

## A G R E E M E N T

THIS AGREEMENT, made and entered into by and between the CITY OF PALMDALE, a Charter City in the County of Los Angeles (hereinafter referred to as COP), and the CITY OF LANCASTER, a Charter City in the County of Los Angeles, (hereinafter referred to as COL or Grantee):

WHEREAS, as part of the 2007 Call for Projects, the Los Angeles County Metropolitan Transportation Agency (LACMTA) entered into a Memorandum of Understanding (MOU) with the COP, for the North County Traffic Forum ITS Expansion Project (ITS Expansion Project); and

WHEREAS, the scope of the MOU for the ITS Expansion Project includes the design and construction of upgrades of the COL Central Traffic Control Management Software and certain other upgrades related to traffic control within the COL's boundaries ("COL Project" or "Project"), as set forth in detail in the Scope of Work attached hereto as Exhibit C and incorporated herein by reference; and

WHEREAS, the COP included the COL as part of the project scope of work to upgrade the COL's existing traffic signalization system, with the COL total project cost of \$1,410,821, with a COL's portion of \$282,164.20 and MTA's portion of \$1,128,656.80; and

NOW, THEREFORE, the parties hereby agree as follows:

The terms and conditions of this AGREEMENT consist of the following documents, and each is attached hereto and incorporated by reference herein as if fully set forth herein:

1. Part I - Specific Terms of the AGREEMENT
2. Part II - General Terms of the AGREEMENT
3. Attachment A -1 – COL Project Funding
4. Attachment B - intentionally omitted
5. Attachment C - Scope of Work of COL Project
6. Attachment D - Reporting and Expenditure Guidelines
7. Attachment D1 - Quarterly Progress/Expenditure Report
8. Attachment E – intentionally omitted
9. Attachment F-1 – intentionally omitted
10. Attachment F-2 – Signal Synchronization and Bus Speed Improvement Program  
Special Grant Conditions
11. 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 AGREEMENT and any attachments and the Specific Terms of the AGREEMENT shall prevail over the General Terms of the AGREEMENT.

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

CITY OF PALMDALE:

By: \_\_\_\_\_ Date: \_\_\_\_\_  
David Childs  
City Manager

APPROVED AS TO FORM:

By: \_\_\_\_\_  
Wm. Matthew Ditzhazy  
City Attorney

ATTEST:

By: \_\_\_\_\_  
Rebecca J. Smith  
City Clerk

CITY OF LANCASTER:

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Mark V. Bozigian  
City Manager

APPROVED AS TO FORM :

By: \_\_\_\_\_  
Allison E. Burns  
City Attorney

ATTEST:

