ADOT District (select from list)	

ADOT USE ONLY

ADOT Project Number (5 digit)		IGA Number	
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Funding Information

COG/MPO (select from list)				
TIP Informtaion	<i>Description</i>	<i>Design</i>	<i>Right of Way</i>	<i>Construction</i>
	Year Programmed			
	TIP Number			
	HURF Exchange Amount			
	Sponsor Amount			
Total Amount		\$0.00	\$0.00	\$0.00

Scope of Work Summary

Delivery Method (select from list)	
Scoping document attached? (select from list)	

Major Items of Work

(press Alt-Tab to create a new line;
press Alt-Tab-Tab to create a new paragraph)



HURF Exchange Project and Draw Schedules

Note: The Project Scoping Form, Project Cost Estimate and Project and Draw Schedule forms (all contained in this file) must be completed and submitted with the project initiation request. Each phase requires advanced authorization by ADOT. HURF Exchange funding may not be combined with federal aid.

INSTRUCTIONS: This form is required to accompany a HURF Exchange Project Initiation request. Enter the Estimated Completion Dates as requested for each Stage of Development and Construction. Also enter the Expected Draw Dates for these phases. Draw amounts for each phase are auto-calculated based on the amount programmed in the TIP as entered on the Project Scoping Form.

**Enter dates into
GREEN CELLS**

Project Information

(fields below will be populated based on information entered on the Project Scoping Form tab)

Project Sponsor	0
Sponsor Contact	0
Contact Phone #	0
Contact Email	0
Project Name	0
Project Location	0
Termini Begin/End	0
COG/MPO	0
Design TIP Number	0
Right of Way TIP Number	0
Construction TIP Number	0

ADOT USE ONLY

ADOT Project Number

0

Project Development

Development Schedule		HURF Exchange Funding Draw Schedule		
Stage	Estimated Completion Date	Draw %	Amount	Expected Draw Date
Authorization Request		30%	\$ -	
Start of Work		30%	\$ -	
Stage II		30%	\$ -	
Stage III		10%	\$ -	*
Stage IV				
Bid Ready				
		Total	\$ -	

Right of Way

Acquisition Schedule		HURF Exchange Funding Draw Schedule		
Activity	Estimated Completion Date	Draw %	Amount	Expected Draw Date
Authorization Request		30%	\$ -	
Start of Work		30%	\$ -	
All Parcels Acquired By		30%	\$ -	
		10%	\$ -	*
		Total	\$ -	

Construction

Construction Schedule		HURF Exchange Funding Draw Schedule		
Activity	Estimated Completion Date	Draw %	Amount	Expected Draw Date
Authorization Request		30%	\$ -	
Start of Work		30%	\$ -	
Bid Advertisement		30%	\$ -	
Bid Opening		10%	\$ -	*
Bid Award				
		Total	\$ -	

Notice to Proceed	
Substantial Completion	
Final Project Walk-through	
Final Acceptance	

* The Final 10% is reimbursed to the Sponsor as follows:

- ▶ For projects involving multiple phases funded with HURF Exchange - the final 10% for each phase, except for the last, will be reimbursed within 30 days of the receipt and approval of an invoice and documentation demonstrating the phase is complete.
- ▶ At final Project completion - the final 10% will be reimbursed upon completion of the project final voucher by ADOT.

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HURF Exchange Project Cost Estimate				
Note: The Project Scoping Form, Project Cost Estimate and Project and Draw Schedule forms (all contained in this file) must be completed and submitted with the project initiation request. Each phase requires advanced authorization by ADOT. HURF Exchange funding may not be combined with federal aid.				
INSTRUCTIONS: This form is required to accompany a HURF Exchange Project Initiation request. List all items necessary to develop and construct the project. The sponsoring agency is responsible for verifying all costs and their accuracy. Construction cost overruns will be the responsibility of the sponsoring agency.				Enter values into GREEN CELLS
PROJECT INFORMATION				
(fields below will be populated based on information entered on the Project Scoping Form tab)				
Project Sponsor	0			
Sponsor Contact	0			
Contact Phone #	0			
Contact Email	0			
Project Name	0			
Project Location	0			
Termini Begin/End	0			
COG/MPO	0			
Design TIP Number	0			
Right of Way TIP Number	0			
Construction TIP Number	0			
ADOT USE ONLY		ADOT Project Number	0	
STAGE I – SCOPING (15% Preliminary Design)				
NOT ELIGIBLE FOR HURF EXCHANGE FUNDING				
STAGES II, III, IV and V - DESIGN				
DESIGN COSTS				
ITEM DESCRIPTION	UNIT	QUANTITY	UNIT PRICE	TOTAL
PS&E's - Plans, Special Provisions, Cost Estimates & Schedules (10%-20% of construction cost.)	Lump Sum	1		\$0.00
GEOTECHNICAL INVESTIGATION (If a report is necessary, anticipate 5% of construction cost) Includes testing, Geotech Report, Materials & Pavement Design Report) <i>Enter \$0 in Unit Price column if none required.</i>	Lump Sum	1		\$0.00
DRAINAGE REPORT (If a report is necessary, anticipate 5% of construction cost) <i>Enter \$0 in Unit Price column if none required)</i>	Lump Sum	1		\$0.00
STORM WATER POLLUTION PREVENTION PLAN (Required if there is over 1 acre of total disturbance, 1% of construction cost) <i>Enter \$0 in Unit Price column if none required.</i>	Lump Sum	1		\$0.00
SUBTOTAL – PROJECT DESIGN COSTS				\$0.00
RIGHT OF WAY COSTS				

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ITEM DESCRIPTION	UNIT	QUANTITY	UNIT PRICE	TOTAL
RIGHT OF WAY , Costs for pre-acquisition activities (plans, title reports, appraisals, etc)	Lump Sum	1		\$0.00
RIGHT-OF-WAY ACQUISITION (if necessary)	Lump Sum	1		\$0.00
SUBTOTAL – RIGHT OF WAY COSTS				\$0.00

