Transportation Improvement Program. For projects located in metropolitan areas, the FHWA and the SHA will work with the MPO to incorporate the approved program into the MPO's Transportation Improvement Program.

§660.111 Agreements.

- (a) A statewide FH agreement shall be executed among the FHWA, the FS, and each SHA. This agreement shall set forth the responsibilities of each party, including that of adherence to the applicable provisions of Federal and State statutes and regulations.
- (b) The design and construction of FH projects will be administered by the FHWA unless otherwise provided for in an agreement approved under this subpart.
- (c) A project agreement shall be entered into between the FHWA and the cooperator involved under one or more of the following conditions:
- (1) A cooperator's funds are to be made available for the project or any portion of the project;
- (2) Federal funds are to be made available to a cooperator for any work;
- (3) Special circumstances exist which make a project agreement necessary for payment purposes or to clarify any aspect of the project; or
- (4) It is necessary to document jurisdiction and maintenance responsibility.

§660.112 Project development.

- (a) Projects to be administered by the FHWA or the FS will be developed in accordance with FHWA procedures for the Federal Lands Highway Program. Projects to be administered by a cooperator shall be developed in accordance with Federal-aid procedures and procedures documented in the statewide agreement.
- (b) The FH projects shall be designed in accordance with part 625 of this chapter or those criteria specifically approved by the FHWA for a particular project.

§ 660.113 Construction.

(a) No construction shall be undertaken on any FH project until plans, specifications, and estimates have been concurred in by the cooperator(s) and the FS, and approved in accordance

with procedures contained in the statewide FH agreement.

- (b) The construction of FHs will be performed by the contract method, unless construction by the FHWA, the FS, or a cooperator on its own account is warranted under 23 U.S.C. 204(e).
- (c) Prior to final construction acceptance by the contracting authority, the project shall be inspected by the cooperator, the FS, and the FHWA to identify and resolve any mutual concerns.

§ 660.115 Maintenance.

The cooperator having jurisdiction over a FH shall, upon acceptance of the project in accordance with §660.113(c), assume operation responsibilities and maintain, or cause to be maintained, any project constructed under this subpart.

§660.117 Funding, records and accounting.

- (a) The Federal share of funding for eligible FH projects may be any amount up to and including 100 percent. A cooperator may participate in the cost of project development and construction, but participation shall not be required.
 - (b) Funds for FHs may be used for:
 - (1) Planning;
 - (2) Federal Lands Highway research;
- (3) Preliminary and construction engineering; and
 - (4) Construction.
- (c) Funds for FHs may be made available for the following transportation-related improvement purposes which are generally part of a transportation construction project:
- (1) Transportation planning for tourism and recreational travel;
 - (2) Adjacent vehicular parking areas;
 - (3) Interpretive signage;
- (4) Acquisition of necessary scenic easements and scenic or historic sites;
- (5) Provisions for pedestrians and bicveles:
- (6) Construction and reconstruction of roadside rest areas including sanitary and water facilities; and
- (7) Other appropriate public road facilities as approved by the FHWA.
- (d) Use of FH funds for right-of-way acquisition shall be subject to specific approval by the FHWA.