By: \_\_\_\_\_  
Britt Avrit  
City Clerk

PART I  
SPECIFIC TERMS OF THE AGREEMENT

1. Title of the Project (the "Project"): North County Traffic Forum ITS Expansion Project, COP Agreement No. A-3752, LACMTA Call for Projects ID#CFP F1300, FTIP # LAF1300.
2. To the extent the Funds are available, LACMTA shall make to COP a one-time grant of the Proposition C 25% funds in the amount of \$9,034,000 (the "Funds") for the ITS Expansion Project, pursuant to the MOU between LACMTA and COP (COP Agreement #A-3707),. The Funds are programmed over six (6 years, Fiscal Years (FY 2010-2011, 2011-2012, 2012-2016). LACMTA Board of Directors' action will be required annually to approve Funds for each subsequent Fiscal Year prior to those Funds being allocated to the COP.
3. This one time grant shall be paid on a reimbursement basis. The COP is considered the lead agency. The COL must provide the appropriate supporting documentation with the Quarterly Progress/Expenditure Report to the COP for submission to LACMTA. The COL Funding Commitment 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. Upon receipt funding from LACMTA, COP will make payment to COL.
4. The "Project Funding" document, which identifies all sources of funds programmed for the COL Project, is attached as **Attachment A** and incorporated herein by reference. The Project Funding includes the total programmed budget for the COL Project, including the Funds programmed by LACMTA, the COP and the COL Funding Commitment (local match). The Project Funding also includes the fiscal years in which all the funds for the Project are programmed.
5. The COL shall complete the COL Project as described in the "Scope of Work." The Scope of Work for the Project is attached to this AGREEMENT as **Attachment C**. The Scope of Work includes a description of the COL Project, a detailed description of the work to be completed by the COL including, without limitation, COL Project milestones consistent with the lapsing policy, and a set schedule. Work shall be delivered in accordance with that schedule unless otherwise agreed to by the parties in writing. If the COL is consistently behind schedule in meeting milestones or in delivering the COL Project, then the COP will have the option to terminate this AGREEMENT for default as described in Part II, Section 9. Any changes in the Scope of Work must be made by amendment.
6. No changes to the (i) grant amount, (ii) COL Project Funding, (iii) the Scope of Work, or (iv) the lapse date of the Funds shall be allowed without a written amendment to this AGREEMENT, approved and signed by the COP and LACMTA Chief Executive Officer or his/her designee. Modifications that do not materially affect the terms of this AGREEMENT, such as redistributing funds among existing budget line items or non-material schedule changes will be requested in writing by the COL and submitted to COP for LACMTA approval. Non-material changes are those changes, which do not affect the grant amount, COL Project Funding, Financial Plan, the Scope of Work, including schedule, or the lapse date of the Funds.
7. Lead Agency's Address:  
City of Palmdale  
38250 Sierra Highway  
Palmdale, CA 93550

Attention: Lynn Glidden, Senior Civil Engineer

8. Grantee's Address:  
City of Lancaster  
44933 Fern Avenue  
Lancaster, CA 93534  
Attention: Alan Perkins, Principal Traffic Engineering Technician

PART II  
GENERAL TERMS OF THE AGREEMENT

1. TERM:

1.1 The term of this AGREEMENT shall commence on the date this AGREEMENT 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 the COL. All eligible COL Project expenses as defined in the Reporting and Expenditure Guidelines (Attachment D), incurred after the AGREEMENT is executed shall be reimbursed in accordance with the terms and conditions of this AGREEMENT unless otherwise agreed to by the parties in writing.

1.2 Per the COP's MOU, should LACMTA determine there are insufficient Funds available for the COL Project, LACMTA may terminate the COP's MOU by giving written notice to the Lead Agency at least thirty (30) days in advance of the effective date of such termination. In this event, the Lead Agency will notify COL within fifteen (15) calendar days of receipt of LACMTA's notice. If the COP's MOU is terminated pursuant to this section, LACMTA will not reimburse COP any costs incurred after the termination date, except those necessary to return any facilities modified by the COL Project's construction to a safe state. LACMTA's share of these costs will be consistent with the established funding percentages outlined in the COP's MOU. If COP does not timely give notice to COL as set forth herein, COP shall reimburse COL for costs incurred during the time period between when notice should have been given to COL and when notice was actually or constructively given

2. INVOICE BY GRANTEE: Unless otherwise stated in this AGREEMENT, the Quarterly Progress/Expenditure Report, with supporting documentation of expenses and COL Project progress as described in Part II, Sections 5.1 of this AGREEMENT, and other documents as required, shall satisfy LACMTA invoicing requirements.

Send invoice with supporting documentation to:

City of Palmdale  
38250 Sierra Highway  
Palmdale, CA 93550  
ATTN: Lynn Glidden  
Re: A-3752, LACMTA Project ID# F1300

3. USE OF FUNDS:

3.1 The COL shall utilize the Funds to complete the COL Project as described in the Scope of Work and in accordance with the Reporting and Expenditure Guidelines and the most recently adopted LACMTA Proposition C Guidelines for the type of Proposition C funds

granted by LACMTA hereunder (the "Guidelines").

