

MEASURE R FUNDING AGREEMENT HIGHWAY PROGRAM

This Funding Agreement ("FA") is dated for reference purposes only March 8, 2013, and is by and between the Los Angeles County Metropolitan Transportation Authority ("LACMTA") and City of Lancaster ("Grantee") for SR-138 (SR-14) Avenue M Interchange, LACMTA Project ID# MR330.06 and FTIP# LA0G931. This Project is eligible for funding under Line 38, SR-138 Capacity Enhancements, of the Measure R Expenditure Plan.

WHEREAS, LACMTA adopted Ordinance #08-01, the Traffic Relief and Rail Expansion Ordinance, on July 24, 2008 (the "Ordinance"), which Ordinance was approved by the voters of Los Angeles County on November 4, 2008 as "Measure R" and became effective on January 2, 2009.

WHEREAS, the funding set forth herein is intended to fund **DESIGN, PROJECT DEVELOPMENT, RIGHT-OF-WAY, AND CONSTRUCTION** of the SR-138 (SR-14) Avenue M Interchange (the "Project").

WHEREAS, the LACMTA Board, at its September 27, 2012 meeting, programmed \$20,000,000 in Measure R Funds to City of Lancaster for project development, design, right-of-way, and construction of the Project, subject to the terms and conditions contained in this FA; and

WHEREAS, the Funds are currently programmed as follows: \$46,835 in Measure R Funds in FY 2011-12; \$253,165 in Measure R Funds in FY 2012-13; \$800,000 in Measure R Funds in FY 2014-15; \$2,800,000 in Measure R Funds in FY 2015-16; \$500,000 in Measure R Funds in FY 2016-17; AND \$15,600,000 in Measure R Funds in FY 2018-19. The total designated for project development, design, right-of-way, and construction of the Project is \$20,000,000.

NOW, THEREFORE, the parties hereby agree as follows:

The terms and conditions of this FA consist of the following and each is incorporated by reference herein as if fully set forth herein:

1. Part I - Specific Terms of the FA
2. Part II - General Terms of the FA
3. Attachment A - Project Funding
4. Attachment B - Expenditure Plan Guidelines
Attachment B1 – Expenditure Plan- Cost & Cash Flow Budget
5. Attachment C - Scope of Work
6. Attachment D - Reporting and Expenditure Guidelines
7. Attachment D1 - Monthly Progress Report
8. Attachment D2 – Quarterly Expenditure Report
9. Attachment E - Federal Transportation Improvement Program (FTIP) Sheet
10. Attachment F - Special Grant Conditions
11. Attachment G – Bond Requirements
12. Any other attachments or documents referenced in the above documents

In the event of a conflict, the Special Grant Conditions, if any, shall prevail over the Specific Terms of the FA and any attachments and the Specific Terms of the FA shall prevail over the General Terms of the FA.

IN WITNESS WHEREOF, the parties have caused this FA to be executed by their duly authorized representatives as of the dates indicated below:

LACMTA:

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

By: _____ Date: _____
Arthur T. Leahy
Chief Executive Officer

APPROVED AS TO FORM:

JOHN F. KRATTLI
County Counsel

By:  _____ Date: 5/9/13 _____
Deputy

GRANTEE:

CITY OF LANCASTER

By: _____ Date: _____
Mark V. Bozigian
City Manager

APPROVED AS TO FORM:

By: _____ Date: _____
David R. McEwen
City Attorney

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Deputy

GRANTEE:

CITY OF LANCASTER

By: _____ Date: _____
Mark V. Bozigian
City Manager

APPROVED AS TO FORM:

By: _____ Date: _____
David R. McEwen
City Attorney

PART I
SPECIFIC TERMS OF THE FA

1. Title of the Project (the "Project"): SR-138 (SR-14) Avenue M Interchange – Design, Project Development, Right-of-Way, and Construction, LACMTA Project ID# MR330.06, FTIP# LA0G931.
2. Grant Funds:
 - 2.1 Programmed Funds for this Project consist of the following: Measure R Funds.
 - 2.2 To the extent the Measure R Funds are available; LACMTA shall make to GRANTEE a grant of the Measure R funds in the amount of \$20,000,000 (the "Fund") for the Project. LACMTA Board of Directors' action of September 27, 2012 granted the Measure R Funds for the Project. The Funds are programmed over Fiscal Years (FY) FY 2011 -12, FY 2012-13, FY 2014-15, FY 2015-16, FY 2016-17 and FY 2018-19.
3. This grant shall be paid on a reimbursement basis. Grantee must provide the appropriate supporting documentation with the Monthly Progress Report and the Quarterly Expenditure Report. Grantee Funding Commitment if applicable must be spent in the appropriate proportion to the Funds with each quarter's expenditures. LACMTA will withhold five percent (5%) of eligible expenditures per invoice as retainage pending an audit of expenditures and completion of scope of work.
4. **Attachment A** the "Project Funding" documents all sources of funds programmed for the Project as approved by LACMTA and is attached as Attachment A. The Project Funding includes the total programmed funds for the Project, including the Funds programmed by LACMTA and, if any, the Grantee Funding Commitment of other sources of funding. The Project Funding also includes the fiscal years in which all the funds for the Project are programmed. The Funds are subject to adjustment by subsequent LACMTA Board Action.
5. **Attachment B1** is the Expenditure Plan- Cost & Cash Flow Budget (the "Expenditure Plan"). It is the entire proposed cash flow, the Budget and financial plan for the Project, which includes the total sources of all funds programmed to the Project, including GRANTEE and other entity funding commitments, if any, for this Project as well as the fiscal year and quarters the Project funds are anticipated to be expended. GRANTEE shall update the Expenditure Plan annually, no later than December 31, and such update shall be submitted to LACMTA's Executive Director of Highway Program in writing. If the LACMTA's Executive Director of Highway Program concurs with such updated Expenditure Plan in writing, Attachment B1 shall be replaced with the new Attachment B1 setting forth the latest approved Expenditure Plan. Payments under this FA shall be consistent with Attachment B1 as revised from time to time. In no event can the final milestone date be changed or amended by written concurrence by the LACMTA Executive Director of Highway. Any change to the final milestone date must be made by a fully executed amendment to this FA.
6. **Attachment C** is the Scope of Work ("the Scope of Work"). The GRANTEE shall complete the Project as described in the Scope of Work. This Scope of Work shall include a

detailed description of the Project and the work to be completed, including anticipated Project milestones and a schedule consistent with the lapsing policy in Part II, Section 9, and a description of the Project limits. No later than December 31 of each year, Grantee shall notify LACMTA if there are any changes to the final milestone date set forth in the schedule or any changes to the Scope of Work. If LACMTA agrees to such changes, the parties shall memorialize such changes in an amendment to this FA. Work shall be delivered in accordance with this schedule and scope unless otherwise agreed to by the parties in writing. If GRANTEE is consistently behind schedule in meeting milestones or in delivering the Project, LACMTA will have the option to suspend or terminate the FA for default as described in Part II, Sections 2, 9, 10 and 11 herein below. To the extent interim milestone dates are not met but Grantee believes it can make up the time so as to not impact the final milestone date, Grantee shall notify LACMTA of such changes in its Monthly Progress Reports and such interim milestone dates will automatically be amended to the latest interim milestone dates provided in the Monthly Progress Reports Attachment D1. In no event can the final milestone date be amended by a Monthly Progress Report.

7. No changes to this FA, including but not limited to the Funds; and any other source of funds from LACMTA in the Project Funding, Expenditure Plan or the Scope of Work shall be allowed without an amendment to the original FA, approved and signed by both parties.

8. **Attachment D** - the Reporting & Expenditure Guidelines; Grantee shall complete the "Monthly Progress Report and the Quarterly Expenditure Report." The Monthly Progress and Quarterly Expenditure Report are attached to this FA as Attachments D1 and D2 in accordance with Attachment D - Reporting and Expenditure Guidelines.

9. **Attachment E** the "FTIP PROJECT SHEET (PDF)" is attached as Attachment E and is required to ensure that the Project is programmed correctly in the most up-to-date FTIP document. The FTIP PROJECT SHEET (PDF) can be found in ProgramMetro FTIP database under the reports section at <http://program.metro.net>. All projects that receive funding through Measure R must be programmed into the FTIP which includes locally funded regionally significant projects for information and air quality modeling purposes. Grantee shall review the Project in ProgramMetro each year and update or correct the Project as necessary during a scheduled FTIP amendment or adoption. Grantee will be notified of amendments and adoptions to the FTIP via e-mail. Changes to the FTIP through ProgramMetro should be made as soon as possible after Grantee is aware of any changes to the Project, but no later than October 1 of the year the change or update is effective. Should Grantee fail to meet this date, it may affect Grantee's ability to access funding, delay the Project and may ultimately result in the Funds being lapsed.

10. No changes to the (i) Grant amount, (ii) Project Funding, (iii) the Scope of Work (except as provided herein), (iv) Final milestone date or (v) Special Grant Conditions, shall be allowed without a written amendment to this FA, approved and signed by the LACMTA Chief Executive Officer or his/her designee and Grantee. Modifications that do not materially affect the terms of this FA, such as redistributing Funds among existing budget line items or non-material schedule changes must be formally requested by Grantee and approved by LACMTA in writing. Non-material changes are those changes, which do not affect the grant amount, or its schedule, Project Funding, Financial Plan, the Scope of Work, including its schedule.

