

**INTERGOVERNMENTAL TRANSPORTATION FUNDING AGREEMENT
BETWEEN
THE REGIONAL TRANSPORTATION AUTHORITY OF PIMA COUNTY
AND
Insert Jurisdiction Name
FOR
DELIVERY OF RTA PLAN ELEMENTS**

This Intergovernmental Agreement (hereinafter “the Agreement”) is entered into by and between the Regional Transportation Authority of Pima County (“RTA” or “the Authority”), a special taxing district formed pursuant to Title 48 Chapter 30 of the Arizona Revised Statutes (A.R.S.), and Insert Jurisdiction Name, a body politic and corporate of the State of Arizona (“the Jurisdiction”) pursuant to A.R.S. § 11-952.

RECITALS

- A. A.R.S. § 48-5301, et seq., authorizes the Authority to act as a regional taxing authority for the purpose of funding multimodal transportation operations and improvements identified in the Regional Transportation Plan (“the Plan”) approved by the voters at the special election held in Pima County, Arizona, on March 10, 2026.
- B. The governing board of the Authority is composed of representatives of each member of the regional council of governments in accordance with A.R.S. § 48-5303.
- C. Pursuant to A.R.S. § 48-5304 (12), the governing board of the Authority has sole authority to implement the elements of the Plan.
- D. Pursuant to A.R.S. § 48-5304 (13), the governing board of the Authority shall coordinate the implementation of the Plan among the local jurisdictions.
- E. A Regional Transportation Fund was established by the Arizona Legislature per A.R.S. § 48-5307 to be the repository for those funds collected for the purpose of funding the transportation projects identified in the Plan.
- F. The Authority is authorized by A.R.S. §§ 48-5304 (16) and (18) and 48-5308 to administer and distribute the regional transportation funds to the members of the Authority, to enter into this contract for the full exercise of the powers granted to the Authority, and to sell bonds in furtherance of that purpose to fund those projects or programs identified in the Plan.
- G. The Authority and the Jurisdiction may contract for services and enter into agreements with one another for joint and cooperative action pursuant to A.R.S. § 11-951, et seq.
- H. The Jurisdiction is authorized by A.R.S. § 11-251 (4) or A.R.S. § 9-240 (B) (3) to design, maintain, control and manage public roads within the Jurisdiction’s jurisdictional boundaries.
- I. It is the policy of the Authority to require that for each individual project in the Plan, the parties will create a document identifying the scope of the project, the financial and schedule performance attributes, the lead agency for that project, and the roles and responsibilities

between the Jurisdiction, the RTA, and, where applicable, any partner jurisdictions (the “Project Charter”). Each Project Charter must be agreed to and approved and entered into by the Authority and the Jurisdiction, or their authorized representatives, before requests for funding reimbursement or payment related to that Project can be processed by the Authority.

- J. The Jurisdiction may enter into an Intergovernmental Agreement with one or more other jurisdictions within Pima County empowering the Jurisdiction to perform project activities associated with project development, along with making the actual improvements outside the Jurisdiction’s jurisdictional boundaries as necessary for individual projects. Where this need is identified, the roles of each jurisdiction will also be defined in the Roles and Responsibilities section of the Project Charter.

NOW, THEREFORE, the Insert Jurisdiction Name and Authority, pursuant to the above and in consideration of the matters and things set forth herein, do mutually agree as follows:

STANDARD PROVISIONS

1. **Purpose.** The purpose of this Agreement is to establish a uniform legal, administrative, and funding framework governing RTA-funded projects within Insert Jurisdiction Name as approved in the Plan including design, construction, operation and maintenance of RTA-funded transportation projects. Project specific requirements will be managed through a series of Project Charters, to be developed for each individual project.
2. **Effective Date; Term.** This Agreement shall become effective upon its execution by both parties and shall continue in effect until all improvements in the Plan constructed pursuant to this Agreement are completed, all eligible reimbursement payments to the Jurisdiction are concluded, and all warranties applicable to the projects outlined in the Project Charters have expired, unless terminated earlier in accordance with Section 15.
3. **Non-assignment.** Neither party to this Agreement shall assign its rights or obligations under this Agreement to any other party without written permission from the other party to this Agreement.
4. **Construction of Agreement.**
 - a. Entire agreement. This instrument, including any Project Charter(s) and Project Charter amendments entered into in accordance with this Agreement, constitutes the entire agreement between the parties pertaining to the subject matter hereof, and all prior or contemporaneous agreements and understandings, oral or written, are hereby superseded and merged herein. Any Project Charters and corresponding amendments are incorporated herein by this reference. Each Project Charter entered into between the parties pursuant to this Agreement will be attached to this Agreement as an Exhibit at the time the Project Charter is approved by the authorized representatives of each party and any time the Project Charter is amended.
 - b. Amendment. This Agreement may be modified, amended, altered or changed only by written agreement signed by both parties.