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STAGE V – CONSTRUCTION				
SITE ACQUISITION & HARDSCAPE CONSTRUCTION				
ITEM DESCRIPTION	UNIT	QUANTITY	UNIT PRICE	TOTAL
INSTALLATION OF STORMWATER POLLUTION PREVENTION MEASURES (If over 1 acre of disturbance, 5% of construction costs) <i>Enter \$0 in Unit Price column if area of disturbance is less than one acre.</i>	Lump Sum	1		\$0.00
SITE PREPARATION (Clearing and grubbing, plant salvage)	Lump Sum	1		\$0.00
DEMOLITION				
Sawcut	Linear Foot			\$0.00
Remove Structures and Obstructions	Lump Sum	1		\$0.00
Remove Fencing	Linear Foot			\$0.00
Remove Structural Concrete				\$0.00
Remove Asphaltic Concrete Pavement	Cubic Yard			\$0.00
Remove Concrete Sidewalks, Slabs				\$0.00
HAZARDOUS MATERIALS ABATEMENT (If applicable; include heavy metals & asbestos; 5% of construction cost) <i>Enter \$0 in Unit Price column if none required.</i>	Lump Sum	1		\$0.00
UTILITY RELOCATION (If necessary) Only the cost of utilities needing relocation as a direct result of the HURF Exchange project is eligible for HURF Exchange.	Lump Sum	1		\$0.00
RETAINING WALL (Concrete; SF of face above the footing)	Square Footage Facing			\$0.00
EARTHWORK				
General Excavation				\$0.00
Drainage Excavation				\$0.00
Structural Excavation	Cubic Yard			\$0.00
Structural Backfill				\$0.00
Borrow (In Place)				\$0.00
CURB & GUTTER	Linear Foot			\$0.00
ROADWAY/PAVING				
Milling	Square Yards			\$0.00
Paving	Tons			\$0.00
AGGREGATE BASE	Cubic Yard			\$0.00
PATHWAY OR SIDEWALK MATERIALS				
Concrete				\$0.00
Colored Concrete	Square Foot			\$0.00
Stamped Color Concrete				\$0.00
Precast Concrete Pavers				\$0.00
Asphaltic Concrete	Tons			\$0.00
Polymer or Resin Stabilized Surface	Square Foot			\$0.00
CROSSWALK ENHANCEMENT				
Concrete Pavers				\$0.00
Stamped Asphalt				\$0.00
Stamped Concrete	Square Foot			\$0.00
Concrete				\$0.00
Integral Color Concrete				\$0.00
PEDESTRIAN ADA RAMP	Square Foot			\$0.00
CULVERT EXTENSIONS	Linear Foot			\$0.00
SUBTOTAL - SITE ACQUISITION & HARDSCAPE CONSTRUCTION				\$0.00

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OTHER CONSTRUCTION ITEMS (List line items)				
ITEM DESCRIPTION	UNIT (Lump Sum, Ton, etc.)	QUANTITY	UNIT PRICE	TOTAL
				\$0.00
				\$0.00
				\$0.00
				\$0.00
				\$0.00
				\$0.00
				\$0.00
				\$0.00
SUBTOTAL - OTHER CONSTRUCTION LINE ITEMS				\$0.00
MOBILIZATION AND ADMINISTRATION COSTS				
ITEM DESCRIPTION	UNIT	QUANTITY	UNIT PRICE	TOTAL
CONTRACTOR MOBILIZATION (Typically 8% of construction cost)	Lump Sum	1		\$0.00
TRAFFIC CONTROL (0-8% of construction cost)	Lump Sum	1		\$0.00
CONSTRUCTION SURVEY & LAYOUT (Typically 1% of construction cost)	Lump Sum	1		\$0.00
CONSTRUCTION CONTINGENCIES (Typically 5% of construction cost)	Lump Sum	1		\$0.00
CONSTRUCTION ADMINISTRATION (Typically 20% of construction cost)	Lump Sum	1		\$0.00
SUBTOTAL – MOBILIZATION & ADMINISTRATION COSTS				\$0.00
TOTAL STAGE V COSTS (CONSTRUCTION)				\$0.00
TOTAL PROJECT COST				\$0.00
SUMMARY OF HURF EXCHANGE AND SPONSOR FUNDS				
The data below is automatically calculated based on the information entered above and the amount programmed in the TIP as entered on the Project Scoping Form.				
PHASE	HURF EXCHANGE FUNDS IN TIP	SPONSOR FUNDS	TOTAL	
TOTAL DESIGN	\$0.00	\$0.00	\$0.00	
TOTAL RIGHT OF WAY	\$0.00	\$0.00	\$0.00	
TOTAL CONSTRUCTION	\$0.00	\$0.00	\$0.00	
TOTALS	\$0.00	\$0.00	\$0.00	

Prepared by:

Name _____

Title _____

Company _____

Phone _____

Email _____

ADOT CAR No.: IGA /JPA - -I
AG Contract No.: P001 000xxx
Project Location/Name:
Type of Work:
ADOT Project No.:
TIP/STIP No.:
CFDA No.:
Budget Source Item No.: HURF Exchange

INTERGOVERNMENTAL AGREEMENT

BETWEEN
THE STATE OF ARIZONA
AND

THIS AGREEMENT is entered into this date _____, pursuant to the Arizona Revised Statutes §§ 11-951 through 11-954, as amended, between the STATE OF ARIZONA, acting by and through its DEPARTMENT OF TRANSPORTATION (the “State” or “ADOT”) and the _____, acting by and through its _____ and _____ (the “_____”). The State and the _____ are collectively referred to as “Parties”.

I. RECITALS

1. The State is empowered by Arizona Revised Statutes § 28-334 and § 28-401 to enter into this Agreement and has delegated to the undersigned the authority to execute this Agreement on behalf of the State.
2. The _____ is empowered by Arizona Revised Statutes § _____ to enter into this Agreement and has by resolution, a copy of which is attached hereto and made a part hereof, resolved to enter into this Agreement and has authorized the undersigned to execute this Agreement on behalf of the _____.
3. The _____ desires to utilize HURF Exchange funding for [type of work and location], hereinafter referred to as the “Project.” The primary purpose of this Project is the improvement of the efficiency, reliability and safety of the traveling public.
4. The Project is located on a [type of functional classification] on the federal aid system. The [name of the COG/MPO] has confirmed the Project’s eligibility for federal Surface Transportation Block Grant Program (STBGP) funds for areas with population of 200,000 or less according to the most recent annual population estimates produced by the Arizona Department of Administration.
5. All phases of the Project are programmed in the approved, fiscally-constrained portion of the applicable Transportation Improvement Program (TIP) as “HURF Exchange”.