11. LACMTA's Address:

Los Angeles County Metropolitan Transportation Authority
One Gateway Plaza
Los Angeles, CA 90012
Attention: Teresa Wong, MS 99-22-9.
(213) 922-2854
wongte@metro.net

12. Grantee's Address:

City of Lancaster
Department of Public Works
615 W. Avenue H
Lancaster, CA 93534
Attention: Ray Hunt
(661)945-6860
rhunt@cityoflanasterca.org

13. LACMTA anticipates it may need to avail itself of lower cost bonds or other debt, the interest on which is tax exempt for federal tax purposes and/or Build America Bonds as defined in the American Reinvestment and Recovery Act of 2009 or similar types of bonds (collectively, the "Bonds") to provide at least a portion of its funding commitments under this Agreement to GRANTEE. GRANTEE shall ensure that the expenditure of the Funds disbursed to GRANTEE does not jeopardize the tax-exemption of the interest, the Federal subsidy payment or the tax credit, as applicable, as specified in the Bond Requirements attached as Attachment G to this Agreement. GRANTEE agrees to provide LACMTA with progress reports, expenditure documentation, and any other documentation as reasonably requested by LACMTA and necessary for LACMTA to fulfill its responsibilities as the grantee or administrator or bond issuer of the Funds. With regard to LACMTA debt financing to provide any portion of the Funds, GRANTEE shall take all reasonable actions as may be requested of it by LACMTA's Project Manager for the Project, to assist LACMTA in demonstrating and maintaining over time, compliance with the relevant sections of the Federal Tax Code to maintain such bonds tax status.

PART II
GENERAL TERMS OF THE FA

1. **TERM**

The term of this FA shall commence on the date this FA is fully executed and, shall terminate upon the occurrence of all of the following, unless terminated earlier as provided herein: (i) the agreed upon Scope of Work has been completed; (ii) all LACMTA audit and reporting requirements have been satisfied; and (iii) the final disbursement of the Funds has been made to Grantee. All eligible Project expenses as defined in the Reporting and Expenditure Guidelines (**Attachment D**), incurred after the FA is executed shall be reimbursed in accordance with the terms and conditions of this FA unless otherwise agreed to by the parties in writing.

2. **SUSPENDED OR TERMINATION**

Should LACMTA determine there are insufficient Measure R Funds available for the Project, LACMTA may suspend or terminate this FA by giving written notice to GRANTEE at least thirty (30) days in advance of the effective date of such suspension or termination. If a Project is suspended or terminated pursuant to this section, LACMTA will not reimburse GRANTEE any costs incurred after that suspension or termination date, except those costs necessary (i) to return any facilities modified by the Project construction to a safe and operable state; and (ii) to suspend or terminate the construction contractor's control over the Project. LACMTA's share of these costs will be consistent with the established funding percentages outlined in this FA.

3. **INVOICE BY GRANTEE**

Unless otherwise stated in this FA, the Quarterly Expenditure Report, with supporting documentation of expenses and Project progress as described in Part II, Section 6.1 of this FA, and other documents as required, shall satisfy LACMTA invoicing requirements.

Send invoice with supporting documentation to:

Los Angeles County Metropolitan Transportation Authority
Accounts Payable
P. O. Box 512296
Los Angeles, CA 90051-0296

Re: LACMTA Project ID# MR330.06 and FA# MOU.MR330.06
Project Manager: Teresa Wong, MS 99-22-9

4. **USE OF FUNDS:**

4.1 Grantee shall utilize the Funds to complete the Project as described in the Scope of Work and in accordance with the Reporting and Expenditure Guidelines and the specifications for use for the transportation purposes described in the Ordinance.

4.2 Attachment C shall constitute the agreed upon Scope of Work between LACMTA and Grantee for the Project. The Funds, as granted under this FA, can only be used towards the completion of the Scope of Work detailed in Attachment C.

4.3 Grantee shall not use the Funds to substitute for any other funds or projects not specified in this FA. Further, Grantee shall not use the Funds for any expenses or activities above and beyond the approved Scope of Work (Attachment C) without an amendment to the FA approved and signed by the LACMTA Chief Executive Officer or his Designee. To the extent LACMTA provides Grantee with bond or commercial paper proceeds, such Funds may not be used to reimburse for any costs that jeopardize the tax exempt nature of such financings as reasonably determined by LACMTA and its bond counsel.

4.4 Grantee must use the Funds in the most cost-effective manner. If Grantee intends to use a consultant or contractor to implement all or part of the Project, LACMTA requires that such activities be procured in accordance with Grantee's contracting procedures and consistent with State law as appropriate. Grantee will also use the Funds in the most cost-effective manner when the Funds are used to pay "in-house" staff time. Grantee staff or consultant with project oversight roles can not award work to companies in which they have a financial or personal interest. This effective use of funds provision will be verified by LACMTA through on-going Project monitoring and through any LACMTA interim and final audits.

4.5 If a facility, equipment (such as computer hardware or software), vehicle or property, purchased or leased using the Funds, ceases to be used for the proper use as originally stated in the Scope of Work, or the Project is discontinued, any Funds expended for that purpose must be returned to LACMTA as follows: Grantee shall be required to repay the Funds in proportion to the useful life remaining and in an equal proportion of the grant to Grantee Funding Commitment ratio.

5. REIMBURSEMENT OF FUNDS

Funds will be released on a reimbursement basis in accordance with invoices submitted in support of the Monthly Progress and Quarterly Expenditure Report. LACMTA will make all disbursements electronically unless an exception is requested in writing. Reimbursements via Automated Clearing House (ACH) will be made at no cost to Grantee. Grantee must complete the ACH form and submit such form to LACMTA before grant payments can be made. ACH Request Forms can be found at www.metro.net/projects_studies/call_projects/ref_docs.htm. Grantee must provide detailed supporting documentation with its Monthly Progress and Quarterly Expenditure Report. Grantee Funding Commitment, if any, must be spent in direct proportion to the Funds with each quarter's payment.

6. REPORTING AND AUDIT REQUIREMENTS/PAYMENT ADJUSTMENTS:

6.1 Grantee shall submit the Monthly Progress Report (**Attachment D1**) within seven (7) days from the last day of each month and submit the Quarterly Expenditure Report (**Attachment D2**) within sixty (60) days after the close of each quarter on the last day of the months November, February, May and August. Should Grantee fail to submit such reports

within 10 days of the due date and/or submit incomplete reports, LACMTA will not reimburse Grantee until the completed required reports are received, reviewed, and approved. The Monthly Progress and the Quarterly Expenditure Report shall include all appropriate documentation (such as contractor invoices, timesheets, receipts, etc.). All supporting documents must include a clear justification and explanation of their relevance to the Project. If no activity has occurred during a particular quarter, Grantee will still be required to submit the Monthly Progress and Quarterly Expenditure Report indicating no dollars were expended that quarter. If a request for reimbursement exceeds \$500,000 in a single month, then Grantee can submit such an invoice once per month with supporting documentation.

6.2 LACMTA, and/or its designee, shall have the right to conduct audits of the Project, as deemed appropriate, such as financial and compliance audits; interim audits; pre-award audits, performance audits and final audits. LACMTA will commence a final audit within six months of receipt of acceptable final invoice, provided the Project is ready for final audit (meaning all costs and charges have been paid by Grantee and invoiced to LACMTA, and such costs, charges and invoices are properly documented and summarized in the accounting records to enable an audit without further explanation or summarization including actual indirect rates for the period covered by the FA period under review). Grantee agrees to establish and maintain proper accounting procedures and cash management records and documents in accordance with Generally Accepted Accounting Principles (GAAP). Grantee shall reimburse LACMTA for any expenditure not in compliance with the Scope of Work and/or not in compliance with other terms and conditions of this FA. The allowability of costs for Grantee's own expenditures submitted to LACMTA for this Project shall be in compliance with Office of Management and Budget (OMB) Circular A-87. The allowability of costs for Grantee's contractors, consultants and suppliers expenditures submitted to LACMTA through Grantee's Monthly Progress Reports and Quarterly Expenditures shall be in compliance with OMB Circular A-87 or Federal Acquisition Regulation (FAR) Subpart 31 (whichever is applicable). Findings of the LACMTA audit are final. When LACMTA audit findings require Grantee to return monies to LACMTA, Grantee agrees to return the monies within thirty (30) days after the final audit is sent to Grantee.

6.3 Grantee's records shall include, without limitation, accounting records, written policies and procedures, contract files, original estimates, correspondence, change order files (including documentation covering negotiated settlements), invoices, and any other supporting evidence deemed necessary by LACMTA to substantiate charges related to the Project (all collectively referred to as "records") shall be open to inspection and subject to audit and reproduction by LACMTA auditors or authorized representatives to the extent deemed necessary by LACMTA to adequately permit evaluation of expended costs. Such records subject to audit shall also include, without limitation, those records deemed necessary by LACMTA to evaluate and verify, direct and indirect costs, (including overhead allocations) as they may apply to costs associated with the Project. These records must be retained by Grantee for three years following final payment under this Agreement. Payment of retention amounts shall not occur until after the LACMTA's final audit is completed.

