Council Meeting of
October 14, 2008

Honorable Mayor and Members
of the City Council
City Hall
Torrance, California

Members of the Council:

SUBJECT: Public Works – Approve Amendment No. 1 of a Memorandum of Understanding to extend the funding lapse date for the Del Amo Boulevard Extension/Grade Separation, T-30. Expenditure: None

RECOMMENDATION

Recommendation of the Public Works Director that City Council approve Amendment No. 1 to Amended and Restated Memorandum of Understanding/Letter of Agreement, MOU/LOA.P0004314S (C2007-102) with the Los Angeles County Metropolitan Transportation Authority to extend the lapse date by one year through May 31, 2009 to complete the acquisition of easements needed for the Del Amo Boulevard Extension/Grade Separation, T-30.

Funding

Not applicable.

BACKGROUND/ ANALYSIS

In July 2000, the City entered into a Memorandum of Understanding/Letter of Agreement ("MOU") with the Los Angeles County Metropolitan Transportation Authority ("METRO") that provides grant funds in the amount of $13,121,000 for the Del Amo Boulevard Extension/Grade Separation Project, T-30 ("T-30 Project"). The grant funds initially provided 69.5% of the total project budget (approximately $19 million) and are available on a reimbursement basis.

In June 2007, the City and METRO approved an Amended and Restated MOU to the original MOU. The Amended and Restated MOU increased the grant funding from $13,121,000 to $20,121,000, an increase of $7,000,000. The additional $7,000,000 of grant funding is from the federal Regional Surface Transportation Program (RSTP) and was approved for the project to help offset higher construction costs. The additional grant funds also are available on a reimbursement basis.

The Amended and Restated MOU had an expiration date of June 30, 2008. Accordingly, in June 2008, the City requested an extension to complete the acquisition of street, utility and temporary construction easements needed for the T-30 Project.

In July 2008, the METRO Board approved an extension from June 30, 2008 to May 31, 2009 to allow the City additional time to acquire easements. The recommended Amendment No. 1 to Amended and Restated Memorandum of Understanding/Letter of Agreement, MOU/LOA.P0004314S provides an additional year to complete the acquisition of easements needed for the project.

Between now and May 31, 2009 staff intends to complete the acquisition of easements, obtain federal authorization to advertise the project for construction bids and initiate the bidding process. In June 2009, City staff will return to METRO to request an additional 2-year extension for the construction phase of the T-30 project.

Respectfully submitted,

ROBERT J. BESTE
Public Works Director

By Craig Bilezerian
Engineering Manager

By Beth Overstreet
Engineering Manager

CONCUR:

Robert J. Beste
Public Works Director

LeRoy J. Jackson
City Manager

Attachments: A. Amendment No. 1 to Amended and Restated Memorandum of Understanding/Letter of Agreement, MOU/LOA.P0004314S
B. Amended and Restated Call for Projects Memorandum of Understanding/Letter of Agreement, MOU/LOA.P0004314S

TIP#: LA974314

PPNO N/A

ATTACHMENT A
CFP# 4314
AMENDMENT NO. 1
MOU/LOA.P0004314S

AMENDMENT NO. 1
AMENDED AND RESTATED
MEMORANDUM OF UNDERSTANDING/LETTER OF AGREEMENT
BETWEEN
CITY OF TORRANCE
AND
THE LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

This Amendment No. 1 to Amended and Restated Memorandum of Understanding/Letter of Agreement (this "Amendment"), is dated as of September 3, 2008, by and between the City of Torrance ("Project Sponsor"), and the Los Angeles County Metropolitan Transportation Authority ("LACMTA").

RECITALS:

A. Project Sponsor and LACMTA entered into that certain Amended and Restated Memorandum of Understanding/Letter of Agreement No. MOU.P0004314S, dated April 23, 2007, (the "Existing Amended and Restated MOU/LOA"), which Existing Amended and Restated MOU/LOA provides for the Del Amo Boulevard Extension/Grade Separation; and

B. Whereas, LACMTA Board on July 24, 2008, desires to extend the lapsing date of funds programmed for ALL programmed Fiscal years to June 30, 2009; and

C. Whereas, as part of this approval LACMTA directed that the Project Sponsor must secure Right-of-Way easements by May 31, 2009; and

D. Project Sponsor and LACMTA desire to amend the Existing Amended and Restated MOU/LOA as provided herein.

AGREEMENT:

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereby agree as follows:

1. Part 1, Paragraph 14(a) of the Existing Amended and Restated MOU/LOA is hereby amended by deleting it in its entirety and replacing it with the following: "Under this MOU/LOA, Project Sponsor is receiving supplemental funds in the amount of $7,000,000 in RSTP Funds. Project Sponsor shall encumber the supplemental RSTP Funds by June 30, 2009."

2. Part 2, Paragraph 8.1(iv) of the Existing Amended and Restated MOU/LOA is hereby amended by deleting it in its entirety and replacing it with the following: "Funds programmed for ALL Programmed years are subject to lapse on June 30, 2009. Project Sponsor shall expend these Funds by the lapsing date".

3. Part 2, Paragraph 8.4 of the Existing Amended and Restated MOU/LOA is hereby amended by deleting it in its entirety and replacing it with the following: "Assuming the above obligation requirements have been met, all Funds programmed for ALL Programmed years are subject to lapse on June 30, 2009".

