



TO: Mayor and Councilmembers

SUBMITTED BY: Jaime A. Valdez, Neighborhood Services Director

SUBJECT: Amendment No. 2 to Agreement with Santa Barbara County Association of Governments, regarding Transit and Intercity Rail Capital Program Funding for the Goleta Train Depot Project

RECOMMENDATION:

Authorize the Mayor to execute Amendment No. 2 to the Agreement between the Santa Barbara County Association of Governments and the City of Goleta, regarding the Transit and Intercity Rail Capital Program for the Goleta Train Depot Project, extending the Agreement for from December 31, 2026, to December 31, 2027, and increasing the total funding amount by \$5,600,000 for a new total amount not-to-exceed \$17,800,000.

BACKGROUND:

On April 26, 2018, the California State Transportation Agency (CalSTA) notified the Santa Barbara County Association of Governments (SBCAG) that SBCAG had been awarded \$13 million in funding as a result of submitting an application with the City of Goleta under the Transit and Intercity Rail Capital Program (TIRCP).

The Goleta Train Depot Project is the development of a new multi-modal train station at the location of the existing Amtrak platform with the intent to increase rail ridership. Through the completion of a full-service station, the project will improve connections to bus transit, accommodate transit service to/from the Santa Barbara Airport and the University of California Santa Barbara (UCSB), add new bicycle and pedestrian facilities, and allow accommodation for a potential future additional train storage that will support increased commuter rail needs. These improvements will make the new facility safer, functional, and inviting. The Project site is adjacent to the existing Amtrak platform at the northern end of South La Patera Lane.

On December 18, 2018, City Council approved an agreement with SBCAG for funding for the Goleta Train Depot Project that included a not-to-exceed amount of \$12.2 million (Attachment 3).

The following is a brief recap of the major milestones of the Goleta Train Depot Project, which include, but are not limited to:

- On February 8, 2020, City Council adopted the required Station Area Master Plan for the Project.
- At the August 5, 2020, Special City Council Meeting, Council unanimously selected the “Traditional Theme” train depot building design.
- On October 20, 2020, the City Council supported staff’s recommended “Infill” public roadway improvements from Hollister Avenue to the terminus of South La Patera.
- The Design Review Board (DRB) provided advisory input and support for the Goleta Train Depot project design at its meeting on July 13, 2021. DRB had provided input and guidance earlier that year at its January 26, 2021, and April 27, 2021, meetings.
- On January 18, 2022, the Council certified the Goleta Train Depot Final Environmental Impact Report (EIR) and approved the Mitigation Monitoring and Reporting Program for the Goleta Train Depot Project.
- On December 22, 2022, Project staff submitted its 100% plans set to the Building Department to begin the plan check review process.
- On January 31, 2023, Project staff was notified of its successful co-application with SBCAG and additional \$5.56M in TIRCP Supplemental Funding to be matched by a \$1M commitment of City funds.
- On June 20, 2023, Council approved Amendment 1 to the SBCAG TIRCP Agreement with the City of Goleta, extending the end of the term from June 30, 2023, to December 31, 2026 (Attachment 2).
- On August 15, 2023, Project Staff presented, and Council approved, an amendment to authorize an extension and additional funding for design with Anil Verma Associates.
- On December 19, 2023, Council took a major step in the project by approving the development, plans, and specifications, and authorizing the advertising for construction, along with the approval of related professional services agreements.

DISCUSSION:

The Goleta Train Depot Project continues to move ahead with slight adjustments to the submitted plans. Staff continues its work on coordination with utilities, the Los Angeles – San Diego – San Luis Obispo (LOSSAN) Rail Corridor on its Goleta Layover Facility Expansion and preparing next steps in order to go out to bid for construction later this year.

The purpose of Amendment No. 2 to the Agreement between the Santa Barbara County Association of Governments and the City of Goleta, provided in Attachment 1, is to extend the current term that ends on December 31, 2026, to December 31, 2027, and increase the total funding amount \$5,600,000 for a new total amount not-to-exceed \$17,800,000.

This is a follow up to the June 20, 2023, action that approved Amendment 1 that extended the original term from June 30, 2023, to December 31, 2026. Amendment 2 formally amends the agreement between SBCAG and the City by incorporating the additional \$5.6M in Supplemental TIRCP funding awarded in 2023 and extends the term of the agreement by one year to December 31, 2027. SBCAG staff took this same Amendment to its Board on February 15, 2024, on the Consent Calendar where it was approved.

FISCAL IMPACTS:

Expenditures of any and all funds related to the TIRCP grant are subject to the Funding Agreement between the City of Goleta and SBCAG. The current Funding Agreement's Exhibit B states a not-to-exceed amount of \$12.2M for reimbursement to the City. This Amendment reflects the new not-to-exceed amount of \$17.8M available for reimbursement to the City.

ALTERNATIVES:

No feasible alternatives exist. The decision to not amend the funding agreement will result in no reimbursement of expenses beyond \$12.2M to the City through December 31, 2026, and bring progress on the Goleta Train Depot Project to a halt as the project moves to the construction phase.

LEGAL REVIEW BY: Megan Garibaldi, City Attorney

APPROVED BY: Robert Nisbet, City Manager

ATTACHMENTS:

1. Amendment No. 2 to Agreement between Santa Barbara County Association of Governments and the City of Goleta
2. Amendment No. 1 to Agreement between Santa Barbara County Association of Governments and the City of Goleta
3. Agreement between the Santa Barbara County Association of Governments and the City of Goleta (City Agreement No. 2018-123)

ATTACHMENT 1

Amendment No. 2 to Agreement between Santa Barbara County
Association of Governments and the City of Goleta

AMENDMENT NO. 2
to
AGREEMENT
between
SANTA BARBARA COUNTY ASSOCIATION OF GOVERNMENTS
and the
City of Goleta

The Agreement (hereinafter AGREEMENT) made by and between the SANTA BARBARA COUNTY ASSOCIATION OF GOVERNMENTS (hereafter "SBCAG") and the CITY OF GOLETA (hereafter "CITY"), and collectively referred to as the "Parties" or individually as "Party" and executed on December 19, 2018, is hereby amended ("Amendment No. 2") as follows:

1. **Section 4 "Term" is deleted and replaced in its entirety with:**

The term of this Agreement is October 18, 2018, to December 31, 2027, unless earlier terminated.

2. **EXHIBIT B "Payment Arrangements" Sections "A" and "B" are deleted and replaced in their entirety with:**

A. For reimbursement to be rendered under this agreement, CITY shall be paid a total contract amount, including cost reimbursements, up to but not to exceed \$17,800,000.

B. Reimbursement of costs shall be made upon CITY's satisfactory performance, based upon the scope and methodology contained in Exhibit A. Invoices submitted for payment must contain sufficient detail to enable an audit of the charges and provide supporting documentation if so specified in Exhibit A. CITY will submit claims for reimbursement to SBCAG quarterly for PROJECT costs incurred by CITY staff and consultants for all Preliminary Engineering/Environmental, Permitting, Final Design and Construction phases of PROJECT. SBCAG will seek reimbursement from the STATE for these costs under the terms of the Master Agreement and process CITY invoices within 30 days of receipt.

3. **Section 33 "Master Agreement & Program Supplements" is deleted and replaced in its entirety with:**

CITY agrees to all terms and conditions as set forth for SBCAG, as Recipient, in the Master Agreement No. 64SBCAGMA which is attached as Exhibit D and incorporated herein by reference to be managed by SBCAG.

Ratifications. The terms and provisions set forth in Amendment No. 2 shall modify and supersede all inconsistent terms and provisions set forth in the Agreement. The terms and provisions of the Agreement, except as expressly modified and superseded by this Amendment No. 2 are ratified and confirmed and shall continue in full force and effect, and shall continue to be legal, valid, binding, and enforceable obligations of the Parties.


Counterparts. This Amendment No. 2 may be executed in several counterparts, all of which taken together shall constitute a single agreement between the Parties.

IN WITNESS WHEREOF, the Parties have executed this Amendment No. 2 to be effective on the date when fully executed by both Parties.

CITY OF GOLETA:

**SANTA BARBARA COUNTY
ASSOCIATION OF GOVERNMENTS**

By: _____
Deborah S. Lopez
City Clerk

By: 
Steve Lavagnino
Chair, Board of Directors

Date: _____

Date: 1.15.24

By _____
Paula Perotte, Mayor

Attest:
Marjie Kirn, Executive Director
Clerk of the Board

By: 

APPROVED AS TO ADMINISTRATION:

APPROVED AS TO FORM:

By _____
Robert Nisbet, City Manager

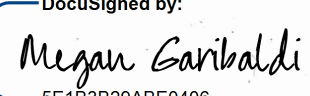
Rachel Van Mullem
County Counsel

By: 
Senior Deputy County Counsel

APPROVED AS TO FORM:

Megan Garibaldi
City Attorney

By: _____
City Attorney

DocuSigned by:

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California State Transportation Agency
Transit and Intercity Rail Capital Program

Grant Recipient:

Santa Barbara County Association of Governments

CalSTA Transit and Intercity Rail Capital Program Administered by:

California Department of Transportation
Division of Local Assistance
1120 N Street, Room 3300
P.O. Box 942874, MS-39
Sacramento, California 94274-0001

TABLE OF CONTENTS

RECITALS _____	4
ARTICLE I - DEFINITIONS _____	5
ARTICLE II – TIRCP PROJECTS AND ADMINISTRATION _____	7
Section 1. TIRCP Projects and Project Management _____	7
Section 2. Program Supplement _____	8
A. General _____	8
B. Project Overrun _____	10
C. Cost Savings and Project Completion _____	10
D. Scope of Work _____	11
E. Program Supplement Amendments _____	11
Section 3. Allowable Costs and Payments _____	11
A. Allowable Costs and Progress Payment Invoice _____	11
B. Final Invoice _____	12
ARTICLE III – GENERAL PROVISIONS _____	12
Section 1. Funding _____	12
Section 2. Audits and Reports _____	12
A. Cost Principles _____	12
B. Record Retention _____	13
C. Reporting Requirements _____	14
Section 3. Special Requirements _____	16
A. California Transportation Commission Resolutions _____	16
B. Recipient Resolution _____	16
C. Termination _____	17
D. Third Party Contracting _____	18
E. Change in Funds and Terms/Amendments _____	18
F. Project Ownership _____	18
G. Disputes _____	21
H. Hold Harmless and Indemnification _____	21
I. Labor Code Compliance _____	22
J. Non-Discrimination Clause _____	22
K. State Fire Marshal Building Standards Code _____	23
L. Americans with Disabilities Act _____	23
M. Access for Persons with Disabilities _____	24
N. Disabled Veterans Program Requirements _____	24
O. Environmental Process _____	24
P. Force Majeure _____	25
ARTICLE IV – MISCELLANEOUS PROVISIONS _____	25
Section 1. Miscellaneous Provisions _____	25
A. Successor Acts _____	25
B. Successor and Assigns to the Parties _____	25

C. Notice _____	25
D. Amendment _____	26
E. Representation and Warranties of the Parties _____	26
F. Construction, Number, Gender and Captions _____	28
G. Complete Agreement _____	28
H. Partial Invalidity _____	28
I. Conflicts _____	28
J. Counterparts _____	29
K. Governing Law _____	29
Appendix A - TIRCP PROGRAM GUIDELINES AND DEPARTMENT DELEGATION _____	30
Appendix B - RECIPIENT'S RESOLUTION _____	31

**STATE OF CALIFORNIA
DEPARTMENT OF TRANSPORTATION**

Effective Date of this Agreement: November 20, 2023, or upon final signature,
whichever is later

Termination Date of this Agreement: November 20, 2033

Recipient: Santa Barbara County Association of
Governments

Application Funding: The Greenhouse Gas Reduction Fund and
Senate Bill 1 Fund are the applicable funding
source covered by this Agreement and will be
identified in each specific Program
Supplement, adopting the terms of this
Agreement.

RECITALS

1. WHEREAS, The Global Warming Solutions Act of 2006, codified at Cal. Health & Safety C. § 38500 et seq. (the "Act") (Assembly Bill [AB] 32, Nunez, Chapter 488) created a comprehensive program to reduce greenhouse gas emissions in California. The Act required California to reduce greenhouse gases to 1990 levels by 2020, and to maintain and continue reductions beyond 2020. In March 2012, Governor Brown signed Executive Order B-16-2012 affirming a long-range climate goal for California to reduce greenhouse gases from the transportation sector to 80 percent below 1990 levels by 2050.

2. WHEREAS, the Cap-and-Trade Program is a key element in California's climate plan. It creates a limit on the emissions from sources responsible for 85 percent of California's greenhouse gas emissions, establishes the price signal needed to drive long-term investment in cleaner fuels and more efficient use of energy, and gives covered entities flexibility to implement the lowest-cost options to reduce greenhouse gas emissions.

3. WHEREAS, in 2012, the Legislature passed and Governor Brown signed into law three bills, AB 1532 (Pérez, Chapter 807, Statutes of 2012), Senate Bill (SB) 535 (De León, Chapter 830, Statutes of 2012), and SB 1018 (Budget and Fiscal Review Committee, Chapter 39, Statutes of 2012), that established the Greenhouse Gas Reduction Fund (GGRF) to receive proceeds from the distribution of allowances via auction and provided the framework for how those auction proceeds will be

appropriated and expended. These statutes require that expenditures from the GGRF be used to facilitate the achievement of greenhouse gas emission reductions and further the purposes of the Act.

4. WHEREAS, in 2017, the Legislature passed and Governor Brown signed into law the Road Repair and Accountability Act of 2017 SB 1, which directed additional funding to the Transit and Intercity Rail Capital Program (TIRCP).

5. WHEREAS, TIRCP is funded pursuant to Public Resources Code section 75220 et seq. and Health and Safety Code section 39719(b)(1)(A).

6. WHEREAS, as directed by Cal. Pub. Resources C. §§ 75223, 75224, CalSTA has established and updated TIRCP Program Guidelines that describe the policy, standards, criteria, and procedures for the development, adoption, and management of the TIRCP Program.

7. WHEREAS, Recipient submitted an application, been evaluated and selected by CalSTA in accordance with the TIRCP Program Guidelines.

8. WHEREAS, on August 17, 2015, CalSTA delegated the administration of the TIRCP Program to the Department pursuant to the TIRCP Program Guidelines and the Department's policies and procedures for the administration of similar grant programs.

9. NOW THEREFORE, in consideration of the recitals and the rights, duties and covenants set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree to the following:

10. This Agreement, entered into effective as of the date set forth above, is between the signatory public entity identified hereinabove, (hereinafter referred to as Recipient), and the STATE OF CALIFORNIA, acting by and through the California Department of Transportation (hereinafter referred to as DEPARTMENT), and subject to the approval of the California State Transportation Agency (CalSTA).

ARTICLE I - DEFINITIONS

The terms defined in this Article I shall for all purposes of this Agreement have the meanings specified herein.

1.1 "Act" refers to the Global Warming Solutions Act of 2006 (the "Act") (Assembly Bill [AB] 32, Nunez, Chapter 488) codified at Cal. Health & Safety C. §§ 38500 et seq.

1.2 “Agreement” shall mean this Agreement, inclusive of all appendices and Program Supplements, whereby the Department, on behalf of CalSTA, and pursuant to the Act and as set forth herein, administers the TIRCP Program.

1.3 “Award Agreement” shall mean a project-specific subcontract to this agreement executed following Project award and may include Project specific information, expected outcomes, and deliverables.

1.4 “California Department of Transportation” or “Caltrans” or “Department” or “State” means the State of California, acting by and through its Department of Transportation of the State of the State of California, and any entity succeeding to the powers, authorities and responsibilities of the Department invoked by or under this Agreement or the Program Supplements.

1.5 “California Transportation Commission” or “CTC” shall refer to the commission established in 1978 by Assembly Bill 402 (Chapter 1106, Statutes of 1977).

1.6 “Effective Date” means the date set forth on page 4 of this Agreement.

1.7 “Greenhouse Gas Reduction Funds” or “GGRF” shall mean the funds subject to Chapter 26, Statutes of 2014, authorizing the State to fund capital improvements and operational investments for California’s transit systems and intercity, commuter, and urban rail systems.

1.8 “Senate Bill 1” or “SB 1” shall mean the funds subject to Chapter 5, Statutes of 2017, authorizing the State to fund capital improvements and investments for California’s transit systems and intercity, commuter, and urban rail systems.

1.9 “Overall Funding Plan” has the meaning set forth in Article II, Section 2(A)(5)(C).

1.10 “Program Guidelines” shall mean the policy, standards, criteria, and procedures for the development, adoption and management of the TIRCP Projects established by CalSTA and provided in Appendix A.

1.11 “Program Supplement” shall mean a project-specific subcontract to this Agreement that is executed following a CTC approved action and includes all Project specific information needed to encumber funding and shall include expected outcomes and deliverables. Also referred to as Project Supplement Agreement.

1.12 “Program Supplement Last Expenditure Date” and refers to the last date for Recipient to incur valid Project costs or credits.

