

# **Great Northern Corridor Coalition**

## **MEMORANDUM OF UNDERSTANDING BETWEEN THE MONTANA DEPARTMENT OF TRANSPORTATION AND PORT OF TACOMA**

### **INTRODUCTION**

The Great Northern Corridor consists primarily of east-west oriented transportation infrastructure tying together the northern tier of the western United States. This interconnected transportation system serves 27 million Americans in eight states. The primary focus of this corridor is the rail network from the Great Lakes to the Pacific and infrastructure such as highways, ports, and terminals. This infrastructure is aging and capacity demand is increasing.

### **PURPOSE**

This Memorandum of Understanding (MOU) establishes a framework for cooperation and coordination of public and private sector stakeholders along the Great Northern Corridor as members of the Great Northern Corridor Coalition for the vision to: Develop the Great Northern Corridor into a seamless multistate freight corridor consisting of road and rail networks that promote economic growth for neighboring communities and accommodate the demand for efficient and environmentally sound transportation services.

### **RESPONSIBILITIES AND PROCEDURES**

There are two types of members in the Great Northern Corridor Coalition; contributing partner and project supporter. Contributing partners provide a financial contribution or in-kind match for the Multistate Corridor Operations and Management Program (MCOM) grants to complete a Great Northern Corridor Multistate Planning and Development Study. Project supporters support the concept of this study and may be invited to participate in stakeholder activities.

This MOU formalizes contributing member status in the Great Northern Corridor Coalition and it is mutually agreed that:

The Montana Department of Transportation (MDT) will serve as the administrative entity for the Great Northern Corridor Coalition and will administer the MCOM grants and completion of the Great Northern Corridor Multistate Planning and Development Study. The first grant (MCOM I) has already been completed, and MCOM II is now in process.

The study will support the vision to develop the Great Northern Corridor into a seamless multistate freight corridor consisting of road and rail networks that promote economic growth for neighboring communities and accommodate the demand for efficient and environmentally sound transportation services.

The Port of Tacoma as a contributing partner shall be permitted to participate in all aspects of the activities of the Great Northern Corridor Coalition, including but not limited to the Study, and shall be provided copies of drafts and final reports, presentations, meeting notes, and other

documents, prepared or received by or for MDT as administrative entity for the Great Northern Corridor Coalition, or related to the Great Northern Corridor Coalition or any of its activities.

## **FUNDING**

The funding will be used in compliance with federal and State of Montana regulations for completion of the Great Northern Corridor Multistate Planning and Development Study.

A budget has been developed and is included in the grant application. Each participating agency will sign a participation agreement to formally commit funds for this study. The execution of this MOU shall constitute that agreement. MDT will invoice Port of Tacoma no more than 60-days prior to let of contract for the study for agreed contribution of \$15,000 (\$5,000 for MCOM I and \$10,000 for MCOM II). If invoice is not paid within 30-days, MDT may charge interest at the rate of 10 percent per annum. Interest will accrue until invoice is paid in full.

Notwithstanding the foregoing or anything else in this agreement or otherwise to the contrary, the Port of Tacoma shall not be required to contribute any amount in excess of \$15,000 (plus interest if applicable) without a separate specific written agreement by the Port of Tacoma.

An appropriate contract executed between MDT and contractors will provide the means for the contractor to invoice MDT for the work performed. MDT will then review the invoice and process payment.

## **INDIRECT COSTS**

It is understood and agreed between the parties that: Section 17-1-106 MCA requires any state agency, including MDT that receives non-general funds to identify and recover its indirect costs. These costs are in addition to direct project costs. MDT's indirect cost rate is determined annually as a percentage of the project's direct costs to cover the projects share of MDT's indirect costs as defined by 2 CFR Part 225 (formerly OMB Circular A-87). MDT's current indirect cost rate is 11.08% for fiscal year 2013 (July 1, 2012 to June 30, 2013). If this project extends across more than one fiscal year, more than one annual rate will be involved, as the rates may change during the life of the project.