4. Attachment H is hereby added as a special condition to the Existing Amended and Restated MOU/LOA, attached.

5. Except as expressly amended hereby, the Existing Amended and Restated MOU/LOA remains in full force and effect as originally executed. All rights and obligations of the parties under the Existing Amended and Restated MOU/LOA that are not expressly amended by this Amendment shall remain unchanged.

TIP#: LA974314

PPNO N/A

CFP# 4314
AMENDMENT NO. 1
MOU/LOA.P0004314S

IN WITNESS WHEREOF, the parties have caused this Amendment No. 1 to be duly executed and delivered as of the above date.

LOS ANGELES COUNTY
METROPOLITAN TRANSPORTATION AUTHORITY

By: _____ Date: _____
Roger Snoble
Chief Executive Officer

Approved as to form:

Raymond G. Fortner, Jr.
County Counsel

By: _____ Date: 9/10/08
Deputy

CITY OF TORRANCE

By: _____ Date: _____
Frank Scotto
Mayor

Attest:

By: _____ Date: _____
Sue Herbers
City Clerk

Approved as to form:

By: _____ Date: _____
John L. Fellows III
City Attorney

ATTACHMENT H
SPECIAL CONDITIONS

LACMTA agreed to give the Project a one-year extension for the Project Sponsor to acquire Right-of-Way easements. A two-year extension for construction will be considered in June 2009 if the necessary easements are secured by May 31, 2009. If the Right-of-Way easements are not secured by May 31, 2009, then the Funds will be administratively deobligated.

ATTACHMENT B

MOU/LOA.P0004314S
TIP#: LA974314

AMENDED AND RESTATED CALL FOR PROJECTS MEMORANDUM OF UNDERSTANDING/LETTER OF AGREEMENT

This Amended and Restated Memorandum of Understanding/Letter of Agreement ("MOU/LOA") is dated for reference purposes only, April 23, 2007, and is by and between the Los Angeles County Metropolitan Transportation Authority ("METRO") and City of Torrance ("Project Sponsor") for Del Amo Boulevard Extension/Grade Separation - METRO Call for Projects ID# 4314 and TIP# LA974314 (the "Project").

WHEREAS, Project Sponsor and METRO entered into that certain Call for Projects Memorandum of Understanding/Letter of Agreement # P0004314 dated as of July 10, 2000, which was amended on June 21, 2004 and September 27, 2005 (as amended, the "Existing MOU/LOA") for the grant of $13,121,000.

WHEREAS, as part of the Supplement to the Call for Projects, the METRO Board of Directors, at its meeting on January 25, 2007, authorized an additional one-time grant or programming of funds in the amount of $7,000,000 to Project Sponsor, subject to the terms and conditions contained in this MOU/LOA.

WHEREAS, as part of the January 25, 2007 METRO Board action, the METRO Board required that the supplemental local funds must be expended by June 30, 2008 and the supplemental state or federal funds must be obligated or allocated, as applicable, by June 30, 2008.

WHEREAS, METRO and Project Sponsor desire to amend and restate the Existing MOU/LOA in its entirety in order to provide for all grant and programmed funds for the Project in one agreement. By entering into this MOU/LOA, the parties desire that this MOU/LOA will supercede and replace the Existing MOU/LOA in its entirety.

NOW, THEREFORE, the parties hereby agree as follows:

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

1. Part I - Specific Terms of the MOU/LOA
2. Part II - General Terms of the MOU/LOA
3. Attachment A - Project Funding
4. Attachment B - Financial Plan
5. Attachment C - Scope of Work
6. Attachment D - Reporting and Expenditure Guidelines
7. Attachment D1 - Quarterly Progress/Expenditure Report
8. Attachment E - Transportation Improvement Program (TIP) Sheet
9. Attachment F – List of Documents to be submitted to Caltrans

C2007-102

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10. Attachment G - Special Grant Conditions
11. Any other attachments or documents referenced in the above documents

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

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

METRO:

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

By: Carol Inge 7-23-07
Roger Snoble Date
Chief Executive Officer

APPROVED AS TO FORM:

Raymond G. Fortner, Jr.
County Counsel

By: 5/21/07
Deputy Date

PROJECT SPONSOR:

CITY OF TORRANCE

By: Frank Scotto 06-21-07
Frank Scotto Date
Mayor

ATTEST

By: Sue Herbers 06-21-07
Sue Herbers Date
City Clerk

APPROVED AS TO FORM:

By: Ron Sohl 06-21-07
John L. Fellows III Date
City Attorney

PART I
SPECIFIC TERMS OF THE MOU/LOA

1. Title of the Project (the "Project"): Del Amo Boulevard Extension/Grade Separation

2. Grant and Programmed Funds

Grant and Programmed Funds for this Project consist of the following: Proposition C 25% Funds (the "Prop C Funds"), and the Federal Regional Surface Transportation Program (the "RSTP Funds") Funds. The Prop C Funds and RSTP Funds are collectively referred to as "the Funds". The total amount of Funds provided under this MOU/LOA is $20,121,000. ($13,121,000 in Prop C funds & $7,000,000 in RSTP funds)

2.1 Prop C Funds: To the extent the Prop C Funds are available; METRO shall make to Project Sponsor a one-time grant in the amount of $13,121,000 in Prop C Funds for the Project. The Funds are programmed over three (3) years, Fiscal Years (FY) 1999-00, FY 2000-01 and FY 2004-05.