6. No phase of the Project has previously been funded with any category of federal aid funding.
OR
Federal aid funding has been used to reimburse some previous costs on this Project, and the Federal Highway Administration has determined the requirements identified in Attachment Three apply to this Project.
7. No phase of the Project is currently programmed with any category of federal aid funding.
8. The _____ has represented to the State that it will be able to, and will, meet the schedule requirements of this Agreement.

THEREFORE, in consideration of the mutual terms expressed in this Agreement, it is agreed as follows:

II. DEFINITIONS AND ACRONYMS

Apportionments	Surface Transportation Block Grant Program funds provided by ADOT on a discretionary basis to Arizona COGs and MPOs.
AFIS	The Arizona Financial Information System administered by the Arizona Department of Administration.
Authorization	The approval by the State of the use of HURF Exchange funding for a Project phase.
Change in Scope	Any change to a Project or Project phase which increases the footprint or adds or decreases features to a Project (for example: pedestrian bridge, roundabout, traffic signal, etc.).
COG	Council of Governments
Date of Authorization	The date on which the State approves the use of HURF Exchange funding for a Project phase. This is also the date on which HURF Exchange funded costs for the Project phase may begin to be incurred.
Eligible Costs	Costs directly associated with the design, acquisition or right of way, and construction of the Project, including necessary safety items. Other items unavoidably required for the primary purpose of the Project, which is to improve the efficiency and safety of motor vehicle travel on the roadway, may be considered part of the eligible costs. These items may include utility relocation, sidewalks, ADA ramps and safety features.
Federal Highway Administration (FHWA)	A division of the US Department of Transportation specializing in highway transportation.
Final Project Phase Amount	Total cost of the Project phase based on the contract, less any ineligible costs but including a reasonable amount for construction engineering and contingency. For

Project phases performed using the _____'s own forces, the Final Project Phase Amount is the amount for the respective phase as estimated in the "Project Cost Estimate" in the HURF Exchange Cost and Schedule tool workbook.

Final Voucher	The final accounting of the Project, prepared by ADOT after the Project is fully complete.
Fully executed IGA	An IGA which has received all required approvals and opinions and has been signed by all parties.
HURF Exchange funding	State Highway Funds which are exchanged for federal Surface Transportation Block Grant Program funds for areas of under 200,000 population and under 5,000 population pursuant to Arizona Revised Statutes §28-6993.G. HURF Exchange funding will be credited to the applicable COG or MPO at 90% of the amount of the federal Surface Transportation Block Grant Program funds programmed for the Project in the TIP.
HURF Exchange Project Forms	<p>The forms in Attachment One, prescribed by ADOT and to be used by the _____ for HURF Exchange Projects, completed, approved and signed as required. The forms include:</p> <ul style="list-style-type: none"> • HURF Exchange Project Scoping Form • HURF Exchange Project Cost Estimate • HURF Exchange Project and Draw Schedule • HURF Exchange Draw and Final Reimbursement Invoice
IGA	Intergovernmental agreement
Ineligible costs	<p>Costs which are not eligible. Ineligible costs include, but are not limited to, the following:</p> <ul style="list-style-type: none"> • Maintenance, which is scheduled or unscheduled work that is performed to preserve existing infrastructure, in reaction to an event (crash) or season (potholes), or work requiring regular reoccurring attention, such as fence repair, culvert cleanouts, etc. • Scoping. • Costs incurred prior to date of finance authorization. • Any items outside of the Project right of way. • Utility relocation which is not directly and unavoidably caused by the HURF Exchange Project. • Betterments of utilities. • Any other costs which are not eligible costs as defined above.
LPA	Local Public Agency Section of ADOT
Maintenance	Scheduled or unscheduled work that is performed to preserve existing

infrastructure, in reaction to an event (such as an accident) or season (such as potholes), or work requiring regular reoccurring attention, such as fence repair, culvert cleanouts, and other ongoing work.

MPO	Metropolitan Planning Organization
Obligation	The application of State Highway Funds on a Project phase in AFIS.
Obligation Authority (OA)	The amount of apportionments which may be obligated in a federal fiscal year. ADOT provides obligation authority, on a discretionary basis, to COGs/MPOs.
Substantial completion	<p>The Project is substantially complete when all of the following, as applicable, have occurred:</p> <ul style="list-style-type: none"> (A) All lanes of traffic of the completed Project are finished and accepted and traffic can move unimpeded through the Project at the posted speed; (B) All signage is in place and accepted; (C) All guardrails, drainage devices, ditches, excavation and embankment have been accepted; and (D) The only work left for completion is incidental, away from the paved portion of the road, and does not affect the safety or convenience of the traveling public.
Surface Transportation Block Grant Program (STBGP)	A category of funding under the federal aid highway program. The subcategories of STBGP applicable to the HURF Exchange program are Under 200,000 population and Under 5,000 population. One hundred percent (100%) of the amount of Surface Transportation Block Grant Program apportionments and obligation authority programmed for the Project in the TIP will be charged to the applicable COG or MPO in exchange for HURF Exchange funding.
TIP	Transportation Improvement Program

III. SCOPE OF WORK

1. The has represented to the State that it will be able to complete the Project phases according to the Funding Transfer and Authorization Schedule table below.

Funding Transfer and Authorization Schedule Table				
Project Phase(s) Programmed in TIP Intended as HURF Exchange	Fiscal Year Programmed	STBGP Apportionments and OA Charged to COG/MPO*	HURF Exchange Funding Credited to COG/MPO	Deadline to Submit Authorization Request to ADOT
Design				
Right of Way				
Construction				
Other:				
TOTAL				
*STBGP apportionments and obligation authority will be charged to the COG/MPO at 100% of this amount.				

2. The State will:

a. Make the following funding transfers prior to the authorization of each Project phase:

(1) Transfer 100% of the applicable STBGP apportionments and obligation authority for the respective Project phase from the applicable COG/MPO to the State.

(2) Transfer State Highway Funds to the COG/MPO in the amount of 90% of the applicable STBGP apportionments and obligation authority for the respective Project phase.

These transfers will be made only after, and are conditioned upon, completion of the prior phase, if any, and receipt of an authorization request and required documents for the phase to which the transfer applies.

b. After completion of the above transfers for each Project phase, give authorization, obligate State Highway Funds, and notify the that the phase may be advertised, consultants or contractors may be selected, or work can begin.

c. After receipt of the final itemized budget and final Project phase amount for each Project phase, review and adjust the amount authorized and obligated in AFIS, as necessary, to be equivalent to the Final Project Phase Amount.

d. If the Final Project Phase Amount is:

(1) Less than the amount obligated for that phase, release any excess HURF Exchange funding in AFIS and return it to the COG/MPO for reprogramming.