3.2 Attachment C shall constitute the agreed upon Scope of Work between the COP and the COL for the COL Project. The Funds, as granted under this AGREEMENT, can only be used towards the completion of the Scope of Work per the COP's MOU with LACMTA and detailed in Attachment C.

3.3 The COL shall not use the Funds to substitute for any other funds or projects not specified in this AGREEMENT. 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 COP's MOU approved and signed by both COP and LACMTA.

3.4 COL must use the Funds in the most cost-effective manner. If COL intends to use a consultant or contractor to implement all or part of the Project, COP and LACMTA requires that such activities be procured in accordance with Grantee's contracting procedures and consistent with State law. 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.

3.5 If Grantee desires to use the Funds to purchase/lease equipment (i.e., vehicles, computers, etc.) necessary to perform or provide the services disclosed in the Scope of Work, Grantee must obtain COP's and LACMTA's written consent prior to purchasing/leasing specific equipment. Equipment purchased/leased without such prior written consent shall be deemed an unallowable expenditure of the Funds. 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 COL Project is discontinued, any Funds expended for that purpose must be returned to COP who will forward to LACMTA as follows: Grantee will be required to repay the Funds in proportion to the useful life remaining in accordance with the Guidelines and in an equal proportion of the grant to Grantee Funding Commitment ratio.

4. DISBURSEMENT OF FUNDS: Disbursements shall be based on a reimbursement basis in accordance with the Quarterly Progress/Expenditure Report. COL will provide an invoice for work involved to COP who will then forward to LACMTA and upon receipt of funding COP will issue payment to COL. Grantee must provide detailed supporting documentation with its Quarterly Progress/Expenditure Report. Grantee Funding Commitment must be spent in direct proportion to the Funds with each quarter's payment.

5. REPORTING AND AUDIT REQUIREMENTS/PAYMENT ADJUSTMENTS:

5.1 Grantee shall submit the Quarterly Progress/Expenditure Report (Attachment D1) within 60 days after the close of each quarter on the last day of the months November, February, May and August to COP who will forward to LACMTA. Should Grantee fail to submit such reports within 10 days of the due date and/or submit incomplete reports, payment will be delayed. The Quarterly Progress/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 COL Project. If no activity has occurred during a particular quarter, Grantee will still be required to submit the Quarterly Progress/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.

5.2 Per the COP's MOU, LACMTA and/or its designee, shall have the right to conduct audits of the COL 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 COL 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 MOU 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 COP, who will then forward to LACMTA, for any expenditure not in compliance with the Scope of Work and/or not in compliance with other terms and conditions as defined by this MOU and the Guidelines. Grantee's expenditures submitted to COP and forwarded to LACMTA, for this project, shall be in compliance with Federal Acquisition Regulations, Subpart 31 (FAR). Findings of the LACMTA audit are final. When audit findings require Grantee to return monies, Grantee agrees to return the monies within thirty (30) days after the final audit is sent to Grantee.

5.3 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 COL 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 COL 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.

5.4 Grantee shall cause all contractors to comply with the requirements of Part II, Section 5, paragraphs 5.2 and 5.3 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 COL Project.

5.5 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 COL Project, and shall be allowed to interview any employee of Grantee and its contractors through final payment to the extent reasonably practicable.

5.6 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 MOU.

5.7 In addition to LACMTA's other remedies as provided in this AGREEMENT,

LACMTA shall withhold the Funds and/or recommend not to award future Call for Projects grants to Grantee 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 COP's MOU and the Guidelines, including the access to records provisions of Part II, Section 5.

5.8 When business travel associated with the COL 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. ONE TIME GRANT: This is a one time only grant subject to the terms and conditions agreed to herein and in the Guidelines.