2.2 RSTP Funds: METRO programmed $7,000,000 in RSTP Funds to Project Sponsor for the Project. The RSTP Funds are programmed over one (1) year, Fiscal Years 2006-07.

3. Funding and Programming Agencies

3.1 The Funding Agencies (individually, an "Agency") for this Project are: the Federal Highway Administration (FHWA) for the RSTP Funds, and Metro for the Prop C Funds.

3.2 The Programming Agency for this Project is: METRO.

4. For the Prop C Funds, this one time grant shall be paid on a reimbursement basis. Project Sponsor must provide the appropriate supporting documentation with the Quarterly Progress/Expenditure Report. Project Sponsor Funding Commitment must be spent in the appropriate proportion to the Funds with each quarter's expenditures. METRO will withhold five percent (5%) of eligible expenditures per invoice as retainage pending an audit of expenditures and completion of scope of work.

5. The "Project Funding" documents all sources of funds programmed for the Project as approved by METRO and is attached as Attachment A. The Project Funding includes the total programmed budget for the Project, including the Funds programmed by METRO and the Project Sponsor Funding Commitment (local match). The Project Funding also includes the fiscal years in which all the funds for the Project are programmed.

6. The "Financial Plan" documents the proposed cash flow for the Project and is attached to this MOU/LOA as Attachment B. The Financial Plan is the entire financial plan for the Project, and shows the total sources of funds programmed to the Project, including Project

Sponsor Funding Commitment as well as the fiscal year and quarter the funds will be expended. The Financial Plan should not show the expenditure of any Funds beyond the lapse date of the last year of funding. If Attachment B is inconsistent with the lapsing date, the lapsing date shall prevail and the Funds shall lapse on the lapse date regardless of what is set forth in Attachment B.

7. Project Sponsor shall complete the Project as described in the Scope of Work. The "Scope of Work" for the Project is attached to this MOU/LOA as Attachment C. The Scope of Work includes a description of the Project, a detailed description of the work to be completed by Project Sponsor including, without limitation, Project milestones consistent with the lapsing policy, and a set schedule. Work shall be delivered in accordance with that schedule unless otherwise agreed to by the parties in writing. If a Project Sponsor is consistently behind schedule in meeting milestones or in delivering the Project, then METRO will have the option to terminate this MOU/LOA for default as described in Part II, Section 9. Any changes in the Scope of Work must be made by amendment.

8. The "Transportation Improvement Program (TIP) Sheet" is attached as Attachment E and is required to ensure that the Project is programmed correctly in the most up-to-date TIP. All local transportation projects must be programmed into the TIP as the TIP includes locally funded regionally significant projects for information and air quality modeling purposes and to receive State or Federal funding. Project Sponsor shall review the TIP Sheet each year and update or correct the TIP Sheet as necessary. If Project Sponsor updates or corrects the TIP Sheet, Project Sponsor shall provide such updates or corrections to METRO Regional Programming, Attention Herman Cheng, or his designee as soon as possible after Project Sponsor is aware of the changes, but no later than October 1 of the year the change or update is made. Should Project Sponsor fail to meet this date, it may affect Project Sponsor's ability to access funding, delay the Project and may ultimately result in the Funds being lapsed.

9. For RSTP Funds, the List of Documents to be submitted to Caltrans for the Project is attached as Attachment F.

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

11. METRO's Address:

Los Angeles County Metropolitan Transportation Authority
One Gateway Plaza
Los Angeles, CA 90012
Attention: Fanny Pan, MS: 99-22-3

12. Project Sponsor's Address:

City of Torrance
20500 Madrona Avenue
Torrance, CA 90503
Attention: Craig Bilezerian, P.E., Project Manager
Email: cbilezerian@torrnet.com

13. MAINTENANCE OF EFFORT -- MOE

On September 26, 2002, the METRO Board of Directors required that prior to receiving Proposition C 10% or 25% grant funds through the Call for Projects, Project Sponsor must meet a Maintenance of Effort (MOE) requirement consistent with the State of California's MOE as determined by the State Controller's office. With regard to enforcing the MOE, METRO will follow the State of California's MOE requirement, including, without limitation, suspension and re-implementation.

14. SPECIAL CONDITIONS FOR SUPPLEMENTAL FUNDS

(a) Notwithstanding Part II, Section 8 - the Timely Use of Funds/Reprogramming of Funds - the METRO Board in authorizing the supplemental funds to Project Sponsor required that such supplemental funds be expended or encumbered, as applicable by June 30, 2008. Under this MOU/LOA, Project Sponsor is receiving supplemental funds in the amount of $7,000,000 in RSTP Funds. Project Sponsor shall encumber the supplemental RSTP Funds by June 30, 2008.

(b) The existing MOU/LOA is hereby superseded and replaced in its entirety by this MOU/LOA.