6.4 Grantee shall cause all contractors to comply with the requirements of Part II, Section 5, paragraphs 6.2 and 6.3 above. Grantee shall cause all contractors to

cooperate fully in furnishing or in making available to LACMTA all records deemed necessary by LACMTA auditors or authorized representatives related to the Project.

6.5 LACMTA or any of its duly authorized representatives, upon reasonable written notice shall be afforded access to all of the records of Grantee and its contractors related to the Project, and shall be allowed to interview any employee of Grantee and its contractors through final payment to the extent reasonably practicable.

6.6 LACMTA or any of its duly authorized representatives, upon reasonable written notice, shall have access to the offices of Grantee and its contractors, shall have access to all necessary records, including reproduction at no charge to LACMTA, and shall be provided adequate and appropriate work space in order to conduct audits in compliance with the terms and conditions of this FA.

6.7 When business travel associated with the Project requires use of a vehicle, the mileage incurred shall be reimbursed at the mileage rates set by the Internal Revenue Service, as indicated in the United States General Services Administration Federal Travel Regulation, Privately Owned Vehicle Reimbursement Rates.

6.8 Grantee shall be responsible for ensuring all contractors/subcontractors for the Project comply with the terms of the Ordinance. Grantee shall cooperate with LACMTA Audit Department such that LACMTA can meet its obligations under the Ordinance.

6.9 Grantee shall certify each invoice by reviewing all subcontractor costs and maintaining internal control to ensure that all expenditures are allocable, allowable and reasonable and in accordance with OMB A-87 or FAR subparagraph 31 (whichever is applicable) and the terms and conditions of this FA.

6.10 Grantee shall also certify final costs of the Project to ensure all costs are in compliance with OMB A-87 or FAR subparagraph 31 (whichever is applicable) and the terms and conditions of this FA.

6.11 In addition to LACMTA's other remedies as provided in this FA, LACMTA may withhold the Funds if the LACMTA audit has determined that Grantee failed to comply with the Scope of Work (such as misusing Funds or failure to return Funds owed to LACMTA in accordance with LACMTA audit findings) and /or is severely out of compliance with other terms and conditions as defined by this FA, including the access to records provisions of Part II, Section 6.

7. GRANT

This is a one time only grant of the Measure R Funds are subject to the terms and conditions agreed to herein. This grant does not imply nor obligate any future funding commitment on the part of LACMTA.

8. SOURCES AND DISPOSITION OF FUNDS:

8.1 The obligation for LACMTA to grant the Funds for the Project is subject to sufficient Funds being made available for the Project by the LACMTA Board of Directors. If such Funds are not made available as anticipated from Measure R Program revenues, LACMTA will have the right to adjust the cash flow accordingly until such funds become available. LACMTA shall have no obligation to provide any other funds for the Project, unless otherwise agreed to in writing by LACMTA.

8.2 Grantee shall fully fund and contribute the Grantee Funding Commitment, if any is identified in the Project Funding (Attachment A), towards the cost of the Project. If the Funds identified in Attachment A are insufficient to complete the Project, Grantee may request additional Measure R funds from its sub-region earmark pending support of the sub-region's Governing Board, the North County Transportation Coalition Governing Board. A particular sub-region's Measure R funds are limited to the amount specified in the Ordinance and is still subject to approval of the LACMTA Board. Nothing in this FA shall obligate, or be construed to obligate the LACMTA Board to approve such request for additional funds. If the Funds are still insufficient to complete the Project, Grantee agrees to secure and provide such additional non-LACMTA programmed funds necessary to complete the Project.

8.3 Grantee shall be responsible for any and all cost overruns for the Project pursuant to Section 8.2.

8.4 Grantee shall be eligible for the Funds up to the grant amount specified in Part I, Section 2 of this FA subject to the terms and conditions contained herein. Any Funds expended by Grantee prior to the execution of this FA (prior to the LACMTA Chief Executive Officer's signature) shall not be reimbursed nor shall they be credited toward the Grantee Funding Commitment requirement, without the prior written consent of LACMTA. Grantee Funding Commitment dollars expended prior to the year the Funds are awarded shall be spent at Grantee's own risk.

8.5 If Grantee receives outside funding for the Project in addition to the Funds identified in the Project Funding and the Expenditure Plan at the time this grant was awarded, this FA shall be amended to reflect such additional funding. If, at the time of final invoice or voucher, funding for the Project (including the Funds, Grantee Funding Commitment, and any additional funding) exceeds the actual Project costs, then the cost savings shall be applied in the same proportion as the sources of funds from each party to this FA as specified in the Project Funding and both the Funds and Grantee Funding Commitment required for the Project shall be reduced accordingly.

9. TIMELY USE OF FUNDS / REPROGRAMMING OF FUNDS:

9.1 Grantee must demonstrate timely use of the Funds by:

- (i) executing this FA within **ninety (90) days** of receiving formal transmittal of the FA from LACMTA, or by December 31 of the

- first Fiscal Year in which the Funds are programmed, whichever date is later; and
- (ii) Project Design ,Preliminary Engineering-(PE) must begin within **six (6) months** from completion of environmental clearance, if appropriate.
 - (iii) Project Development or Right-of-Way costs must be expended (including by deposit into a condemnation action) by the end of the **second (2nd) fiscal year** following the year the Funds were first programmed; and
 - (iv) Contracts for Construction or Capital purchase shall be executed within **twelve (12) months** from the date of completion of design; and
 - (v) Work shall be delivered in accordance with schedule, changes to the schedule will require an Amendment to Attachment C to reflect updated milestone dates. Meeting the Project milestones due dates as agreed upon by the LACMTA and Grantee in Attachment C (Scope of Work) of this FA.
 - (vi) submitting the Monthly Progress and Quarterly Expenditure Report as described in Part II, Section 6.1 of this FA; and
 - (vii) expending the Funds granted under this FA for allowable costs within **five years or 60 months** from July 1 of the Fiscal Year in which the Funds are programmed, unless otherwise stated in this FA. All Funds programmed for FY 2011-12 are subject to lapse by June 30, 2016. All Funds programmed for FY 2012-13 are subject to lapse by June 30, 2017. All Funds programmed for FY 2014 -15 are subject to lapse by June 30, 2019. All Funds programmed for FY 2015 -16 are subject to lapse by June 30, 2020. All Funds programmed for FY 2016-17 are subject to lapse by June 30, 2021. All Funds programmed for FY 2018 -19 are subject to lapse by June 30, 2023.

9.2 In the event that the timely use of the Funds is not demonstrated as described in Part II, Section 9.1 of this FA, the Project will be reevaluated by LACMTA as part of its annual Recertification/Deobligation process and the Funds may be reprogrammed to another project by the LACMTA Board of Directors in accordance with the Ordinance, which may require that any reprogrammed funds be returned to the sub-region. In the event that all the Funds are reprogrammed, this FA shall automatically terminate.

10. DEFAULT:

A Default under this FA is defined as any one or more of the following: (i) Grantee fails to comply with the terms and conditions contained herein; or (ii) Grantee fails to perform satisfactorily or makes a material change, as determined by LACMTA at its sole discretion, to the Expenditure Plan, the Scope of Work, or the Project Funding without LACMTA's prior written consent or approval as provided herein.

11. REMEDIES:

11.1 In the event of a Default by Grantee, LACMTA shall provide written notice of such Default to Grantee with a 30-day period to cure the Default. In the event Grantee fails to cure the Default, or commit to cure the Default and commence the same within such 30-day period to the satisfaction of LACMTA, LACMTA shall have the following remedies: (i) LACMTA may terminate this FA; (ii) LACMTA may make no further disbursements of Funds to Grantee; and/or (iii) LACMTA may recover from Grantee any Funds disbursed to Grantee as allowed by law or in equity.

11.2 Effective upon receipt of written notice of termination from LACMTA, Grantee shall not undertake any new work or obligation with respect to this FA unless so directed by LACMTA in writing. Any Funds expended after termination shall be the sole responsibility of Grantee.

11.3 The remedies described herein are non-exclusive. LACMTA shall have the right to enforce any and all rights and remedies herein or which may be now or hereafter available at law or in equity.

12. COMMUNICATIONS.

12.1 Grantee shall ensure that all Communication Materials contain recognition of LACMTA's contribution to the Project as more particularly set forth in "Funding Agreement Communications Materials Guidelines" available on line or from the LACMTA Project Manager. Please check with the LACMTA Project Manager for the web address. The Funding Agreement Communications Materials Guidelines may be changed from time to time during the course of this Agreement. Grantee shall be responsible for complying with the latest Funding Agreement Communications Materials Guidelines during the term of this Agreement, unless otherwise specifically authorized in writing by the LACMTA Chief Communications Officer.

12.2 For purposes of this Agreement, "Communications Materials" include, but are not limited to, press events, public and external newsletters, printed materials, advertising, websites radio and public service announcements, electronic media, and construction site signage. A more detailed definition of "Communications Materials" is found in the Funding Agreement Communications Materials Guidelines.

12.3 The Metro logo is a trademarked item that shall be reproduced and displayed in accordance with specific graphic guidelines. These guidelines and logo files including scalable vector files will be available through the LACMTA Project Manager.

12.4 Grantee shall ensure that any subcontractor, including, but not limited to, public relations, public affairs, and/or marketing firms hired to produce Project Communications Materials for public and external purposes will comply with the requirements contained in this Section.

