

**MEMORANDUM OF AGREEMENT  
BETWEEN THE  
ARIZONA DEPARTMENT OF TRANSPORTATION,  
FEDERAL HIGHWAY ADMINISTRATION, ARIZONA DIVISION OFFICE  
AND  
THE UNITED STATES ARMY CORPS OF ENGINEERS'  
LOS ANGELES DISTRICT  
CONCERNING FUNDING FOR THE DEPARTMENT OF THE ARMY PERMIT PROCESS ON  
PRIORITY FEDERAL-AID HIGHWAY PROJECTS**

THIS MEMORANDUM OF AGREEMENT ("MOA") is entered into as of this day 18<sup>th</sup> of June, 2012, between the U.S. Army Corps of Engineers' Los Angeles District (hereinafter the "Corps"), Federal Highway Administration, Arizona Division Office (hereinafter the "FHWA"), and the Arizona Department of Transportation (hereinafter the "ADOT"), collectively, referred to herein as the "Parties."

**RECITALS**

WHEREAS, the Corps has regulatory jurisdiction over certain activities occurring in waters of the United States, including wetlands; and

WHEREAS, because of Federal-aid transportation funding increases under the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users ("SAFETEA-LU"), Public Law 109-59, ADOT substantially increased the number of transportation projects the Corps must review pursuant to 33 U.S.C. 1344 (Section 404 of the Clean Water Act of 1972 ("CWA")), as amended and 33 U.S.C. 403 (Section 10 of the River and Harbor Act of 1899 ("RHA")); and

WHEREAS, the Corps has indicated that, due to staff resource constraints, it is currently unable to provide ADOT with priority review for permitting decisions for the increased number of Federal-aid transportation projects pursuant to its responsibilities; and

WHEREAS, ADOT desires the Corps to increase its level of early involvement during the project planning and development process, so that final Corps reviews will not constitute an unexpected delay in ADOT project implementation; and

WHEREAS, 23 U.S.C. 139(j) (Section 6002 of SAFETEA-LU), allows ADOT through FHWA to furnish Federal-Aid Highway Program ("FAHP") funds to the Corps to expedite the processing of environmental documents for permit decisions for priority transportation projects, and

WHEREAS, this MOA is intended to (1) enable the Parties to fully consider, address, and protect environmental resources early in the development of proposed transportation actions; (2) avoid

conflicts late in project development through close coordination during early transportation planning and development stages; (3) provide sufficient information to the Corps for timely analysis of project effects and to assist ADOT in developing appropriate mitigation measures; (4) maximize the effective use of limited Corps personnel resources by focusing attention on projects that would most affect aquatic resources; (5) provide a mechanism for expediting project coordination when necessary; and (6) provide procedures for resolving disputes in this resource partnering effort.

NOW, THEREFORE, the Parties agree as follows:

## AGREEMENT

### Article I. PURPOSE AND AUTHORITIES

A. This MOA is entered into by the Parties for the purpose of establishing the responsibilities of the Parties relative to priority review of FAHP-funded projects with the goal of achieving timely design and implementation of highway improvements while also assuring such design and implementation is sensitive to the protection of aquatic resources for which the Corps is responsible under Federal statute and regulation. This MOA is not intended as the exclusive means of obtaining review of projects proposed by ADOT. This MOA is a vehicle by which ADOT may obtain expedited review of FAHP-funded projects designated as priorities, outside of the ordinary Corps review process.

B. ADOT enters into this MOA pursuant to Arizona Revised Statute section 28-401 and other relevant Arizona law and , 23 U.S.C. 139(j) (Section 6002 of SAFETEA-LU).

C. The Corps enters into this MOA pursuant to , 23 U.S.C. 139(j) (Section 6002 of SAFETEA-LU).

D. FHWA enters into this MOA pursuant to , 23 U.S.C. 139(j) (Section 6002 of SAFETEA-LU).

### Article II. SCOPE OF WORK

A. Activities that the Corps may pursue under this MOA are restricted to actions taken under Corps regulatory authority that will expedite processing of environmental permits required by ADOT in furtherance of FAHP funded projects in accordance with the mandates of 23 U.S.C. 139(j), to facilitate permit application review in less than the customary time necessary for such review. Said processing shall include a full consideration of all relevant and applicable environmental laws and regulations. In no way shall it be construed or implied that the Parties intend to abrogate by entering into this MOA any obligations or duties to comply with applicable Federal or state laws, regulations, guidance, policies and procedures. Use of such funds will not affect the impartial decision-making of the Corps either substantively or procedurally.