7. SOURCES AND DISPOSITION OF FUNDS:

7.1 Per the COP's MOU, the obligation for LACMTA to grant the Funds for the Project is subject to sufficient Funds being made available for the COL Project by the LACMTA Board of Directors. If such Funds are not made available for the COL Project, the COP's MOU shall be void and have no further force and effect, and LACMTA shall have no obligation to provide the Funds for the COL Project, unless otherwise agreed to in writing by LACMTA. In this event, COP shall give COL notice in writing within fifteen (15) calendar days from receipt of notice from LACMTA. If COP does not timely give notice to COL as set forth herein, COP shall reimburse COL for costs incurred during the time period between when notice should have been given to COL and when notice was actually or constructively given.

7.2 Grantee shall fully fund and contribute the Grantee Funding Commitment, as 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 COL Project, Grantee agrees to secure and provide funds necessary to complete the COL Project.

7.3 Grantee shall be responsible for any and all cost overruns for the COL Project.

7.4 Grantee shall be eligible for the Funds up to the amount specified in Project Funding (Attachment A) subject to the terms and conditions contained herein and in the Guidelines. Any Funds expended by Grantee prior to the execution of this AGREEMENT shall not be reimbursed nor shall they be credited toward the Grantee Funding Commitment requirement, without the prior written consent of COP and LACMTA. Grantee Funding Commitment dollars expended prior to the year the Funds are awarded shall be spent at Grantee's own risk.

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

8. TIMELY USE OF FUNDS / REPROGRAMMING OF FUNDS:

8.1 Grantee must demonstrate timely use of the Funds by:

- (i) executing this AGREEMENT within ninety (90) days of receiving formal transmittal; and
- (ii) meeting the COL Project milestones due dates as agreed upon by the Lead Agency and Grantee in Attachment C (Scope of Work) of this AGREEMENT. Contracts for construction or capital purchase shall be executed within nine (9) months from the date of completion of design. COL Project design (preliminary engineering) must begin within six (6) months from the identified milestone start date. Funds programmed by LACMTA for COL Project development or right-of-way costs must be expended by the end of the second fiscal year following the year the Funds were first programmed; and
- (iii) submitting the Quarterly Progress/Expenditure Report as described in Part II, Section 5.1 of this AGREEMENT; and
- (iv) expending the Funds granted under this AGREEMENT for allowable costs within 36 months from July 1 of the Fiscal Year in which the Funds are programmed, unless otherwise stated in the COP's MOU.

If Grantee fails to meet any of the above conditions, the COL Project shall be considered lapsed and will be submitted to the COP who will file with the LACMTA Board of Directors for deobligation. Expenses that are not invoiced within 60 days after the lapsing date are not eligible for reimbursement.

8.2 In the event that the timely use of the Funds is not demonstrated as described in Part II, Section 8.1 of this AGREEMENT, the COL Project will be reevaluated by LACMTA as part of its annual Call for Projects Recertification/Deobligation process and the Funds may be deobligated and reprogrammed to another project by the LACMTA Board of Directors. If Grantee does not complete one element of the COL Project due to all or a portion of the Funds lapsing, the entire COL Project may be subject to deobligation at LACMTA's sole discretion. In the event that all the Funds are reprogrammed, the COP's MOU shall automatically terminate.

9. DEFAULT: A Default under this AGREEMENT is defined as any one or more of the following: (i) Either party fails to comply with the terms and conditions contained herein or in the Guidelines; or (ii) Grantee fails to perform satisfactorily or makes a material change, as determined by LACMTA at its sole discretion, to the Financial Plan, the Scope of Work, or the Project Funding without COP's and LACMTA's prior written consent or approval as provided herein; or (iii) COP fails to provide timely notice as set forth herein.

10. REMEDIES:

10.1 In the event of a Default by Grantee, COP 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 COP shall have the following remedies: (i) COP may terminate this Agreement; (ii) COP may make no further disbursements of Funds to Grantee; and/or (iii) COP and LACMTA may recover from Grantee any Funds disbursed to Grantee as allowed by law or in equity.

10.2 Effective upon receipt of written notice of termination from COP and

LACMTA, Grantee shall not undertake any new work or obligation with respect to this Agreement unless so directed by COP in writing. Any Funds expended after termination shall be the sole responsibility of Grantee.