12.5 The LACMTA Project Manager shall be responsible for monitoring Grantee compliance with the terms and conditions of this Section. Grantee's failure to comply with the terms of this Section shall be deemed a default hereunder and LACMTA shall have all rights and remedies set forth herein.

13. OTHER TERMS AND CONDITIONS:

13.1 This FA, along with its Attachments, constitutes the entire understanding between the parties, with respect to the subject matter herein. The FA shall not be amended, nor any provisions or breach hereof waived, except in writing signed by the parties who agreed to the original FA or the same level of authority.

13.2 Grantee is obligated, to continue using the Project dedicated to the public transportation purposes for which the Project was initially approved. The Project right-of-way, the Project facilities constructed or reconstructed on the Project site, and/or Project property purchased excluding construction easements and excess property (whose proportionate proceeds shall be distributed in an equal proportion of the grant to Grantee Funding Commitment ratio) shall remain dedicated to public transportation use in the same proportion and scope and to the same extent as described in this FA. Equipment acquired as part of the Project, including office equipment, vehicles, shall be dedicated to that use for their full economic life cycle, including any extensions of that life cycle achieved by reconstruction, rehabilitation, or enhancements.

13.3 In the event that there is any legal court (e.g., Superior Court of the State of California, County of Los Angeles, or the U.S. District Court for the Central District of California) proceeding between the parties to enforce or interpret this FA, to protect or establish any rights or remedies hereunder, the prevailing party shall be entitled to its costs and expenses, including reasonable attorney's fees.

13.4 Neither LACMTA nor any officer or employee thereof shall be responsible for any damage or liability occurring by reason of anything done or committed to be done by Grantee under or in connection with any work performed by and or service provided by Grantee, its officers, agents, employees, contractors and subcontractors under this FA. Grantee shall fully indemnify, defend and hold LACMTA and its subsidiaries, and its officers, agents and employees harmless from and against any liability and expenses, including without limitation, defense costs, any costs or liability on account of bodily injury, death or personal injury of any person or for damage to or loss of risk of property, any environmental obligation, any legal fees and any claims for damages of any nature whatsoever arising out of the Project, including without limitation: (i) use of the Funds by Grantee, or its officers, agents, employees, contractors or subcontractors; (ii) breach of Grantee's obligations under this FA; or (iii) any act or omission of Grantee, or its officers, agents, employees, contractors or subcontractors in the performance of the work or the provision of the services, in connection with the Project including, without limitation, the Scope of Work, described in this FA.

13.5 Neither party hereto shall be considered in default in the performance of its obligation hereunder to the extent that the performance of any such obligation is prevented or delayed by unforeseen causes including acts of God, acts of a public enemy, and

government acts beyond the control and without fault or negligence of the affected party. Each party hereto shall give notice promptly to the other of the nature and extent of any such circumstances claimed to delay, hinder, or prevent performance of any obligations under this FA.

13.6 Grantee shall comply with and insure that work performed under this FA is done in compliance with Generally Accepted Accounting Principles (GAAP), all applicable provisions of federal, state, and local laws, statutes, ordinances, rules, regulations, and procedural requirements including Federal Acquisition Regulations (FAR), and the applicable requirements and regulations of LACMTA. Grantee acknowledges responsibility for obtaining copies of and complying with the terms of the most recent federal, state, or local laws and regulations, and LACMTA requirements including any amendments thereto.

13.7 Grantee agrees that the applicable requirements of this FA shall be included in every contract entered into by Grantee or its contractors relating to work performed under this FA and LACMTA shall have the right to review and audit such contracts.

13.8 Grantee shall not assign this FA, or any part thereof, without prior approval of the LACMTA Chief Executive Officer or his designee, and any assignment without said consent shall be void and unenforceable.

13.9 This FA shall be governed by California law. If any provision of this FA is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way.

13.10 The covenants and agreements of this FA shall inure to the benefit of, and shall be binding upon, each of the parties and their respective successors and assigns.

13.11 If any software/Intelligent Transportation Systems ("ITS") is developed with the Funds and if Grantee ceases to use the software/ITS for public purposes or Grantee sells, conveys, licenses or otherwise transfers the software/ITS, LACMTA shall be entitled to a refund or credit, at LACMTA's sole option, equivalent to the amount of the Funds spent developing the software/ITS. Such refund or credit shall not be required, subject to LACMTA approval of the intended use, if Grantee reinvests the proceeds of such sale, conveyance, license or transfer into the Project to offset operating or systems management costs.

13.12 Implementation of any ITS project shall be consistent with the Regional ITS Architecture. ITS projects must comply with the LACMTA Countywide ITS Policy and Procedures adopted by the LACMTA Board of Directors including the submittal of a completed, signed self-certification form in the form of **Attachment F-1**. For the ITS policy and form, see www.metro.net/projects_studies/call_projects/other_resources.htm.

13.13 If any parking facilities are designed and/or constructed using the Funds, Grantee shall coordinate with LACMTA parking program staff (see METRO.net for staff listing) in the planning, design and management of the facility and shall ensure that its

implementation is consistent with the LACMTA adopted parking policy. For the parking policy, see www.metro.net/projects_studies/call_projects/other_resources.htm.

13.14 Grantee will advise LACMTA prior to any key Project staffing changes.

13.15 Notice will be given to the parties at the address specified in Part I, unless otherwise notified in writing of change of address.

13.16 Grantee in the performance of the work described in this FA is not a contractor nor an agent or employee of LACMTA. Grantee attests to no organizational or personal conflicts of interest and agrees to notify LACMTA immediately in the event that a conflict, or the appearance thereof, arises. Grantee shall not represent itself as an agent or employee of LACMTA and shall have no powers to bind LACMTA in contract or otherwise.

ATTACHMENT A - PROJECT FUNDING

Measure R Program - Funding Agreement Projects - FA # MOU.MR330.06

Project Title: SR138 (SR-14) Avenue M Interchange Project#:MR330.06

PROGRAMMED BUDGET - SOURCES OF FUNDS

SOURCES OF FUNDS	FY2011-12	FY2012-13	FY2013-14	FY2014-15	FY2015-16	FY2016-17	FY2017-18	FY2018-19	Total Budget	% of Budget
LACMTA PROGRAMMED FUNDING										
MEASURE R FUNDS	\$46,835	\$253,165		\$800,000	\$2,800,000	\$500,000		\$15,600,000	\$20,000,000	100%
SUBTOTAL	\$46,835	\$253,165		\$800,000	\$2,800,000	\$500,000		\$15,600,000	\$ 20,000,000	
LACMTA PROGRAMMED FUNDS BY YEAR SUBTOTAL	\$46,835	\$253,165		\$800,000	\$2,800,000	\$500,000		\$15,600,000	\$ 20,000,000	100%
OTHER SOURCES OF FUNDING:										
LOCAL:									\$0	0%
STATE:									\$0	0%
FEDERAL:									\$0	0%
PRIVATE OR OTHER:									\$0	0%
OTHER FUNDING SUBTOTAL		\$0	\$0	\$0	\$0	\$0			\$0	0%
TOTAL PROJECT FUNDS	\$46,835	\$253,165		\$800,000	\$2,800,000	\$500,000		\$15,600,000	\$20,000,000	100%

ATTACHMENT B EXPENDITURE PLAN GUIDELINES

State Law Requires All Measure R Project and Program Sponsors to Submit an Expenditure Plan

To be eligible to receive Measure R revenues, an agency sponsoring a capital project or program must by state law (AB 2321) submit an expenditure plan that is acceptable to the Los Angeles County Metropolitan Transportation Authority (LACMTA). Pursuant to this law, LACMTA cannot release Measure R funds to capital project or program sponsors until an expenditure plan containing the following elements is submitted, reviewed and deemed satisfactory by LACMTA. LACMTA staff will request that an expenditure plan be submitted before making a recommendation to the LACMTA Board to program funds to that project:

- o The estimated total cost for each project and program and/or each project or program activity;
- o Funds other than Measure R that the project or program sponsor anticipates will be expended on the projects and programs and/or each project or program activity;
- o The schedule during which the project sponsor anticipates funds will be available for each project and program and/or each project or program activity; and,
- o The expected completion dates for each project and program and/or project or program activity.

Each of the above elements must be provided in enough detail to determine consistency with Measure R, the Long Range Transportation Plan for Los Angeles County, and the Los Angeles County Transportation Improvement Program (also a statutorily mandated function), as follows:

- o Project or program scope of work, including sufficient information to determine funding eligibility, including, but not limited to, the anticipated proportional use of current rail rights-of-way, state highways, and below-ground subways versus any other rights-of-way or above-ground work;
- o A current-year cost estimate breakdown of the major sub-elements of the project such as overhead, environmental and permit work, design and engineering, right-of-way, construction/installation (including maintenance facilities, rail yard, equipment and other major components), construction/installation support, interest costs, rolling stock, and other supporting components;
- o Any extraordinary project cost escalation issues, such as extraordinary commodity, right-of-way, surety, energy costs, etc.;
- o A specific and accurate description of the source, commitment, and anticipated annual availability of any federal, state, local, or private funding identified for the project if applicable including a 3% local funding contribution to rail projects if indicated in Measure R and necessary to meet project expenses, and if the source funds are in current or year-of-expenditure dollars;
- o An annual schedule, in current dollars, of anticipated costs by the cost estimate categories described above; and;
- o The expected completion by month and year of project or program completion.