PART II
GENERAL TERMS OF THE MOU/LOA

1. TERM:

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

1.2 **Should METRO determine there are insufficient Funds available for the Project, METRO may terminate this MOU/LOA by giving written notice to Project Sponsor at least thirty (30) days in advance of the effective date of such termination. If this MOU/LOA is terminated pursuant to this section, METRO will not reimburse Project Sponsor for any costs incurred after the termination date, except those necessary to return any facilities modified by the Project's construction to a safe state. METRO's share of these costs will be consistent with the established funding percentages outlined in the MOU/LOA.**

2. INVOICE BY PROJECT SPONSOR:

2.1 For the Prop C Funds, unless otherwise stated in this MOU/LOA, the Quarterly Progress/Expenditure Report, with supporting documentation of expenses and Project progress as described in Part II, Sections 5.1 of this MOU/LOA, and other documents as required, shall satisfy METRO invoicing requirements.

Send invoice with supporting documentation to:
Los Angeles County Metropolitan Transportation Authority
Accounts Payable
P. O. Box 512296
Los Angeles, CA 90051-0296
Re: METRO Project ID# 4314 and MOU/LOA.P0004314
Fanny Pan, MS: 99-22-3

2.2 **Project Sponsor understands and agrees that METRO provides no RIP Funds, CMAQ Funds (the "State/Federal Funds") under this MOU/LOA and METRO shall have no responsibility or obligation to provide any State/Federal Funds for the Project.** Project Sponsor shall receive the State/Federal Funds directly from the Agency pursuant to a separate agreement with the Agency. Project Sponsor shall submit to the Agency the appropriate invoices in the form, manner, and schedule specified by the applicable requirements of the Agency. **Project Sponsor cannot be reimbursed for any cost incurred without prior authorization from the Agency.** Project Sponsor shall be subject to, and comply with, all applicable requirements of the Agency. The allowability of expenditures, the cost

reimbursement schedule, eligibility issues, resolution of disputes, and all other issues for the State/Federal Funds shall be subject to the rules, regulations, and requirements of the Agency.

2.3 For RSTP Funds, Project Sponsor shall submit invoices to Caltrans in the form, manner, and schedule specified by the applicable requirements of Caltrans.

2.4 Project Sponsor shall not use the Funds to substitute for any other funds or projects not specified in this MOU/LOA. Nor shall the Funds be used for any expenses or activities above and beyond the approved Scope of Work (Attachment C) without an amendment to the MOU/LOA approved and signed by the METRO Chief Executive Officer or his designee.

3. USE OF FUNDS:

3.1 Project Sponsor shall utilize the Funds to complete the Project as described in the Scope of Work and in accordance with the Reporting and Expenditure Guidelines (Attachment D) and the most recently adopted METRO Proposition C Guidelines for the type of Proposition C funds granted by METRO hereunder (the "Guidelines").

3.2 Attachment C shall constitute the agreed upon Scope of Work between METRO and Project Sponsor for the Project. The Funds, as granted and programmed under this MOU/LOA, can only be used towards the completion of the Scope of Work originally adopted by the METRO Board of Directors and detailed in Attachment C.

3.3 Project Sponsor shall not use the Funds to substitute for any other funds or projects not specified in this MOU/LOA. Further, Project Sponsor shall not use the Funds for any expenses or activities above and beyond the approved Scope of Work (Attachment C) without an amendment to the MOU/LOA approved and signed by the METRO Chief Executive Officer or his designee.

3.4 Project Sponsor must use the Prop C Funds in the most cost-effective manner. If Project Sponsor intends to use a consultant or contractor to implement all or part of the Project, METRO requires that such activities be procured in accordance with Project Sponsor's contracting procedures and consistent with State law. Project Sponsor will also use the Prop C Funds in the most cost-effective manner when the Prop C Funds are used to pay "in-house" staff time. This effective use of Prop C Funds provision will be verified by METRO through on-going Project monitoring and through any METRO interim and final audits.

3.5 If Project Sponsor desires to use the Prop C Funds to purchase/lease equipment (i.e., vehicles, computers, etc.) necessary to perform or provide the services disclosed in the Scope of Work, Project Sponsor must obtain METRO's written consent prior to purchasing/leasing specific equipment. Equipment purchased/leased without such prior written consent shall be deemed an unallowable expenditure of the Prop C Funds. If a facility, equipment (such as computer hardware or software), vehicle or property, purchased or leased using the Prop C Funds, ceases to be used for the proper use as originally stated in the Scope of Work, or the Project is discontinued, any Prop C Funds expended for that purpose must be

returned to METRO as follows: Project Sponsor will be required to repay the Prop C Funds in proportion to the useful life remaining in accordance with the Guidelines and in an equal proportion of the grant to Project Sponsor Funding Commitment ratio.

4. PAYMENT OF FUNDS:

4.1 Reimbursement of the Project cost with the Prop C Funds shall be based on a reimbursement basis in accordance with the Quarterly Progress/Expenditure Report. METRO prefers to make disbursements electronically. At the written request of Project Sponsor, disbursements via Automated Clearing House (ACH) will be made at no cost to Project Sponsor. Project Sponsor must provide detailed supporting documentation with its Quarterly Progress/Expenditure Report. Project Sponsor Funding Commitment must be spent in direct proportion to the Prop C Funds with each quarter's payment.

4.2 Reimbursement of the Project cost with State/Federal Funds shall be paid as follows: Project Sponsor shall receive the State/Federal Funds directly from Caltrans pursuant to a separate agreement with Caltrans. Project Sponsor cannot be reimbursed for any cost incurred without prior authorization from Caltrans. Project Sponsor shall be subject to, and comply with, all applicable programming agencies. The allowability of expenditures, the cost reimbursement schedule, eligibility issues, resolution of disputes, and all other issues relating to the MOU/LOA shall be subject to the rules, regulations, and requirements of Caltrans and METRO as the programming agency.