10.3 In the event of a Default by COP, COL shall provide written notice of such Default to COP with a 30-day period to cure the Default. In the event COP fails to cure the default, or commit to cure the Default and commence the same within such 30-day period to the satisfaction of COL, COL shall have the following remedies: (i) COL may terminate this Agreement; (ii) COL may recover its costs incurred beginning from the date of the original Default.

10.4 The remedies described herein are non-exclusive. Either party 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.

## 11. COMMUNICATIONS:

11.1 Grantee shall ensure that all Communication Materials contain recognition of LACMTA's contribution to the Project. Grantee shall ensure that at a minimum, all Communications Materials shall include (i) the phrase "This project was partially funded by Metro" or alternative acceptable minimum language; and (ii) the Metro logo, with the exception of press releases, which do not require a Metro logo.

11.2 If Grantee produces any Communication Materials that do not contain the information set forth in Section 11.1 above, Grantee must provide an opportunity for prior review and written comment by the Chief Communications Officer of LACMTA or its designee before such materials can be produced. Grantee is to submit the above to COP who will forward to LACMTA for review. If Grantee does not receive a response from COP within seven (7) working days from the day of receipt by COP, Grantee may proceed with producing the Communications Materials as proposed.

11.3 For purposes of this AGREEMENT, "Communications Materials" include, but are not limited to, literature, newsletters, publications, websites, advertisements, brochures, maps, information materials, video, radio and public service announcements, press releases, press event advisories, and all other related materials.

11.4 For signage on Project structures, facilities, vehicles and construction sites, Grantee shall use the phrase, "Funded in part by [Metro logo]" or "Your tax dollars at work [Metro logo]" or alternative acceptable language. Further guidance on acknowledging LACMTA contribution is provided in the Communications Materials guidelines available from the LACMTA Communications Division.

11.5 Grantee shall notify the COP of all press events related to the Project in such a manner that allows COP to inform LACMTA to participate in such events, at LACMTA's sole discretion.

11.6 The Metro logo is a trademarked item that shall be reproduced and displayed in accordance with specific graphic guidelines available from the LACMTA Communications Division.

11.7 Grantee shall ensure that any subcontractor, including, without limitation, public relations, public affairs, and/or marketing firms hired to produce Project Communications

Materials will comply with the requirements contained in this Section 11.

12. OTHER TERMS AND CONDITIONS:

12.1 This AGREEMENT, along with its Attachments and the Guidelines, constitutes the entire understanding between the parties, with respect to the subject matter herein. The AGREEMENT shall not be amended, nor any provisions or breach hereof waived, except in writing signed by the parties who agreed to the original AGREEMENT or the same level of authority. Adoption of revisions or supplements to the Guidelines shall cause such revisions or supplements to become incorporated automatically into this AGREEMENT as though fully set forth herein.

12.2 Grantee is obligated, to continue using the COL Project dedicated to the public transportation purposes for which the COL Project was initially approved. The COL Project right-of-way, the COL Project facilities constructed or reconstructed on the COL Project site, and/or COL 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 AGREEMENT. Equipment acquired as part of the COL Project, including office equipment, transit 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.

12.3 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 AGREEMENT, to protect or establish any rights or remedies hereunder, each party shall bear its own costs and expenses, including attorney's fees.

12.4 Neither COP 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 AGREEMENT. Grantee shall fully indemnify, defend and hold COP, 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) misuse of the Funds by Grantee, or its officers, agents, employees, contractors or subcontractors; (ii) breach of Grantee's obligations under this AGREEMENT; 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 AGREEMENT.

12.5 Neither COL 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 COP under or in connection with any work performed by and or service provided by COP, its officers, agents, employees, contractors and subcontractors under this AGREEMENT. COP shall fully indemnify, defend and hold COL, 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) misuse of the Funds by COP, or its officers, agents, employees, contractors or subcontractors; (ii) breach of COP's obligations under this AGREEMENT; or (iii) any act or omission of COP, or its officers, agents, employees, contractors or subcontractors in the performance of the work or the provision of the services, in connection with the COL Project including, without limitation, the Scope of Work, described in this AGREEMENT.