**ATTACHMENT B
EXPENDITURE PLAN GUIDELINES**

State Law Requires All Measure R Project and Program Sponsors to Submit an Expenditure Plan

Below is an excerpt of AB 2321 (2008, Feuer) the state legislation that requires the expenditure plan.

What AB 2321 (2008, Feuer) Says About the Expenditure Plan:

Section b (3) B

(f) Prior to submitting the ordinance to the voters, the MTA shall adopt an expenditure plan for the net revenues derived from the tax. The expenditure plan shall include, in addition to other projects and programs identified by the MTA, the specified projects and programs listed in paragraph (3) of subdivision (b), the estimated total cost for each project and program, funds other than the tax revenues that the MTA anticipates will be expended on the projects and programs, and the schedule during which the MTA anticipates funds will be available for each project and program. The MTA shall also identify in its expenditure plan the expected completion dates for each project described in subparagraph (A) of paragraph (3) of subdivision (b). To be eligible to receive revenues derived from the tax, an agency sponsoring a capital project or capital program shall submit to the MTA an expenditure plan for its project or program containing the same elements as the expenditure plan that MTA is required by this subdivision to prepare.

(k) No later than 365 days prior to the adoption of an amendment described in paragraph (1) to an expenditure plan adopted pursuant to subdivision (f), including, but not limited to, the expenditure plan adopted by the MTA board as "Attachment A" in Ordinance #08-01 adopted by the board on July 24, 2008, and in addition to any other notice requirements in the proposing ordinance, the board shall notify the Members of the Legislature representing the County of Los Angeles of all of the following:

(1) A description of the proposed amendments to the adopted expenditure plan that would do any of the following:

(A) Affect the amount of net revenues derived from the tax imposed pursuant to this act that is proposed to be expended on a capital project or projects identified in the adopted expenditure plan.

(B) Affect the schedule for the availability of funds proposed to be expended on a capital project or projects identified in the adopted expenditure plan.

(C) Affect the schedule for the estimated or expected completion date of a capital project or projects identified in the adopted expenditure plan.

(2) The reason for the proposed amendment.

(3) The estimated impact the proposed amendment will have on the schedule, cost, scope, or timely availability of funding for the capital project or projects contained in the adopted expenditure plan.

ATTACHMENT B1 - EXPENDITURE PLAN COST & CASH FLOW BUDGET
 Measure R Program - Funding Agreement Projects - FA # MOU.MR330.06
 Project Title: SR138 (SR-14) Avenue M Interchange Project#:MR330.06
PROGRAMMED SOURCES OF FUNDS

SOURCES OF FUNDS	FY 2011-12 Qtr 1	FY 2011-12 Qtr 2	FY 2011-12 Qtr 3	FY 2011-12 Qtr 4	FY 2012-13 Qtr 1	FY 2012-13 Qtr 2	FY 2012-13 Qtr 3	FY2012-13 Qtr 4	TOTAL BUDGET
LACMTA PROGRAMMED FUNDS:									
MEASURE R FUNDS:									
PAED				\$46,835	\$50,000	\$75,000	\$75,000	\$53,165	\$300,000
PS&E									\$0
RW Support									\$0
Const. Support									\$0
RW									\$0
Construction									\$0
Total MEASURE R	\$0	\$0	\$0	\$46,835	\$50,000	\$75,000	\$75,000	\$53,165	\$300,000
SUM PROG LACMTA FUNDS:	\$0	\$0	\$0	\$46,835	\$50,000	\$75,000	\$75,000	\$53,165	\$300,000
PROJECT FUNDING FY2011-12 & FY2012-13	\$0	\$0	\$0	\$46,835	\$50,000	\$75,000	\$75,000	\$53,165	\$300,000
SOURCES OF FUNDS	FY 2013-14 Qtr 1	FY 2013-14 Qtr 2	FY 2013-14 Qtr 3	FY 2013-14 Qtr 4	FY 2014-15 Qtr 1	FY 2014-15 Qtr 2	FY 2014-15 Qtr 3	FY 2014-15 Qtr 4	TOTAL BUDGET
LACMTA PROGRAMMED FUNDS:									
MEASURE R FUNDS:									
PAED									\$0
PS&E					\$100,000	\$125,000	\$175,000	\$250,000	\$650,000
RW Support							\$50,000	\$100,000	\$150,000
Const. Support									\$0
RW									\$0
Construction									\$0
Total MEASURE R	\$0	\$0	\$0	\$0	\$100,000	\$125,000	\$225,000	\$350,000	\$800,000
SUM PROG LACMTA FUNDS:	\$0	\$0	\$0	\$0	\$100,000	\$125,000	\$225,000	\$350,000	\$800,000
PROJECT FUNDING FY2013-14 & FY2014-15	\$0	\$0	\$0	\$0	\$100,000	\$125,000	\$225,000	\$350,000	\$800,000
SOURCES OF FUNDS	FY 2015-16 Qtr 1	FY 2015-16 Qtr 2	FY 2015-16 Qtr 3	FY 2015-16 Qtr 4	FY 2016-17 Qtr 1	FY 2016-17 Qtr 2	FY 2016-17 Qtr 3	FY 2016-17 Qtr 4	TOTAL BUDGET
LACMTA PROGRAMMED FUNDS:									
MEASURE R FUNDS:									
PAED									\$0
PS&E	\$400,000	\$400,000	\$500,000	\$400,000	\$100,000				\$1,800,000
RW Support	\$150,000	\$100,000							\$250,000
Const. Support				\$400,000	\$200,000	\$100,000	\$50,000	\$50,000	\$800,000
RW		\$200,000	\$250,000						\$450,000
Construction									\$0
Total MEASURE R	\$550,000	\$700,000	\$750,000	\$800,000	\$300,000	\$100,000	\$50,000	\$50,000	\$3,300,000
SUM PROG LACMTA FUNDS:	\$550,000	\$700,000	\$750,000	\$800,000	\$300,000	\$100,000	\$50,000	\$50,000	\$3,300,000
PROJECT FUNDING FY2015-16 & FY2016-17	\$550,000	\$700,000	\$750,000	\$800,000	\$300,000	\$100,000	\$50,000	\$50,000	\$3,300,000
SOURCES OF FUNDS	FY 2017-18 Qtr 1	FY 2017-18 Qtr 2	FY 2017-18 Qtr 3	FY 2017-18 Qtr 4	FY 2018-19 Qtr 1	FY 2018-19 Qtr 2	FY 2018-19 Qtr 3	FY 2018-19 Qtr 4	TOTAL BUDGET
LACMTA PROGRAMMED FUNDS:									
MEASURE R FUNDS:									
PAED									\$0
PS&E									\$0
RW Support									\$0
Const. Support					\$250,000	\$300,000	\$300,000	\$250,000	\$1,100,000
RW									\$0
Construction					\$3,500,000	\$4,000,000	\$4,000,000	\$3,000,000	\$14,500,000
Total MEASURE R	\$0	\$0	\$0	\$0	\$3,750,000	\$4,300,000	\$4,300,000	\$3,250,000	\$15,600,000
SUM PROG LACMTA FUNDS:	\$0	\$0	\$0	\$0	\$3,750,000	\$4,300,000	\$4,300,000	\$3,250,000	\$15,600,000
PROJECT FUNDING FY2017-18 & FY2018-19	\$0	\$0	\$0	\$0	\$3,750,000	\$4,300,000	\$4,300,000	\$3,250,000	\$15,600,000
SUMMARY OF ALL FUNDS									
PAED	\$0	\$0	\$0	\$46,835	\$50,000	\$75,000	\$75,000	\$53,165	\$300,000
PS&E	\$400,000	\$400,000	\$500,000	\$400,000	\$200,000	\$125,000	\$175,000	\$250,000	\$2,450,000
RW Support	\$150,000	\$100,000	\$0	\$0	\$0	\$0	\$50,000	\$100,000	\$400,000
Const. Support	\$0	\$0	\$0	\$400,000	\$450,000	\$400,000	\$350,000	\$300,000	\$1,900,000
RW	\$0	\$200,000	\$250,000	\$0	\$0	\$0	\$0	\$0	\$450,000
Construction	\$0	\$0	\$0	\$0	\$3,500,000	\$4,000,000	\$4,000,000	\$3,000,000	\$14,500,000
TOTAL MILESTONES	\$550,000	\$700,000	\$750,000	\$846,835	\$4,200,000	\$4,600,000	\$4,650,000	\$3,703,165	\$20,000,000
SUM PROG LACMTA FUNDS	\$550,000	\$700,000	\$750,000	\$846,835	\$4,200,000	\$4,600,000	\$4,650,000	\$3,703,165	\$20,000,000
SUM NON-LACMTA FUNDS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL PROJECT FUNDING	\$550,000	\$700,000	\$750,000	\$846,835	\$4,200,000	\$4,600,000	\$4,650,000	\$3,703,165	\$20,000,000

ATTACHMENT C

SCOPE OF WORK

PROJECT TITLE: SR138 (SR-14) Avenue M Interchange

PROJECT LOCATION:

The project is located in the City of Lancaster, at the Avenue M / SR 138 (SR-14) Interchange and surrounding area.