(2) Greater than the amount of HURF exchange funding obligated, the is solely responsible for the difference.

e. Pay State Highway Funds to the for eligible costs for each obligated Project phase as follows:

(1) First 30% - Prior to the start of work and within 30 days approval of an invoice from the

- (2) Second 30% - Within 30 days of approval of an invoice and copies of Project phase invoices received and paid by the _____ which demonstrate the work has progressed, or is progressing, to 30% completion.
 - (3) Third 30% - Within 30 days of approval of an invoice and copies of further Project phase invoices received and paid by the _____ which demonstrate the work has progressed, or is progressing, to 60% completion.
 - (4) Final 10% of each phase, except the final phase, will be reimbursed to the _____ by the State within 30 days of approval of invoice, copies of final Project phase invoices received and paid by the _____ which demonstrate the phase is completed. For the final phase, the final 10% will be reimbursed within 30 days of the completion of the final voucher. Upon payment of the final 10%, no further invoices will be accepted or paid.
- f. After each subsequent phase is authorized and upon payment of the final invoice from the _____ for the preceding phase, close the preceding phase in AFIS and return any remaining funds to the applicable COG/MPO for reprogramming.
 - g. After all phases have been completed, conduct a final Project walk-through in conjunction with the _____, the applicable COG/MPO and FHWA as required.
 - h. Prepare a final voucher for the Project upon completion of all phases, and return any remaining funds to the applicable COG/MPO for reprogramming.
3. The _____ will:
- a. Utilize the HURF Exchange funding only for the Project and phase(s) which are the subject of this Agreement.
 - b. Adhere to the Project schedule in Section III.1.
 - c. Begin work, initiate selection of consultants or contractors or advertise the Project, as applicable, within 60 days of the date of authorization.
 - d. Approve and expend any funds required for the Project in excess of the HURF Exchange funding to ensure the Project is successfully completed on schedule.
 - e. Pay the final 10% of Project costs, to be reimbursed by ADOT within 30 days of the completion of the final voucher.
 - f. Submit an authorization request for each HURF Exchange Project phase to the ADOT Project Manager which includes the following documents, updated as necessary for each successive Project phase:
 - (1) HURF Exchange Project Cost Estimate form;
 - (2) HURF Exchange Project and Draw Schedule;

- (3) A map indicating the location, functional class and limits of the Project;
- (4) A copy of the TIP reflecting the HURF Exchange programming; and
- (5) Other documents as may be required by the State.

Include an Invoice for first 30% progress payment with the authorization request if the Project phase is being performed with the _____'s own forces.

- g. **Optional:** Within sixty (60) days of the selection of consultant or award of a contract for each Project phase, submit to the ADOT PM:
 - (1) The final Project phase scope with itemized costs;
 - (2) The final schedule, including the dates the work will start and end and the anticipated dates of each progress payment request; and
 - (3) The final itemized budget with Final Project Phase Amount.
- h. If the Final Project Phase Amount is greater than the amount of HURF exchange funding obligated, be solely responsible for the difference.
- i. Invoice ADOT for eligible costs for each obligated Project phase as follows using the HURF Exchange Draw and Final Reimbursement Invoice:
 - (1) First 30% - Prior to the start of work.
 - (2) Second 30% - A minimum of 30 days but not more than 60 days prior to when the funds will be required. The invoice must be accompanied by documents which demonstrate the work has progressed, or is progressing, to 30% completion including:
 - i. Copies of Project phase invoices, pay requests, estimates and other cost records received by the _____ and indicating payment status, or, if the _____ is performing the work with its own forces, a summary of costs expended, and
 - ii. A status report related to the Project phase schedule.
 - (3) Third 30% - A minimum of 30 days but not more than 60 days prior to when the funds will be required. The invoice must be accompanied by documents which demonstrate the work has progressed, or is progressing, to 60% completion, including:
 - i. Copies of further Project phase invoices, pay requests, estimates and other cost records received by the _____ and indicating payment status, or if the _____ is performing the work with its own forces, a summary of costs expended, and
 - ii. A status report related to the Project phase schedule.

- j. After all phases have been completed, participate in the final Project walk-through in conjunction with ADOT, the applicable COG/MPO and FHWA as required.
- k. Within 60 days of the completion of design phase, submit to the ADOT PM:
 - (1) Letter from the _____ to ADOT indicating the design is complete;
 - (2) Copies of warrants or checks reflecting total costs paid by the _____ for design; and
 - (3) An invoice for the final 10%.
- l. Within 60 days of completion of the right of way phase, submit to the ADOT PM:
 - (1) Certification from the _____ stating the _____ has acquired all property and property rights necessary for the construction of the Project;
 - (2) An itemized list of the parcels and their costs;
 - (3) Copies of warrants or checks reflecting total costs paid by the _____ for right of way; and
 - (4) An invoice for the final 10%.
- m. Within 15 business days of substantial completion of the construction phase, notify the ADOT PM to schedule a final Project walk-through.
- n. Within 60 days of completion of the construction phase, submit the close out package to the ADOT PM which includes:
 - (1) An invoice for the final 10%;
 - (2) Copies of warrants or checks reflecting total costs paid by the _____ for construction;
 - (3) The Project Acceptance letter from the _____ to the contractor; and
 - (4) A close-out letter to ADOT.
- o. Be responsible for complying with any federal requirements applicable to the Project.
- p. If the _____ files a condemnation action, the _____ shall request an order of immediate possession.
- q. Repay all HURF Exchange payments to ADOT if the Project is not constructed within two years of the completion of design and obtaining all rights of possession of right of way parcels. Upon receipt of an invoice from ADOT, the _____ shall pay the full amount within 30 days.

r. **Optional:** Comply with all requirements identified by FHWA in Attachment ____.