12.5 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 AGREEMENT.

12.6 Grantee shall comply with and insure that work performed under this AGREEMENT 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.

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

12.8 Grantee shall not assign this AGREEMENT, or any part thereof, without prior approval of the COP, and any assignment without said consent shall be void and unenforceable.

12.9 This AGREEMENT shall be governed by California law. If any provision of this AGREEMENT 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.

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

12.11 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.

12.12 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](http://www.metro.net/projects_studies/call_projects/other_resources.htm).

12.13 Grantee will advise COP prior to any key Project staffing changes.

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

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

**ATTACHMENT A-1 - PROJECT FUNDING**

CFP# F1300  
FTIP#: LAF1300

MOU.P00F1300  
A-3752

**LOCAL SALES TAX PROP C - MEMORANDUM OF UNDERSTANDING**

**PROJECT TITLE: North County Traffic Forum ITS Expansion Project**

**GRANTEE/ PROJECT SPONSOR:  
(\$ in Actual Dollars)**

(LACMTA Programmed Funding and Sponsors Match Only)

<b>PROGRAMMED FUNDS</b>	<b>FY 2010-11</b>	<b>FY 2011-12</b>	<b>FY 2012-13</b>	<b>FY 2013-14</b>	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>TOTAL BUDGET</b>	<b>% OF BUDGET</b>
LACMTA PROGRAMMED FUNDING:								
SELECT:								
Proposition C 5%								
Proposition C 10%								
Proposition C 25%	200,000	984,000	1,152,785	2,072,542	2,186,824	2,437,849	9,034,000	80.0%
Proposition C 40%								
<b>LACMTA SUBTOTAL</b>							<b>9,034,000</b>	<b>80.0%</b>
GRANTEE/SPONSOR MATCH:								
Grantee Funding Commitment (specify type)								
(Write specific type of funding match)								
SELECT:								
City General Fund								
Prop A or C Local Return	50,000	246,000	288,197	235,971	546,706	609,462	1,976,336	17.5%
STPL								
Other								
<b>City of Lancaster</b>				<b>282,164</b>			<b>282,164</b>	2.5%
<b>GRANTEE / PROJECT SPONSOR MATCH SUBTOTAL</b>							<b>2,258,500</b>	<b>20.0%</b>
<b>TOTAL PROGRAMMED FUNDING</b>	<b>\$250,000</b>	<b>\$1,230,000</b>	<b>\$1,440,982</b>	<b>\$2,590,677</b>	<b>\$2,733,530</b>	<b>\$3,047,311</b>	<b>\$11,292,500</b>	<b>100.0%</b>

√ 11,292,500

Rev: 12.15.08

MOU Attachment A

## ATTACHMENT C SCOPE OF WORK

### Project Location

This project is within the boundaries of the Antelope Valley Area of North Los Angeles County and the Angeles National Forest between the Antelope and San Fernando Valleys. Jurisdictions contained within these limits include the City Lancaster, unincorporated areas of the County of Los Angeles, and the State of California Department of Transportation (Caltrans) District 7.

### Project Description

Upgrade of City of Lancaster Central Traffic Control Management Software to allow for Adaptive Traffic Control System deployment on applicable corridors, and connection to the Los Angeles County Information Exchange Network (IEN). Modification of traffic signal timing to accommodate Adaptive Traffic Control System deployment. Installation of new traffic signal controllers or upgrade of type 170 traffic signal controller firmware at existing locations. Upgrade and installation of new communications equipment to connect traffic signals to the fiber optic ring/backbone and central control system.