B. The Corps' Regulatory Program is funded as a Congressionally appropriated line item in the annual Federal budget. ADOT through FHWA will provide the Corps with funds in accordance with 23 U.S.C. 139(j). The Corps will provide one full-time Regulatory Program Manager qualified at grade GS-11 or GS-12 (or equivalent) as described in Attachment C, exclusively dedicated to expediting permit evaluation-related services, as described in Article II.D, below, for ADOT-designated priority projects to support efficient decision-making related to ADOT's permitting needs.

C. The Corps will establish a separate internal financial account to track receipt and expenditure of the funds associated with its review of permit applications submitted by the ADOT. The Corps full-time Regulatory Program Manager will charge his or her time and expenses against the

account when they perform work to either expedite permit evaluation related requests designated by the ADOT as a priority or undertake other programmatic efforts to support efficient decision-making related to ADOT's permitting needs. Corps Regulatory personnel will focus on permit approvals prioritized by ADOT; however, if no or less than three projects are designated by ADOT as a priority, Corps regulatory personnel will then work on other programmatic efforts, and assist with staff training for ADOT.

D. Funds contributed by ADOT through FHWA hereunder will be expended by the Corps to defray the costs of the funded Regulatory Program Manager (including salary, associated benefits, overhead and travel expenses) and other costs in order to expedite the evaluation of priority permit applications designated by ADOT. Such activities will include, but not be limited to, the following: jurisdictional determinations; site visits; travel; federal register preparation; public notice preparation and distribution; public hearings; preparation of correspondence; public interest review; preparation and review of environmental documentation; meetings with ADOT and resource agencies; training for ADOT employees, partners and contractors; and any other permit evaluation related responsibilities that may be mutually agreed upon.

E. If the funds provided by ADOT through FHWA are expended and not replenished, any remaining priority permit applications will be handled like those of any permit applicant.

### Article III. INTERAGENCY COMMUNICATIONS

To provide for consistent and effective communication between the Parties, each party will appoint a Principal Representative to serve as its central point of contact on matters relating to this MOA. Additional representatives may also be appointed to serve as points of contact on specific actions or issues. Each party will issue a letter to the other designating the Principal Representative for each party within fifteen (15) calendar days of MOA execution. The Principal Representative for each party may be changed upon written notification to the other parties.

### Article IV. RESPONSIBILITIES OF THE PARTIES

A. The Corps shall supplement, and not supplant, its existing Regulatory Program personnel, who currently review ADOT projects on a routine basis, with one qualified full-time Regulatory Program Manager at grade GS-11 or GS-12 (or equivalent) as described in Attachment C, within projected funding levels provided by ADOT through FHWA. The Corps shall use the funds provided to defray the costs of salaries and associated benefits and to reimburse travel expenses in order to:

1. Expedite review of ADOT's FAHP-funded priority projects in accordance with the purpose, terms, and conditions of this MOA. ADOT will provide and update the list of priority projects as needed. The Corps shall not redirect resources from, or otherwise postpone, other non-priority projects submitted by ADOT through the standard Corps review process.

2. Actively participate in ADOT scoping, planning, and project development meetings and field reviews, when requested, to identify critical issues, key decision points, and potential conflicts as early as possible. Participation includes sharing, when appropriate, the most current information to ensure that good transportation decisions result. The level of participation will be determined by the project's relative priority, as identified by ADOT, as well as the Corps' current and projected workload of priority projects and activities.

3. Participate with other federal, state, and local agencies in the concurrent and proactive review of transportation projects and provide any concurrences or recommendations, as

required. The level of participation will be determined by the project's relative priority, as identified by ADOT, as well as the Corps' current and projected workload of priority projects and activities.