- c. Construction and interpretation. All provisions of this Agreement shall be construed to be consistent with the intention of the parties as expressed in the Recitals hereof.
 - d. Captions and headings. The headings used in this Agreement are for convenience only and are not intended to affect the meaning of any provision of this Agreement.
 - e. Severability. In the event that any provision of this Agreement or the application thereof is declared invalid or void by statute or judicial decision, such action shall have no effect on other provisions and their application, which can be given effect without the invalid or void provision or application, and to this extent the provisions of the Agreement are severable. In the event that any provision of this Agreement is declared invalid or void, the parties agree to meet promptly upon request of the other party in an attempt to reach an agreement on a substitute provision.
 - f. This Agreement is subject to cancellation pursuant to the provisions of A.R.S. § 38-511.
- 5. Ownership of Improvements.** Ownership and title to all improvements, including materials, equipment and appurtenances installed pursuant to this Agreement shall automatically vest in the Jurisdiction upon completion of the Project or, in the case of multi-jurisdictional projects, in the jurisdiction in which the improvements are located.
- 6. Legal Jurisdiction.** Nothing in this Agreement shall be construed as either limiting or extending the legal jurisdiction of the Jurisdiction or the Authority.
- 7. No Joint Venture.** It is not intended by this Agreement to, and nothing contained in this Agreement shall be construed to, create any partnership, joint venture or employment relationship between the parties or create any employer-employee relationship between the Jurisdiction and any Authority employees, or between Authority and any Jurisdiction employees. Neither party shall be liable for any debts, accounts, obligations nor other liabilities whatsoever of the other, including (without limitation) the other party's obligation to withhold Social Security and income taxes for itself or any of its employees.
- 8. No Third-Party Beneficiaries.** Nothing in the provisions of this Agreement is intended to create duties or obligations to or rights in third parties not parties to this Agreement or affect the legal liability of either party to the Agreement by imposing any standard of care different from the standard of care imposed by law.
- 9. Compliance with Law.** The parties shall comply with all applicable federal, state and local laws, rules, regulations, and standards without limitation to those designated within this Agreement.
- a. Anti-Discrimination. Neither party shall discriminate against any employee or client of either party or any other individual in any way because of that person's age, race, creed, color, religion, sex, sexual orientation, familial status, political affiliation, disability or national origin in the course of carrying out the duties pursuant to this IGA. Both parties shall comply with applicable provisions of Executive Order 75-5, as amended by Executive Order 2009-09 of the Governor of Arizona, which are incorporated into this

IGA by reference as if set forth in full herein, including the provisions of A.R.S. § 41-1463.

- b. Americans with Disabilities Act. 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, as well as the Genetic Information Nondiscrimination Act of 2008.
- c. Workers' Compensation. An employee of either party shall be deemed to be an "employee" of both public agencies, while performing pursuant to this Agreement, for purposes of A.R.S. § 23-1022 and the Arizona Workers' Compensation laws. The primary employer shall be solely liable for any workers' compensation benefits, which may accrue. Each party shall post a notice pursuant to the provisions of A.R.S. § 23-906 in, substantially, the following form:
 - i. All employees are hereby further notified that they may be required to work under the jurisdiction or control or within the jurisdictional boundaries of another public agency pursuant to an intergovernmental agreement or contract, and under such circumstances they are deemed by the laws of Arizona to be employees of both public agencies for the purposes of workers' compensation.

10. Waiver. Waiver by either party of any breach of any term, covenant or condition herein contained shall not be deemed a waiver of any other term, covenant or condition, or any subsequent breach of the same or any other term, covenant, or condition herein contained.