### City of Lancaster Schedule & Cost

Phase 1: FY 13-14, 14-15, and 15-16

<b>Project Segment #1: the City of Lancaster Project</b>	<b>DATE</b>
BEGIN SYSTEMS ENGINEERING	12/2013
BEGIN DESIGN ENGINEERING	9/2014
COMPLETION OF PLANS & SPECIFICATIONS	3/2015
READY TO ADVERTISE	4/2015
START OF CONSTRUCTION (CONTRACT AWARD)	7/2015
<b>PROJECT COMPLETION</b>	<b>1/2016</b>

TOTAL PROJECT COST CITY OF LANCASTER	
DESIGN	\$141,000.00
CONSTRUCTION	\$1,269,821.00
<b>TOTAL</b>	<b>\$1,410,821.00</b>

PHASE 1 FUNDING ALLOCATION FOR METRO FY 2012-2013	METRO 80% ALLOCATION	CITY OF LANCASTER 20% ALLOCATION	PROJECT COSTS
DESIGN	\$112,800	\$28,200.00	\$141,000
CONSTRUCTION	\$1,015,856.80	\$253,964.20	\$1,268,821
<b>TOTAL</b>	<b>\$1,128,656.80</b>	<b>\$282,164.20</b>	<b>\$1,410,821</b>

MOU ATTACHMENT D  
**REPORTING & EXPENDITURE GUIDELINES**

**REPORTING PROCEDURES**

- Quarterly Progress/Expenditure Report (Attachment D1) is 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 a quarterly report 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 Quarterly Progress/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 Call for Projects Recertification process and the Funds may be deobligated and reprogrammed by the LACMTA Board.
- The Quarterly Progress/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.
- 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 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 MOU ATTACHMENT D1  
QUARTERLY PROGRESS / EXPENSE REPORT**

Grantee To Complete	
Invoice #	
Invoice Date	
MOU#	
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 Grant \$	Local Match (incl in-kind) \$	Local Match %	Total \$
<b>Project Quarter Expenditure</b>				
This Quarter Expenditure				
Retention Amount				
Net Invoice Amount (Less Retention)				
<b>Project-to-Date Expenditure</b>				
Funds Expended to Date (Include this Quarter)				
Total Project Budget				
% of Project Budget Expended to Date				
Balance Remaining				

**SECTION 2: GENERAL INFORMATION**

PROJECT TITLE: \_\_\_\_\_

MOU #: \_\_\_\_\_

**QUARTERLY REPORT SUBMITTED FOR:**

*Fiscal Year :*     2004-2005     2005-2006     2006-2007  
                           2007-2008     2008-2009     2009-2010

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

DATE SUBMITTED: \_\_\_\_\_

**LACMTA MODAL CATEGORY:**

- Freeway         RSTI         Signal Synchronization  
 TDM             Bikeway     Pedestrian  
 Transit         TEA

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

<b>Project Sponsor Contact / Project Manager</b>	Contact Name:	
	Job Title:	
	Department:	
	City / Agency:	
	Mailing Address:	
	Phone Number:	
	e-mail:	

**SECTION 3 : QUARTERLY PROGRESS REPORT**  
**1. DELIVERABLES & MILESTONES**

List all deliverables and milestones as stated in the MOU, with start and end dates. Calculate the total project duration. DO NOT CHANGE THE ORIGINAL MOU MILESTONE START AND END DATES SHOWN IN THE 2<sup>ND</sup> AND 3<sup>RD</sup> COLUMNS BELOW.

Grantees must make every effort to accurately portray milestone dates in the original MOU 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 MOU Scope of Work, indicate the new dates under Actual Schedule below and re-calculate the project duration. However, this does not change the original milestones in your MOU. PER YOUR MOU AGREEMENT, ANY CHANGES TO THE PROJECT SCHEDULE MUST BE FORMALLY SUBMITTED UNDER SEPARATE COVER TO LACMTA FOR WRITTEN CONCURRENCE

MOU Milestones	Original MOU Schedule in Scope of Work		Actual Schedule	
	Start Date	End Date	Start Date	End Date
<b>Total Project Duration (Months)</b>				

**2. PROJECT COMPLETION**

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

- On schedule per original MOU schedule
- Less than 12 months behind original schedule
- Between 12-24 months behind original schedule
- More than 24 months behind original schedule

B. Was the project design started within 6 months of the date originally stated in the MOU?

- Yes
- No
- Not Applicable

C. Was a construction contract or capital purchase executed within 9 months after completion of design / specifications?

- Yes
- No
- Not Applicable

**3. TASKS / MILESTONES ACCOMPLISHED**

List tasks or milestones accomplished and progress made this quarter.