4. The Parties agree:

- a. The HURF Exchange program is offered at ADOT's discretion. ADOT reserves the right to discontinue the HURF Exchange program at any time. Such termination will not affect the validity of this Agreement.
- b. A fully executed IGA does not guarantee funding or constitute permission to begin work. The _____ must request and receive authorization and a Notice To Proceed from the ADOT PM for each Project phase in advance of starting work.
- c. No Change in Scope is authorized under this Agreement. If the _____ desires a Change in Scope, a formal amendment to the Agreement is required, signed by both Parties.
- d. If the construction phase is not complete within two years from the completion of design, or if all phases of the project are not completed within three years from the date of the initial obligation of HURF Exchange funding, whichever is earlier, this Agreement will terminate and the _____ will be required to repay all HURF Exchange advances and reimbursements received to date. The two year period will be calculated as two years from the date the close out letter for the design phase was received by ADOT. Termination under this section will be executed as follows:
 - (1) Thirty days prior to termination, the State will send a letter to the _____ and ADOT Project Manager, indicating:
 - i. The close out package required in section III.3.n was not received by ADOT within two years of the completion of design or three years from the date of the initial obligation of HURF Exchange funding, whichever is earlier; and
 - ii. The steps necessary to avoid termination of this Agreement.
 - (2) If the close out package is not received by ADOT within 30 days of the date of the letter:
 - i. Any funding remaining on the Project will be de-obligated and returned to the respective COG/MPO for reprogramming on another Project;
 - ii. No further invoices will be accepted from, and no additional payments will be made to, the _____ for the Project; and
 - iii. The _____ must repay to ADOT all funds which have been previously paid by ADOT under this Agreement, including all current and previous phases.
 - iv. The State will send an invoice to the _____ for all HURF Exchange funding advanced or reimbursed for each phase of the Project with the due date by which such funds must be repaid to ADOT.

- e. Expenditures incurred prior to the date of authorization of the applicable phase are not eligible for HURF Exchange.
- f. The amount obligated for each Project phase will be adjusted to the Final Project Phase Amount.
- g. If there is no billing activity in AFIS for 180 days, the shall provide documentation which justifies the Project phase is still active to the State within 10 days of request. If the cannot demonstrate such justification, the Project phase will be de-obligated as follows:
 - (1) Thirty days prior to de-obligation, the State will send an email to the and ADOT Project Manager, providing notification of the funds available on the Project phase, number of days since the last billing activity in AFIS and the steps necessary to remove the Project phase from pending de-obligation status.
 - (2) If the Project phase is not closed or billing activity generated within 30 days of the date of the email, any remaining funding will be de-obligated and returned to the respective COG/MPO for reprogramming on another Project. No further invoices will be accepted from, and no additional payments will be made to, the for the applicable Project phase.
 - (3) Upon de-obligation of funds from the inactive Project phase, the ADOT Chief Financial Officer will send a letter to the with notification of the date of de-obligation, the treatment of the de-obligated funds and, if applicable, an invoice for any funding which must be repaid to ADOT or FHWA with the due date(s).
- h. All HURF Exchange submissions and invoices are to be submitted to the assigned ADOT PM.
- i. Any HURF Exchange funds de-obligated or released from Project phases will be returned to the applicable COG/MPO for reprogramming.

III. MISCELLANEOUS PROVISIONS

1. The terms, conditions and provisions of this Agreement shall remain in full force and effect until all payments contemplated under the Agreement have been made, unless specifically otherwise contemplated in this Agreement.
2. This Agreement may be cancelled at any time prior to the exchange of any HURF funds and after 30 days written notice to the other Party. It is understood and agreed that, in the event the terminates this Agreement, the shall be responsible for all costs incurred by the State up to the time of termination. It is further understood and agreed that in the event the terminates this Agreement, HURF Exchange Program will no longer be available for use by the .
3. The shall indemnify, defend, and hold harmless the State, any of its departments, agencies, officers or employees (collectively referred to in this paragraph as the "State") from

any and all claims, demands, suits, actions, proceedings, loss, cost and damages of every kind and description, including reasonable attorneys' fees and/or litigation expenses (collectively referred to in this paragraph as the "Claims"), which may be brought or made against or incurred by the State on account of loss of or damage to any property or for injuries to or death of any person, to the extent caused by, arising out of, or contributed to, by reasons of any alleged act, omission, professional error, fault, mistake, or negligence of the _____, its employees, officers, directors, agents, representatives, or contractors, their employees, agents, or representatives in connection with or incident to the performance of this Agreement. The _____'s obligations under this paragraph shall not extend to any Claims to the extent caused by the negligence of the State, except the obligation does apply to any negligence of the _____ which may be legally imputed to the State by virtue of the State's ownership or possession of land. The _____'s obligations under this paragraph shall survive the termination of this Agreement.

4. ADOT assumes no liability or financial responsibility for HURF Exchange Projects. The _____ is solely responsible for complying with all applicable laws, rules and regulations, for any additional funding required to complete the Project and for any claims due to delays, change orders or any other circumstances.
5. The _____ is required to retain all records related to a HURF Exchange Project for a period of five years after the date of the final payment of HURF Exchange funding from ADOT.
6. All HURF Exchange Projects are subject to audit. The State may refer Projects to the State Auditor General or ADOT's Internal Audit unit in cases of suspected misuse of HURF Exchange funding.
7. ADOT reserves the right to refuse to enter into further HURF Exchange transactions with the _____ if the _____ owes repayment of previous HURF Exchange funding or has misused HURF Exchange funds.
8. This Agreement shall become effective upon signing and dating of the Determination Letter by the State's Attorney General.
9. The Parties shall comply with all applicable laws, rules, regulations and ordinances, as may be amended.
10. This Agreement may be cancelled in accordance with Arizona Revised Statutes § 38-511.
11. This Agreement is subject to all applicable provisions of the Americans with Disabilities Act (Public Law 101-336, 42 U.S.C. 12101-12213) and all applicable federal regulations under the Act, including 28 CFR Parts 35 and 36. The Parties to this Agreement shall comply with Executive Order Number 2009-09 issued by the Governor of the State of Arizona and incorporated in this Agreement by reference regarding "Non-Discrimination".
12. The _____ acknowledges and will comply with Title VI of the Civil Rights Act of 1964.