1.13 “Program Supplement Termination” shall occur when the Recipient's obligations have been fully performed as set forth in Article II, Section 2D and Article III, Section 3(C)(2) or when terminated by convenience as set forth in Article III, Section 3(C)(1).

1.14 “Project” shall mean the project identified in Recipient's application.

1.15 “Project Closeout Report” shall have the meaning set forth in Article II, Section 3(B).

1.16 “Project Financial Plan” shall have the meaning set forth in Article II, Section 2(A)(5)(d).

1.17 “Progress Payment Invoice” shall have the meaning set forth in Article II, Section 3A.

1.18 “Project Schedule” has the meaning set forth in Article II, Section 2(A)(5)(b).

1.19 “Scope of Work” has the meaning set forth in Article II, Section 2(A)(5)(a).

1.20 “Secretary” shall mean the Secretary of the California State Transportation Agency (CalSTA). Unless the context otherwise requires, any reference to the Secretary includes CalSTA and its officers and employees.

1.21 “State” shall mean the State of California.

1.22 “TIRCP Projects” shall mean projects that are selected and funded pursuant to the Transit and Intercity Rail Capital Program.

ARTICLE II – TIRCP PROJECTS AND ADMINISTRATION

Section 1. TIRCP Projects and Project Management

1. TIRCP Projects, pursuant to the Act, are established by CalSTA in accordance with the TIRCP Program Guidelines. Under delegation from CalSTA, the Department will administer the TIRCP Program in accordance with the TIRCP Program Guidelines and best management practices identified in the administration of similar Department grant programs.

2. By this reference, TIRCP Program Guidelines are made an express part of this Agreement and shall apply to each TIRCP Program funded Project as may be amended or updated. Recipient will cause its specific TIRCP mandated Resolution to be attached as part of any TIRCP funded Program Supplement as a condition precedent to the acceptance of GGRF or SB 1 Funds (upon availability and allocation), for such project.

3. All inquiries during the term of this Agreement and any applicable Program Supplement will be directed to the project representatives identified below:

State's Project Administrator:	Recipient's Project Administrator:
Department of Transportation	Santa Barbara County Association of Governments
Cinthia Spitaleri	Marjie Kirn
Acting Branch Chief	Executive Director
Capital Projects Central Branch	Phone: (805) 961-8900
Phone: (916) 584-2998	mkirn@sbcag.org
Email: Cinthia.Spitaleri@dot.ca.gov	

Section 2. Program Supplement

A. General

1. This Agreement shall have no force and effect with respect to the Project unless and until a separate Project specific program supplement hereinafter referred to as "Program Supplement," adopting all of the terms and conditions of this Agreement has been fully executed by both State and Recipient.

2. Recipient agrees to complete the defined scope of work for the Project, described in the Program Supplement adopting all of the terms and conditions of this Agreement.

3. A financial commitment of actual funds will only occur in each detailed and separate Program Supplement. No funds are obligated by the prior execution of this Agreement alone.

4. Recipient further agrees, as a condition to the release and payment of the funds encumbered for the scope of work described in each Program Supplement, to comply with the terms and conditions of this Agreement and all the agreed-upon special covenants and conditions attached to or made a part of the Program Supplement identifying and defining the nature of that specific scope of work.

5. The Program Supplement shall include a detailed scope of work, which shall include but not be limited to, a Project Description, a Project Schedule, an Overall Funding Plan, and a Project Financial Plan as required in the TIRCP Program Guidelines.

a. The Scope of Work shall include a detailed description of the Project and will itemize the major tasks and their estimated costs.

b. The Project Schedule shall include major tasks and/or milestones and their associated beginning and ending dates and duration.

c. The Overall Funding Plan shall itemize the various Project Components, the committed funding program(s) or source(s), and the matching funds to be provided by Recipient and/or other funding sources, if any [these Components include Environmental and Permits; Plans, Specifications and Estimates (PS&E); Right-of-Way (ROW); and Construction (including transit vehicle acquisition)].

d. The Project Financial Plan shall identify estimated expenditures for the Project Component by funding source, provided that for the purposes of this Agreement the State is only monitoring compliance for expenditures for the TIRCP, including but not limited to GGRF and SB 1 Funds allocated for the Project Component.

6. Adoption and execution of the Program Supplement by Recipient and State, incorporating the terms and conditions of this Agreement into the Program Supplement as though fully set forth therein, shall be sufficient to bind Recipient to these terms and conditions when performing the Project. Unless otherwise expressly delegated to a third-party in a resolution by Recipient's governing body, which delegation must be expressly assented to and concurred in by State, the Program Supplement shall be managed by Recipient.

7. The estimated cost and scope of the Project will be as described in the applicable Program Supplement. The State shall not participate in any funding for the Project beyond those amounts actually encumbered by the STATE as evidenced in the applicable Program Supplement unless the appropriate steps are followed and approval is granted by the CTC as described below.

8. Upon the stated expiration date of this Agreement, any Program Supplement executed under this Agreement for the Project with obligations yet to be completed pursuant to the approved Project Schedule, deliverables, and reporting requirements shall be deemed to extend the term of this Agreement only to conform to the specific Project termination or completion date, including completion of deliverables and reporting requirements, contemplated by the applicable Program Supplement to allow that uncompleted Project to be administered under the extended terms and conditions of this Agreement.

9. Total project cost includes the cost of a project for all phases (Plans, Specifications, and Estimates (PS&E), Project Approval and Environmental Document (PA&ED) Right-of-Way (ROW), and Construction (CON) including rolling stock) of a Project from start to finish.

B. *Project Overrun*

1. If Recipient or the State determine, at any time during the performance of the Project, that the Project budget may be exceeded, Recipient shall take the following steps:

a. Notify the designated State representative of the nature and projected extent of the overrun and, within a reasonable period thereafter, identify and quantify potential cost savings or other measures which Recipient will institute to bring the Project Budget into balance; and

b. Identify the source of additional Recipient or other third-party funds that can be made available to complete Project. Recipient agrees that the allocation of the GGRF and SB 1 funds is subject to the allocation proposed by the CalSTA, submitted by the State, and approved by the CTC.

C. *Cost Savings and Project Completion*

1. Recipient is encouraged to evaluate design and construction alternatives that would mitigate the costs of delivering the commitments for the Project. Recipient shall take all steps necessary on a commercially reasonable basis that would generally be taken in accordance with best management practices. In determining cost savings, the Parties shall take into account all avoided costs, including avoided design, material, equipment, labor, construction, testing, acceptance and overhead costs and avoided costs due to time savings, and all the savings in financing costs associated with such avoided costs.

2. If there is an identification and implementation of any CalSTA approved alternative resulting in reduction of the Project costs, the parties agree that the recipient shall provide a prorated share of Project or TIRCP funded Project component cost savings based on the overall project match to the Department no later than 30 days after the submission of the final invoice. Subject to CalSTA's approval, savings may be used towards another project component or towards increasing project benefits that are consistent with the original project award while maintaining the overall project match referenced in the project award and program supplements.

3. Program supplements will indicate the Project or Component proration of funding match.

4. The Recipient agrees to complete the Project and accepts sole responsibility for the payment of any cost increases. If either the Project or the funded components are not completed, the Recipient shall bear the burden of full TIRCP funds reimbursement to the Department.

D. Scope of Work

1. Recipient shall be responsible for complete performance of the work described in the approved Program Supplement for the Project related to the commitment of encumbered funds. All work shall be accomplished in accordance with the applicable provisions of the Act, Public Utilities Code, the Streets and Highways Code, the Government Code, and other applicable statutes and regulations.

2. Recipient acknowledges and agrees that Recipient is the sole control and manager of the Project and its subsequent employment, operation, repair and maintenance for the benefit of the public. Recipient shall be solely responsible for complying with the funding and use restrictions established by (a) the statutes from which the GGRF and SB1 Funds are derived, (b) the CTC, (c) the State Treasurer, (d) the Internal Revenue Service, (e) the applicable Program Supplement, and (f) this Agreement.

3. Recipient acknowledges and agrees that the Recipient is responsible for complying with all reporting requirements established by the TIRCP Guidelines and California Air Resource Board (CARB) Funding Guidelines.

E. Program Supplement Amendments

Program Supplement amendments will be required whenever there are CalSTA or CTC approved actions, including but not limited to, Financial Allocations, Financial Allocation Amendments, Time Extensions and Technical Corrections. These changes shall be mutually binding upon the Parties only following the execution of a Program Supplement amendment.

Section 3. Allowable Costs and Payments

A. Allowable Costs and Progress Payment Invoice

1. Not more frequently than once a month, Recipient will prepare and submit to State signed Progress Payment Invoice for actual Project costs incurred and paid for by Recipient consistent with the allocation and Scope of Work document in the Program Supplement and State shall pay those uncontested allowable costs once the invoice is reviewed and approved by the Department, subject to CalSTA's approval. If no costs were incurred during any given quarter, Recipient is exempt from submitting a signed Progress Payment Invoice.

2. State shall not be required to reimburse more funds, cumulatively, per quarter of any fiscal year greater than the sums identified and included in the Project Financial Plan. The State shall hold the right to determine reimbursement availability based on an approved expenditure plan and TIRCP anticipated or

actual funding capacity. Each such invoice will report the total of Project expenditures from GGRF and SB 1 Funds (including those of Recipient and third parties) and will specify the percent of State reimbursement requested and the GGRF and SB 1 Funds source.

B. *Final Invoice*

The Program Supplement Last Expenditure Dates(s) refer to the last date for Recipient to incur valid Project costs or credits. Recipient has one hundred and eighty (180) days after that Last Expenditure Date to make already incurred final allowable payments to Project contractors or vendors, prepare the Project Closeout Report, and submit the final invoice to State for reimbursement of allowable Project costs before those remaining State funds are unencumbered and those funds are reverted as no longer available to pay any Project costs. Recipient expressly waives any right to allowable reimbursements from State pursuant to this Agreement for costs incurred after that termination date and for costs invoiced to Recipient for payment after that one hundred and eightieth (180th) day following the Project Last Expenditure Date.

ARTICLE III – GENERAL PROVISIONS

Section 1. Funding

1. Recipient agrees to contribute at least the statutorily or other required local contribution of matching funds (other than State or federal funds), if any is specified within the Program Supplement or any appendices thereto, toward the actual cost of the Project or the amount, if any, specified in any executed SB 2800 (Streets and Highways Code Section 164.53) Agreement for local match fund credit, whichever is greater. Recipient shall contribute not less than its required match amount toward the Project cost in accordance with a schedule of payments as shown in the Project Financial Plan prepared by Recipient and approved by State as part of a Program Supplement.

Section 2. Audits and Reports

A. *Cost Principles*

1. Recipient agrees to comply with Title 2 Code of Federal Regulations 200 (2 CFR 200) Uniform Administrative Requirements, Cost Principles for State and Local Government, and Audit Requirements for Federal Awards.

2. Recipient agrees, and will assure that its contractors and subcontractors will be obligated to follow 2 CFR 200, and which shall be used to determine the allowability of individual Project cost items. Every sub-recipient receiving Project

funds as a contractor or sub-contractor under this Agreement shall comply with 2 CFR 200.

3. Any Project costs for which Recipient has received payment or credit that are determined by subsequent audit to be unallowable under 2 CFR 200, are subject to repayment by Recipient to State. Should Recipient fail to reimburse moneys due State within thirty (30) days of demand, or within such other period as may be agreed in writing between the Parties hereto, State is authorized to intercept and withhold future payments due to Recipient from State or any third-party source whose funding passes through the State, including but not limited to, the State Treasurer, the State Controller and the CTC.

4. The State may terminate the grant for any reason at any time if it is determined by the State, based on an audit under this section, that there has been a violation of any State or federal law or policy by the Recipient during performance under this or any other grant agreement or contract entered into with the State. If the grant is terminated under this section, the Recipient may be required to fully or partially repay funds.

B. *Record Retention*

1. Recipient agrees, and will assure that its contractors and subcontractors shall establish and maintain an accounting system and records that properly accumulate and segregate incurred Project costs and matching funds by line item for the Project. The accounting system of Recipient, its contractors and all subcontractors shall conform to Generally Accepted Accounting Principles (GAAP), enable the determination of incurred costs at interim points of completion, and provide support for reimbursement payment vouchers or invoices. All accounting records and other supporting papers of Recipient, its contractors and subcontractors connected with Project performance under this Agreement and each Program Supplement shall be maintained for a minimum of three (3) years from the date of final payment to Recipient under a Program Supplement and shall be held open to inspection, copying, and audit by representatives of State, the California State Auditor, and auditors representing the federal government. Copies thereof will be furnished by Recipient, its contractors, and subcontractors upon receipt of any request made by State or its agents. In conducting an audit of the costs and match credits claimed under this Agreement, State will rely to the maximum extent possible on any prior audit of Recipient pursuant to the provisions of federal and State law. In the absence of such an audit, any acceptable audit work performed by Recipient's external and internal auditors may be relied upon and used by State when planning and conducting additional audits.

2. For the purpose of determining compliance with Title 21, California Code of Regulations, Section 2500 et seq., when applicable, and other matters connected with the performance of Recipient's contracts with third parties pursuant to Government Code section 8546.7, Recipient, Recipient's contractors and subcontractors, and State shall each maintain and make available for inspection all books, documents, papers, accounting records, and other evidence pertaining to the performance of such contracts, including, but not limited to, the costs of administering those various contracts. All of the above referenced parties shall make such Agreement and Program Supplement materials available at their respective offices at all reasonable times during the entire Project period and for three (3) years from the date of final payment to Recipient under any Program Supplement. State, the California State Auditor, or any duly authorized representative of State or the United States Department of Transportation, shall each have access to any books, records, and documents that are pertinent to the Project for audits, examinations, excerpts, and transactions, and Recipient shall furnish copies thereof if requested.

3. Recipient, its contractors and subcontractors will permit access to all records of employment, employment advertisements, employment application forms, and other pertinent data and records by the State Fair Employment Practices and Housing Commission, or any other agency of the State of California designated by State, for the purpose of any investigation to ascertain compliance with this Agreement and the Act.

C. Reporting Requirements

1. Reporting requirements of Recipient will include whether reported implementation activities are within the scope of the Project Program Supplement and in compliance with State laws, regulations, and administrative requirements.

2. TIRCP Progress Reporting shall be no more frequently than monthly and no less frequently than quarterly at the discretion of the State and shall generally include the following information;

a. Activities and progress made towards implementation of the project during the reporting period and activities anticipated to take place in the next reporting period;

b. Identification of whether the Project is proceeding on schedule and within budget;

c. Identification of whether the Project Deliverables are proceeding on schedule.

d. Identification of changes to the Project funding plan, milestone schedule, or deliverables completion date;

e. Any actual or anticipated problems which could lead to delays in schedule, increased costs or other difficulties for either the Project or other State funded projects impacted by the Project's scope of work and the efforts or activities being undertaken to minimize impacts to schedule, cost, or deliverables;

3. CARB Reporting shall be no more frequently than monthly and no less frequently than semiannually at the discretion of CARB and shall include the following information (subject to modification by CARB);

a. Identify metrics and benefits achieved for disadvantaged communities, low income communities, and/or low-income households;

b. continued reporting following project implementation to identify benefits achieved.

c. Any and all other requirements instituted by CARB.

4. Within one year of the Project or reportable Project components becoming operable, the implementing agency must provide a final delivery report including at a minimum:

a. Scope of completed Project as compared to Programmed Project;

b. Performance outcomes derived from the project as compared to outcomes described in the Project application and shall include but not be limited to before and after measurements and estimates for ridership, service levels, greenhouse gas reductions, updated estimated greenhouse gas reductions over the life of the project, benefits to disadvantaged communities, low income communities, and/or low income households, and project co-benefits as well as an explanation of the methodology used to quantify the benefits.

c. Before and after photos documenting the project

d. The final costs as compared to the approved project budget by component and fund type, and an estimate of the TIRCP funds spent to benefit disadvantaged communities, low-income communities, and/or low-income households, and

e. The project duration as compared to the project schedule in the project application.

Section 3. Special Requirements

A. California Transportation Commission Resolutions

1. Recipient shall adhere to applicable CTC policies on “Timely Use of Funds” as stated in Resolution G-06-04, adopted April 26, 2006, addressing the expenditure and reimbursement of GGRF and SB 1 Funds. These resolutions, and/or successor resolutions in place at the time a Program Supplement is executed, shall be applicable to GGRF and SB 1 funds, respectively.

2. Recipient shall be bound to the terms and conditions of this Agreement, the Project application contained in the Program Supplement (as applicable); and CTC Resolutions G-06-04, G-09-11 and/or their respective successors in place at the time the Program Supplement is signed (as applicable) and all restrictions, rights, duties and obligations established therein on behalf of State and CTC shall accrue to the benefit of the CTC and shall thereafter be subject to any necessary enforcement action by CTC or State. All terms and conditions stated in the aforesaid CTC Resolutions and CTC-approved Guidelines in place at the time the Program Supplement is signed (if applicable) shall also be considered to be binding provisions of this Agreement.