**4. 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".

**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.

**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 listed on page 1 of this report. All expenses and charges must be reflective of the approved budget and rates as shown in the MOU Attachment C, Scope of Work. Use additional pages if needed.

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				
<b>TOTAL</b>				

**Notes:**

1. Local match spent in each quarter, must be in the appropriate proportion to LACMTA grant.
2. 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 213-922-6101.  
 ACH Request Forms can be found at [www.metro.net/callforprojects](http://www.metro.net/callforprojects).  
 Written exception requests for Check Payments should be completed and faxed to Accounts Payable at 213-922-

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

**ATTACHMENT F-2**  
**SIGNAL SYNCHRONIZATION AND BUS SPEED IMPROVEMENT PROGRAM**  
**SPECIAL GRANT CONDITIONS**

1. Grantee shall provide the opportunity to LACMTA staff, other affected agencies and/or the Arterial Intelligent Transportation System (ITS) Configuration Management Committee, to review, comment and participate on all aspects of the Project implementation to achieve multi-jurisdictional consensus, including, but not limited to, scope of work, consultant selection, PS&E, system design, bid documents and Project deliverables.
2. The Project scope of work and engineering design shall conform to the LACMTA's Signal Synchronization and Bus Speed Improvement Program Guidelines and the LACMTA Before and After Study Guidelines for Signal Synchronization Projects. LACMTA shall at its discretion, condition the award of Tier 2-4 ITS grants with the requirement to perform before and after study data collection. For the purposes of establishing consistency in evaluations, for projects so conditioned, Grantee shall collect before data immediately after the design is completed and just prior to actual project construction. Grantee shall collect after data prior to the release of retention or within 1oneyear of project completion upon receiving permission from LACMTA. All data shall be furnished to the LACMTA upon request.
3. Grantee shall commit and/or secure local resources through agreement with participating agencies, to maintain and operate the Project improvements. The Grantee shall not advertise the Project for bid to begin construction before all affected agencies and/or regional Traffic Forum members have fully executed an agreement regarding the maintenance and operation of traffic signal synchronization system(s) along multi-jurisdictional corridor(s). A copy of the fully executed agreement will be delivered to the LACMTA immediately upon execution. Failure to provide proper maintenance and operation of the Project improvements may jeopardize future LACMTA funding. Additionally, there shall be no major equipment or timing-plan changes on Call funded Traffic Forum projects within the first two years of project implementation/system operation unless there is an LACMTA or lead agency written approval of a written request.
4. All Tier 3 (Computerized Traffic Signal Control and Monitoring Systems) and Tier 4 (ITS Technology and Smart Corridor Projects) developments shall be designed for system compatibility with the arterial traffic control open system architecture. The system design shall be coordinated through LACMTA staff to allow communication with the Information Exchange Network (IEN). Grantee is also required to attend the LACMTA Arterial ITS Working Configuration Management Committee in order to ensure technical project coordination.
5. Any changes made to Attachments A and/or C of this MOU must receive written approval of the LACMTA.
6. It is understood that the LACMTA/Grantee participation ratio established for this Project will apply to the total Project cost and not to the individual Project elements as defined and estimated in Attachment C.

*Note: LACMTA will make available the arterial open system traffic control and data management software, currently being developed in the East San Gabriel Valley Pilot Project to all transportation operating agencies in the Los Angeles County upon its completion for countywide applications.*