5. REPORTING AND AUDIT REQUIREMENTS/PAYMENT ADJUSTMENTS:

5.1 For the State/Federal Funds, Project Sponsor shall be subject to and comply with all applicable requirements of the Agencies regarding Project reporting and audit requirements. Project Sponsor shall use the STPL# on all correspondences.

5.2 For the Prop C Funds, Project Sponsor shall submit the Quarterly Progress/Expenditure Report within 15 days after the close of each quarter on the last day of the months October, January, April and July. Should Project Sponsor fail to submit such reports within 10 days of the due date and/or submit incomplete reports (see Attachments D, D1, and D2), METRO will not reimburse Project Sponsor with the Prop C Funds until the completed required reports are received, reviewed, approved and reconciled to the Project Funding. The Quarterly Progress/Expenditure Report shall include all appropriate documentation (such as contractor invoices, timesheets, receipts, etc.). All supporting documents must include a clear justification and explanation of their relevance to the Project. If no activity has occurred during a particular quarter, Project Sponsor will still be required to submit the Quarterly Progress/Expenditure Report indicating no dollars were expended that quarter. If a request for reimbursement exceeds $500,000 in a single month, then Project Sponsor can submit such an invoice once per month with supporting documentation.

5.3 For the Prop C Funds, METRO, and/or its designee shall have the right to conduct audits of the Project, as deemed appropriate, such as financial and compliance audits; interim audits; pre-award audits and performance audits. METRO will commence a final audit within six (6) months of receipt of acceptable final invoice, provided, however, the

Project must be ready for final audit (meaning all costs and charges have been paid by Grantee and invoiced to METRO, and such costs, charges and invoices are properly documented and summarized in the accounting records to enable an audit without further explanation or summarization). Project Sponsor agrees to establish and maintain proper accounting procedures and cash management records and documents in accordance with Generally Accepted Accounting Principles (GAAP). Project Sponsor shall reimburse METRO for any expenditure not in compliance with the Scope of Work and/or not in compliance with other terms and conditions as defined by this MOU/LOA and the Guidelines. When applicable, METRO shall consider the Federal Acquisition Regulations (FAR) Subpart 31 in determining the reasonableness of costs incurred. When METRO audit findings require Project Sponsor to return monies to METRO, Project Sponsor agrees to return the monies within thirty (30) days after the final audit is sent to Project Sponsor. The findings of the METRO audit are final.

5.4 Project Sponsor's records shall include, without limitation, accounting records, written policies and procedures, contract files, original estimates, correspondence, change order files (including documentation covering negotiated settlements), invoices, and any other supporting evidence deemed necessary by METRO to substantiate charges related to the Project (all collectively referred to as "records") shall be open to inspection and subject to audit and reproduction by METRO auditors or authorized representatives to the extent deemed necessary by METRO to adequately permit evaluation of expended costs. Such records subject to audit shall also include, without limitation, those records deemed necessary by METRO to evaluate and verify direct and indirect costs, (including overhead allocations) as they may apply to costs associated with the Project. These records must be retained by Project Sponsor for three years following final payment under this Agreement.

5.5 Project Sponsor shall cause all contractors to comply with the requirements of Part II, Section 5, paragraphs 5.2 and 5.3 above. Project Sponsor shall cause all contractors to cooperate fully in furnishing or in making available to METRO records which shall include, without limitation, accounting records, written policies and procedures, contract files, original estimates, correspondence, change order files (including documentation covering negotiated settlements), invoices, and any other supporting evidence deemed necessary by METRO auditors or authorized representatives related to the Project.

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

5.7 METRO or any of its duly authorized representatives, upon reasonable written notice, shall have access to the offices of Project Sponsor and its contractors, shall have access to all necessary records, including reproduction, and shall be provided adequate and appropriate work space in order to conduct audits in compliance with the terms and conditions of this MOU/LOA.

5.8 In addition to METRO's other remedies as provided in this MOU/LOA, METRO shall withhold the Prop C Funds and/or recommend not to award future Call for Projects grants to Project Sponsor if the METRO audit has determined that Project Sponsor

failed to comply with the Scope of Work (such as misusing the Prop C Funds or failure to return the Prop C Funds owed to METRO in accordance with METRO audit findings) and/or is severely out of compliance with other terms and conditions as defined by this MOU/LOA and the Guidelines, including the access to records provisions of Part II, Section 5.

6. ONE TIME GRANT: This is a one time only grant subject to the terms and conditions agreed to herein and in the Guidelines. This grant and programming of Funds does not imply nor obligate any future funding commitment on the part of METRO or the Agency.

7. SOURCES AND DISPOSITION OF FUNDS:

7.1 **The obligation for METRO to grant or program the Funds for the Project is subject to sufficient Funds being made available for the Project by the METRO Board of Directors. If such Funds are not made available for the Project, this MOU/LOA shall be void and have no further force and effect, and METRO shall have no obligation to provide the Funds for the Project, unless otherwise agreed to in writing by METRO.**

7.2 Project Sponsor shall fully fund and contribute the Project Sponsor Funding Commitment, as identified in the Project Funding (Attachment A), towards the cost of the Project. If the Funds identified in Attachment A are insufficient to complete the Project, Project Sponsor agrees to secure and provide such additional non-METRO programmed funds necessary to complete the Project.