3. Recipient shall conform to any and all permit and mitigation duties associated with Project as well as all environmental obligations established in CTC Resolution G-91-2 and/or its successors in place at the time a Program Supplement is signed, as applicable, at the expense of Recipient and/or the responsible party and without any further financial contributions or obligations on the part of State unless a separate Program Supplement expressly provides funding for the specific purpose of hazardous materials remediation.

B. Recipient Resolution

1. Recipient has executed this Agreement pursuant to the authorizing Recipient resolution, attached as Appendix B to this Agreement, which empowers Recipient to enter into this Agreement and which may also empower Recipient to enter into all subsequent Program Supplements adopting the provisions of this Agreement.

2. If Recipient or State determines that a separate Resolution is needed for each Program Supplement, Recipient will provide information as to who the authorized designee is to act on behalf of the Recipient to bind Recipient with regard to the terms and conditions of any said Program Supplement or amendment and will provide a copy of that additional Resolution to State with the Program Supplement or any amendment to that document.

C. *Termination*

1. Termination Convenience by State

a. State reserves the right to terminate funding for any Program Supplement, subject to CalSTA approval, upon written notice to Recipient in the event that Recipient fails to proceed with Project work in accordance with the Program Supplement, or otherwise violates the conditions of this Agreement and/or the Program Supplement or the funding allocation such that substantial performance is significantly endangered.

b. No such termination shall become effective if, within thirty (30) days after receipt of a notice of termination, Recipient either cures the default involved or, if not reasonably susceptible of cure within said thirty (30)-day period, Recipient proceeds thereafter to complete the cure in a manner and time line acceptable to State. Any such termination shall be accomplished by delivery to Recipient of a notice of termination, which notice shall become effective not less than thirty (30) days after receipt, specifying the reason for the termination, the extent to which funding of work under this Agreement is terminated and the date upon which such termination becomes effective, if beyond thirty (30) days after receipt. During the period before the effective termination date, Recipient and State shall meet to attempt to resolve any dispute.

c. Following a fund encumbrance made pursuant to a Program Supplement, if Recipient fails to expend GGRF or SB 1 monies within the time allowed specified in the Program Supplement, those funds may revert, and be deemed withdrawn and will no longer be available to reimburse Project work unless those funds are specifically made available beyond the end of that Fiscal Year through re-appropriation or other equivalent action of the Legislature and written notice of that action is provided to Recipient by State.

d. In the event State terminates a Program Supplement for convenience and not for a default on the part of Recipient as is contemplated in this section, Recipient shall be reimbursed its authorized costs up to State's proportionate and maximum share of allowable Project costs incurred to the date of Recipient's receipt of that notice of termination, including any unavoidable costs reasonably and necessarily incurred up to and following that termination date by Recipient to effect such termination following receipt of that termination notice.

2. Termination After Recipient's Obligations Fully Performed

Following project completion, and all obligations as defined in the TIRCP Guidelines, CARB Guidelines, and Program Supplement are fully performed,

including Project completion of all deliverables and reporting, the Program Supplement shall be terminated. If the Project obligations are not fully performed, as defined under this section, the Recipient may be required to fully or partially repay funds.

D. *Third Party Contracting*

1. Recipient shall not award a construction contract over \$10,000 or other contracts over \$25,000 [excluding professional service contracts of the type which are required to be procured in accordance with Government Code Sections 4525 (d), (e) and (f)] on the basis of a noncompetitive negotiation for work to be performed under this Agreement without the prior written approval of State. Contracts awarded by Recipient, if intended as local match credit, must meet the requirements set forth in this Agreement regarding local match funds.

2. Any subcontract entered into by Recipient as a result of this Agreement shall contain the provisions of ARTICLE III – GENERAL PROVISIONS, Section 2. Audits and Reports and shall mandate that travel and per diem reimbursements and third-party contract reimbursements to subcontractors will be allowable as Project costs only after those costs are incurred and paid for by the subcontractors.

3. In addition to the above, the preaward requirements of third-party contractor/consultants with local transit agencies should be consistent with Local Program Procedures (LPP-00-05).

E. *Change in Funds and Terms/Amendments*

This Agreement and the resultant Program Supplements may be modified, altered, or revised only with the joint written consent of Recipient and State.

F. *Project Ownership*

1. Unless expressly provided to the contrary in a Program Supplement, subject to the terms and provisions of this Agreement, Recipient, or a designated subrecipient acceptable to State, as applicable, shall be the sole owner of all improvements and property included in the Project constructed, installed or acquired by Recipient or subrecipient with funding provided to Recipient under this Agreement. Recipient, or subrecipient, as applicable, is obligated to continue operation and maintenance of the physical aspects of the Project dedicated to the public transportation purposes for which Project was initially approved unless Recipient, or subrecipient, as applicable, ceases ownership of such Project property; ceases to utilize the Project property for the intended public transportation purposes; or sells or transfers title to or control over Project and State is refunded the Credits due State as provided in paragraph (2) herein below.

2. Project right-of-way, Project facilities constructed or reconstructed on the Project site and/or Project property (including vehicles and vessels) purchased by Recipient (excluding temporary construction easements and excess property whose proportionate resale proceeds are distributed pursuant to this Agreement) shall remain permanently dedicated to the described public transit use in the same proportion and scope, and to the same extent as mandated in the Program Supplement, unless State agrees otherwise in writing. Vehicles acquired as part of Project, including, but not limited to, buses, vans, rail passenger equipment, shall be dedicated to that public transportation use for their full economic life cycle, which, for the purpose of this Agreement, will be determined in accordance with standard national transit practices and applicable rules and guidelines, including any extensions of that life cycle achievable by reconstruction, rehabilitation or enhancements. The exceptions to this section are outlined below:

a. Except as otherwise set forth in this Section, State, or any other State-assignee public body acting on behalf of the CTC, shall be entitled to a refund or credit (collectively the Credit), at State's sole option, equivalent to the proportionate Project funding participation received by Recipient from State if Recipient, or a sub-recipient, as applicable, (i) ceases to utilize Project for the original intended public transportation purposes or (ii) sells or transfers title to or control over Project. If federal funds (meaning only those federal funds received directly by Recipient and not federal funds derived through or from the State) have contributed to the Project, Recipient shall notify both State and the original federal source of those funds of the disposition of the Project assets or the intended use of those sale or transfer receipts.

b. State shall also be entitled to an acquisition credit for any future purchase or condemnation of all or portions of Project by State or a designated representative or agent of State.

c. The Credit due State will be determined by the ratio of State's funding when measured against the Recipient's funding participation (the Ratio). For purposes of this Section, the State's funding participation includes federal funds derived through or from State. That Ratio is to be applied to the then present fair market value of Project property acquired or constructed as provided in (d) and (e) below.

d. For Mass Transit vehicles, this Credit [to be deducted from the then remaining equipment value] shall be equivalent to the percentage of the full extendable vehicle economic life cycle remaining, multiplied by the Ratio of funds provided for that equipment acquisition. For real property, this same funding Ratio shall be applied to the then present fair market value, as

determined by State, of the Project property acquired or improved under this Agreement.

e. Such Credit due State as a refund shall not be required if Recipient dedicates the proceeds of such sale or transfer exclusively to a new or replacement State approved public transit purpose, which replacement facility or vehicles will then also be subject to the identical use restrictions for that new public purpose and the Credit ratio due State should that replacement project or those replacement vehicles cease to be used for that intended described pre-approved public transit purpose.

i. In determining the present fair market value of property for purposes of calculating State's Credit under this Agreement, any real property portions of the Project site contributed by Recipient shall not be included. In determining State's proportionate funding participation, State's contributions to third parties (other than Recipient) shall be included if those contributions are incorporated into the Project.

ii. Once State has received the Credit as provided for above because Recipient, or a sub-recipient, as applicable, has (a) ceased to utilize the Project for the described intended public transportation purpose(s) for which State funding was provided and State has not consented to that cessation of services or (b) sold or transferred title to or control over Project to another party (absent State approval for the continued transit operation of the Project by that successor party under an assignment of Recipient's duties and obligations), neither Recipient, subrecipient, nor any party to whom Recipient or subrecipient, as applicable, has transferred said title or control shall have any further obligation under this Agreement to continue operation of Project and/or Project facilities for those described public transportation purposes, but may then use Project and/or any of its facilities for any lawful purpose.

iii. To the extent that Recipient operates and maintains Intermodal Transfer Stations as any integral part of Project, Recipient shall maintain each station and all its appurtenances, including, but not limited to, restroom facilities, in good condition and repair in accordance with high standards of cleanliness (Public Utilities Code section 99317.8). Upon request of State, Recipient shall also authorize State-funded bus services to use those stations and appurtenances without any charge to State or the bus operator. This permitted use will include the placement of signs and informational material designed to alert the public to the availability of the State-funded bus service (for the purpose of this paragraph, "State-funded bus service" means any bus service funded pursuant to Public Utilities Code section 99316).

G. *Disputes*

Parties shall develop a mutually agreed upon issue resolution process, as described below, and issues between the Parties are to be resolved in a timely manner. The Parties agree to the following:

1. If the Parties are unable to reach agreement on any particular issue relating to either Parties' obligations pursuant to this Agreement, the Parties agree to promptly follow the issue resolution process as outlined below:

a. The Department's project manager and the Recipient's equivalent may initiate the process of informal dispute resolution by providing the other Party with written notice of a dispute. The written notice shall provide a clear statement of the dispute and shall refer to the specific provisions of this Agreement or Program Supplement that pertain to the dispute. The Department's project manager and the Recipient's equivalent shall meet and attempt to resolve the dispute within five days from the written notice. If the dispute is resolved, the Parties shall create and sign a short description of the facts and the resolution that was agreed upon by the Parties.

b. If the dispute is not resolved by the fifth day from the written notice, the Department's senior project manager and the Recipient's equivalent shall meet and review the dispute within five days. The Department's senior project manager and the Recipient's equivalent manager shall attempt to resolve the dispute within ten days of their initial meeting. If the dispute is resolved, the Parties shall create and sign a short description of the facts and the resolution that was agreed upon by the Parties.

c. If the dispute is not resolved by the tenth day, the Department's Director or his designee and the Recipient's equivalent manager shall meet and review the dispute within five days. The Department's Director or his designee and the Recipient's equivalent manager shall attempt to resolve the dispute within ten days of the initial meeting. If the dispute is resolved, the Parties shall create and sign a short description of the facts and the resolution that was agreed upon by the Parties. If the dispute is not resolved by the tenth day by the Department's Director or his designee and the Recipient's equivalent manager, the Parties shall submit the matter to the Secretary of CalSTA for a final administrative determination.

H. *Hold Harmless and Indemnification*

1. Neither State nor any officer or employee thereof shall be responsible for any damage or liability occurring by reason of anything done or omitted to be done by Recipient, its agents and contractors under or in connection with any

work, authority, or jurisdiction delegated to Recipient under this Agreement or any Program Supplement or as respects environmental clean-up obligations or duties of Recipient relative to Project. It is also understood and agreed that, Recipient shall fully defend, indemnify and hold the CTC and State and their officers and employees harmless from any liability imposed for injury and damages or environmental obligations or duties arising or created by reason of anything done or imposed by operation of law or assumed by, or omitted to be done by Recipient under or in connection with any work, authority, or jurisdiction delegated to Recipient under this Agreement and all Program Supplements.

2. Recipient shall indemnify, defend and hold harmless State, the CTC and the State Treasurer relative to any misuse by Recipient of State funds, Project property, Project generated income or other fiscal acts or omissions of Recipient.

I. *Labor Code Compliance*

Recipient shall include in all subcontracts awarded using Project funds, when applicable, a clause that requires each subcontractor to comply with California Labor Code requirements that all workers employed on public works aspects of any project (as defined in California Labor Code §§ 1720-1815) be paid not less than the general prevailing wage rates predetermined by the Department of Industrial Relations as effective the date of Contract award by the Recipient.

J. *Non-Discrimination Clause*

1. In the performance of work under this Agreement, Recipient, its contractor(s) and all subcontractors, shall not unlawfully discriminate, harass or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability, mental disability, medical condition, age, marital status, family and medical care leave, pregnancy leave, and disability leave. Recipient, its contractor(s) and all subcontractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Recipient, its contractor(s) and all subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Government Code section 12900 et seq.), and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, section 7285 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full. Each of Recipient's contractors and all subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreements, as appropriate.

2. Each of the Recipient's contractors, subcontractors, and/or subrecipients shall give written notice of their obligations under this clause to labor organizations with which they have collective bargaining or other labor agreements. The Recipient shall include the non-discrimination and compliance provisions hereof in all contracts and subcontracts to perform work under this Agreement.

3. Should federal funds be constituted as part of Project funding or compensation received by Recipient under a separate Contract during the performance of this Agreement, Recipient shall comply with this Agreement and with all federal mandated contract provisions as set forth in that applicable federal funding agreement.

4. Recipient shall include the non-discrimination and compliance provisions of this clause in all contracts and subcontracts to perform work under this Agreement.

5. The Recipient shall comply with the nondiscrimination program requirements of Title VI of the Civil Rights Act of 1964. Accordingly, 49 CFR 21 (Nondiscrimination in Federally-Assisted Programs of the Department of Transportation—Effectuation of Title VI of The Civil Rights Act of 1964) and 23 CFR Part 200 (Title VI Program and Related Statutes—Implementation and Review Procedures) are made applicable to this Agreement by this reference. Wherever the term "Contractor" appears therein, it shall mean the Recipient.

6. The Recipient shall permit, and shall require that its contractors, subcontractors, and subrecipients will permit, access to all records of employment, employment advertisements, application forms, and other pertinent data and records by the State Fair Employment Practices and Housing Commission or any other agency of the State of California designated by Department to investigate compliance with this Section J.

K. *State Fire Marshal Building Standards Code*

The State Fire Marshal adopts building standards for fire safety and panic prevention. Such regulations pertain to fire protection design and construction, means of egress and adequacy of exits, installation of fire alarms, and fire extinguishment systems for any State-owned or State-occupied buildings per section 13108 of the Health and Safety Code. When applicable, Recipient shall request that the State Fire Marshal review Project PS&E to ensure Project consistency with State fire protection standards.

L. *Americans with Disabilities Act*

By signing this Master Agreement, Recipient assures State that Recipient shall comply with the Americans with Disabilities Act (ADA) of 1990, which prohibits

discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA (42 U.S.C. 12101 et seq.).

M. *Access for Persons with Disabilities*

Disabled access review by the Department of General Services (Division of the State Architect) is required for all publicly funded construction of buildings, structures, sidewalks, curbs and related facilities. Recipient will award no construction contract unless Recipient's plans and specifications for such facilities conform to the provisions of sections 4450 and 4454 of the California Government Code, if applicable. Further requirements and guidance are provided in Title 24 of the California Code of Regulations.

N. *Disabled Veterans Program Requirements*

1. Should Military and Veterans Code sections 999 et seq. be applicable to Recipient, Recipient will meet, or make good faith efforts to meet, the 3% Disabled Veterans Business Enterprises goals (or Recipient's applicable higher goals) in the award of every contract for Project work to be performed under these this Agreement.

2. Recipient shall have the sole duty and authority under this Agreement and each Program Supplement to determine whether these referenced code sections are applicable to Recipient and, if so, whether good faith efforts asserted by those contractors of Recipient were sufficient as outlined in Military and Veterans Code sections 999 et seq.

O. *Environmental Process*

Completion of the Project environmental process ("clearance") by Recipient (and/or State if it affects a State facility within the meaning of the applicable statutes) is required prior to requesting Project funds for right-of-way purchase or construction. No State agency may request funds nor shall any State agency, board or commission authorize expenditures of funds for any Project effort, except for feasibility or planning studies, which may have a significant effect on the environment unless such a request is accompanied with all appropriate documentation of compliance with or exemption from the California Environmental Quality Act (CEQA) (including, if as appropriate, an environmental impact report, negative declaration, or notice of exemption) under California Public Resources Code section 21080(b) (10), (11), and (12) provides an exemption for a passenger rail project that institutes or increases passenger or commuter services on rail or highway rights-of-way already in use.

P. *Force Majeure*

Each party will be excused from performance of its obligations where such non-performance is caused by any extraordinary event beyond its reasonable control, such as any non-appealable order, rule or regulation of any federal or state governmental body, fire, flood, earthquake, storm, hurricane or other natural disaster, epidemic, pandemic, war, invasion, act of foreign enemies, hostilities (regardless of whether war is declared), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation, terrorist activities, nationalization, government sanction, blockage, embargo, labor dispute, strike, lockout or interruption, provided that the party excused hereunder shall use all reasonable efforts to minimize its non-performance and to overcome, remedy or remove such event in the shortest practical time.

Should a *force majeure* event occur which renders it impossible for a period of forty-five (45) or more consecutive days for either party to perform its obligations hereunder, the Parties agree to negotiate in good faith to amend the existing Master Agreement or Supplemental Agreement to deal with such event and to seek additional sources of funding to continue the operation of the Service.