11. Force Majeure. A party shall not be in default under this Agreement if it does not fulfill any of its obligations under this Agreement because it is prevented or delayed in doing so by reason of uncontrollable forces. The term "uncontrollable forces" shall mean, for the purpose of this Agreement, any cause beyond the control of the party affected, including but not limited to failure of facilities, breakage or accident to machinery or transmission facilities, weather conditions, flood, earthquake, lightning, fire, epidemic, war, riot, civil disturbance, sabotage, strike, lockout, labor dispute, boycott, material or energy shortage, casualty loss, acts of God, or action or non-action by governmental bodies in approving or failing to act upon applications for approvals or permits which are not due to the negligence or willful action of the parties, order of any government officer or court (excluding orders promulgated by the parties themselves), and declared local, state or national emergency, which, by exercise of due diligence and foresight, such party could not reasonably have been expected to avoid. Either party rendered unable to fulfill any obligations by reason of uncontrollable forces shall exercise due diligence to remove such inability with all reasonable dispatch.

12. Notification. All notices or demands upon any party to this Agreement shall be in writing, unless other forms are designated elsewhere, and shall be delivered in person or sent by mail addressed as follows:

The Authority:

Executive Director

Pima Association of Governments/Regional Transportation Authority

1 E. Broadway Blvd., Suite 401
Tucson, AZ 85701

Jurisdiction representative:

(Title)
(Name)
(Address)

13. Remedies. Either party may pursue any remedies provided by law for the breach of this Agreement, subject to the provisions of Paragraph 14, below. No right or remedy is intended to be exclusive of any other right or remedy and each shall be cumulative and in addition to any other right or remedy existing at law or in equity or by virtue of this Agreement.

14. Dispute Resolution and Escalation. In the event of any dispute, disagreement, or issue arising under this Agreement or any applicable Project Charter, the Parties shall attempt to resolve the matter as set forth in this section. The timeframes in this section are not to be exceeded but may be made shorter by a specific Project Charter. Costs associated with project delays will be identified for the Board's consideration consistent with the Administrative Code and dispute resolution processes.

- a. Staff-Level Review. The parties first attempt to resolve the matter through informal discussions between the respective project managers or designated staff representatives within 15 calendar days of the dispute arising.
- b. Escalation to Management. If the matter cannot be resolved at the staff level within 15 calendar days, either Party may escalate the matter to the appropriate department directors or management representatives of the Parties to resolve the matter.
- c. Executive-Level Review. If the matter remains unresolved after 30 calendar days, the dispute shall be elevated to the executive leadership of the Parties, including the Executive Director of the Authority and the City Manager, Town Manager, County Administrator or equivalent executive of the Jurisdiction, for further consideration and resolution within 15 calendar days.
- d. RTA Board Consideration. If executive level discussions do not resolve the dispute within 45 days of issue identification, the matter may be presented to the RTA Board at the next reasonably available meeting for consideration, consistent with applicable law, Board policies, and the Authority's statutory responsibilities. Nothing herein shall be construed to limit or expand the authority of the RTA Board or any governing body of the Jurisdiction.
- e. Preservation of Rights. Except as otherwise provided by law, neither Party shall initiate litigation or other formal legal proceedings related to a dispute arising under this Agreement unless and until the escalation process described in this Section has been exhausted. Nothing in this section shall preclude either Party from seeking interim or emergency relief where necessary to prevent irreparable harm or to comply with legal obligations.

15. Termination. This Agreement and any Project Charter entered into pursuant to this Agreement, may be terminated as follows:

- a. By mutual agreement of the parties.
- b. If the Dispute Resolution process set forth in Section 14 fails to resolve the dispute between the parties relating to this Agreement, either party may terminate this Agreement for material breach of the Agreement by giving written notice of default to the other party and providing time to cure. Upon notice of default, the party in default shall have forty-five days to cure the default. If after 45 days the party in default has not cured the default and is not making reasonable progress towards curing the default, the other party may terminate this Agreement. Any such termination shall not relieve either party from liabilities or costs already incurred under this Agreement.
- c. If the Dispute Resolution process set forth in Section 14 fails to resolve the dispute between the parties relating to a Project Charter, either party may terminate the Project Charter in accordance with the notice and opportunity to cure provisions of Section 15(b), above. Alternatively, the parties may amend the Project Charter to revise the Roles and Responsibilities of the parties or otherwise resolve the dispute. Any such termination shall not relieve either party from liabilities or costs already incurred under the Project Charter.

16. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The signature pages from one or more counterpart may be removed from such counterpart and attached to a single instrument.

ELEMENT/SUB-ELEMENT PROVISIONS

17. Projects and Project Charters. The Jurisdiction, with funding from the Authority, wishes to undertake the design and/or construction of improvements included in the Plan. The parties agree to enter into one or more Project Charters, the terms of which are incorporated into this Agreement by this reference and attached hereto as an Exhibit at the time they are executed, to accomplish the elements of the Plan within Jurisdiction's boundaries.

- a. Each Project Charter will relate to one of the transportation projects included in the Plan or a project that is eligible for funding as part of a categorical program included in the Plan.
- b. Each Jurisdiction is encouraged to appoint an authorized representative(s) to sign Project Charters along with the Executive Director (or designees) of the Authority to accelerate Project Charter execution. This would not preclude a jurisdiction from having a committee or authorized body to sign the Project Charter in accordance with jurisdictional policies.
- c. Project Charters will provide project descriptions and delivery information as well as roles and responsibilities of the Jurisdiction and RTA.

- d. For multi-jurisdictional projects, the applicable Project Charter shall define the roles and responsibilities of the Jurisdiction, the Authority, and each partner jurisdiction. The Project Charter will identify a lead agency, which may be updated for specific project segments and the Project Charter shall be amended accordingly.
- e. Project and program eligibility requirements for funding are identified in the RTA Administrative Code.

18. Funding. The Authority intends to fund RTA projects in accordance with this Agreement. Funding details, including the total maximum project amount, are identified in the 2026 voter-approved Plan and in Project Charters and are subject to A.R.S. Title 48 Chapter 30 and the RTA Administrative Code. Annual maximum expenditure will be established through the Transportation Improvement Program (TIP) process and in accordance with TIP Procedures. Any annual reimbursements that exceed the amounts programmed in the TIP and the annual RTA Budget require RTA Board approval and are subject to available revenues.

The Jurisdiction shall be responsible for securing and providing any committed non-RTA funding identified for its project in the Plan, unless otherwise specified in the applicable Project Charter.

19. Invoices.

- a. Monthly, the Jurisdiction shall be responsible for preparing and submitting to the Authority reimbursement requests (invoices) signed by a duly authorized representative of the Jurisdiction certifying conformance with all provisions outlined in the RTA Administrative Code and Project Charter.
- b. Invoices shall include sufficient background information documenting payments made to contractors, vendors or any other eligible costs identified in this Agreement or the RTA Administrative Code.
- c. The Jurisdiction must retain and certify all vendor receipts, invoices and any related Project records as needed and ensure that they are available for review for a minimum of five (5) years after final payment is made unless otherwise specified herein.

20. Reimbursements.

- a. Upon receipt of reimbursement requests, the Authority shall reimburse the Jurisdiction in accordance with the Project Charter. All payments and reimbursements shall comply with the RTA Administrative Code and the TIP.
- b. Reimbursements will generally be based on the schedules provided in the applicable Project Charter.
- c. Maximum Amount. Reimbursement under any Project Charter shall be limited to the inflation-adjusted, maximum amount authorized in the 2026 voter-approved Plan and further subject to availability of funds, unless otherwise approved by the RTA Board as set forth in Paragraph (d) below.

- d. Excess Costs. Jurisdiction may request reimbursement in excess of the amount set forth in Paragraph (c), above, but any such request shall require prior authorization by the RTA Board and shall remain subject to the availability of revenues as well as the Plan's provisions related to Potential Additional Revenue and the RTA Administrative Code.

21. Governing Documents

- a. The RTA's Administrative Code, available at RTAmobility.com will be the governing source for all procedural requirements, eligible work items and payments unless otherwise specified herein.
- b. The PAG and/or RTA Transportation Improvement Program (TIP) will be the governing source for all funding amounts, phase allocations, and overall delivery sequence.
- c. The applicable Project Charter shall establish the baseline project scope, schedule, and budget. Quarterly Key Performance Indicator (KPI) review and reporting, status update, and delivery requirements shall compare performance against that baseline and inform review of proposed changes. Any material deviation or major change from the approved Project shall require Authority approval in accordance with the Project Charter, Authority policy, and the RTA Administrative Code.
- d. The Jurisdiction and Authority will work cooperatively to identify solutions to any problems that may arise during the project that can impact Project delivery. The Project Charter will be updated to reflect any changes to roles and responsibilities as mutually agreed upon or as directed by the RTA Board.