PROJECT LIMITS:

This project limits are on SR 138 (SR-14) at Avenue G, and on Avenue G between 10th Street West and 20th Street West.

NEXUS TO HIGHWAY OPERATION DEFINITION / PROJECT PURPOSE:

The purpose of this project is to improve operational capacity at this interchange and surrounding local streets eliminating congestion, while improving way-finding and other context sensitive solutions.

PROJECT BACKGROUND:

The City of Lancaster and Caltrans have previously identified the need to improve this interchange. Additionally, the City of Lancaster, City of Palmdale and Los Angeles County (who all share jurisdiction at this interchange) were processing a cooperative agreement amongst the jurisdictions to proceed with a Project Study Report. Funding made available through the Measure R SR-138 Capacity Enhancements will improve the interchange, improving mobility between the freeway and local streets and enhancing safety.

PROJECT SCOPE:

This project will improve the SR-14 Freeway / Avenue M interchange by widening Avenue M and the Avenue M overcrossing from one to up to three lanes in each direction. This project will also include improvements along Avenue M, possible SR-138 (SR-14) mainline improvements to accommodate ramp geometric changes and additions, and other determined enhancements to alleviate congestion, and significant enhancements on Avenue G. The proposed improvements include:

- Bridge widening at SR-138 (SR-14)
- Miscellaneous utility improvements
- Interchange geometric changes
- Signals at on and off ramps, or other intersection control alternative
- Interchange landscaping
- Intersection modifications on Avenue M at 10th Street West and 20th Street West, signals
- Widening of Avenue M
- New medians on Avenue M
- Pedestrian improvements

- Way-finding
- Right-of-way acquisition
- Local street pavement improvements
- Other context sensitive solutions within project area

PROJECT COST:

		% of Cost
Planning	\$ 0,000,000	
PA&ED	\$ 500,000	2.5%
PS&E	\$ 1,925,000	9.6%
Right of Way Support	\$ 250,000	1.3%
Right of Way Acquisition	\$ 650,000	3.3%
Construction Support	\$ 1,425,000	7.1%
Construction	\$ 15,250,000	76.2%
Total Project Cost	\$ 20,000,000	100%

PROJECT BUDGET:

		% of Budget
METRO	\$ 20,000,000	100%
GRANTEE	\$ 0,000,000	
OTHER FUNDING	\$ 0,000,000	
Total	\$ 20,000,000	100%

MILESTONES: The implementation schedule for this project will be as follows.

	START DATE	COMPLETION DATE
SOLICITATION (BID/PROPOSAL)		
Develop Solicitation Package	July 2013	August 2013
Solicitation Response	August 2013	September 2013
Evaluations	September 2013	September 2013
Selection	September 2013	September 2013
Board Approval	October 2013	October 2013
Contract Award	October 2013	November 2013
Fully Executed Contract	November 2013	December 2013
PA&ED		
Draft Environmental Document	December 2013	June 2014
Final Environmental Document	June 2014	September 2014
PS&E		
35% PS&E		
General 35% PS&E	February 2014	March 2015
65% PS&E		
General 65% PS&E	March 2015	January 2016
95% PS&E		
General 95% PS&E	January 2016	August 2016
Submittals & Reviews		
Submit Final PS&E	August 2016	December 2016
Outside Agency Review		
RIGHT OF WAY SUPPORT		
Certification/Mapping	August 2014	March 2015
Appraisal	January 2015	April 2015
RIGHT OF WAY ACQUISITION		
General Right of Way Acquisition	April 2015	December 2015

CONSTRUCTION MILESTONES:

	START DATE	COMPLETION DATE
Solicitation (Bid/Proposal)		
Develop Solicitation Package	June 2017	August 2017
Contract Award	October 2017	October 2017
Fully Executed Contract	November 2017	December 2017
Other Construction Activities		
Construction Start	February 2018	February 2018
Construction Completion	July 2019	July 2019
Other (Project Closure)	July 2019	October 2019

ATTACHMENT C -Location Map(s)



SR-138 Capacity Enhancements FA - ATTACHMENT D REPORTING & ADMINISTRATIVE GUIDELINES

REPORTING PROCEDURES

- Monthly Progress Report (Attachment D1) and Quarterly Expenditure Report (Attachment D2) are required for all projects. The Grantee shall be subject to and comply with all applicable requirements of the funding agency regarding project-reporting requirements. In addition, Grantee will submit the reports to the LACMTA at **P.O. Box 512296, Los Angeles, CA 90051-0296**. Please note that letters or other forms of documentation may not be substituted for this form.
- The Monthly Progress Report and the Quarterly Expenditure Report covers all activities related to the project and lists all costs incurred. It is essential that Grantee provide complete and adequate response to all the questions. The expenses listed must be supported by appropriate documentation with a clear explanation of the purpose and relevance of each expense to the project. Expenses must reflect the proportionate share of local match, including in-kind, charged to the grant.
- In cases where there are no activities to report, or problems causing delays, clear explanation, including actions to remedy the situation, must be provided.
- Grantees are required to track and report on the project schedule. LACMTA will monitor the timely use of funds and delivery of projects. Project delay, if any, must be reported each quarter. Projects not delivered in a timely manner will be reevaluated by LACMTA as part of the annual Measure R allocation update process and the Funds may be deobligated and reprogrammed by the LACMTA Board.
- The Monthly Progress Report is due to the LACMTA as soon as possible on the last day of each month. The Quarterly Expenditure Report is due to the LACMTA as soon as possible after the close of each quarter, but no later than the following dates for each fiscal year:

<i>Quarter</i>	<i>Report Due Date</i>
July –September	November 30
October - December	February 28
January - March	May 31
April - June	August 31

Upon completion of the Project a final report that includes project’s final evaluation must be submitted.

EXPENDITURE GUIDELINES

- Any activity or expense charged above and beyond the approved Scope-of-Work (MOU Attachment C) **is considered ineligible** and will not be reimbursed by the LACMTA unless **prior written authorization** has been granted by the LACMTA Chief Executive Officer or his designee.
- Any expense charged to the grant or local match, including in-kind, must be clearly and directly related to the project.

SR-138 Capacity Enhancements FA - ATTACHMENT D

REPORTING & ADMINISTRATIVE GUIDELINES

- Any activity or expense charged as local match cannot be applied to any other LACMTA-funded or non-LACMTA-funded projects; activities or expenses related to a previously funded project cannot be used as local match for the current project.
- Administrative cost is the ongoing expense incurred by the Grantee for the duration of the project and for the direct benefit of the project as specified in the Scope-of-Work (Attachment C). Examples of administrative costs are personnel, office supplies, and equipment. As a condition for eligibility, all costs must be necessary for maintaining, monitoring, coordinating, reporting and budgeting of the project. Additionally, expenses must be reasonable and appropriate to the activities related to the project.
- LACMTA is not responsible for, and will not reimburse any costs incurred by the Grantee prior to the execution of the MOU, unless **written authorization** has been granted by the LACMTA Chief Executive Officer or his/her designee.
- The MOU is considered executed when the LACMTA Chief Executive Officer or her designee signs the document.

DEFINITIONS

- Local Participation: Where local participation consists of “in-kind” contributions rather than funds, the following contributions may be included:
 - Costs incurred by a local jurisdiction to successfully complete the project. Examples include engineering, design, rights-of-way purchase, and construction management costs.
 - Donations of land, building space, supplies, equipment, loaned equipment, or loaned building space dedicated to the project.
 - Donations of volunteer services dedicated to the project.
 - A third-party contribution of services, land, building space, supplies or equipment dedicated to the project.
- Allowable Cost: To be allowable, costs must be reasonable, recognized as ordinary and necessary, consistent with established practices of the organization, and consistent with industry standard of pay for work classification.
- Excessive Cost: Any expense deemed “excessive” by LACMTA staff would be adjusted to reflect a “reasonable and customary” level. For detail definition of “reasonable cost”, please refer to the Federal Register *OMB Circulars A-87 Cost Principals for State and Local Governments; and A-122 Cost Principals for Nonprofit Organizations*.
- In-eligible Expenditures: Any activity or expense charged above and beyond the approved Scope-of-Work is considered in eligible.

LACMTA
 SR-138 Capacity Enhancements Funding Agreement - ATTACHMENT D1
 MONTHLY PROGRESS REPORT

Grantee To Complete	
Invoice #	
Invoice Date	
FA#	
Monthly Report #	

GRANTEES ARE REQUESTED TO MAIL THIS REPORT TO
 P.O. Box #512296, Los Angeles, CA 90051-0296 after the close
 of each month. Please note that letters or other forms
 of documentation may not be substituted for this form. Refer to the
 Reporting and Expenditure Guidelines (Attachment D) for further information.

SECTION 1: GENERAL INFORMATION

PROJECT TITLE: _____

FA #: _____

MONTHLY REPORT SUBMITTED FOR: Month: _____ Year: _____

DATE SUBMITTED: _____

LACMTA Area Team Representative / Project Mgr.	Name:	
	Department:	
	Phone Number:	
	e-mail:	
GRANTEE Contact / Project Manager	Contact Name:	
	Job Title:	
	Department:	
	City / Agency:	
	Mailing Address:	
	Phone Number:	
	e-mail:	

LACMTA
 SR-138 Capacity Enhancements Funding Agreement - ATTACHMENT D1

MONTHLY PROGRESS REPORT

SECTION 3 : MONTHLY PROGRESS REPORT

1. DELIVERABLES & MILESTONES

List all deliverables and milestones as stated in the FA, with start and end dates. DO NOT CHANGE THE ORIGINAL FA MILESTONE START AND END DATES BELOW.