- 13. Non-Availability of Funds: Every obligation of the State under this Agreement is conditioned upon the availability of funds appropriated or allocated for the fulfillment of such obligations. If funds are not allocated and available for the continuance of this Agreement, this Agreement may be terminated by the State at the end of the period for which the funds are available. No liability shall accrue to the State in the event this provision is exercised, and the State shall not be obligated or liable for any future payments as a result of termination under this paragraph.
- 14. In the event of any controversy, which may arise out of this Agreement, the Parties agree to abide by required arbitration as is set forth for public works contracts in Arizona Revised Statutes § 12-1518.
- 15. The Parties shall comply with the applicable requirements of Arizona Revised Statutes § 41-4401.
- 16. The _____ must comply with all applicable anti-discrimination laws and regulations.
- 17. The Parties shall comply with the applicable requirements of Arizona Revised Statutes §35-393.01.
- 18. All notices or demands upon any Party to this Agreement shall be in writing and shall be delivered in person or sent by mail, addressed as follows:

For Agreement Administration:

Arizona Department of Transportation
 Joint Project Agreement Section
 205 S. 17th Avenue, Mail Drop 637E
 Phoenix, AZ 85007
JPABranch@azdot.gov

Attn:
 Address
 City, AZ Zip Code
 Phone #
 Fax #

For Project Administration:

Arizona Department of Transportation
 (NAME OF GROUP REQUESTING)
 ADDRESS
 CITY STATE ZIP CODE
 PHONE NUMBER
 FAX

Attn:
 Address
 City, AZ Zip Code
 Phone #
 Fax #

For Financial Administration:

Arizona Department of Transportation
 Financial Management Services, Resource
 Administration
 205 S. 17th Avenue, Mail Drop 200B
 Phoenix, AZ 85007

Attn:
 Address
 City, AZ Zip Code
 Phone #
 Fax #

19. In accordance with Arizona Revised Statutes § 11-952 (D) attached and incorporated in this Agreement is the written determination of each Party's legal counsel that the Parties are authorized under the laws of this State to enter into this Agreement and that the Agreement is in proper form.

IN WITNESS WHEREOF, the Parties have executed this Agreement the day and year first above written.

STATE OF ARIZONA
Department of Transportation

By _____

By _____

STEVE BOSCHEN, P.E.
Division Director

ATTEST:

By _____

Clerk

ATTORNEY APPROVAL FORM FOR THE

I have reviewed the above referenced Intergovernmental Agreement between the State of Arizona, acting by and through its DEPARTMENT OF TRANSPORTATION, and the _____, an agreement among public agencies which, has been reviewed pursuant to Arizona Revised Statutes §§ 11-951 through 11-954 and declare this Agreement to be in proper form and within the powers and authority granted to the _____ under the laws of the State of Arizona.

No opinion is expressed as to the authority of the State to enter into this Agreement.

DATED this _____ day of _____, .

Attorney

ATTACHMENT ONE

HURF EXCHANGE PROJECT FORMS

Electronic versions available on ADOT's website

HURF Exchange Project Scoping Form

Note: The Project Scoping Form, Project Cost Estimate and Project and Draw Schedule forms (all contained in this file) must be completed and submitted with the project initiation request. Each phase requires advanced authorization by ADOT. HURF Exchange funding may not be combined with federal aid.

INSTRUCTIONS: This form is required to accompany a HURF Exchange Project Initiation request.

Enter information into GREEN CELLS

PROJECT INFORMATION

(information provided in this section will auto-populate to the Project Cost Estimate and Draw Schedule tabs)

Project Sponsor	
Sponsor Contact	
Contact Phone #	
Contact Email	
Project Name	
Project Location	
Functional Classification (select from list)	
Termini Begin/End	
ADOT District (select from list)	

ADOT USE ONLY

ADOT Project Number (5 digit)		IGA Number	
-------------------------------	--	------------	--

Funding Information

COG/MPO (select from list)				
TIP Informtaion	<i>Description</i>	<i>Design</i>	<i>Right of Way</i>	<i>Construction</i>
	Year Programmed			
	TIP Number			
	HURF Exchange Amount			
	Sponsor Amount			
Total Amount		\$0.00	\$0.00	\$0.00

Scope of Work Summary

Delivery Method (select from list)	
Scoping document attached? (select from list)	

<p>Major Items of Work (press Alt-Tab to create a new line; press Alt-Tab-Tab to create a new paragraph)</p>	
---	--

HURF Exchange Project Cost Estimate

Note: The Project Scoping Form, Project Cost Estimate and Project and Draw Schedule forms (all contained in this file) must be completed and submitted with the project initiation request. Each phase requires advanced authorization by ADOT. HURF Exchange funding may not be combined with federal aid.

INSTRUCTIONS: This form is required to accompany a HURF Exchange Project Initiation request. List all items necessary to develop and construct the project. The sponsoring agency is responsible for verifying all costs and their accuracy. Construction cost overruns will be the responsibility of the sponsoring agency.

**Enter values
into GREEN
CELLS**

PROJECT INFORMATION

(fields below will be populated based on information entered on the Project Scoping Form tab)

Project Sponsor	0
Sponsor Contact	0
Contact Phone #	0
Contact Email	0
Project Name	0
Project Location	0
Termini Begin/End	0
COG/MPO	0
Design TIP Number	0
Right of Way TIP Number	0
Construction TIP Number	0

ADOT USE ONLY

ADOT Project Number

0

STAGE I – SCOPING (15% Preliminary Design)
NOT ELIGIBLE FOR HURF EXCHANGE FUNDING

STAGES II, III, IV and V DESIGN

DESIGN COSTS

ITEM DESCRIPTION	UNIT	QUANTITY	UNIT PRICE	TOTAL
PS&E's - Plans, Special Provisions, Cost Estimates & Schedules (10%-20% of construction cost.)	Lump Sum	1		\$0.00
GEOTECHNICAL INVESTIGATION (If a report is necessary, anticipate 5% of construction cost) Includes Logging, Geotech Report, Materials & Pavement Design Report) <i>Enter \$0 in Unit Price column if none required.</i>	Lump Sum	1		\$0.00
DRAINAGE REPORT (If a report is necessary, anticipate 5% of construction cost) <i>Enter \$0 in Unit Price column if none required.</i>	Lump Sum	1		\$0.00
STORM WATER POLLUTION PREVENTION PLAN (Required if there is over 1 acre of total disturbance, 1% of construction cost) <i>Enter \$0 in Unit Price column if none required.</i>	Lump Sum	1		\$0.00
SUBTOTAL – PROJECT DESIGN COSTS				\$0.00