ARTICLE IV – MISCELLANEOUS PROVISIONS

Section 1. Miscellaneous Provisions

A. *Successor Acts*

All statutes cited herein shall be deemed to include amendments to and successor statutes to the cited statutes as they presently exist.

B. *Successor and Assigns to the Parties*

Neither this Agreement nor any right, duty or obligation hereunder may be assigned, transferred, hypothecated or pledged by any party without the express written consent of the other party; provided, that unless otherwise expressly required herein, a party shall not be obligated to obtain the written consent of the other party with respect to any contract related to the Service for the provision of goods and/or services to the contracting party in the ordinary course of business.

C. *Notice*

Any notice which may be required under this Agreement shall be in writing, shall be effective when received, and shall be given by personal service, or by certified or registered mail, return receipt requested, to the addresses set forth below, or to

such other addresses as may be specified in writing and given to the other party in accordance herewith.

If given to the Department:

State of California

Department of Transportation

Division of Local Assistance

P.O. Box 942874

Sacramento, CA 994274-0001

Attention: Division of Local Assistance TIRCP Contract Manager, Mail Stop 39

with a copy to:

California State Transportation Agency

915 Capitol Mall Suite 350 B

Sacramento, CA 95814

If given to the Recipient:

Santa Barbara County Association of Governments

260 N. San Antonio Road, Suite B

Santa Barbara, CA 93110

Attention: Marjie Kirn/Executive Director

D. *Amendment*

This Agreement may not be changed, modified, or amended except in writing, signed by the parties hereto, and approved in advance in writing by the Secretary, and any attempt at oral modification of this Agreement shall be void and of no effect.

E. *Representation and Warranties of the Parties*

1. Recipient hereby represents and warrants to the Department that:

a. Recipient is in good standing under applicable law, with all requisite power and authority to carry on the activities for which it has been organized and proposed to be conducted pursuant to this Agreement.

b. Recipient has the requisite power and authority to execute and deliver this Agreement and to carry out its obligations hereunder. The execution and delivery of this Agreement by such entity, the performance by it of its obligations thereunder and the consummation of the transactions contemplated thereby have been duly authorized by the governing board of such entity and no other proceedings are necessary to authorize this Agreement or to consummate the transactions contemplated thereby. The Agreements have been duly and validly executed and delivered by such entity and constitute valid and binding obligations of such entity, enforceable against it in accordance with their terms, except to the extent that such enforceability may be subject to bankruptcy, insolvency, reorganization, moratorium or other laws now or hereinafter in effect relating to the creditor's rights and the remedy of specific enforcement and injunctive and other forms of equitable relief, and may be subject to equitable defenses and to the discretion of the court before which any proceeding therefore may be brought.

c. Neither the execution and delivery of this Agreement and the performance of its obligations thereunder nor the consummation of the transactions contemplated thereby will (i) conflict with or result in a breach of any provision of any agreement to which Recipient is a party; (ii) violate any write, order, judgment, injunction, decrees, statute, rule or regulation of any court or governmental authority applicable to such entity or its property or assets.

2. The Department does hereby represent and warrant with respect to each provision of this Agreement to the Recipient that:

a. It validly exists with all requisite power and authority to carry on the activities proposed to be conducted pursuant to this Agreement.

b. It has the requisite power and authority to execute and deliver this Agreement and to carry out its obligations thereunder. The execution and delivery of this Agreement, the performance by it of its obligations thereunder and the consummation of the transactions contemplated thereby have been duly authorized and no other proceedings are necessary to authorize this Agreement or to consummate the transactions contemplated thereby. The agreements have been duly and validly executed and delivered by it and constitute valid and binding obligations, enforceable against it in accordance with their terms, except to the extent that such enforceability may be subject to bankruptcy, insolvency, reorganization, moratorium or other laws now or hereinafter in effect relating to creditor's rights and other forms of equitable relief, and may be subject to equitable defenses and to the discretion of the court before which any proceeding therefore may be brought.

c. Neither the execution and delivery of this Agreement and the performance of its obligations thereunder nor the consummation of the transactions contemplated thereby will (i) conflict with or result in a breach of any provision of any agreement to which the Recipient is a party; (ii) violate any writ, order, judgment, injunction, decree, statute, rule or regulation of any court or governmental authority applicable to such entity or its property or assets.

F. *Construction, Number, Gender and Captions*

The Agreements have been executed in the State of California and shall be construed according to the law of said State. Numbers and gender as used therein shall be construed to include that number and/or gender which is appropriate in the context of the text in which either is included. Captions are included therein for the purposes of ease of reading and identification. Neither gender, number nor captions used therein shall be construed to alter the plain meaning of the text in which any or all of them appear.

G. *Complete Agreement*

This Agreement, including Appendices, constitutes the full and complete agreement of the parties, superseding and incorporating all prior oral and written agreements relating to the subject matter of this Agreement. All attached Appendices A and B are hereby incorporated and made an integral part of this Agreement by this reference.

H. *Partial Invalidity*

If any part of this Agreement is determined to be invalid, illegal or unenforceable, such determination shall not affect the validity, legality or enforceability of any other part of this Agreement and the remaining parts of this Agreement shall be enforced as if such invalid, illegal or unenforceable part were not contained herein.

I. *Conflicts*

To the extent that any provision of or requirement of this Agreement may conflict with a provision or requirement of any other agreement between the parties hereto, or between a party hereto and any other party, which is attached to this Agreement as an appendix, the priority of agreements shall be employed to resolve such conflict. In the event of a conflict, the Master Agreement controls the Program Supplement and any further Amendments.

J. *Counterparts*

This Agreement may be executed in one or more counterparts and may include multiple signature pages, all of which shall be deemed to be one instrument. Copies of this Agreement may be used in lieu of the original.

K. *Governing Law*

The Agreement shall be governed by and construed in accordance with the laws of the State of California.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement by their duly authorized officers.

**STATE OF CALIFORNIA
DEPARTMENT OF TRANSPORTATION**

**SANTA BARBARA COUNTY
ASSOCIATION OF GOVERNMENTS**

BY: _____
Dave Moore
Interim Deputy Director
Planning and Modal Programs

BY: _____
Jenelle Osborne
Board Chair

DATE: _____

DATE: _____

APPROVED AS TO FORM AND PROCEDURE

**STATE OF CALIFORNIA
DEPARTMENT OF TRANSPORTATION**

BY: _____
Deputy Attorney

DATE: _____

APPENDIX A
TIRCP PROGRAM GUIDELINES AND DEPARTMENT DELEGATION

APPENDIX B
RECIPIENT'S RESOLUTION

ATTACHMENT 2

Amendment No. 1 to Agreement between Santa Barbara County
Association of Governments and the City of Goleta

AMENDMENT NO. 1
to
AGREEMENT
between
SANTA BARBARA COUNTY ASSOCIATION OF GOVERNMENTS
and the
City of Goleta

The Agreement (hereinafter AGREEMENT) made by and between the SANTA BARBARA COUNTY ASSOCIATION OF GOVERNMENTS (hereafter "SBCAG") and the CITY OF GOLETA (hereafter "CITY"), and collectively referred to as the "Parties" or individually as "Party" and executed on December 19, 2018, is hereby amended ("Amendment No. 1") as follows:

1. **Section 1 "Designated Representatives" is deleted and replaced in its entirety with:**

Aaron Bonfilio at phone number 805-961-8920 is the representative of SBCAG and will administer this Agreement for and on behalf of SBCAG. Jaime Valdez at phone number 805-961-7500 is the authorized representative for CITY.

2. **Section 4 "Term" is deleted and replaced in its entirety with:**

The term of this Agreement is October 18, 2018 to December 31, 2026 unless earlier terminated.

3. **Section 34 "Immaterial Amendments" is added in its entirety with:**

The parties agree that immaterial changes to the Agreement such as updating the Designated representative, addresses for notices, or other clerical error corrections which will not result in a material change to the Agreement may be authorized by SBCAG's Executive Director, or designee, in writing, and in accordance with Section 23.

Ratifications. The terms and provisions set forth in Amendment No. 1 shall modify and supersede all inconsistent terms and provisions set forth in the Agreement. The terms and provisions of the Agreement, except as expressly modified and superseded by this Amendment No. 1 are ratified and confirmed and shall continue in full force and effect, and shall continue to be legal, valid, binding, and enforceable obligations of the Parties.

Counterparts. This Amendment No. 1 may be executed in several counterparts, all of which taken together shall constitute a single agreement between the Parties.

[This area intentionally left blank. Signatures on the following page.]

IN WITNESS WHEREOF, the Parties have executed this Amendment No. 1 to be effective on the date when fully executed by both Parties.

CITY OF GOLETA:

SANTA BARBARA COUNTY ASSOCIATION OF GOVERNMENTS

DocuSigned by:
Deborah Lopez
By: _____
A3E09F3473CA47E...
Deborah S. Lopez
City Clerk

By: _____
Jenelle Osborne
Chair, Board of Directors

Date: 6/28/2023

Date: _____

DocuSigned by:
Paula Perotte
By: _____
FBB88F66C7C0437...
Paula Perotte, Mayor

Attest:
Marjie Kirn, Executive Director
Clerk of the Board

By: _____

APPROVED AS TO ADMINISTRATION:

APPROVED AS TO FORM:

DocuSigned by:
Robert Nisbet
By: _____
1AEBACAD160E4D7...
Robert Nisbet, City Manager

Rachel Van Mullem
County Counsel

By: _____
Senior Deputy County Counsel

APPROVED AS TO FORM:

Megan Garibaldi
City Attorney

DocuSigned by:
Scott Shapses
By: _____ For _____
2174FB311452456...
City Attorney

IN WITNESS WHEREOF, the Parties have executed this Amendment No. 1 to be effective on the date when fully executed by both Parties.

CITY OF GOLETA:

**SANTA BARBARA COUNTY
ASSOCIATION OF GOVERNMENTS**

By: _____
Deborah S. Lopez
City Clerk

By: 
Jenelle Osborne
Chair, Board of Directors

Date: _____

Date: 6.15.23

By _____
Paula Perotte, Mayor

Attest:
Marjie Kirn, Executive Director
Clerk of the Board


By: 

APPROVED AS TO ADMINISTRATION:

APPROVED AS TO FORM:

By _____
Robert Nisbet, City Manager

Rachel Van Mullem
County Counsel

By: 
Senior Deputy County Counsel

APPROVED AS TO FORM:
Megan Garibaldi
City Attorney

By: _____
City Attorney

ATTACHMENT 3

Agreement between the Santa Barbara County Association of Governments and the City of Goleta (City Agreement No. 2018-123)

Santa Barbara County Association of Governments

and the

City of Goleta

THIS AGREEMENT (hereafter Agreement) is made by and between the SANTA BARBARA COUNTY ASSOCIATION OF GOVERNMENTS (hereafter "SBCAG") and the CITY OF GOLETA (hereafter "CITY"), having its principal place of business at 130 Cremona Drive, Suite B, Goleta CA 93117 (), wherein CITY agrees to provide and SBCAG agrees to accept the services specified herein.

WHEREAS, SBCAG applied for and received \$13,009,000 under the 2018 Transit and Intercity Rail Capital Program (TIRCP) to construct a train station at 27 South La Patera Lane, conduct planning, and make associated improvements on and nearby a CITY-owned parcel adjacent to the existing train platform in the City of Goleta (PROJECT); and

WHEREAS, SBCAG and CITY agree the CITY will be the lead agency for most of the project components and will require reimbursement from SBCAG for the costs of implementing these components; and

WHEREAS, CITY and SBCAG agree the CITY is best equipped to provide project management for most phases of work, including engineering and design to refine a cost estimate and preparation of technical studies for environmental approvals and permitting; and

WHEREAS, SBCAG and the State of California (STATE) have entered into a Master Agreement to define roles and responsibilities for funding and oversight of this PROJECT; and

WHEREAS, SBCAG assured the STATE that all recipients receiving TIRCP flow-through grant funds under the Master Agreement would adhere to specific regulations, standards, and procedures; and

WHEREAS, the California Transportation Commission approved funding on October 18, 2018 that shall be available for the purposes of this agreement; and

WHEREAS, the California Transportation Commission will approve additional funding in the future that shall be available for the purposes of this MOU; and

WHEREAS, the CITY will be the lead agency for CEQA compliance and certification for this project; and

WHEREAS, CITY and SBCAG, desire to define roles and responsibilities for completion of the PROJECT.

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, the parties agree as follows:

1. **DESIGNATED REPRESENTATIVES.** Scott Spaulding at phone number 805-961-8920 is the representative of SBCAG and will administer this Agreement for and on behalf of SBCAG. Vyto Adomaitis at phone number 805-961-7500 is the authorized representative for CITY.

2. **NOTICES.** Any notice or consent required or permitted to be given under this Agreement shall be given to the respective parties in writing, by first class mail, postage prepaid, or otherwise delivered as follows:

To SBCAG: Santa Barbara County Association of Governments
260 North San Antonio Road, Suite B
Santa Barbara, CA 93110
Attention: Marjie Kirn, Executive Director

To CITY: Vyto Adomaitis
Neighborhood Services and Public Safety Director
City of Goleta
130 Cremona Dr. Suite B
Goleta, CA 93117

or at such other address or to such other person that the parties may from time to time designate in accordance with this Notice section. Notices and consents under this section, which are sent by mail, shall be deemed to be received five (5) days following their deposit in the U.S. mail. This Notices section shall not be construed as meaning that either party agrees to service of process except as required by applicable law.

3. **SCOPE OF SERVICES.** CITY agrees to assume the responsibilities identified in Exhibit A, attached hereto and incorporated herein by reference.

4. **TERM.** The term of this agreement is October 18, 2018 to June 30, 2023, unless earlier terminated.

5. **REIMBURSEMENT TO CITY.** The CITY shall be reimbursed for valid costs under this Agreement in accordance with the terms of Exhibit B attached hereto and incorporated herein by reference. Reimbursement shall be quarterly and a detailed progress report shall be included with each quarterly invoice. Unless otherwise specified in Exhibit B, payment shall be net thirty (30) days from presentation of invoice.

6. **DEBARMENT AND SUSPENSION.** CITY certifies to SBCAG that it and its employees and principals are not debarred, suspended, or otherwise excluded from or ineligible for, participation in federal, state or local government contracts. CITY certifies that it shall not contract with subcontractors for services under this Agreement that are so debarred or suspended.

7. **TAXES.** CITY shall pay all taxes, levies, duties, and assessments of every nature due in connection with any work under this Agreement and shall make any and all payroll deductions required by law. SBCAG shall not be responsible for paying any taxes on CITY's behalf and, should SBCAG be required to do so by State, federal, or local taxing agencies, CITY agrees to promptly reimburse SBCAG for the full value of such paid taxes plus interest and penalty, if any. These taxes shall include, but not be limited to, the following: FICA (Social Security), unemployment insurance contributions, income tax, disability insurance, and workers' compensation insurance. CITY shall provide its social security number or tax identification number to SBCAG, which SBCAG shall keep on file at its offices.

8. **CONFLICT OF INTEREST.** CITY covenants that CITY presently has no employment or interest and shall not acquire any employment or interest, direct or indirect, including any interest in any business, property, or source of income, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement. CITY further covenants that in the performance of this Agreement, no person having any such interest shall be employed by CITY. CITY must promptly disclose to SBCAG, in writing, any potential conflict of interest. SBCAG retains the right to waive a conflict of interest disclosed by CITY if SBCAG determines it to be immaterial, and such waiver is only effective if provided by SBCAG to CITY in writing.

9. OWNERSHIP OF DOCUMENTS AND INTELLECTUAL PROPERTY.

SBCAG shall have the unrestricted authority to copy, adapt, perform, display, publish, disclose, distribute, create derivative works from, and otherwise use in whole or in part, any Copyrightable Works and Inventions, reports, data, documents or other materials prepared under this Agreement. CITY agrees to take such actions and execute and deliver such documents as may be needed to validate, protect and confirm the rights and assignments provided hereunder. CITY warrants that any Copyrightable Works and Inventions and other items provided under this Agreement will not infringe upon any intellectual property or proprietary rights of any third party. CITY at its own expense shall defend, indemnify, and hold harmless SBCAG against any claim that any Copyrightable Works or Inventions or other items provided by CITY hereunder infringe upon any intellectual property or other proprietary rights of a third party, and CITY shall pay any damages, costs, settlement amounts, and fees (including attorneys' fees) that may be incurred by SBCAG in connection with any such claims. This Ownership of Documents and Intellectual Property provision shall survive expiration or termination of the Agreement.

10. NO PUBLICITY OR ENDORSEMENT. CITY shall not use SBCAG's name or logo or any variation of such name or logo in any publicity, advertising or promotional materials, unless otherwise required. CITY shall not use SBCAG's name or logo in any manner that would give the appearance that the SBCAG is endorsing CITY. CITY shall not in any way contract on behalf of or in the name of SBCAG's. CITY shall not release any informational pamphlets, notices, press releases, research reports, or similar public notices concerning the SBCAG or its projects without obtaining the prior written approval of SBCAG.