Grantees must make every effort to accurately portray milestone dates in the original FA Scope of Work, since this will provide the basis for calculating any project delay. If milestone start and/or end dates change from those stated in the Original FA S

FA Milestones	Original FA Start Date in Scope of Work (Month/Year) a	Original FA End Date in Scope of Work (Month/Year) b	LACMTA Approved Changes (Months) c	LACMTA Approved Completion Schedule d=b+c	Actual Start Date (Month/Year)	Actual End Date (Month/Year)	Percent Completed By Time	Current Completion Forecast (Month/Year) e	Schedule Variance (Months) f=e-d
SOLICITATION (BID/PROPOSAL)									
Develop Solicitation Package									
Solicitation Response									
Evaluations									
Selection									
Board Approval									
Contract Award									
Fully Executed Contract									
PLANNING									
Prepare Concept Report									
Prepare Feasibility Study									
Prepare Project Study Report									
Intelligent Transportation									
Feasibility Study									
Concept Exploration									
OTHER: (Please specify)									
Preliminary Design									
Prepare Detailed Design Plans									
Prepare Detailed Construction									
Prepare Project Cost Estimate									
Intelligent Transportation									
Concept of Operations									
System Requirements									
High Level Design									
PA&ED									
Prepare Environmental Scoping									
Technical Studies									
Draft Environmental									
Final Environmental									
Community Outreach									
Secure Project Approval									
Intelligent Transportation									
Categorical Exemption									
OTHER: (Please specify)									
PS&E									
35% PS&E									
Preliminary Investigations									
Preliminary Foundation									
Geometric Drawings									
Bridge Type Selection									
ADL Review									
Utilities									
Right-of-Way									
Estimating									
Civic Design									
Structural Design									
Intelligent Transportation									
Detailed Design									
ITS Drawings									
System Plans									
Communications Plans									
Systems Integrations Plans									
Equipment Specifications									
Software Specifications									
Project Review & Comments									
65% PS&E									
Civil Design Plans									
Right-of-Way Engineering									
Structural Design									
Prepare Project Cost									
Intelligent Transportation									
Detailed Design									
ITS Drawings									
System Plans									
Communications Plans									
Systems Integrations Plans									
Equipment Specifications									
Software Specifications									
Project Review & Comments									

LACMTA
 SR-138 Capacity Enhancements Funding Agreement - ATTACHMENT D1
 MONTHLY PROGRESS REPORT

FA Milestones	Original FA Start Date In Scope of Work (Month/Year) a	Original FA End Date in Scope of Work (Month/Year) b	LACMTA Approved Changes (Months) c	LACMTA Approved Completion Schedule d=b+c	Actual Start Date (Month/Year)	Actual End Date (Month/Year)	Percent Completed By Time	Current Completion Forecast (Month/Year) e	Schedule Variance (Months) f=e-d
95% PS&E									
Civil Design Plans									
Structural Design									
Intelligent Transportation									
Detailed Design									
ITS Drawings									
System Plans									
Communications Plans									
Systems Integrations Plans									
Equipment Specifications									
Software Specifications									
Submittals & Reviews									
Submit Final PS&E									
Outside Agency Review									
OTHER: (Please specify)									
ROW									
Certification/Mapping									
Title Report									
Meet with Property Owners									
Appraisal									
Environmental Investigation									
Closing/Acquisition/Relocation									
Physical Possession									
Remediation									
Third Party Coordination									
UTILITY RELOCATION									
Third Party Coordination									
Design Utilities									
Relocate Utilities									
OTHER: (Please specify)									

LACMTA
 SR-138 Capacity Enhancements Funding Agreement - ATTACHMENT D1
 MONTHLY PROGRESS REPORT

FA Milestones	Original FA Start Date In Scope of Work (Month/Year) a	Original FA End Date in Scope of Work (Month/Year) b	LACMTA Approved Changes (Months) c	LACMTA Approved Completion Schedule d=b+c	Actual Start Date (Month/Year)	Actual End Date (Month/Year)	Percent Completed By Time	Current Completion Forecast (Month/Year) e	Schedule Variance (Months) f=e-d
CONSTRUCTION									
Solicitation (Bid/Proposal)									
Develop Solicitation Package									
Solicitation Response									
Evaluations									
Selection									
Board Approval Process									
Contract Award									
Fully Executed Contract									
Excavation									
Clear/Grub									
Survey									
Sample Borings									
Grading									
Compaction									
Drainage									
Environmental									
Hazardous Materials Handling									
Arhaeological									
Air Quality Monitoring									
Concrete									
Form Work									
Rebar Placement									
Imbeds									
Testing									
Finishing									
Traffic Control									
TMP									
Structural									
False Work									
Iron Placement									
Pole Placement									
Utilities									
DWP									
SCE									
LADOT									
Materials									
Long-Lead Equipment									
Slating									
Material Lay Down Area									
Signage									
Electrical									
Power U/G Communications									
A/G Testing/Acceptance									
Landscape									
Clearing									
Planting									
Plant Establishment									
Irrigation									
Testing									
Change Orders									
P.O. Processing Time									
Weather									
Third Party Issues									
Strike Labor Walk Outs									
Force Majeure									
Claims									
Intelligent Transportation System									
Hardware / Software									
Equipment Installations									
Software Development									
Systems Integration									
Device Testing									
Subsystem Verification									
System Verification									
Final Systems Acceptance									
OTHER: (Please specify)									

LACMTA
 SR-138 Capacity Enhancements Funding Agreement - ATTACHMENT D1
 MONTHLY PROGRESS REPORT

2. PROJECT COMPLETION

Based on the comparison of the original and actual project milestone schedules above, project is (select only one) :

- Ahead of original FA schedule
- On schedule per original FA schedule
- Between 12-24 months behind original schedule
- Less than 12 months behind original schedule
- More than 24 months behind original schedule

3. TASKS / MILESTONES ACCOMPLISHED

List tasks or milestones accomplished and progress made this month.

4. PROJECT DELAY

If project is delayed, describe reasons for delay (this month). Pay particular attention to schedule delays. If delay is for the same reason as mentioned in previous months, please indicated by writing "Same as Previous Month"

5. ACTION ITEMS TO RESOLVE DELAY

If the project is delayed (as described in #4), include action items that have been, or will be, undertaken to resolve the delay.

Issue(s)	Targeted Resolution/Response Date

6. COST SUMMARY

FA Milestones	Project Budget g	LACMTA Approved Changes h	Current Approved Budget i=g+h	Expenditures to Date j	Estimate At Completion k	Cost Variance l=k-i	Cost Variance	Percent Completed By Dollar Amount
PLANNING								
PA&ED								
PS&E								
ROW Support								
ROW								
CONSTRUCTION Support								
CONSTRUCTION								

7. RISK MANAGEMENT PLAN / PROJECT RISK REGISTER

This Risk Register shall include a listing of potential project risks. Identify project risks and provide a description of individual risk events or unplanned events that may occur and the estimated outcome or impact to

Risk Category	Risk Event	Risk Potential (Low/Medium/High)	Risk Mitigation Strategies	Action	Outcome
Environmental					
Planning					
Design					
ROW					
Construction					
Bid/Award					
Third Party					

I certify that I am the responsible Project Manager or fiscal officer and representative of _____ and that to the best of my knowledge and belief the information stated in this report is true and correct.

Signature _____

Date _____

Name _____

Title _____

**SR-138 Capacity Enhancements - Funding Agreement - ATTACHMENT D2
 QUARTERLY EXPENDITURE REPORT**

Grantee To Complete	
Invoice #	
Invoice Date	
FA#	
Quarterly Report #	

**GRANTEES ARE REQUESTED TO MAIL THIS REPORT TO
 P.O. Box #512296, Los Angeles, CA 90051-0296** after the close of each quarter, but no later than November 30, February 28, May 31 and August 31. Please note that letters or other forms of documentation may **not** be substituted for this form. Refer to the Reporting and Expenditure Guidelines (Attachment D) for further information.

SECTION 1: QUARTERLY EXPENSE REPORT

Please itemize grant-related charges for this Quarter on Page 5 of this report and **include totals in this Section.**

	LACMTA Measure R Grant \$	LACMTA Prop C 25% \$	Other Funding %		Total \$
Project Quarter Expenditure					
This Quarter Expenditure					0
Retention Amount					0
Net Invoice Amount (Less Retention)					0
Project-to-Date Expenditure					
Funds Expended to Date (Include this Quarter)					0
Total Project Budget					0
% of Project Budget Expended to Date					0
Balance Remaining					0

**SR-138 Capacity Enhancements - Funding Agreement - ATTACHMENT D2
 QUARTERLY EXPENDITURE REPORT**

SECTION 2: GENERAL INFORMATION

PROJECT TITLE: _____

FA #: _____

QUARTERLY REPORT SUBMITTED FOR:

Fiscal Year : 2011-2012 2012-2013 2013-2014 2014-2015
 2015-2016 2016-2017 2017-2018 2018-2019

Quarter : Q1: Jul - Sep Q2: Oct - Dec
 Q3: Jan - Mar Q4: Apr - Jun

DATE SUBMITTED: _____

LACMTA Area Team Representative / Project Mgr.	Name:	
	Area Team:	
	Phone Number:	
	e-mail:	

GRANTEE Contact / Project Manager	Contact Name:	
	Job Title:	
	Department:	
	City / Agency:	
	Mailing Address:	
	Phone Number:	
	e-mail:	

**SR-138 Capacity Enhancements - Funding Agreement - ATTACHMENT D2
QUARTERLY EXPENDITURE REPORT**

SECTION 3 : PROGRESS REPORT

1. TASKS / MILESTONES ACCOMPLISHED

List tasks or milestones accomplished and progress made this quarter.