RIGHT OF WAY COSTS				
ITEM DESCRIPTION	UNIT	QUANTITY	UNIT PRICE	TOTAL
RIGHT OF WAY , Costs for pre-acquisition activities (plans, title reports, appraisals, etc)	Lump Sum	1		\$0.00
RIGHT-OF-WAY ACQUISITION (if necessary)	Lump Sum	1		\$0.00
SUBTOTAL – RIGHT OF WAY COSTS				\$0.00
STAGE V – CONSTRUCTION				
SITE ACQUISITION & HARDSCAPE CONSTRUCTION				
ITEM DESCRIPTION	UNIT	QUANTITY	UNIT PRICE	TOTAL
INSTALLATION OF STORMWATER POLLUTION PREVENTION MEASURES (If over 1 acre of disturbance, 5% of construction costs) <i>Enter \$0 in Unit Price column if area of disturbance is less than one acre.</i>	Lump Sum	1		\$0.00
SITE PREPARATION (Clearing and grubbing, plant salvage)	Lump Sum	1		\$0.00
DEMOLITION				
Sawcut	Linear Foot			\$0.00
Remove Structures and Obstructions	Lump Sum	1		\$0.00
Remove Fencing	Linear Foot			\$0.00
Remove Structural Concrete				\$0.00
Remove Asphaltic Concrete Pavement	Cubic Yard			\$0.00
Remove Concrete Sidewalks, Slabs				\$0.00
HAZARDOUS MATERIALS ABATEMENT (If applicable; include heavy metals & asbestos; 5% of construction cost) <i>Enter \$0 in Unit Price column if none required.</i>	Lump Sum	1		\$0.00
UTILITY RELOCATION (If necessary) Only the cost of utilities needing relocation as a direct result of the HURF Exchange project is eligible for HURF Exchange.	Lump Sum	1		\$0.00
RETAINING WALL (Concrete; SF of face above the footing)	Footage Facing			\$0.00
EARTHWORK				
General Excavation				\$0.00
Drainage Excavation				\$0.00
Structural Excavation	Cubic Yard			\$0.00
Structural Backfill				\$0.00
Borrow (In Place)				\$0.00
CURB & GUTTER	Linear Foot			\$0.00
ROADWAY/PAVING				
Milling	Square Yards			\$0.00
Paving	Tons			\$0.00
AGGREGATE BASE	Cubic Yard			\$0.00
PATHWAY OR SIDEWALK MATERIALS				
Concrete				\$0.00
Colored Concrete	Square Foot			\$0.00
Stamped Color Concrete				\$0.00
Precast Concrete Pavers				\$0.00
Asphaltic Concrete	Tons			\$0.00
Polymer or Resin Stabilized Surface	Square Foot			\$0.00

CROSSWALK ENHANCEMENT				
Concrete Pavers				\$0.00
Stamped Asphalt				\$0.00
Stamped Concrete	Square Foot			\$0.00
Concrete				\$0.00
Integral Color Concrete				\$0.00
PEDESTRIAN ADA RAMP	Square Foot			\$0.00
CULVERT EXTENSIONS	Linear Foot			\$0.00
SUBTOTAL - SITE ACQUISITION & HARDSCAPE CONSTRUCTION				\$0.00
OTHER CONSTRUCTION ITEMS (List line items)				
ITEM DESCRIPTION	UNIT (Lump Sum, Ton, etc.)	QUANTITY	UNIT PRICE	TOTAL
				\$0.00
				\$0.00
				\$0.00
				\$0.00
				\$0.00
				\$0.00
				\$0.00
SUBTOTAL - OTHER CONSTRUCTION LINE ITEMS				\$0.00
MOBILIZATION AND ADMINISTRATION COSTS				
ITEM DESCRIPTION	UNIT	QUANTITY	UNIT PRICE	TOTAL
CONTRACTOR MOBILIZATION (Typically 8% of construction cost)	Lump Sum	1		\$0.00
TRAFFIC CONTROL (0-8% of construction cost)	Lump Sum			\$0.00
CONSTRUCTION SURVEY & LAYOUT (Typically 1% of construction cost)	Lump Sum	1		\$0.00
CONSTRUCTION CONTINGENCIES (Typically 5% of construction cost)	Lump Sum	1		\$0.00
CONSTRUCTION ADMINISTRATION (Typically 20% of construction cost)	Lump Sum	1		\$0.00
SUBTOTAL MOBILIZATION & ADMINISTRATION COSTS				\$0.00
SUBTOTAL STAGE V COSTS (CONSTRUCTION)				\$0.00
TOTAL PROJECT COST				\$0.00
SUMMARY OF TURF EXCHANGE AND SPONSOR FUNDS				
The data below is automatically calculated based on the information entered above and the amount programmed in the TIP as entered on the Project Scoping Form.				
PHASE	TURF EXCHANGE FUNDS IN TIP	SPONSOR FUNDS	TOTAL	
TOTAL DESIGN	\$0.00	\$0.00	\$0.00	
TOTAL RIGHT OF WAY	\$0.00	\$0.00	\$0.00	
TOTAL CONSTRUCTION	\$0.00	\$0.00	\$0.00	
TOTALS	\$0.00	\$0.00	\$0.00	

Prepared by:
 Name _____
 Title _____
 Company _____
 Phone _____
 Email _____

HURF Exchange Project and Draw Schedules

Note: The Project Scoping Form, Project Cost Estimate and Project and Draw Schedule forms (all contained in this file) must be completed and submitted with the project initiation request. Each phase requires advanced authorization by ADOT. HURF Exchange funding may not be combined with federal aid.

INSTRUCTIONS: This form is required to accompany a HURF Exchange Project Initiation request. Enter the Estimated Completion Dates as requested for each Stage of Development and Construction. Also enter the Expected Draw Dates for these phases. Draw amounts for each phase are auto-calculated based on the amount programmed in the TIP as entered on the Project Scoping Form.

