PASS THROUGH FUNDS AGREEMENT

This PASS THROUGH FUNDS AGREEMENT (“Agreement”) is entered into between the Utah Department of Transportation (“UDOT”), an agency of the State of Utah, and Seven County Infrastructure Coalition (“Coalition”), a political subdivision of the State of Utah.

RECITALS

Whereas, in FY 2019 and FY 2020 the Legislature allocated a total of $3,200,000 to the Coalition by UDOT to conduct an environmental impact study for the proposed Eastern Utah Connector Highway (the “State Money”); and

Whereas, under 2021 H.B. 3, Item 24, the Legislature added to the allowed uses for the State Money so that the Coalition can also use these funds for improvements to or maintenance of any completed portions of the highway; and

Whereas, Utah Code Section 63J-1-220(2) mandates that the state agency, UDOT, not provide the Coalition with state pass through funding unless an agreement is executed. In addition, the agreement must require the Coalition to provide a written description and itemized report at least annually detailing the expenditure of the State Money or the intended expenditure of any State Money that has not been spent and a final written itemized report when all the State Money is spent; and

Whereas, this Agreement is written to comply with Utah Code Section 63J-1-220(2).

AGREEMENT

The parties agree as follows:

1. UDOT previously transferred the State Money to the Coalition, and H.B. 3, Item 24 now allows any remaining amount of the State Money to also be used for improvements to or maintenance of any completed portions of the highway (in addition to an environmental impact study for the proposed Eastern Utah Connector Highway). Therefore, as of the date when H.B. 3, Item 24 becomes effective this Agreement supersedes any previous agreements concerning the State Money.

2. Upon spending all of the State Money, the Coalition will provide UDOT with a final written itemized report detailing where the money has been spent. If any State Money is not spent in FY 2021-22, the Coalition will provide a written description and an itemized report at least annually detailing the expenditure of the State Money, or the intended expenditure of any State Money that has not been spent.

3. The Coalition will only spend the State Money for the purposes as directed in paragraph one.

4. Each party agrees to undertake and perform all further acts that are reasonably
necessary to carry out the intent and purposes of this Agreement at the request of the other party.

5. The failure of either party to insist upon strict compliance of any of the terms and conditions, or failure or delay by either party to exercise any rights or remedies provided in this Agreement, or by law, will not release either party from any obligations arising under this Agreement.

6. This Agreement constitutes the entire agreement between the parties and supersedes any prior understandings, agreements, or representations, verbal or written. No subsequent modification or amendments will be valid unless in writing and signed by both parties.

7. Each party represents that it has the authority to enter into this Agreement and the Agreement may be signed in counterparts.

SEVEN COUNTY INFRASTRUCTURE COALITION

By: __________________________
Title: __________________________
Date: __________________________

Approved as to form:

________________________________

UTAH DEPARTMENT OF TRANSPORTATION

By: __________________________
Title: __________________________
Date: __________________________