11. SBCAG PROPERTY AND INFORMATION. All of SBCAG's property, documents, and information provided for CITY's use in connection with the services shall remain SBCAG's property, and CITY shall return any such items whenever requested by SBCAG and whenever required according to the Termination section of this Agreement. CITY may use such items only in connection with providing the services. CITY shall not disseminate any SBCAG property, documents, or information without SBCAG prior written consent.

12. RECORDS, AUDIT, AND REVIEW. CITY shall keep such business records pursuant to this Agreement as would be kept by a reasonably prudent practitioner of CITY's profession and shall maintain such records for at least four (4) years following the termination of this Agreement. All accounting records shall be kept in accordance with generally accepted accounting practices. SBCAG shall have the right to audit and review all such documents and records at any time during CITY's regular business hours or upon reasonable notice. In addition, if this Agreement exceeds ten thousand dollars (\$10,000.00) CITY shall be subject to the examination and audit of the State Auditor General for a period of three (3) years after final payment under the Agreement (Cal. Govt. Code Section 8546.7). CITY shall participate in any audits and review, whether by SBCAG or the State, at no charge to SBCAG.

If federal, state or other regulatory audit exceptions are made relating to this Agreement, CITY shall reimburse all costs incurred by SBCAG associated with defending against the audit exceptions or performing any audits or follow-up audits, including but not limited to: audit fees, court costs, attorneys' fees based upon a reasonable hourly amount for attorneys in the community, travel costs, penalty assessments and all other costs of whatever nature. Immediately upon notification from SBCAG, CITY shall reimburse the amount of the audit exceptions and any other related costs directly to SBCAG as specified by SBCAG in the notification.

13. INDEMNIFICATION AND INSURANCE. CITY agrees to defend, indemnify and hold harmless the SBCAG and to procure and maintain insurance in accordance with the provisions of Exhibit C, attached hereto and incorporated herein by reference.

14. NONDISCRIMINATION. CITY shall comply with Title VI of the Civil Rights Act of 1964, as amended, and with the provisions contained in 49 CFR 21 through Appendix C and 23 CFR 710.405(b). During the performance of this Agreement, the CITY, for itself, its assignees and successors in interest agrees as follows:

A. **Compliance with Regulations:** CITY shall comply with the regulations relative to nondiscrimination in federally-assisted programs of the Department of Transportation (hereinafter, "DOT") Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time (hereinafter referred to as the Regulations), which are herein incorporated by reference and made a part of this contract.

B. **Nondiscrimination:** The CITY or subcontractors shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The CITY shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of DOT-assisted contracts. Failure by the CITY to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as recipient deems appropriate. CITY, with regard to the work performed by it during the agreement, shall not discriminate on the grounds of race, religion, color, sex, age or national origin in the selection or retention of subcontractors, including procurement of materials and leases of equipment. CITY shall not participate either directly or indirectly in the discrimination prohibited by Section 21.5 of the Regulations, including employment practices when the contract covers a program set forth in Appendix B of the regulations.

C. **Solicitations for subcontractors, including Procurement of Materials and Equipment:** In all solicitations either by competitive bidding or negotiations made by CITY for work to be performed under the subcontract, including procurement of materials or leases of equipment, each potential subcontractor or supplier shall be notified by CITY of CITY's obligations under this agreement, and the Regulations relative to nondiscrimination on the grounds of race, religion, color, sex, age or national origin.

D. **Information and Reports:** CITY shall provide all information and reports required by the Regulations or directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information and its facilities as may be determined by SBCAG to be pertinent to ascertain compliance with such Regulations, orders and instructions. Where any information required of a CITY is in the exclusive possession of another who fails or refuses to furnish this information, CITY shall so certify to SBCAG, and shall set forth what efforts it has made to obtain the information.

E. **Sanctions for Noncompliance:** In the event of CITY's noncompliance with the nondiscrimination provisions of this Agreement, SBCAG shall impose such contract sanctions as it may determine to be appropriate, including, but not limited to:

1. Withholding of payments to CITY under this Agreement until CITY complies, and/or
2. Cancellation, termination or suspension of the Agreement in whole or in part.

15. **NON-EXCLUSIVE AGREEMENT.** CITY understands that this is not an exclusive agreement and that SBCAG shall have the right to negotiate with and enter into contracts with others providing the same or similar services as those provided by CITY as the SBCAG desires.

16. **NON-ASSIGNMENT.** CITY shall not assign or transfer this Agreement or any of its rights or obligations under this Agreement without the prior written consent of SBCAG and any attempt to so assign or transfer without such consent shall be void and without legal effect and shall constitute grounds for termination.

17. **TERMINATION.**

A. **By SBCAG.** SBCAG may, by written notice to CITY, terminate this Agreement in whole or in part, whether for SBCAG's convenience, for non-appropriation of funds, or because of the failure of CITY to fulfill the obligations herein.

1. **For Convenience.** SBCAG may terminate this Agreement in whole or in part upon thirty (30) days written notice. During the thirty (30) day period, CITY shall, as directed by SBCAG, wind down and cease its services as quickly and efficiently as reasonably possible, without performing

unnecessary services or activities and by minimizing negative effects on SBCAG from such winding down and cessation of services.

2. **For Nonappropriation of Funds.** Notwithstanding any other provision of this Agreement, in the event that no funds or insufficient funds are appropriated or budgeted by federal, state or local governments, or funds are not otherwise available for payments in the fiscal year(s) covered by the term of this Agreement, then SBCAG will notify CITY of such occurrence and SBCAG may terminate or suspend this Agreement in whole or in part, with or without a prior notice period. Subsequent to termination of this Agreement under this provision, SBCAG shall have no obligation to make payments with regard to the remainder of the term.

3. **For Cause.** Should CITY default in the performance of this Agreement or materially breach any of its provisions, SBCAG may, at SBCAG's sole option, terminate or suspend this Agreement in whole or in part by written notice. Upon receipt of notice, CITY shall immediately discontinue all services affected (unless the notice directs otherwise) and notify SBCAG as to the status of its performance. The date of termination shall be the date the notice is received by CITY, unless the notice directs otherwise.

B. **By CITY.** Except where SBCAG withholds payment pursuant to other terms of this Agreement, should SBCAG fail to pay CITY all or any part of the payment set forth in Exhibit B, CITY may, at CITY's option, terminate this agreement, if such failure is not remedied by SBCAG within thirty (30) days of written notice to SBCAG of such late payment.

C. **Upon termination,** CITY shall deliver to SBCAG all data, estimates, graphs, summaries, reports, and all other property, records, documents or papers as may have been accumulated or produced by CITY in performing this Agreement, whether completed or in process, except such items as SBCAG may, by written permission, permit CITY to retain. Notwithstanding any other payment provision of this Agreement, SBCAG shall pay CITY for satisfactory services performed to the date of termination to include a prorated amount of compensation due hereunder less payments, if any, previously made. In no event shall CITY be paid an amount in excess of the full price under this Agreement nor for profit on unperformed portions of service. CITY shall furnish to SBCAG such financial information as in the judgment of SBCAG is necessary to determine the reasonable value of the services rendered by CITY. In the event of a dispute as to the reasonable value of the services rendered by CITY, the decision of SBCAG shall be final. The foregoing is cumulative and shall not affect any right or remedy which SBCAG may have in law or equity.

18. **SECTION HEADINGS.** The headings of the several sections, and any table of contents appended hereto, shall be solely for convenience of reference and shall not affect the meaning, construction or effect hereof.

19. **SEVERABILITY.** If any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions hereof, and such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

20. **REMEDIES NOT EXCLUSIVE.** No remedy herein conferred upon or reserved to SBCAG is intended to be exclusive of any other remedy or remedies, and each and every such remedy, to the extent permitted by law, shall be cumulative and in addition to any other remedy given hereunder or now or hereafter existing at law or in equity or otherwise.

21. **TIME IS OF THE ESSENCE.** Time is of the essence in this Agreement and each covenant and term is a condition herein.

22. **NO WAIVER OF DEFAULT.** No delay or omission of SBCAG to exercise any right or power arising upon the occurrence of any event of default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein; and every power and remedy given

by this Agreement to SBCAG shall be exercised from time to time and as often as may be deemed expedient in the sole discretion of SBCAG.

23. **ENTIRE AGREEMENT AND AMENDMENT.** In conjunction with the matters considered herein, this Agreement contains the entire understanding and agreement of the parties and there have been no promises, representations, agreements, warranties or undertakings by any of the parties, either oral or written, of any character or nature hereafter binding except as set forth herein. This Agreement may be altered, amended or modified only by an instrument in writing, executed by the parties to this Agreement and by no other means. Each party waives their future right to claim, contest or assert that this Agreement was modified, canceled, superseded, or changed by any oral agreements, course of conduct, waiver or estoppel.

24. **SUCCESSORS AND ASSIGNS.** All representations, covenants and warranties set forth in this Agreement, by or on behalf of, or for the benefit of any or all of the parties hereto, shall be binding upon and inure to the benefit of such party, its successors and assigns.

25. **COMPLIANCE WITH LAW.** CITY shall, at its sole cost and expense, comply with all SBCAG, State and federal ordinances and statutes, including regulations now in force or which may hereafter be in force with regard to this Agreement. The judgment of any court of competent jurisdiction, or the admission of CITY in any action or proceeding against CITY, whether SBCAG is a party thereto or not, that CITY has violated any such ordinance statute, or regulation, shall be conclusive of that fact as between CITY and SBCAG.

26. **CALIFORNIA LAW AND JURISDICTION.** This Agreement shall be governed by the laws of the State of California. Any litigation regarding this Agreement or its contents shall be filed in the County of Santa Barbara, if in State court, or in the federal district court nearest to Santa Barbara County, if in federal court.

27. **EXECUTION OF COUNTERPARTS.** This Agreement may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and all such counterparts, or as many of them as the parties shall preserve undestroyed, shall together constitute one and the same instrument.

28. **AUTHORITY.** All signatories and parties to this Agreement warrant and represent that they have the power and authority to enter into this Agreement in the names, titles and capacities herein stated and on behalf of any entities, persons, or firms represented or purported to be represented by such entity(ies), person(s), or firm(s) and that all formal requirements necessary or required by any State and/or federal law in order to enter into this Agreement have been fully complied with. Furthermore, by entering into this Agreement, CITY hereby warrants that it shall not have breached the terms or conditions of any other contract or agreement to which CITY is obligated, which breach would have a material effect hereon.

29. **SURVIVAL.** All provisions of this Agreement which by their nature are intended to survive the termination or expiration of this Agreement shall survive such termination or expiration.

30. **PRECEDENCE.** In the event of conflict between the provisions contained in the numbered sections of this Agreement and the provisions contained in the Exhibits, the provisions of the numbered sections shall prevail over those in the Exhibits.

31. **SUBCONTRACTORS.** CITY may retain the services of a consultant, consultants, or subcontractors (collectively referred to as subcontractors) to assist with the fulfillment of its roles and responsibilities outlined in this Agreement. CITY shall be fully responsible for all services performed by its subcontractors. CITY shall secure from any and all subcontractors all rights for SBCAG in this Agreement, including audit rights, and all rights for SBCAG and the State in the Master Agreement.

CITY shall ensure subcontractors' compliance with California Labor Code, including but not limited to the payment of prevailing wage when required. CITY will seek the input of SBCAG in the subcontractor

selection process and invite SBCAG staff to participate in the selection of any subcontractors. CITY will make the final selection on subcontractors.

32. **SUSPENSION FOR CONVENIENCE.** SBCAG may, without cause, order CITY in writing to suspend, delay, or interrupt the work under this Agreement in whole or in part for up to 90 days. SBCAG shall incur no liability for suspension under this provision and suspension shall not constitute a breach of this Agreement.

33. **MASTER AGREEMENT & PROGRAM SUPPLEMENTS.** CITY agrees to all terms and conditions as set forth for SBCAG, as Recipient, in the Master Agreement which is attached as Exhibit D and incorporated herein by reference. CITY agrees to all terms and conditions as set forth in Program Supplements, to be managed by SBCAG, that are adopted and executed by SBCAG and the State as though fully set forth in the Master Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement to be effective on the date when fully executed by both parties.

ATTEST:

SANTA BARBARA COUNTY ASSOCIATION
OF GOVERNMENTS:

By: TLC/Terry Contreras
Marjie Kirn
Executive Director SBCAG
clerk of the board

By: Joan Hartmann
Joan Hartmann, Chair
Date: 11-15-18

ATTEST:

CITY OF GOLETA

By: Deborah Lopez
Deborah S. Lopez
City Clerk

By: Paula Perotte
Paula Perotte, Mayor

APPROVED AS TO ADMINISTRATION:

Date: 12/19/2018

By: Michelle Greene
Michelle Greene, City Manager

APPROVED AS TO FORM:

APPROVED AS TO FORM:

By: Rachel Van Mullen
Rachel Van Mullen
Chief Assistant County Counsel

By: Michael Jenkins
Michael Jenkins, City Attorney

EXHIBIT A

Roles & Responsibilities

1. Project Purpose

The purpose of the PROJECT is to construct a station structure and make other improvements to increase the use of the state-supported Pacific Surfliner rail service at the Goleta station.

The PROJECT improvements include the following:

- Construction of a train station structure;
- Improvements and expansion of parking to serve the train station;
- Bicycle and pedestrian improvements to increase use and accessibility of the station;
- Installation of electric vehicle charging stations to support development of battery-powered shuttle service to UC Santa Barbara and the Santa Barbara Airport

2. Roles and Responsibilities

- a. CITY will be the CEQA lead agency for the PROJECT.
- b. CITY will serve as the agency responsible for delivery of Preliminary Engineering, Preliminary Environmental, Permitting, and Final Design for the PROJECT.
- c. CITY will be responsible for managing consultant work, and shall be responsible for all work products and deliverables relating to the Preliminary Engineering/Environmental, Permitting, and Final Design phases of PROJECT.
- d. CITY will develop in conjunction with its consultant team, an overall PROJECT delivery schedule which will be updated regularly as to progress of the PROJECT.
- e. CITY will prepare and provide to SBCAG any reports required by the State for PROJECT components overseen and/or administered by CITY.
- f. CITY will form a PROJECT team for convening regular meetings that will include representatives from SBCAG staff, consultants, and other parties deemed appropriate by CITY.
- g. SBCAG will serve as the lead agency for the Network Integration component of the grant.
- h. SBCAG and CITY will work cooperatively to make presentations and provide updates as needed to CITY's Planning Commission and SBCAG's South Coast Subregional Planning Committee.

EXHIBIT B

PAYMENT ARRANGEMENTS Periodic Compensation

- A. For reimbursement to be rendered under this agreement, CITY shall be paid a total contract amount, including cost reimbursements, up to but not to exceed \$12,200,000.
- B. Reimbursement of costs shall be made upon CITY's satisfactory performance, based upon the scope and methodology contained in **Exhibit A**. Invoices submitted for payment must contain sufficient detail to enable an audit of the charges and provide supporting documentation if so specified in **Exhibit A**. CITY will submit claims for reimbursement to SBCAG quarterly for PROJECT costs incurred by CITY staff and consultants for all Preliminary Engineering/Environmental, Permitting, and Final Design phases of PROJECT. SBCAG will seek reimbursement from the STATE for these costs under the terms of the Master Agreement and process CITY invoices within 30 days of receipt.
- C. CITY, shall submit to the SBCAG Designated Representative an invoice or certified claim for the service performed over the period specified. SBCAG's Designated Representative shall evaluate the quality of the service performed and, if found to be satisfactory, shall initiate payment processing. SBCAG shall pay invoices or claims for satisfactory work within 30 days of presentation.
- D. SBCAG's failure to discover or object to any unsatisfactory work or billings prior to payment will not constitute a waiver of SBCAG's right to require CITY to correct such work or billings or seek any other legal remedy.

EXHIBIT C

STANDARD INDEMNIFICATION AND INSURANCE PROVISIONS

In lieu of and notwithstanding the pro rata risk allocation which might otherwise be imposed between the parties pursuant to California Government Code Section 895.6, the parties agree that all losses or liabilities incurred by a party shall not be shared pro rata but instead all parties agree that pursuant to California Government Code Section 895.4, each of the parties hereto shall fully indemnify and hold each of the other parties, their officers, board members, employees and agents, harmless from any claim, expense or cost, damage or liability imposed for injury (as defined by California Government Code Section 810.8) occurring by reason of the negligent acts or omissions or willful misconduct of the indemnifying party, its officers, board members, employees or agents, under or in connection with or arising out of any work, authority or jurisdiction delegated to such party under this Agreement. No party, nor any officer, board member, employee or agent thereof shall be responsible for any damage or liability occurring by reason of the negligent acts or omissions or willful misconduct of other parties hereto, their officers, board members, employees or agents, under or in connection with or arising out of any work, authority or jurisdiction delegated to such other parties under this Agreement.