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

7.4 Project Sponsor shall be eligible for the Funds up to the grant amount specified in Part I, Section 2 of this MOU/LOA subject to the terms and conditions contained herein and in all applicable requirements of the Agency. **Any Funds expended by Project Sponsor prior to the execution of this MOU/LOA (prior to the METRO Chief Executive Officer's signature) shall not be reimbursed nor shall they be credited toward the Project Sponsor Funding Commitment requirement, without the prior written consent of METRO. Project Sponsor Funding Commitment dollars expended prior to the year the Prop C Funds are awarded shall be spent at Project Sponsor's own risk.**

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

8. TIMELY USE OF FUNDS FOR NON-SUPPLEMENTAL FUNDS: This entire Section 8 applies only to the portion of the Funds, which are not considered supplemental funds. All references to the Funds or specific types of funds in this Section 8 shall only refer to funds

which are not supplemental funds. The timely use provisions for the portion of the Funds is identified as supplemental funds is provided in Part I, paragraph 14.

8.1 Project Sponsor must demonstrate timely use of the Prop C Funds by:

(i) executing this MOU/LOA within ninety (90) days of receiving formal transmittal of the MOU/LOA from METRO, or by December 31 of the first Fiscal Year in which the Prop C Funds are programmed, whichever date is later; and

(ii) meeting the Project milestones due dates as agreed upon by the METRO and Project Sponsor in Attachment C (Scope of Work) of this MOU/LOA. Contracts for construction or capital purchase shall be executed within nine (9) months from the date of completion of design. Project design (preliminary engineering) must begin within six (6) months from the identified milestone start date. The Prop C Funds programmed by METRO for Project development or right-of-way costs must be expended by the end of the second fiscal year following the year the Prop C Funds were first programmed; and

(iii) submitting the Quarterly Progress/Expenditure Report as described in Part II, Section 5.1 of this MOU/LOA; and

(iv) expending the Prop C Funds granted under this MOU/LOA for allowable costs within 36 months from July 1 of the Fiscal Year in which the Prop C Funds are programmed, unless otherwise stated in this MOU/LOA.

8.2. Project Sponsor must demonstrate timely use of the CMAQ Funds and RSTP Funds which are not supplemental funds, by obligating the CMAQ Funds and RSTP Funds programmed under this MOU/LOA within three (3) years from the first day of the Fiscal Year in which Federal Funds are programmed, unless otherwise stated in this MOU/LOA. At the end of three (3) year period and subject to the requirements and regulations of Caltrans, and to the extent allowed by Caltrans, Project Sponsor shall return and Federal Funds not obligated to METRO within one month for future programming at METRO's discretion. If Caltrans lapsing policy is more stringent than this, the Caltrans policy will apply. Evidence of timely obligation will be either a signed "Request for Approval/To Proceed" document (Caltrans Form FNM-76) or a signed Grant Application document with Caltrans.

8.3 The following is METRO's understanding of the state requirements for timely use of RIP Funds, as of the date of this MOU/LOA; the terms of this section are subject to change by the Agency and/or the CTC.

a. RIP Funds are available for a project specific allocation vote by the CTC only until the end of the Fiscal Year (FY) for which they are programmed. Project Sponsor may request a one-time extension to the allocation deadline, however there is no guarantee it will be approved. Project Sponsor must present Caltrans District 7 with either a completed Project specific allocation request or a completed request for extension at least 60 days in advance of the last CTC meeting of the fiscal year in which the RIP Funds and are

programmed, otherwise, the RIP Funds and may be rescinded by the CTC and METRO will not be responsible for replacing them. An allocation request and/or a request for extension will not be considered complete by Caltrans unless it includes METRO concurrence.

- After the RIP Funds are allocated by a specific vote of the CTC for construction or capital purchase, Project Sponsor has six (6) months to award a contract; or request a one-time extension to from the CTC. However, the CTC is under no obligation to grant this extension. Otherwise, the RIP Funds may be rescinded by the CTC and METRO will not be responsible for replacing them.

- After award of a contract, Project Sponsor has a maximum of thirty-six (36) months to complete such contract and expend and receive reimbursement of the expenditures.

- RIP Funds allocated by the CTC for Project development or right-of-way costs must be expended by the end of the second Fiscal Year following the year in which the RIP Funds were allocated.

The deadline for the Project specific allocation vote can be extended by the CTC, but only if the CTC's action occurs by June of the Fiscal Year in which the Funds are programmed. The possible CTC extensions are one time and for up to twenty (20) months at the discretion of the CTC, but only if the CTC finds that an unforeseen and extraordinary circumstance beyond the control of Project Sponsor has occurred that justifies the extension.

Following the allocation, at the end of the period allowed for expenditure and reimbursement of expenditures, subject to the requirements and regulations of the Agency and the CTC, and to the extent allowed by the Agency and the CTC, Project Sponsor shall relinquish any RIP Funds not reimbursed to the State Highway Account ("SHA") for future programming at the CTC's discretion.