2. PROJECT DELAY

If project is delayed, describe reasons for delay (this quarter). Pay particular attention to schedule delays. If delay is for the same reason as mentioned in previous quarters, please indicate by writing "Same as Previous Quarter".

3. ACTION ITEMS TO RESOLVE DELAY

If the project is delayed (as described in #4), include action items that have been, or will be, undertaken to resolve the delay.

**SR-138 Capacity Enhancements - Funding Agreement - ATTACHMENT D2
 QUARTERLY EXPENDITURE REPORT**

SECTION 4: ITEMIZED LISTING OF EXPENSES AND CHARGES THIS QUARTER

All expenses and charges, including grant and local match, must be itemized and listed below. Each item listed must be verifiable by an invoice and/or other proper documentation. The total amounts shown here must be equal to this quarter's expenditures

ITEM	INVOICE #	TOTAL EXPENSES / CHARGES	\$ CHARGED TO LACMTA GRANT	\$ CHARGED TO LOCAL MATCH
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
TOTAL				

Notes:

- Local match spent in each quarter, must be in the appropriate proportion to LACMTA grant.
- All receipts, invoices, and time sheets, attached and included with this Expense Report must be listed and shown under the Invoice Number column of the Itemized Listing (above).

Invoice Payment Information:

LACMTA will make all disbursements electronically unless an exception is requested in writing.
 ACH Payments require that you complete an ACH Request Form and fax it to Accounts Payable at 213-922-6107.
 ACH Request Forms can be found at www.metro.net/callforprojects.
 Written exception requests for Check Payments should be completed and faxed to Accounts Payable at 213-922-6107.

I certify that I am the responsible Project Manager or fiscal officer and representative of _____ and that to the best of my knowledge and belief the information stated in this report is true and correct.

Signature

Date

Name

Title

**Los Angeles Metropolitan Transportation Authority
 2013 Federal Transportation Improvement Program (\$000)**

TIP ID **LA0G931** Implementing Agency **Lancaster, City of**

Project Description: SR138 (SR-14) Avenue M Interchange. Project will widen Avenue M and the Avenue M overcrossing from one to up to three lanes in each direction, interchange geometric enhancements, traffic signals at on and off ramps, landscaping, intersection modifications on Avenue M at 10th Street West and 20th Street West, and pedestrian improvements.

SCAG RTP Project #:
 Study: N/A Is Model: Model #:
 PM: Ray Hunt - (661) 945-6860
 Email: rhunt@cityoflancaesterca.org
 LS: N LS GROUP#:
 Conformity Category: NON-EXEMPT

System : State Hwy Route : 14 Postmile: 64.68 to 64.68 Distance: 0 Phase: Environmental Document/Pre-Design Phase (PAED) Completion Date 12/31/2019

Lane # Extd: Lane # Prop: Imprv Desc: Air Basin: MDAB Envir Doc: FINAL ENVIRONMENTAL IMPACT REPORT - 09
 Toll Rate: Toll Colc Loc: Toll Method: Hov acs eg loc: Uza: Sub-Area: Sub-Region:
 Program Code: CARH3 - INTERCHANGE-MOD/REP/REC-LN ADD'S Lancaster-Palmdale CTIPS ID: EA #: PPNO:

	PHASE	PRIOR	12/13	13/14	14/15	15/16	16/17	17/18	BEYOND	TOTAL
Measure R	PE	\$46,835	\$253,165		\$650,000	\$1,700,000	\$100,000		\$0	\$2,750,000
	RW	\$0	\$0		\$150,000	\$700,000	\$0		\$0	\$850,000
	CON	\$0	\$0		\$0	\$400,000	\$400,000		\$15,600,000	\$16,400,000
	SUBTOTAL	\$46,835	\$253,165		\$800,000	\$2,800,000	\$500,000		\$15,600,000	\$20,000,000
	TOTAL	\$46,835	\$253,165		\$800,000	\$2,800,000	\$500,000		\$15,600,000	\$20,000,000
	TOTAL PE:	\$2,750,000								
	TOTAL RW:				\$850,000					
	TOTAL CON:						\$16,400,000			

- General Comment: Project is in the pre design phase. Project will be funded through the Measure R SR-138 Capacity Enhancements.
- Modeling Comment:
- TCM Comment:
- Narrative: New Project

- MR:
- ▶ Add funds in 11/12 in ENG for \$46,835
 - ▶ Add funds in 12/13 in ENG for \$253,165
 - ▶ Add funds in 14/15 in ENG for \$650,000, ROW for \$150,000
 - ▶ Add funds in 15/16 in ENG for \$1,700,000, ROW for \$700,000, CON for \$400,000
 - ▶ Add funds in 16/17 in ENG for \$100,000, CON for \$400,000
 - ▶ Add funds in 18/19 in CON for \$15,600,000
- Total project cost \$20,000,000

Last Revised Amendment 13-50 - Submitted Change reason: New project **Total Cos \$20,000,000**

ATTACHMENT F SPECIAL GRANT CONDITIONS

LACMTA has asked the North County Transportation Coalition (NCTC) Governing Board to provide program administration and project development and oversight over the Project in conjunction with LACMTA. In order to do so, the NCTC shall obtain a copy from LACMTA or through LACMTA's Project Database of each Monthly Progress Report (Attachment D1) and Quarterly Expenditure Report (Attachment D2) at the time Grantee submits the reports to LACMTA. The NCTC, through the Monthly Progress Reports, shall monitor progress of the Project schedule and budget and provide periodic reports to LACMTA on the status of the Project. The NCTC shall also monitor and report to LACMTA on overall program-level schedule and budget to identify and evaluate any problems that may result in Project delays or cost overruns.

The Monthly Progress Reports (Attachment D1) shall include, but are not limited to, Project progress, use of funds during the previous month, the milestones progress vs. costs, risk management plan, expenditures to date, funds committed and forecast at completion, updated Project schedule vs. Project baseline and identifying any major problems and proposed solutions. If a potential cost overrun is identified, the monthly report must detail the cost overrun and provide a recovery proposal.

The Quarterly Expenditure Reports (Attachment D2) provided by the Grantee to LACMTA shall be used by the NCTC for monitoring and reporting program expenditures to LACMTA.

For modifications that affect the terms of this FA, such as changes to project funding, scope or schedule, Grantee must obtain evidence of NCTC concurrence to modifications before formally requesting LACMTA for an amendment to this FA in writing.

ATTACHMENT G: BOND REQUIREMENTS

The provisions of this Attachment G apply only if and to the extent some or all of the Funds are derived from LACMTA issued Bonds or other debt, the interest on which is tax exempt for federal tax purposes and/or Build America Bonds as defined in the American Reinvestment and Recovery Act of 2009 or similar types of bonds (collectively, the "Bonds").

GRANTEE acknowledges that some or all of the Funds may be derived from Bonds, the interest on which is tax-exempt for federal tax purposes or with respect to which LACMTA receives a Federal subsidy for a portion of the interest cost or the investor receives a tax credit. GRANTEE further acknowledges its understanding that the proceeds of the Bonds are subject to certain ongoing limitations relating to the use of the assets financed or provided with such proceeds ("Project Costs" or "Project Components") in the trade or business of any person or entity other than a governmental organization (any such use by a person or entity other than a governmental organization is referred to as "Private Use"). Private Use will include any sale, lease or other arrangement pursuant to which a nongovernmental person or entity receives a legal entitlement of a Project Component and also includes certain agreements pursuant to which a nongovernmental person will operate or manage a Project Component. Each monthly invoice submitted by GRANTEE to reimburse prior expenditures (or to be received as an advance) shall provide information regarding the specific Project Costs or Project Components to which the Funds which pay that invoice will be allocated and whether there is or might be any Private Use associated with such Project Costs or Project Components. GRANTEE will, for the entire time over which LACMTA's Bonds or other debt remains outstanding, (1) notify and receive LACMTA's approval prior to entering into any arrangement which will or might result in Private Use and (2) maintain records, including obtaining records from contractors and subcontractors as necessary, of all allocations of Funds to Project Costs or Project Components and any Private Use of such Project Costs or Project Components in sufficient detail to comply and establish compliance with Section 141 of the Internal Revenue Code of 1986, as amended (the "Code"), or similar code provision then in effect and applicable, as determined by the LACMTA in consultation with its bond counsel.

GRANTEE will designate one or more persons that will be responsible for compliance with the obligations described in this Attachment G and notify LACMTA of such designations.