22. Right-of-Way. The Jurisdiction shall assure all rights-of-way needed for any project are acquired unless otherwise specified in the Project Charter. Disposition of any portions of rights-of-way acquired but not needed (remnant parcels) shall comply with the RTA Administrative Code and any additional requirements set forth in the Project Charter.

23. Liability.

- a. **Indemnification:** To the fullest extent permitted by applicable law, the Jurisdiction agrees to indemnify, defend, and hold harmless the RTA and its Board, officers, officials, agents, and employees ("Indemnitees") from and against any and all allegations, claims, demands, suits, actions, proceedings, damages, liabilities, or penalties of any kind (including reasonable attorneys' fees and/or litigation expenses) arising out of the Jurisdiction's activities, including the negligent, reckless or intentional wrongful acts or omissions of its officials, agents, employees, contractors, subcontractors or volunteers, in performance of its obligations under this Agreement or in the use of RTA resources as described herein, regardless of how such claims are worded or styled or the specific cause of action asserted. The Jurisdiction's obligation under this section shall not apply to any damages caused by the negligent, reckless or intentional wrongful acts or omissions of RTA or its employees, agents or officers. This provision shall survive termination of this Agreement.

- b. In the event that, pursuant to an individual Project Charter, the RTA is responsible for delivering the Project, the RTA agrees to indemnify, defend and hold harmless the Jurisdiction and its officers, officials, agents and employees from and against any and all allegations, claims, demands, suits, actions, proceedings, damages, liabilities, or penalties of any kind (including reasonable attorneys' fees and/or litigation expenses) arising out of the RTA's activities, including the negligent, reckless or intentional wrongful acts or omissions of its officials, agents, employees, contractors, subcontractors or volunteers, in performance of its obligations under this Agreement, regardless of how such claims are worded or styled or the specific cause of action asserted. The RTA's obligation under this section shall not apply to any damages caused by the negligent, reckless or intentional wrongful acts or omissions of the Jurisdiction or its employees, agents or officers. This provision shall survive termination of this Agreement. This obligation to indemnify Jurisdiction shall apply only when specified in the applicable Project Charter.
- c. The Jurisdiction shall require its consultants and contractors performing activities pursuant to a Project Charter to name the Authority as an additional insured and additional indemnitee with respect to insurance policies for general liability, automobile liability, and defects in design in all of the Jurisdiction's contracts for the Project. The Jurisdiction shall also require its contractors to name the Authority as an additional beneficiary in any performance and payment-related assurances posted for the Project.
- d. Additionally, project specific indemnification and insurance requirements may be reflected in the Project Charter.
- e. If a claim or claims by third parties become subject to this indemnity provision, the parties to this Agreement shall expeditiously meet to discuss a common and mutual defense, including possible proportionate liability and payment of possible litigation expenses and damages.

In Witness Whereof, Insert Jurisdiction Name has caused this Agreement to be executed by the _____, upon resolution of the _____ attested to by the _____, and the Authority has caused this Agreement to be executed by its Chair of the Board.

REGIONAL TRANSPORTATION AUTHORITY OF PIMA COUNTY

Board Chair Date

ATTEST:

The foregoing Agreement between Insert Jurisdiction Name and the Authority has been approved as to content and is hereby recommended by the undersigned.

Michael J. Ortega, P.E., Executive Director Date

Insert Jurisdiction Name:

Mayor/Supervisor/Chair Date

ATTEST:

City Clerk/Clerk of the Board Date

ATTORNEY CERTIFICATION

The foregoing Agreement by and between the Regional Transportation Authority of Pima County and Insert Jurisdiction Name has been reviewed pursuant to A.R.S. Section 11-952 by the undersigned who have determined that it is in proper form and is within the powers and authority granted under the laws of the State of Arizona to those parties to the Agreement.

Regional Transportation Authority of Pima County:

Attorney for the Authority Date

Insert Jurisdiction Name:

Attorney for the Jurisdiction Date