Prior to the programmed year, a STIP amendment reprogramming funds to a later year will postpone the application of the lapsing provision. A STIP amendment request must be made ninety (90) days prior to the last CTC meeting or no later than March of the program year of the Fiscal Year prior to the Fiscal Year in which the RIP Funds are programmed. A STIP amendment request will not be considered complete by Caltrans unless it includes METRO concurrence. The CTC will not amend the STIP to change the program year of the funding after the beginning of the fiscal year for which the Project is programmed.

b. Evidence of timely allocation for the RIP Funds includes an executed allocation request document, an approved Grant Application document with the Agency, and a Fund Allocation Request that the Project Sponsor submits to the CTC.

8.4 Assuming the above obligation requirements have been meet, all Funds programmed for ALL Programmed years are subject to lapse on June 30, 2008.

8.5 In the event that this MOU/LOA is not executed and/or evidence of timely obligation of Funds is not provided as described above, the Project will be reevaluated by METRO as part of its annual Call for Projects Recertification/Deobligation process and the Funds may be deobligated and reprogrammed to another project by the METRO Board of Directors. If Project Sponsor does not complete one element of the Project, as described in the TIP Sheet, due to all or a portion of the Funds lapsing, the entire Project may be subject to deobligation at METRO's sole discretion. In the event that all the Funds are reprogrammed, this MOU/LOA shall automatically terminate.

9. **DEFAULT:** A Default under this MOU/LOA is defined as any one or more of the following: (i) Project Sponsor fails to comply with the terms and conditions contained herein or in the Guidelines; or (ii) Project Sponsor fails to perform satisfactorily or makes a material change, as determined by METRO at its sole discretion, to the Financial Plan, the Scope of Work, or the Project Funding without METRO's prior written consent or approval as provided herein or (iii) Project Sponsor is in default with the Agency.

10. **REMEDIES:**

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

10.2 Effective upon receipt of written notice of termination from METRO, Project Sponsor shall not undertake any new work or obligation with respect to this MOU/LOA unless so directed by METRO in writing. Any Funds expended after termination shall be the sole responsibility of Project Sponsor.

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

11. **COMMUNICATIONS:**

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

11.2 If Project Sponsor produces any Communication Materials that does not contain the information set forth in Section 11.1 above, Project Sponsor must provide an

opportunity for prior review and written comment by the Chief Communications Officer of Metro or its designee before such materials can be produced. If Project Sponsor does not receive a response from METRO Communications within seven (7) working days from the day of receipt by METRO Communications staff, Project Sponsor may proceed with producing the Communications Materials as proposed.

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

11.4 For signage on Project structures, facilities, vehicles and construction sites, Project Sponsor shall use the phrase, "Funded in part by [Metro logo]" or "Your tax dollars at work [Metro logo]" or **see www.metro.net/callforprojects for alternative acceptable language.** Further guidance on acknowledging METRO contribution is provided in the Communications Materials guidelines available from the METRO Communications Division or see **www.metro.net/callforprojects.**

11.5 Project Sponsor shall notify the METRO Chief Communications Officer or its designee of all press events related to the Project in such a manner that allows METRO to participate in such events, at METRO's sole discretion.

11.6 The Metro logo is a trademarked item that shall be reproduced and displayed in accordance with specific graphic guidelines available from the METRO Communications Division or **see www.metro.net/callforprojects.**

11.7 Project Sponsor shall ensure that any subcontractor, including, without limitation, public relations, public affairs, and/or marketing firms hired to produce Project Communications Materials will comply with the requirements contained in this Section 11.

12. OTHER TERMS AND CONDITIONS:

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

12.2 If applicable, Project Sponsor is obligated, to continue using the Project dedicated to the public transportation purposes for which the Project was initially approved. The Project right-of-way, the Project facilities constructed or reconstructed on the Project site, and/or Project property purchased excluding construction easements and excess property (whose proportionate proceeds shall be distributed in an equal proportion of the grant to Project Sponsor Funding Commitment ratio) shall remain dedicated to public transportation use in the same proportion and scope and to the same extent as described in this MOU/LOA. Equipment

acquired as part of the Project, including office equipment, transit vehicles, shall be dedicated to that use for their full economic life cycle, including any extensions of that life cycle achieved by reconstruction, rehabilitation, or enhancements.

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

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

12.5 Neither party hereto shall be considered in default in the performance of its obligation hereunder to the extent that the performance of any such obligation is prevented or delayed by unforeseen causes including acts of God, acts of a public enemy, and government acts beyond the control and without fault or negligence of the affected party. Each party hereto shall give notice promptly to the other of the nature and extent of any such circumstances claimed to delay, hinder, or prevent performance of any obligations under this MOU/LOA.

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

12.7 Project Sponsor agrees that the applicable requirements of this MOU/LOA and the Guidelines shall be included in every contract entered into by Project Sponsor or its contractors relating to work performed under this MOU/LOA and METRO shall have the right to review and audit such contracts.

12.8 Project Sponsor shall not assign this MOU/LOA, or any part thereof, without prior approval of the METRO Chief Executive Officer or his designee, and any assignment without said consent shall be void and unenforceable.

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

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

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

12.12 Implementation of any ITS project shall be consistent with the Regional ITS Architecture (www.riits.net). ITS projects must comply with the METRO Countywide ITS Policy and Procedures adopted by the METRO Board of Directors including the submittal of a completed, signed self-certification form (for METRO's Countywide ITS Policy and Procedures see **www.metro.net/callforprojects**.