## **OPERATIONAL POINT OF CONTACT**

Montana Department of Transportation  
Charity Watt  
(406) 444-3439  
[cwatt@mt.gov](mailto:cwatt@mt.gov)

Port of Tacoma  
Mike Reilly  
Director, Business Development, Intermodal Services  
1 Sitcum Way  
Tacoma WA 98421  
(253) 383-9418  
[mreilly@portoftacoma.com](mailto:mreilly@portoftacoma.com)



## **LIMITATIONS**

Nothing in this MOU between Agencies shall be construed as limiting or expanding the statutory or regulatory responsibilities of any entity or involved individual in performing functions granted to them by law; or as requiring any entity to expend any sum in excess of its respective appropriation. Each and every provision of this MOU is subject to the laws and regulations under which Agencies operate.

Nothing in this MOU shall be construed as expanding the liability of either party. In the event of a liability claim, each party shall defend its own interests. Neither party shall be required to provide indemnification of the other party.

No real or tangible personal property will be acquired by the Great Northern Corridor Coalition or by the Montana Department of Transportation related to the Coalition or this Agreement.

## **EFFECTIVE DATE**

This MOU will become effective upon all parties signing this agreement.

## **METHOD OF TERMINATION**

The duration of this Agreement is perpetual until terminated by either party. Either party may terminate this Agreement in writing at any time. MDT, at its sole discretion, may terminate or reduce the scope of this Agreement if available funding is reduced for any reason. Any unused funds contributed by the Port of Tacoma shall be returned to the Port of Tacoma.

## **SEVERABILITY AND INTEGRATION**

If any single part or parts of this Agreement are determined to be void, the remaining parts will remain valid and operative. This Agreement, as written, expresses the total, final and only agreement of the parties relevant to its subject matter. No provision, expressed or implied, arising from any prior oral or written request, bid, inquiry, negotiation, contract, or any other form of communication shall be a provision of this Agreement unless specifically provided within the written terms herein.

## **AUDITS**

MDT will comply with Federal audit requirements and its records will be available for review by the participating agencies and FHWA. MDT shall retain all records relating to the performance of any work accomplished under this grant for a period not less than three years after final payment.

## **AMENDMENTS**

Amendments to this MOU shall become effective upon mutual agreement and written approval by Agencies' signing authority.

## **ACCESS AND RETENTION OF RECORDS**

The Port of Tacoma agrees to provide the State, Legislative Auditor or their authorized agents access to any records necessary to determine compliance with this Agreement. The Port of Tacoma agrees to create and retain records supporting this Agreement for a period of three years after the completion date of this Agreement or the conclusion of any claim, litigation or exception relating to this Agreement taken by the State of Montana or a third party.

## CHOICE OF LAW AND VENUE

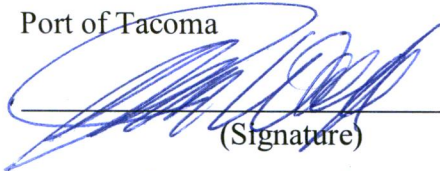
In the event of litigation concerning this Agreement, venue will only be in District Court of the First Judicial District of the State of Montana in and for the County of Lewis and Clark. This Agreement will be interpreted according to Montana law.

## SIGNATURES

### Execution of Memorandum of Understanding

The Port of Tacoma and the Montana Department of Transportation agree to this Memorandum of Understanding and authorize their officers to execute it, thereby obligating funding for the study as set forth in this Memorandum of Understanding.

Port of Tacoma

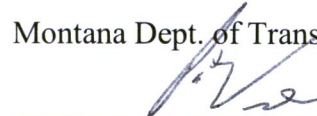
  
(Signature)

Name: John Wolfe

Title: Chief Executive Officer

Date: 3/06/14

Montana Dept. of Transportation

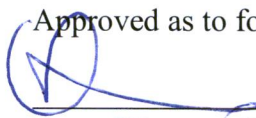
  
(Signature)

Name: Pat Wise

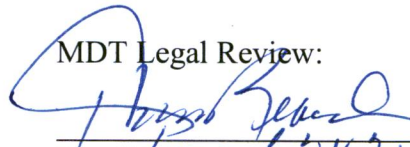
Title: Deputy Director

Date: 3-27-14

Approved as to form:

  
Port of Tacoma General Counsel

MDT Legal Review:

  
Date: March 24, 2014