4. Participate in transportation planning meetings, their related activities, and the review of the environmental elements of any planning documents, as requested. The level of participation will be determined by the project's relative priority, as identified by ADOT, as well as the Corps' current and projected workload of priority projects and activities.

5. As appropriate, use a coordinated process to review draft and final environmental impact statements and other environmental documents, and provide timely agency comments.

6. Explore potential programmatic permitting approaches to facilitate reduced processing time.

7. Provide periodic status updates on Corps decisions or pending actions that will affect ADOT.

8. Perform other related priority tasks, such as early project scoping/coordination as requested by ADOT and agreed to by the Corps.

9. Review application packages for completeness and notify ADOT within 15 calendar days of receipt if application is incomplete.

10. Provide periodic CWA section 404 permit training for ADOT employees, partners, consultants, and contractors.

11. Attend periodic application status meetings with ADOT as necessary.

B. ADOT through FHWA will provide adequate resources to fund Corps Regulatory personnel for the purpose of timely review of selected FAHP-funded priority projects and other identified activities. To facilitate the Corps' reviews and activities, ADOT will:

1. Identify individual projects and other activities requiring priority involvement by the Corps under this MOA. The list of projects will be reviewed and revised by ADOT as necessary.

2. Actively engage the Corps personnel in ADOT scoping, planning, and project development through various means, including, but not limited to, meetings, field visits, conference calls, video conferencing, and electronic correspondence.

3. Provide adequate information regarding projects and other specific activities. Provide sufficient information and time to the Corps, on projects requiring authorization by standard individual permit, for the timely determination of project purpose statements and range of alternatives, analysis of project effects, determination of the least environmentally damaging practicable alternative, and development of appropriate mitigation measures. Upon request, provide supplemental information necessary to assure that the Corps can effectively accomplish the tasks listed in Article IV. A. above.

4. In consultation with the Corps, recommend realistic timelines for the Corps' involvement.

5. Maintain a single focal point of contact at ADOT for general coordination with the Corps, arranging pre-application meetings, submittal of Department of the Army permit applications, and other requests for regulatory action.

6. Attend periodic application status meetings with the Corps, as necessary.
7. Participate, to the extent allowable, and in training provided by the Corps pursuant to Article IV.A.10 above.
8. Program a FAHP project to track costs contemplated by this MOA.

C. FHWA will:

1. Approve programming a FAHP project to accomplish the work contemplated by this Agreement at the applicable federal-aid reimbursement rate.
2. Under the authority of 23 U.S.C. 139(j), transfer ADOT FAHP funds as outlined in Article V.C below.

D. Performance Measures

1. ADOT and the Corps have agreed to a set of performance measures to monitor activities under this MOA. These performance measures are included as **Attachment A** to this MOA and incorporated herein by reference.
2. These performance measures may be revised by mutual agreement of ADOT and the Corps without necessitating a formal amendment to this MOA.

Article V. FUNDING

A. Within 60 days of execution of this MOA, funds shall be provided to the Corps by ADOT through FHWA via a transfer of apportionments to cover a period of at least one year at the level specified in the Corps' budget estimate, which is included as **Attachment B** to this MOA and incorporated herein by reference. Any payment or transfer by FHWA is conditioned on availability of funds, and notice by ADOT sixty (60) days before transfer is to be made and no later than July 31, 2012. This will occur prior to the Corps incurring any expenditure to expedite permit evaluation-related activities as specified in this MOA.

B. By April 30, 2013, and annually thereafter for each year that this MOA remains in effect, the Corps and ADOT will discuss the Corps' anticipated costs to be incurred for the next period, including any step-increase and locality adjustments. Revisions agreed to by ADOT and the Corps will be incorporated into a revised budget estimate, without necessitating a formal revision or amendment to this MOA. Any payment or transfer by FHWA is conditioned on availability of funds, and notice by ADOT sixty (60) days before transfer is to be made and no later than July 31. This will occur prior to the Corps incurring any expenditure to expedite permit evaluation-related activities as specified in this MOA.