**Enter dates into
GREEN CELLS**

Project Information

(fields below will be populated based on information entered on the Project Scoping Form tab)

Project Sponsor	0
Sponsor Contact	0
Contact Phone #	0
Contact Email	0
Project Name	0
Project Location	0
Termini Begin/End	0
COG/MPO	0
Design TIP Number	0
Right of Way TIP Number	0
Construction TIP Number	0

ADOT USE ONLY

ADOT Project Number

0

Project Development

Development Schedule		HURF Exchange Funding Draw Schedule		
Stage	Estimated Completion Date	Draw %	Amount	Expected Draw Date
Authorization Request		30%	\$ -	
Start of Work		30%	-	
Stage II		30%	-	
Stage III		10%	-	*
Stage IV				
Bid Ready				
		Total	\$ -	

Right of Way

Acquisition Schedule		HURF Exchange Funding Draw Schedule		
Activity	Estimated Completion Date	Draw %	Amount	Expected Draw Date
Authorization Request		30%	\$ -	
Start of Work		30%	-	
All Parcels Acquired By		30%	-	
		10%	-	*
		Total	\$ -	

Construction

Construction Schedule		HURF Exchange Funding Draw Schedule		
Activity	Estimated Completion Date	Draw %	Amount	Expected Draw Date
Authorization Request		30%	\$ -	
Start of Work		30%	-	
Bid Advertisement		30%	-	
Bid Opening		10%	-	*
Bid Award				
Notice to Proceed				
Substantial Completion				
Final Project Walk-through				
Final Acceptance				
		Total	\$ -	

* The Final 10% is reimbursed to the Sponsor as follows:

- For projects involving multiple phases funded with HURF Exchange - the final 10% for each phase, except for the last, will be reimbursed within 30 days of the receipt and approval of an invoice and documentation demonstrating the phase is complete.
- At final Project completion - the final 10% will be reimbursed upon completion of the project final voucher by ADOT.

**ARIZONA DEPARTMENT OF TRANSPORTATION
HURF EXCHANGE DRAW AND FINAL REIMBURSEMENT INVOICE**

COG/MPO:		Project Phase:
Local Entity:		
TIP ID Number:		
Project Number:		
Project Name/Location Description:		
REMIT PAYMENT TO: (Entity Name and Address Project Sponsor)		

Date Started:	Estimated Completion Date:	% Billed:	% Complete:
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	Expected Draw Date	Actual Draw Date	Actual Invoice Amount	Estimated Draw Amount	Actual Draw Amount
Draw # 1 (30%)					
Draw # 2 (30%)					
Draw # 3 (30%)					
Draw # 4 (10% - Final Reimbursement)					

SUMMARY OF WORK FOR WHICH PAYMENT IS REQUESTED

Items	Description	Previous Accumulative Amount	Current Month	Accumulative Amount
				\$0.00
				\$0.00
				\$0.00
				\$0.00
				\$0.00
				\$0.00

Submitted By:	Date:	Total To Date	\$0.00
Approved By:	Date:	Total Previous Report	\$0.00
Approved By:	Date:	Current Report	\$0.00

Attachments:

Invoices

Status Reports

**ARIZONA DEPARTMENT OF TRANSPORTATION
HURF EXCHANGE DRAW AND FINAL REIMBURSEMENT INVOICE**

COG/MPO:		Project Phase:	
Local Entity:			
TIP ID Number:			
Project Number:			
Project Name/Location Description:			
REMIT PAYMENT TO: (Entity Name and Address Project Sponsor)			
Date Started:		Estimated Completion Date:	% Billed:
			% Complete:
	Expected Draw Date	Actual Draw Date	Actual Invoice Amount
	Estimated Draw Amount	Actual Draw Amount	
Draw # 1 (30%)			
Draw # 2 (30%)			
Draw # 3 (30%)			
Draw # 4 (10% - Final Reimbursement)			
SUMMARY OF WORK FOR WHICH PAYMENT IS REQUESTED			
Items	Description	Previous Accumulative Amount	Current Month
			Accumulative Amount
			\$0.00
			\$0.00
			\$0.00
			\$0.00
			\$0.00
			\$0.00
Submitted By:		Date:	Total To Date
			\$0.00
Approved By:		Date:	Total Previous Report
ADOT Project Manager			\$0.00
Approved By:		Date:	Current Report
FMS Resource Admin			\$0.00
Attachments:			
Invoices			
Status Reports			



HURF EXCHANGE PROJECT - SAMPLE FINAL ACCEPTANCE LETTER TO CONTRACTOR

Place on Sponsoring Agency's Letterhead

***Note: All items in red should be removed and replaced with the required information prior to submission to the ADOT Local Public Agency Section.**

(Insert Date)

Name of appropriate individual associated with the contractor

Company Name

Address

City, State Zip

Re: Final Project Acceptance

ADOT Project Number:

Project Name:

Project Location:

COG/MPO TIP ID Number:

Dear Mr./Ms. _____:

This letter shall serve to confirm that **(Insert sponsoring agency's name)** found the project work on the above referenced project to be substantially complete effective **(Insert date)**, including:

1. Punch list items
2. Other
3. Other
4. Other

Please consider this project as accepted and complete. Thank you.

Sincerely,

Project Manager Name

Title

Agency

Address

City, AZ, Zip code

Phone Number

Email address

HURF EXCHANGE PROJECT - SAMPLE CLOSEOUT LETTER TO ADOT

Place on Sponsoring Agency's Letterhead

***Note: All items in red should be removed and replaced with the required information prior to submission to the ADOT Local Public Agency Section.**

(Insert Date)

ADOT Local Public Agency Section
205 S. 17th Ave. Mail Drop EM11
Phoenix, AZ 85007

Re: HURF Exchange Project Closeout

ADOT Project Number:
Project Name:
Project Location:
COG/MPO:
COG/MPO TIP ID Number:

To Whom It May Concern:

The **(Insert sponsoring agency's name)** received the final deliverables on **(Insert date)** for the above referenced HURF Exchange project.

The undersigned certifies that:

1. The work in the subject contract has been inspected for deficiencies;
2. The required project review was conducted by representatives of **(Insert sponsoring agency's name)**, **(Insert COG/MPO)** and ADOT on **(Insert date)**;
3. The contractor has fulfilled all contractual obligations; and
4. The contractor was paid in full by **(Insert sponsoring agency's name)** on **(Insert date)**.

Attached is the following required documentation:

***Note: All Final Acceptance letters to the ADOT Local Public Agency Section will be returned *without* action unless all items listed below are submitted with this letter.**

- An invoice for the final 10% of HURF Exchange funding for eligible costs on the project;
- Documentation reflecting payment in full by **(Insert sponsoring agency's name)** to the contractor; and
- The project final acceptance letter from **(Insert sponsoring agency's name)** to the contractor.

Please consider this project as accepted and complete. Please contact us if you have any questions regarding this request or require additional information. Thank you.

Sincerely,

Project Manager Name
Title
Agency
Address
City, AZ, Zip code
Phone Number
Email address