NOTIFICATION OF ACCIDENTS AND SURVIVAL OF INDEMNIFICATION PROVISIONS

CITY shall notify SBCAG immediately in the event of any accident or injury arising out of or in connection with this Agreement. The indemnification provisions in this Agreement shall survive any expiration or termination of this Agreement.

INSURANCE

CITY shall procure and maintain for the duration of this Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder and the results of that work by the CITY, his agents, representatives, employees or subcontractors.

A. Minimum Scope of Insurance

Coverage shall be at least as broad as:

1. **Commercial General Liability (CGL):** Insurance Services Office (ISO) Form CG 00 01 covering CGL on an "occurrence" basis, including products-completed operations, personal & advertising injury, with limits no less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate.
2. **Automobile Liability:** ISO Form Number CA 00 01 covering any auto (Code 1), or if CITY has no owned autos, hired, (Code 8) and non-owned autos (Code 9), with limit no less than \$1,000,000 per accident for bodily injury and property damage.
3. **Workers' Compensation:** as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.
4. **Professional Liability (Errors and Omissions) Insurance** appropriate to the CITY'S profession, with limit of no less than \$1,000,000 per occurrence or claim, \$2,000,000 aggregate.

If the CITY maintains higher limits than the minimums shown above, SBCAG requires and shall be entitled to coverage for the higher limits maintained by the CITY. Any available

insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to SBCAG.

B. Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions:

1. **Additional Insured** – SBCAG, its officers, officials, employees, agents and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the CITY including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the CITY's insurance at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of both CG 20 10 and CG 20 37 if a later edition is used).
2. **Primary Coverage** – For any claims related to this Agreement, the CITY's insurance coverage shall be primary insurance as respects the SBCAG, its officers, officials, employees, agents and volunteers. Any insurance or self-insurance maintained by SBCAG, its officers, officials, employees, agents or volunteers shall be excess of the CITY's insurance and shall not contribute with it.
3. **Notice of Cancellation** – Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to SBCAG.
4. **Waiver of Subrogation Rights** – CITY hereby grants to SBCAG a waiver of any right to subrogation which any insurer of said CITY may acquire against the SBCAG by virtue of the payment of any loss under such insurance. CITY agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation, but this provision applies regardless of whether or not the SBCAG has received a waiver of subrogation endorsement from the insurer.
5. **Deductibles and Self-Insured Retention** – Any deductibles or self-insured retentions must be declared to and approved by the SBCAG. SBCAG may require the CITY to purchase coverage with a lower deductible or retention or provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention.
6. **Acceptability of Insurers** – Unless otherwise approved, insurance shall be written by insurers authorized to do business in the State of California and with a minimum A.M. Best's Insurance Guide rating of "A- VII".
7. **Verification of Coverage** – CITY shall furnish SBCAG with proof of insurance, original certificates and amendatory endorsements as required by this Agreement. The proof of insurance, certificates and endorsements are to be received and approved by SBCAG before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the CITY's obligation to provide them. The CITY shall furnish evidence of renewal of coverage throughout the term of the Agreement. SBCAG reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.
8. **Failure to Procure Coverage** – In the event that any policy of insurance required under this Agreement does not comply with the requirements, is not procured, or is canceled and not replaced, SBCAG has the right but not the obligation or duty to terminate the Agreement. Maintenance of required insurance coverage is a material element of the Agreement and failure to maintain or renew such coverage or to provide evidence of renewal may be treated by SBCAG as a material breach of contract.

9. **Subcontractors** – CITY shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and CITY shall ensure that SBCAG is an additional insured on insurance required from subcontractors.
10. **Claims Made Policies** – If any of the required policies provide coverage on a claims-made basis:
 - i. The Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work.
 - ii. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of contract work.
 - iii. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the contract effective date, the CITY must purchase “extended reporting” coverage for a minimum of five (5) years after completion of contract work.
11. **Special Risks or Circumstances** – SBCAG reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

Any change requiring additional types of insurance coverage or higher coverage limits must be made by amendment to this Agreement. CITY agrees to execute any such amendment within thirty (30) days of receipt.

Any failure, actual or alleged, on the part of SBCAG to monitor or enforce compliance with any of the insurance and indemnification requirements will not be deemed as a waiver of any rights on the part of SBCAG.

Exhibit D

Master Agreement

California State Transportation Agency
Transit and Intercity Rail Capital Program

Grant Recipient:

Santa Barbara County Association of Governments

CalSTA Transit and Intercity Rail Capital Program

Administered by: California Department of Transportation
Division of Rail and Mass Transportation
1120 N Street, Room 3300
P.O. Box 942874, MS-39
Sacramento, California 94274-0001

TABLE OF
CONTENTS

RECITALS _____	4
ARTICLE I - DEFINITIONS _____	5
ARTICLE II – TIRCP PROJECTS AND ADMINISTRATION _____	6
Section 1. TIRCP Projects and Project Management _____	6
Section 2. Program Supplement _____	7
A. General _____	7
B. Project Overrun _____	8
C. Cost Savings _____	9
D. Scope of Work _____	9
E. Program Supplement Amendments _____	9
Section 3. Allowable Costs and Payments _____	10
A. Allowable Costs and Progress Payment Invoice _____	10
B. Final Invoice _____	10
ARTICLE III – GENERAL PROVISIONS _____	10
Section 1. Funding _____	10
Section 2. Audits and Reports _____	11
A. Cost Principles _____	11
B. Record Retention _____	11
C. Reporting Requirements _____	12
Section 3. Special Requirements _____	13
A. California Transportation Commission Resolutions _____	13
B. Recipient Resolution _____	13
C. Termination _____	14
D. Third Party Contracting _____	14
E. Change in Funds and Terms/Amendments _____	15
F. Project Ownership _____	15
G. Disputes _____	17
H. Hold Harmless and Indemnification _____	18
I. Labor Code Compliance _____	18
J. Non-Discrimination Clause _____	18

K. State Fire Marshal Building Standards Code	19
L. Americans with Disabilities Act	19
M. Access for Persons with Disabilities	19
N. Disabled Veterans Program Requirements	20
O. Environmental Process	20
P. Force Majeure	20
ARTICLE IV – MISCELLANEOUS PROVISIONS	21
Section 1. Miscellaneous Provisions	21
A. Successor Acts	21
B. Successor and Assigns to the Parties	21
C. Notice	21
D. Amendment	22
E. Representation and Warranties of the Parties	22
F. Construction, Number, Gender and Captions	23
G. Complete Agreement	23
H. Partial Invalidity	23
I. Conflicts	23
J. Counterparts	24
K. Governing Law	24
Appendix A - TIRCP PROGRAM GUIDELINES AND DEPARTMENT DELEGATION	26
Appendix B - RECIPIENT'S RESOLUTION	27

STATE OF CALIFORNIA
DEPARTMENT OF
TRANSPORTATION

Effective Date of this Agreement: October 18, 2018

Termination Date of this Agreement: October 1, 2021

Recipient: Santa Barbara Association of Governments (SBCAG)

Application Funding: The Greenhouse Gas Reduction Fund and Senate Bill 1 Fund is the applicable funding source covered by this Agreement and will identified in each specific Program Supplement, adopting the terms of this Agreement.

RECITALS

1. WHEREAS, the Global Warming Solutions Act of 2006 (the "ACT") (Assembly Bill [AB] 32, Nunez, Chapter 488) created a comprehensive program to reduce greenhouse gas emissions in California. AB 32 requires California to reduce greenhouse gases to 1990 levels by 2020, and to maintain and continue reductions beyond 2020. In March 2012, Governor Brown signed Executive Order B-16-2012 affirming a long-range climate goal for California to reduce greenhouse gases from the transportation sector to 80 percent below 1990 levels by 2050.
2. WHEREAS, the Cap-and-Trade Program is a key element in California's climate plan. It creates a limit on the emissions from sources responsible for 85 percent of California's greenhouse gas emissions, establishes the price signal needed to drive long-term investment in cleaner fuels and more efficient use of energy, and gives covered entities flexibility to implement the lowest-cost options to reduce greenhouse gas emissions.
3. WHEREAS, in 2012, the Legislature passed and Governor Brown signed into law three bills, AB 1532 (Pérez, Chapter 807, Statutes of 2012), Senate Bill (SB) 535 (De León, Chapter 830, Statutes of 2012), and SB 1018 (Budget and Fiscal Review Committee, Chapter 39, Statutes of 2012), that established the Greenhouse Gas Reduction Fund to receive proceeds from the distribution of allowances via auction and provided the framework for how those auction proceeds will be appropriated and expended. These statutes require that expenditures from the Greenhouse Gas Reduction Fund be used to facilitate the achievement of greenhouse gas emission reductions and further the purposes of AB 32.
4. WHEREAS, in 2017, the Legislature passed and Governor Brown signed into law the Road Repair and Accountability Act of 2017 Senate Bill [SB] 1, directed additional funding to the Transit and Intercity Rail Capital Program.
5. WHEREAS, the Transit and Intercity Rail Capital Program was one of several programs funded as part of the 2014-2015 State of California Budget (Senate Bill 852 and Senate Bill 862), and implemented pursuant to Public Resources Code section 75220 et seq and Health and Safety Code section 39719 et seq.
6. WHEREAS, as directed by the ACT, California State Transportation Agency (CalSTA) established Transit and Intercity Rail Capital Program (TIRCP) Guidelines that describe the policy, standards, criteria, and procedures for the development, adoption and management of the TIRCP.
7. WHEREAS, Recipient has submitted an application, been evaluated and selected by CalSTA in accordance with the TIRCP Guidelines.
8. WHEREAS, on August 17, 2015, CalSTA delegated the administration of the TIRCP to the California Department of Transportation (Department) pursuant to the TIRCP Program Guidelines and the Department's policies and procedures for the administration of similar grant programs.

NOW THEREFORE, in consideration of the recitals and the rights, duties and covenants set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree to the following:

This Agreement, entered into effective as of the date set forth above, is between the signatory public entity identified hereinabove, (hereinafter referred to as Recipient), and the STATE OF CALIFORNIA, acting by and through the California Department of Transportation (hereinafter referred to as DEPARTMENT), and subject to the approval of the California State Transportation Agency (CalSTA).

ARTICLE I - DEFINITIONS

The terms defined in this Article I shall for all purposes of this Agreement have the meanings specified herein.

1.1 "Act" refers to the Global Warming Solutions Act of 2006 (the "ACT") (Assembly Bill [AB] 32, Nunez, Chapter 488) created a comprehensive program to reduce greenhouse gas emissions in California.

1.2 "Agreement" shall mean this Agreement, inclusive of all appendices and Program Supplements, whereby the Department, on behalf of CalSTA, and pursuant to the Act and as set forth herein, administers the TIRCP Program.

1.3 "California Department of Transportation" or "Caltrans" or "Department" means the State of California, acting by and through its Department of Transportation of the State of California, and any entity succeeding to the powers, authorities and responsibilities of the Department invoked by or under this Agreement or the Program Supplements.

1.4 "California Transportation Commission" or "CTC" shall refer to the Commission established in 1978 by Assembly Bill 402 (Chapter 1106, Statutes of 1977).

1.5 "Effective Date" means the date set forth on page 3 of this Agreement.

1.6 "Greenhouse Gas Reduction Funds" or "GGRF" shall mean the funds subject to Chapter 26, Statutes of 2014, authorizing the State to fund capital improvements and investments for California's transit systems and intercity, commuter, and urban rail systems.

1.7 "Senate Bill 1" or "SB 1" shall mean the funds subject to Chapter 5, Statutes of 2017, authorizing the State to fund capital improvements and investments for California's transit systems and intercity, commuter, and urban rail systems.

1.8 "Overall Funding Plan" has the meaning set forth in Article II, Section 2(A)(5)(c).

1.9 "Program Guidelines" shall mean the policy, standards, criteria, and procedures for the development, adoption and management of the TIRCP Projects established by CalSTA and provided in Appendix A.

1.10 "Award Agreement" shall mean a project-specific subcontract to this agreement

executed following Project award and may include Project specific information, expected outcomes, and deliverables.

1.11 "Program Supplement" shall mean a project-specific subcontract to this Agreement that is executed following a CTC approved action and includes all Project specific information needed to encumber funding.

1.12 "Program Supplement Termination Date" shall have the meaning set forth in Article III, Section 3(C) and refers to the last date for Recipient to incur valid Project costs or credits and is the date that the Program Supplement expires.

1.13 "Progress Payment Invoice" shall have the meaning set forth in Article II, Section 3A.

1.14 "Project Closeout Report" shall have the meaning set forth in Article II, Section 3(B).

1.15 "Project Financial Plan" shall have the meaning set forth in Article II, Section 2(A)(5)(d).

1.16 "Project Schedule" has the meaning set forth in Article II, Section 2(A)(5)(b).

1.17 "Project" shall mean the project identified in Recipient's application.

1.18 "Scope of Work" has the meaning set forth in Article II, Section 2(A)(5)(a).

1.19 "Secretary" shall mean the Secretary of the California State Transportation Agency (CalSTA). Unless the context otherwise requires, any reference to the Secretary includes CalSTA and its officers and employees.

1.20 "State" shall mean the State of California.

1.21 "TIRCP Projects" shall mean projects that are selected and funded pursuant to the Transit and Intercity Rail Capital Program.

1.22 "TIRCP" shall mean the "Transit and Intercity Rail Capital Program".

ARTICLE II – TIRCP PROJECTS AND ADMINISTRATION

Section 1. TIRCP Projects and Project Management

1. TIRCP Projects, pursuant to the Act, are established by CalSTA in accordance with the TIRCP Program Guidelines. Under delegation from CalSTA, the Department will administer the TIRCP Program in accordance with the TIRCP Program Guidelines and best management practices identified in the administration of similar Department grant programs.

2. By this reference, those Guidelines are made an express part of this Agreement and shall apply to each TIRCP Program funded Project. Recipient will cause its specific TIRCP mandated Resolution to be attached as part of any TIRCP funded Program Supplement as a condition precedent to the acceptance of Greenhouse Gas Reduction Funds or SB₆₁

Funds upon availability and allocation, for such project.

3. All inquiries during the term of this Agreement and any applicable Program Supplement will be directed to the project representatives identified below:

State's Project Administrator:

Department of Transportation

Ezequiel Castro

Chief, State Transit Grants Branch

Phone: (916) 654-8012

Email: ezequiel.castro@dot.ca.gov

Recipient's Project Administrator:

Santa Barbara County Association of

Governments

Scott Spaulding

Principal Transportation Planner

Phone: (805) 961-8920

Email: sspaulding@sbcag.org

Section 2. Program Supplement

A. General

1. This Agreement shall have no force and effect with respect to the Project unless and until a separate Project specific program supplement hereinafter referred to as "Program Supplement," adopting all of the terms and conditions of this Agreement has been fully executed by both State and Recipient.

2. Recipient agrees to complete the defined scope of work for the Project, described in the Program Supplement adopting all of the terms and conditions of this Agreement.

3. A financial commitment of actual funds will only occur in each detailed and separate Program Supplement. No funds are obligated by the prior execution of this Agreement alone.

4. Recipient further agrees, as a condition to the release and payment of the funds encumbered for the scope of work described in each Program Supplement, to comply with the terms and conditions of this Agreement and all the agreed-upon special covenants and conditions attached to or made a part of the Program Supplement identifying and defining the nature of that specific scope of work.

5. The Program Supplement shall include a detailed scope of work, which shall include but not be limited to, a Project Description, a Project Schedule, an Overall Funding Plan, and a Project Financial Plan as required in the TIRCP Program Guidelines.

a. The Scope of Work shall include a detailed description of the Project and will itemize the major tasks and their estimated costs.

b. The Project Schedule shall include major tasks and/or milestones and their associated beginning and ending dates and duration.

c. The Overall Funding Plan shall itemize the various Project Components, the committed funding program(s) or source(s), and the matching funds to be provided by

Recipient and/or other funding sources, if any [these Components include Environmental and Permits; Plans, Specifications and Estimates (PS&E); Right-of-Way (ROW); and Construction (including transit vehicle acquisition)].

d. The Project Financial Plan shall identify estimated expenditures for the Project Component by funding source, provided that for the purposes of this Agreement the State is only monitoring compliance for expenditures for the TIRCP, including but not limited to Greenhouse Gas Reduction Funds and Senate Bill (SB) 1 Funds allocated for the Project Component.

6. Adoption and execution of the Program Supplement by Recipient and State, incorporating the terms and conditions of this Agreement into the Program Supplement as though fully set forth therein, shall be sufficient to bind Recipient to these terms and conditions when performing the Project. Unless otherwise expressly delegated to a third-party in a resolution by Recipient's governing body, which delegation must be expressly assented to and concurred in by State, the Program Supplement shall be managed by Recipient.

7. The estimated cost and scope of the Project will be as described in the applicable Program Supplement. The State, shall not participate in any funding for the Project beyond those amounts actually encumbered by the STATE as evidenced in the applicable Program Supplement unless the appropriate steps are followed and approval is granted by the CTC as described below.