C. The Corps will address a written request annually to ADOT for costs anticipated to be incurred throughout the following fiscal year, and then ADOT will request FHWA to transfer FAHP funds to the Corps through a Standard Form ("SF") 1080, Vouchers for Transfers between Appropriations and/or Funds, or through Form FHWA-1576. FHWA shall make the transfer to the Corps within sixty (60) days of its receipt of a properly executed SF 1080 or Form FHWA-1576. The Parties may identify another mutually agreeable payment method in accordance with this MOA, including but not limited to ADOT's providing funds directly to the Corps via lump sum payment to cover a period of at least one year at the level specified in the Corps' budget estimate.

D. The Corps will provide to ADOT a quarterly reporting of the amount of funding

expended and remaining under this MOA to enable ADOT and the Corps to determine the need for additional funding in advance of such costs being incurred. If the Corps predicts its actual costs for providing the agreed upon level of service will otherwise exceed the estimated costs and remaining funds available the Corps shall promptly notify ADOT and FHWA of the amount of additional funds necessary to perform the work under this MOA. ADOT and FHWA will either initiate an amendment to this MOA to increase the funding amount, or agree to a reduced level of service.

E. The Corps will carry over any unexpended and unobligated funds from year to year. In the event any funds remain unexpended and unobligated when this MOA is terminated or expires, the Corps will refund such unexpended and unobligated funds to FHWA for ADOT's use.

#### Article VI. APPLICABLE LAWS

The applicable statutes, regulations, directives, and procedures of the United States will govern this MOA and all documents and actions pursuant to it. Unless otherwise required by law, all expediting of permit applications undertaken by the Corps will be governed by Corps regulations, guidance, policies and procedures.

#### Article VII. DISPUTE RESOLUTION

In the event of a dispute, the Parties agree to use their best efforts to resolve the dispute in an informal fashion through consultation and communication, or other forms of non-binding alternative disputes resolution mutually acceptable to the Parties. The Parties agree that, in the event such measures fail to resolve the dispute, they shall proceed in accordance with applicable Federal law.

#### Article VIII. PUBLIC INFORMATION

Justification and explanation of FHWA and/or ADOT programs or projects before other agencies, departments and offices will not be the responsibility of the Corps. The Corps may provide, upon request from ADOT or the FHWA, any assistance necessary to support justification or explanations of activities conducted under this MOA. In general, the Corps is responsible only for public information regarding Corps Regulatory activities. ADOT and/or FHWA will give the Corps advance notice before making formal, official statements regarding Corps activities funded under this MOA.

#### Article IX. AMENDMENT, MODIFICATION AND TERMINATION

A. This MOA may be modified or amended only by written, mutual agreement of the Parties.

B. Any Party may terminate this MOA without cause upon thirty (30) days' written notice to the other parties. In the event of termination, ADOT will continue to be responsible for all costs incurred by the Corps in performing expedited environmental permit review services up to the time of notice and for the costs of closing out or transferring any ongoing contracts in support of the provision of services by the Corps under this MOA.

C. Within sixty (60) calendar days of termination, or the expiration of the MOA, the Corps shall provide ADOT with a final statement of expenditures. Within sixty (60) calendar days after submittal of the Corps' final statement of expenditures, the Corps, subject to availability of funds, shall remit to FHWA for ADOT's use, as appropriate, any unobligated or unexpended funds.

#### Article X. MISCELLANEOUS

A. This MOA will not affect any pre-existing or independent relationships or obligations between the Parties.

B. The Corps' participation in this MOA does not imply endorsement of ADOT projects nor does it diminish, modify, or otherwise affect Corps statutory or regulatory authorities.

C. If any provision of this MOA is determined to be invalid or unenforceable, the remaining provisions will remain in force and unaffected to the fullest extent permitted by law and regulation.

D. This MOA, including any documents incorporated by reference or attachments thereto, constitute the entire agreement between the Parties. All prior or contemporaneous agreements, understandings, representations and statements, oral or written, are merged herein and shall be of no further force or effect.

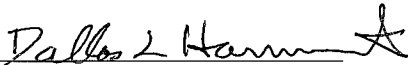
Article XI. EFFECTIVE DATE AND DURATION

This MOA will become effective on the date of signature by the last Party, and the signing and dating of the Determination Letter by the Arizona State's Attorney General. ADOT shall provide written notice to the Corps and FHWA of the occurrence of the latter event. This MOA shall remain in force until whichever of these events occurs first: 1) September 30, 2017; or 2) the MOA is terminated pursuant to Article IX.B.

[REMAINDER LEFT INTENTIONALLY BLANK]


IN WITNESS WHEREOF, the Arizona Department of Transportation, acting by and through its authorized officer, the State Engineer, the U.S Army Corps of Engineers, acting by and through its authorized officer, the District Engineer, and the Federal Highway Administration, acting by and through its authorized officer, the Division Administrator, executes this MOA.

**ARIZONA DEPARTMENT OF TRANSPORTATION**

  
\_\_\_\_\_  
Dallas Hammit, P.E.  
Deputy State Engineer, Development

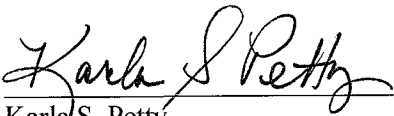
Date: 08 June 2012

**U.S. ARMY CORPS OF ENGINEERS,  
LOS ANGELES DISTRICT**

  
\_\_\_\_\_  
R. Mark Toy, P.E. *for Acting Commander*  
Colonel, US Army  
Commander and District Engineer

Date: 18 JUN 12

**FEDERAL HIGHWAY ADMINISTRATION,  
ARIZONA DIVISION OFFICE**

  
\_\_\_\_\_  
Karla S. Petty  
Division Administrator

Date: 08 June 2012



## Attachment A

### Performance Measures

For the measures listed below, ADOT and the Corps are expected to achieve the identified objective, for those projects designated as a priority by ADOT, unless ADOT and Corps have mutually agreed to extend the timeframe.

#### Performance Objective

#### Performance Measure

- |  |   |
|--|---|
| <ul style="list-style-type: none"><li>• When appropriate, the ADOT staff will utilize the Nationwide Permit (NWP) Information Form to ensure a complete Department of the Army permit application is received, which in turn is expected to expedite the Corps' permit review process.</li><li>• Upon initial receipt of a permit application, the Corps will notify ADOT within fifteen (15) calendar days if additional information is necessary to deem the application complete.</li><li>• Standard Individual Permits will be processed within sixty (60) days of a complete application, with the exception of those that are delayed due to: absence of CWA Section 401 certification; Section 7 of the Endangered Species Act (ESA) consultation(s); Section 106 of the National Historic Preservation Act (NHPA) consultations; untimely submittal of information or comments from ADOT; an extended comment period for the PN; and/or other environmental review processes with statutory time frames (e.g., Environmental Impact Statement).</li><li>• General Permits, including Nationwide Permits, will be processed within 45 calendar days, with the exception of those that are delayed due to the absence of CWA Section 401 certification, Section 106 of the NHPA and/or Section 7 of the ESA.</li></ul> | <p>The NWP Information Form shall be utilized at least 90% of the time.</p> <p>The Corps shall provide such notification within the stated time frame at least 85% of the time.</p> <p>The Corps shall meet the stated objective at least 90% of the time.</p> <p>The Corps shall meet the stated objective at least 90% of the time.</p> |
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Attachment B

Corps' Budget Estimate  
GS-11 Project Manager in Phoenix, Arizona

Basic hourly rate: \$87.44  
Daily rate: \$699.49  
Yearly: \$155,287.15  
Travel: \$1,000

## Attachment C

### Professional Standards for Supplemental Staff

One (1) full time employee, or equivalent, with experience and/or education in engineering, biology, natural resources, or other related environmental science. Working knowledge of Section 404 of the (Federal) Clean Water Act, Section 10 of the Rivers and Harbors Act or 1899, the National Environmental Policy Act, the (Federal) Endangered Species Act, and the National Historic Preservation Act is essential. In addition, the ability to travel, occasionally overnight, is mandatory. This employee will be qualified to be paid under the Federal White Collar Pay Schedule at the GS-11 level.