8. Upon the stated expiration date of this Agreement, any Program Supplement executed under this Agreement for the Project with work yet to be completed pursuant to the approved Project Schedule shall be deemed to extend the term of this Agreement only to conform to the specific Project termination or completion date contemplated by the applicable Program Supplement to allow that uncompleted Project to be administered under the extended terms and conditions of this Agreement.

B. Project Overrun

1. If Recipient or the State determine, at any time during the performance of the Project, that the Project budget may be exceeded, Recipient shall take the following steps:

a. Notify the designated State representative of the nature and projected extent of the overrun and, within a reasonable period thereafter, identify and quantify potential cost savings or other measures which Recipient will institute to bring the Project Budget into balance; and

b. Identify the source of additional Recipient or other third party funds that can be made available to complete Project. Recipient agrees that the allocation of the GGRF and SB 1 Funds is subject to the allocation made proposed by the CalSTA, submitted by the State, and approved by the CTC.

C. Cost Savings

1. Recipient is encouraged to evaluate design and construction alternatives that would mitigate the costs of delivering the commitments for the Project. Recipient shall take all steps necessary on a commercially reasonable basis that would generally be taken in accordance with best management practices. In determining cost savings, the Parties shall take into account all avoided costs, including avoided design, material, equipment, labor, construction, testing, acceptance and overhead costs and avoided costs due to time savings, and all the savings in financing costs associated with such avoided costs.
2. Recipient shall bear the burden of providing such cost savings to the Department. If there is an identification and implementation of any alternative resulting in reduction of the Project costs, the parties agree that such net savings will be reimbursed to the Department no later than 30 days after the submission of the final invoice for any remaining Project costs.

D. Scope of Work

1. Recipient shall be responsible for complete performance of the work described in the approved Program Supplement for the Project related to the commitment of encumbered funds. All work shall be accomplished in accordance with the applicable provisions of the Act, Public Utilities Code, the Streets and Highways Code, the Government Code, and other applicable statutes and regulations.
2. Recipient acknowledges and agrees that Recipient is the sole control and manager of the Project and its subsequent employment, operation, repair and maintenance for the benefit of the public. Recipient shall be solely responsible for complying with the funding and use restrictions established by (a) the statutes from which the GGRF and SB 1 Funds are derived, (b) the CTC, (c) the State Treasurer, (d) the Internal Revenue Service, (e) the applicable Program Supplement, and (f) this Agreement.
3. Recipient acknowledges and agrees that the Recipient is responsible for complying with all reporting requirements established by the TIRCP Guidelines and California Air Resource Board Funding Guidelines.

E. Program Supplement Amendments

Program Supplement amendments will be required whenever there are CalSTA or CTC approved actions, including but not limited to, Financial Allocations, Financial Allocation Amendments, Time Extensions and Technical Corrections. These changes shall be mutually binding upon the Parties only following the execution of a Program Supplement amendment.

Section 3. Allowable Costs and Payments

A. Allowable Costs and Progress Payment Invoice

1. Not more frequently than once a month, Recipient will prepare and submit to State signed Progress Payment Invoice for actual Project costs incurred and paid for by Recipient consistent with the Scope of Work document in the Program Supplement and State shall pay those uncontested allowable costs once the invoice is reviewed and approved by the Department, subject to CalSTA's approval. If no costs were incurred during any given quarter, Recipient is exempt from submitting a signed Progress Payment Invoice.
2. State shall not be required to reimburse more funds, cumulatively, per quarter of any fiscal year greater than the sums identified and included in the Project Financial Plan.
3. The State shall hold the right to determine reimbursement availability based on an approved expenditure plan and TIRCP anticipated or actual funding capacity.
4. Each such invoice will report the total of Project expenditures from GGRF and SB 1 Funds (including those of Recipient and third parties) and will specify the percent of State reimbursement requested and the GGRF fund and SB 1 Funds source.

B. Final Invoice

The Program Supplement Termination Date refers to the last date for Recipient to incur valid Project costs or credits and is the date that the Program Supplement expires. Recipient has one hundred and eighty (180) days after that Termination Date to make already incurred final allowable payments to Project contractors or vendors, prepare the Project Closeout Report, and submit the final invoice to State for reimbursement of allowable Project costs before those remaining State funds are unencumbered and those funds are reverted as no longer available to pay any Project costs. Recipient expressly waives any right to allowable reimbursements from State pursuant to this Agreement for costs incurred after that termination date and for costs invoiced to Recipient for payment after that one hundred and eightieth (180th) day following the Project Termination Date.

ARTICLE III – GENERAL PROVISIONS

Section 1. Funding

1. Recipient agrees to contribute at least the statutorily or other required local contribution of matching funds (other than State or federal funds), if any is specified within the Program Supplement or any appendices thereto, toward the actual cost of the Project or the amount, if any, specified in any executed SB 2800 (Streets and Highways Code Section 164.53) Agreement for local match fund credit, whichever is greater. Recipient shall contribute not less than its required match amount toward the Project cost in accordance with a schedule of payments as shown in the Project Financial Plan prepared by Recipient and approved by State as part of a Program Supplement.

Section 2. Audits and Reports

A. Cost Principles

1. Recipient agrees to comply with Title 2 Code of Federal Regulations 200 (2 CFR 200) Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.
2. Recipient agrees, and will assure that its contractors and subcontractors will be obligated to agree to follow 2 CFR 200 and it shall be used to determine the allowability of individual Project cost items. Every sub-recipient receiving Project funds as a contractor or sub-contractor under this Agreement shall comply with 2 CFR 200.
3. Any Project costs for which Recipient has received payment or credit that are determined by subsequent audit to be unallowable under 2 CFR 200, are subject to repayment by Recipient to State. Should Recipient fail to reimburse moneys due to the State within thirty (30) days of demand, or within such other period as may be agreed in writing between the Parties hereto, State is authorized to intercept and withhold future payments due Recipient from State or any third- party source whose funding passes through the State, including but not limited to, the State Treasurer, the State Controller and the CTC.
4. The State may terminate the grant for any reason at any time if it is determined by the State, based on an audit under this section, that there has been a violation of any State or federal law or policy by the Recipient during performance under this or any other grant agreement or contract entered into with the State. If the grant is terminated under this section, the Recipient may be required to fully or partially repay funds.

B. Record Retention

1. Recipient agrees, and will assure that its contractors and subcontractors shall establish and maintain an accounting system and records that properly accumulate and segregate incurred Project costs and matching funds by line item for the Project. The accounting system of Recipient, its contractors and all subcontractors shall conform to Generally Accepted Accounting Principles (GAAP), enable the determination of incurred costs at interim points of completion, and provide support for reimbursement payment vouchers or invoices. All accounting records and other supporting papers of Recipient, its contractors and subcontractors connected with Project performance under this Agreement and each Program Supplement shall be maintained for a minimum of three (3) years from the date of final payment to Recipient under a Program Supplement and shall be held open to inspection, copying, and audit by representatives of State, the California State Auditor, and auditors representing the federal government. Copies thereof will be furnished by Recipient, its contractors, and subcontractors upon receipt of any request made by State or its agents. In conducting an audit of the costs and match credits claimed under this Agreement, State will rely to the maximum extent possible on any prior audit of Recipient pursuant to the provisions of federal and State law. In the absence of such an audit, any acceptable audit work performed by Recipient's external and internal auditors may be relied upon and used by State when planning and conducting additional audits.

2. For the purpose of determining compliance with Title 21, California Code of Regulations, Section 2500 et seq., when applicable, and other matters connected with the performance of Recipient's contracts with third parties pursuant to Government Code section 8546.7, Recipient, Recipient's contractors and subcontractors and State shall each maintain and make available for inspection all books, documents, papers, accounting records, and other evidence pertaining to the performance of such contracts, including, but not limited to, the costs of administering those various contracts. All of the above referenced parties shall make such Agreement and Program Supplement materials available at their respective offices at all reasonable times during the entire Project period and for three (3) years from the date of final payment to Recipient under any Program Supplement. State, the California State Auditor, or any duly authorized representative of State or the United States Department of Transportation, shall each have access to any books, records, and documents that are pertinent to the Project for audits, examinations, excerpts, and transactions, and Recipient shall furnish copies thereof if requested.

3. Recipient, its contractors and subcontractors will permit access to all records of employment, employment advertisements, employment application forms, and other pertinent data and records by the State Fair Employment Practices and Housing Commission, or any other agency of the State of California designated by State, for the purpose of any investigation to ascertain compliance with this Agreement and the Act.

C. Reporting Requirements

1. Subject to the discretion of State, Recipient agrees to provide on a quarterly basis, Project Progress Reports that include the following information:

- a. Activities and progress made towards implementation of the project;
- b. Identification of whether the Project is proceeding on schedule and within budget;
- c. Identification of changes to the Project funding plan;
- d. Any actual or anticipated problems which could lead to delays in schedule, increased costs or other difficulties for either the Project or other State funded projects impacted by the Projects scope of work;
- e. Identify metrics and benefits achieved for disadvantaged communities, low income communities, and/or low income households;
- f. Reporting requirements per California Air Resource Board Cap and Trade Auction Proceeds Funding Guidelines for Agencies that Administer California Climate Investments which may include, continued reporting following project implementation to identify benefits achieved.

2. Reporting requirements of Recipient will include whether reported implementation activities are within the scope of the Project Program Supplement and in compliance with State laws, regulations, and administrative requirements.

3. Within one year of the Project or reportable Project components becoming operable, the implementing agency must provide a final delivery report including at a minimum:
 - a. Scope of completed Project as compared to Programmed Project;
 - b. Performance outcomes derived from the project as compared to outcomes described in the Project application and shall include but not be limited to before and after measurements and estimates for ridership, service levels, greenhouse gas reductions, updated estimated greenhouse gas reductions over the life of the project, benefits to disadvantaged communities, low income communities, and/or low income households, and project co-benefits as well as an explanation of the methodology used to quantify the benefits.

Section 3. Special Requirements

A. California Transportation Commission Resolutions

1. Recipient shall adhere to applicable CTC policies on "Timely Use of Funds" as stated in Resolution G-06-04, adopted April 26, 2006, addressing the expenditure and reimbursement of GGRF Funds and SB 1 Funds. These resolutions, and/or successor resolutions in place at the time a Program Supplement is executed, shall be applicable to GGRF funds and SB 1 funds, respectively.
2. Recipient shall be bound to the terms and conditions of this Agreement, the Project application contained in the Program Supplement (as applicable); and CTC Resolutions G-06-04, G-09-11 and/or their respective successors in place at the time the Program Supplement is signed (as applicable) and all restrictions, rights, duties and obligations established therein on behalf of State and CTC shall accrue to the benefit of the CTC and shall thereafter be subject to any necessary enforcement action by CTC or State. All terms and conditions stated in the aforesaid CTC Resolutions and CTC-approved Guidelines in place at the time the Program Supplement is signed (if applicable) shall also be considered to be binding provisions of this Agreement.
3. Recipient shall conform to any and all permit and mitigation duties associated with Project as well as all environmental obligations established in CTC Resolution G-91-2 and/or its successors in place at the time a Program Supplement is signed, as applicable, at the expense of Recipient and/or the responsible party and without any further financial contributions or obligations on the part of State unless a separate Program Supplement expressly provides funding for the specific purpose of hazardous materials remediation.

B. Recipient Resolution

1. Recipient has executed this Agreement pursuant to the authorizing Recipient resolution, attached as Appendix B to this Agreement, which empowers Recipient to enter into this Agreement and which may also empower Recipient to enter into all subsequent Program Supplements adopting the provisions of this Agreement.
3. If Recipient or State determines that a separate Resolution is needed for each Program Supplement, Recipient will provide information as to who the authorized designee is to

act on behalf of the Recipient to bind Recipient with regard to the terms and conditions of any said Program Supplement or amendment and will provide a copy of that additional Resolution to State with the Program Supplement or any amendment to that document.

C. Termination

1. State reserves the right to terminate funding for any Program Supplement, subject to CalSTA approval, upon written notice to Recipient in the event that Recipient fails to proceed with Project work in accordance with the Program Supplement, or otherwise violates the conditions of this Agreement and/or the Program Supplement or the funding allocation such that substantial performance is significantly endangered.

2. No such termination shall become effective if, within thirty (30) days after receipt of a notice of termination, Recipient either cures the default involved or, if not reasonably susceptible of cure within said thirty (30)-day period, Recipient proceeds thereafter to complete the cure in a manner and time line acceptable to State. Any such termination shall be accomplished by delivery to Recipient of a notice of termination, which notice shall become effective not less than thirty (30) days after receipt, specifying the reason for the termination, the extent to which funding of work under this Agreement is terminated and the date upon which such termination becomes effective, if beyond thirty (30) days after receipt. During the period before the effective termination date, Recipient and State shall meet to attempt to resolve any dispute.

3. Following a fund encumbrance made pursuant to a Program Supplement, if Recipient fails to expend GGRF or SB 1 monies within the time allowed specified in the Program Supplement, those funds may revert and be deemed withdrawn and will no longer be available to reimburse Project work unless those funds are specifically made available beyond the end of that Fiscal Year through re-appropriation or other equivalent action of the Legislature and written notice of that action is provided to Recipient by State.

4. In the event State terminates a Program Supplement for convenience and not for a default on the part of Recipient as is contemplated in this section, Recipient shall be reimbursed its authorized costs up to State's proportionate and maximum share of allowable Project costs incurred to the date of Recipient's receipt of that notice of termination, including any unavoidable costs reasonably and necessarily incurred up to and following that termination date by Recipient to effect such termination following receipt of that termination notice.

D. Third Party Contracting

1. Recipient shall not award a construction contract over \$10,000 or other contracts over \$25,000 [excluding professional service contracts of the type which are required to be procured in accordance with Government Code Sections 4525 (d), (e) and (f)] on the basis of a noncompetitive negotiation for work to be performed under this Agreement without the prior written approval of State. Contracts awarded by Recipient, if intended as local match credit, must meet the requirements set forth in this Agreement regarding local match funds.

2. Any subcontract entered into by Recipient as a result of this Agreement shall contain the provisions of ARTICLE III – GENERAL PROVISIONS, Section 2. Audits and Reports and shall mandate that travel and per diem reimbursements and third-party contract reimbursements to subcontractors will be allowable as Project costs only after those costs are incurred and paid for by the subcontractors.

3. In addition to the above, the preaward requirements of third party contractor/consultants with local transit agencies should be consistent with Local Program Procedures (LPP-00-05).

E. Change in Funds and Terms/Amendments

This Agreement and the resultant Program Supplements may be modified, altered, or revised only with the joint written consent of Recipient and State.

F. Project Ownership

1. Unless expressly provided to the contrary in a Program Supplement, subject to the terms and provisions of this Agreement, Recipient, or a designated subrecipient acceptable to State, as applicable, shall be the sole owner of all improvements and property included in the Project constructed, installed or acquired by Recipient or subrecipient with funding provided to Recipient under this Agreement. Recipient, or subrecipient, as applicable, is obligated to continue operation and maintenance of the physical aspects of the Project dedicated to the public transportation purposes for which Project was initially approved unless Recipient, or subrecipient, as applicable, ceases ownership of such Project property; ceases to utilize the Project property for the intended public transportation purposes; or sells or transfers title to or control over Project and State is refunded the Credits due State as provided in paragraph (2) herein below.

2. Project right-of-way, Project facilities constructed or reconstructed on the Project site and/or Project property (including vehicles and vessels) purchased by Recipient (excluding temporary construction easements and excess property whose proportionate resale proceeds are distributed pursuant to this Agreement) shall remain permanently dedicated to the described public transit use in the same proportion and scope, and to the same extent as mandated in the Program Supplement, unless State agrees otherwise in writing. Vehicles acquired as part of Project, including, but not limited to, buses, vans, rail passenger equipment, shall be dedicated to that public transportation use for their full economic life cycle, which, for the purpose of this Agreement, will be determined in accordance with standard national transit practices and applicable rules and guidelines, including any extensions of that life cycle achievable by reconstruction, rehabilitation or enhancements. The exceptions to this section are outlined below:

a. Except as otherwise set forth in this Section 3, State, or any other State-assignee public body acting on behalf of the CTC, shall be entitled to a refund or credit (collectively the Credit), at State's sole option, equivalent to the proportionate Project funding participation received by Recipient from State if Recipient, or a sub-recipient, as applicable, (i) ceases to utilize Project for the original intended public transportation

purposes or (ii) sells or transfers title to or control over Project. If federal funds (meaning only those federal funds received directly by Recipient and not federal funds (derived through or from the State) have contributed to the Project, Recipient shall notify both State and the original federal source of those funds of the disposition of the Project assets or the intended use of those sale or transfer receipts.

b. State shall also be entitled to an acquisition credit for any future purchase or condemnation of all or portions of Project by State or a designated representative or agent of State.

c. The Credit due State will be determined by the ratio of State's funding when measured against the Recipient's funding participation (the Ratio). For purposes of this Section 3, the State's funding participation includes federal funds derived through or from State. That Ratio is to be applied to the then present fair market value of Project property acquired or constructed as provided in (d) and (e) below.

d. For Mass Transit vehicles, this Credit [to be deducted from the then remaining equipment value] shall be equivalent to the percentage of the full extendable vehicle economic life cycle remaining, multiplied by the Ratio of funds provided for that equipment acquisition. For real property, this same funding Ratio shall be applied to the then present fair market value, as determined by State, of the Project property acquired or improved under this Agreement.

e. Such Credit due State as a refund shall not be required if Recipient dedicates the proceeds of such sale or transfer exclusively to a new or replacement State approved public transit purpose, which replacement facility or vehicles will then also be subject to the identical use restrictions for that new public purpose and the Credit ratio due State should that replacement project or those replacement vehicles cease to be used for that intended described pre-approved public transit purpose.

i. In determining the present fair market value of property for purposes of calculating State's Credit under this Agreement, any real property portions of the Project site contributed by Recipient shall not be included. In determining State's proportionate funding participation, State's contributions to third parties (other than Recipient) shall be included if those contributions are incorporated into the Project.

ii. Once State has received the Credit as provided for above because Recipient, or a sub-recipient, as applicable, has (a) ceased to utilize the Project for the described intended public transportation purpose(s) for which State funding was provided and State has not consented to that cessation of services or (b) sold or transferred title to or control over Project to another party (absent State approval for the continued transit operation of the Project by that successor party under an assignment of Recipient's duties and obligations), neither Recipient, subrecipient, nor any party to whom Recipient or subrecipient, as applicable, has transferred said title or control shall have any further obligation under this Agreement to continue operation of Project and/or Project facilities for those described public transportation purposes, but may then use Project and/or any of its facilities for any lawful purpose.

iii. To the extent that Recipient operates and maintains Intermodal Transfer Stations as any integral part of Project, Recipient shall maintain each station and all its appurtenances, including, but not limited to, restroom facilities, in good condition and repair in accordance with high standards of cleanliness (Public Utilities Code section 99317.8). Upon request of State, Recipient shall also authorize State-funded bus services to use those stations and appurtenances without any charge to State or the bus operator. This permitted use will include the placement of signs and informational material designed to alert the public to the availability of the State-funded bus service (for the purpose of this paragraph, "State-funded bus service" means any bus service funded pursuant to Public Utilities Code section 99316).

G. Disputes

Parties shall develop a mutually agreed upon issue resolution process, as described below, and issues between the Parties are to be resolved in a timely manner. The Parties agree to the following:

1. If the Parties are unable to reach agreement on any particular issue relating to either Parties' obligations pursuant to this Agreement, the Parties agree to promptly follow the issue resolution process as outlined below:

a. The Department's project manager and the Recipient's equivalent may initiate the process of informal dispute resolution by providing the other Party with written notice of a dispute. The written notice shall provide a clear statement of the dispute, and shall refer to the specific provisions of this Agreement or Program Supplement that pertain to the dispute. The Department's project manager and the Recipient's equivalent shall meet and attempt to resolve the dispute within five days from the written notice. If the dispute is resolved, the Parties shall create and sign a short description of the facts and the resolution that was agreed upon by the Parties.

b. If the dispute is not resolved by the fifth day from the written notice, the Department's senior project manager and the Recipient's equivalent shall meet and review the dispute within five days. The Department's senior project manager and the Recipient's equivalent manager shall attempt to resolve the dispute within ten days of their initial meeting. If the dispute is resolved, the Parties shall create and sign a short description of the facts and the resolution that was agreed upon by the Parties.

c. If the dispute is not resolved by the tenth day, the Department's Director or his designee and the Recipient's equivalent manager shall meet and review the dispute within five days. The Department's Director or his designee and the Recipient's equivalent manager shall attempt to resolve the dispute within ten days of the initial meeting. If the dispute is resolved, the Parties shall create and sign a short description of the facts and the resolution that was agreed upon by the Parties. If the dispute is not resolved by the tenth day by the Department's Director or his designee and the Recipient's equivalent manager, the Parties shall submit the matter to the Secretary of CalSTA for a final administrative determination.

H. Hold Harmless and Indemnification

1. Neither State nor any officer or employee thereof shall be responsible for any damage or liability occurring by reason of anything done or omitted to be done by Recipient, its agents and contractors under or in connection with any work, authority, or jurisdiction delegated to Recipient under this Agreement or any Program Supplement or as respects environmental clean-up obligations or duties of Recipient relative to Project. It is also understood and agreed that, Recipient shall fully defend, indemnify and hold the CTC and State and their officers and employees harmless from any liability imposed for injury and damages or environmental obligations or duties arising or created by reason of anything done or imposed by operation of law or assumed by, or omitted to be done by Recipient under or in connection with any work, authority, or jurisdiction delegated to Recipient under this Agreement and all Program Supplements

2. Recipient shall indemnify, defend and hold harmless State, the CTC and the State Treasurer relative to any misuse by Recipient of State funds, Project property, Project generated income or other fiscal acts or omissions of Recipient so long as such misuse is not directed by the State, the CTC, or the State Treasurer.

I. Labor Code Compliance

Recipient shall include in all subcontracts awarded using Project funds, when applicable, a clause that requires each subcontractor to comply with California Labor Code requirements that all workers employed on public works aspects of any project (as defined in California Labor Code §§ 1720-1815) be paid not less than the general prevailing wage rates predetermined by the Department of Industrial Relations as effective the date of Contract award by the Recipient.

J. Non-Discrimination Clause

1. In the performance of work under this Agreement, Recipient, its contractor(s) and all subcontractors, shall not unlawfully discriminate, harass or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability, mental disability, medical condition, age, marital status, family and medical care leave, pregnancy leave, and disability leave. Recipient, its contractor(s) and all subcontractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Recipient, its contractor(s) and all subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Government Code section 12900 et seq.), and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, section 7285 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full. Each of Recipient's contractors and all subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreements, as appropriate.

2. Each of the Recipient's contractors, subcontractors, and/or subrecipients shall give written notice of their obligations under this clause to labor organizations with which they have collective bargaining or other labor agreements. The Recipient shall include the non-discrimination and compliance provisions hereof in all contracts and subcontracts to perform work under this Agreement.

3. Should federal funds be constituted as part of Project funding or compensation received by Recipient under a separate Contract during the performance of this Agreement, Recipient shall comply with this Agreement and with all federal mandated contract provisions as set forth in that applicable federal funding agreement.

4. Recipient shall include the non-discrimination and compliance provisions of this clause in all contracts and subcontracts to perform work under this Agreement.

5. The Recipient shall comply with the nondiscrimination program requirements of Title VI of the Civil Rights Act of 1964. Accordingly, 49 CFR Part 21 (Nondiscrimination in Federally-Assisted Programs of The Department Of Transportation—Effectuation of Title VI of The Civil Rights Act of 1964) and 23 CFR Part 200 (Title VI Program and Related Statutes—Implementation and Review Procedures) are made applicable to this Agreement by this reference. Wherever the term "Contractor" appears therein, it shall mean the Recipient.

6. The Recipient shall permit, and shall require that its contractors, subcontractors, and subrecipients will permit, access to all records of employment, employment advertisements, application forms, and other pertinent data and records by the State Fair Employment Practices and Housing Commission or any other agency of the State of California designated by Department to investigate compliance with this Section J.

K. State Fire Marshal Building Standards Code

The State Fire Marshal adopts building standards for fire safety and panic prevention. Such regulations pertain to fire protection design and construction, means of egress and adequacy of exits, installation of fire alarms, and fire extinguishment systems for any State-owned or State-occupied buildings per section 13108 of the Health and Safety Code. When applicable, Recipient shall request that the State Fire Marshal review Project PS&E to ensure Project consistency with State fire protection standards.

L. Americans with Disabilities Act

By signing this Master Agreement, Recipient assures State that Recipient shall comply with the Americans with Disabilities Act (ADA) of 1990, which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA (42 U.S.C. 12101 et seq.).

M. Access for Persons with Disabilities

Disabled access review by the Department of General Services (Division of the State Architect) is required for all publicly funded construction of buildings, structures, sidewalks, 74

curbs and related facilities. Recipient will award no construction contract unless Recipient's plans and specifications for such facilities conform to the provisions of sections 4450 and 4454 of the California Government Code, if applicable. Further requirements and guidance are provided in Title 24 of the California Code of Regulations.

N. Disabled Veterans Program Requirements

1. Should Military and Veterans Code sections 999 et seq. be applicable to Recipient, Recipient will meet, or make good faith efforts to meet, the 3% Disabled Veterans Business Enterprises goals (or Recipient's applicable higher goals) in the award of every contract for Project work to be performed under these this Agreement.

2. Recipient shall have the sole duty and authority under this Agreement and each Program Supplement to determine whether these referenced code sections are applicable to Recipient and, if so, whether good faith efforts asserted by those contractors of Recipient were sufficient as outlined in Military and Veterans Code sections 999 et seq.

O. Environmental Process

Completion of the Project environmental process ("clearance") by Recipient (and/or State if it affects a State facility within the meaning of the applicable statutes) is required prior to requesting Project funds for right-of-way purchase or construction. No State agency may request funds nor shall any State agency, board or commission authorize expenditures of funds for any Project effort, except for feasibility or planning studies, which may have a significant effect on the environment unless such a request is accompanied with all appropriate documentation of compliance with or exemption from the California Environmental Quality Act (CEQA) (including, if as appropriate, an environmental impact report, negative declaration, or notice of exemption) under California Public Resources Code section 21080(b) (10), (11), and (12) provides an exemption for a passenger rail project that institutes or increases passenger or commuter services on rail or highway rights-of-way already in use.

P. Force Majeure

Each party will be excused from performance of its obligations where such non-performance is caused by any event beyond its reasonable control, such as any non-appealable order, rule or regulation of any federal or state governmental body, Acts of God (of Acts of God (including fire, flood, earthquake, storm, hurricane or other natural disaster), war, invasion, act of foreign enemies, hostilities (regardless of whether war is declared), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation, terrorist activities, nationalization, government sanction, blockage, embargo, labor dispute, strike, lockout or interruption, provided that the party excused hereunder shall use all reasonable efforts to minimize its non- performance and to overcome, remedy or remove such event in the shortest practical time.

Should a force majeure event occur which renders it impossible for a period of forty-five (45) or more consecutive days for either party to perform its obligations hereunder, the Parties agree to negotiate in good faith to amend the existing Business Plan or Business

Plan Update to deal with such event and to seek additional sources of funding to continue the operation of the Service.

ARTICLE IV – MISCELLANEOUS PROVISIONS

Section 1. Miscellaneous Provisions

A. Successor Acts

All statutes cited herein shall be deemed to include amendments to and successor statutes to the cited statutes as they presently exist.

B. Successor and Assigns to the Parties

Neither this Agreement nor any right, duty or obligation hereunder may be assigned, transferred, hypothecated or pledged by any party without the express written consent of the other party; provided, that unless otherwise expressly required herein, a party shall not be obligated to obtain the written consent of the other party with respect to any contract related to the Service for the provision of goods and/or services to the contracting party in the ordinary course of business.

C. Notice

Any notice which may be required under this Agreement shall be in writing, shall be effective when received, and shall be given by personal service, or by certified or registered mail, return receipt requested, to the addresses set forth below, or to such other addresses as may be specified in writing and given to the other party in accordance herewith.

If given to the Department: State of California

Department of Transportation
Division of Rail and Mass Transportation
P.O. Box 942874
Sacramento, CA 994274-0001
Attention: Mass Manager, MS 39

with a copy to:

California State Transportation Agency
915 Capitol Mall Suite 350
B Sacramento, CA 95814

If given to the Recipient:

Santa Barbara Association of Governments
260 North San Antonio Road, Suite B

Santa Barbara, CA 93110

Attention: Marjie Kirn, Executive Director

(805) 961-8900

D. Amendment

This Agreement may not be changed, modified, or amended except in writing, signed by the parties hereto, and approved in advance in writing by the Secretary, and any attempt at oral modification of this Agreement shall be void and of no effect.

E. Representation and Warranties of the Parties

a. Recipient hereby represents and warrants to the Department that:

i. Recipient is in good standing under applicable law, with all requisite power and authority to carry on the activities for which it has been organized and proposed to be conducted pursuant to this Agreement.

ii. Recipient has the requisite power and authority to execute and deliver this Agreement and to carry out its obligations hereunder. The execution and delivery of this Agreement by such entity, the performance by it of its obligations thereunder and the consummation of the transactions contemplated thereby have been duly authorized by the governing board of such entity and no other proceedings are necessary to authorize this Agreement or to consummate the transactions contemplated thereby. The Agreements have been duly and validly executed and delivered by such entity and constitute valid and binding obligations of such entity, enforceable against it in accordance with their terms, except to the extent that such enforceability may be subject to bankruptcy, insolvency, reorganization, moratorium or other laws now or hereinafter in effect relating to the creditor's rights and the remedy of specific enforcement and injunctive and other forms of equitable relief, and may be subject to equitable defenses and to the discretion of the court before which any proceeding therefore may be brought.

iii. Neither the execution and delivery of this Agreement and the performance of its obligations thereunder nor the consummation of the transactions contemplated thereby will (i) conflict with or result in a breach of any provision of any agreement to which Recipient is a party; (ii) violate any write, order, judgment, injunction, decrees, statute, rule or regulation of any court or governmental authority applicable to such entity or its property or assets.

b. The Department does hereby represent and warrant with respect to each of this Agreement to the Recipient that:

i. It validly exists with all requisite power and authority to carry on the activities proposed to be conducted pursuant to this Agreement.

ii. It has the requisite power and authority to execute and deliver this Agreement and to carry out its obligations thereunder. The execution and delivery of this Agreement, the performance by it of its obligations thereunder and the consummation of the

transactions contemplated thereby have been duly authorized and no other proceedings are necessary to authorize this Agreement or to consummate the transactions contemplated thereby. The agreements have been duly and validly executed and delivered by it and constitute valid and binding obligations, enforceable against it in accordance with their terms, except to the extent that such enforceability may be subject to bankruptcy, insolvency, reorganization, moratorium or other laws now or hereinafter in effect relating to creditor's rights and other forms of equitable relief, and may be subject to equitable defenses and to the discretion of the court before which any proceeding therefore may be brought.

iii. Neither the execution and delivery of this Agreement and the performance of its obligations thereunder nor the consummation of the transactions contemplated thereby will (i) conflict with or result in a breach of any other agreement; (ii) violate any writ, order, judgment, injunction, decree, statute, rule or regulation of any court or governmental authority applicable to such entity or its property or assets.

F. Construction, Number, Gender and Captions

The Agreements have been executed in the State of California and shall be construed according to the law of said State. Numbers and gender as used therein shall be construed to include that number and/or gender which is appropriate in the context of the text in which either is included. Captions are included therein for the purposes of ease of reading and identification. Neither gender, number nor captions used therein shall be construed to alter the plain meaning of the text in which any or all of them appear.

G. Complete Agreement

This Agreement, including Appendices, constitutes the full and complete agreement of the parties, superseding and incorporating all prior oral and written agreements relating to the subject matter of this Agreement. All attached Appendices A through B are hereby incorporated and made an integral part of this Agreement by this reference.

H. Partial Invalidity

If any part of this Agreement is determined to be invalid, illegal or unenforceable, such determination shall not affect the validity, legality or enforceability of any other part of this Agreement and the remaining parts of this Agreement shall be enforced as if such invalid, illegal or unenforceable part were not contained herein.

I. Conflicts

To the extent that any provision of or requirement of this Agreement may conflict with a provision or requirement of any other agreement between the parties hereto, or between a party hereto and any other party, which is attached to this Agreement as an appendix, the priority of agreements shall be employed to resolve such conflict. IN the event of a conflict, the Master Agreement controls the Program Supplement and any further Amendments.

J. Counterparts

This Agreement may be executed in one or more counterparts and may include multiple signature pages, all of which shall be deemed to be one instrument. Copies of this Agreement may be used in lieu of the original.

K. Governing Law

The Agreement shall be governed by and construed in accordance with the laws of the State of California.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement by their duly authorized officers.

[SIGNATURES TO FOLLOW]

STATE OF CALIFORNIA
DEPARTMENT OF TRANSPORTATION

SANTA BARBARA ASSOCIATION
OF GOVERNMENTS

BY: _____
DARA WHEELER
Chief, Division of Rail and Mass
Transportation

BY:  _____
JOAN HARTMAN
Chair

STATE OF CALIFORNIA
DEPARTMENT OF TRANSPORTATION

SANTA BARBARA ASSOCIATION
OF GOVERNMENTS

APPROVED AS TO FORM AND
PROCEDURE

APPROVED AS TO FORM

BY: _____
JON OLDENBURG
Deputy Attorney

BY:  _____
RACHEL VAN MULLEM
Chief Assistant County Counsel