12.13 If any parking facilities are designed and/or constructed using the Funds, Project Sponsor shall coordinate with METRO parking program staff (see METRO.net for staff listing) in the planning, design and management of the facility and shall ensure that its implementation is consistent with the METRO adopted parking policy (for METRO's Parking Policy and contact information see **www.metro.net/callforprojects**.

12.14 Project Sponsor will advise METRO prior to any key Project staffing changes.

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

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

ATTACHMENT A

[CFP# 4314, Del Amo Boulevard Extension/Grade Separation]
Amended and Restated Call for Projects
Supplemental Funding
Memorandum of Understanding (MOU)/Letter of Agreement (LOA)
($ in Actual Dollars)

(Call for Projects Funding and Local Match Only)

SOURCES OF FUNDS	PRIOR GRANT AMOUNT	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	TOTAL BUDGET	% OF BUDGET
Metro Programmed Funds:							
Proposition C 10%							
Proposition C 25%	13,121,000					$13,121,000	43.9%
Local Transportation Funds (LTF)							
CMAQ							
RIP							
RSTP							
Supplemental Funds:							
Proposition C 10%							
Proposition C 25%							
Local Transportation Funds (LTF)							
CMAQ							
RIP							
RSTP		7,000,000				$7,000,000	23.4%
Sponsor Funding Commitment (specify type)							
Local Dollars							
Local Match	5,763,000					$5,763,000	19.3%
Supplemental Local Match		4,000,000				$4,000,000	13.4%
TOTAL PROGRAMMED BUDGET	$18,884,000	$11,000,000				$29,884,000	100.0%

ATTACHMENT B
[CFP# 4314, Del Amo Boulevard Extension/Grade Separation]
Amended and Restated Call for Projects
Supplemental Funding
Memorandum of Understanding (MOU)/Letter of Agreement (LOA)
($ in Actual Dollars)
FINANCIAL PLAN

SOURCES OF FUNDS	PRIOR ALLOCATION	FY 2006-07 QTR 1	FY 2006-07 QTR 2	FY 2006-07 QTR 3	FY 2006-07 QTR 4	FY 2007-08 QTR 1	FY 2007-08 QTR 2	FY 2007-08 QTR 3	FY 2007-08 QTR 4	FUTURE REQUEST	TOTAL BUDGET
LOCAL											
Metro Programmed											
Proposition C 10%											
Proposition C 25%	$ 574,000	$ 547,000	$ 547,000	$ 547,000	$ 10,906,000						$13,121,000
Proposition C 40%											
Other (Specify Source)											
Metro Local Match	$ 732,000	$ 293,500	$ 293,500	$ 293,500	$ 4,150,500						$5,763,000
Supplemental Funds											
Proposition C 10%											
Proposition C 25%											
Proposition C 40%											
Supplemental Local Match									$ 4,000,000		$4,000,000
STATE											
Metro Programmed											
STIP/RIP											
Other (Specify Source)											
Supplemental Funds											
STIP/RIP											
FEDERAL											
Metro Programmed											
CMAQ											
RSTP											
FTA 5307 (Section 9)											
FTA Section 3											
Other (Specify Source)											
Supplemental Funds											
CMAQ											
RSTP									$ 7,000,000		$7,000,00(
FTA 5307 (Section 9)											
FTA Section 3											
TOTAL BUDGET	$ 1,306,000	$ 840,500	$ 840,500	$ 840,500	$15,056,500	$ -	$ -	$ -	$11,000,000		$ 29,884,000

*Please note: Regular Call programmed funds must be expended by the lapsing date of the last programmed year. Supplemental Call federal or state funds must show full amount expended by the 4th quarter of FY08 at which time the funds will no longer be shown.

SCOPE OF WORK

PROJECT DESCRIPTION

This project includes construction of a new segment of Del Amo Boulevard from Maple Avenue to approximately 800' west of Crenshaw Boulevard (approximately 0. 5 miles) and widening of existing segments of Del Amo Boulevard to 800' west (approximately 0.5 miles) including the following services or items of work:

1. Construction of a railroad grade separation over existing Burlington Northern Sante Fe (BNSF) railroad tracks including a bridge structure, retaining walls and compacted fill
2. Construction of a four-lane asphalt concrete and/or Portland Cement concrete paved roadway
3. Acquisition of permanent rights-of-way
4. Acquisition of permanent and temporary easements
5. Construction of curbs, gutters and sidewalks
6. Installation of street lighting
7. Installation of roadway signs, striping and legends
8. Construction of a landscaped and irrigated center median
9. Installation of a traffic signal at the intersection of Maple Avenue and Del Amo Boulevard
10. Construction of drainage facilities to drain the new roadway and maintain existing storm drainage
11. Relocation of utilities impacted by the project
12. Modifications to maintain private property ingress/egress
13. Relocation and/or modification of existing private facilities in conflict with the new or widened roadway (e.g. modification to Mobil refinery tank containment barn and relocation of Dow Chemical fire suppression water tanks)
14. Relocation and/or modification of existing railroad branch and spur lines
15. Construction, installation and/or implementation of traffic and environmental mitigation measures identified through the Environmental Document to be prepared for this project
16. Design Engineering
17. Right-of-way Engineering
18. Construction Engineering

PROJECT OBJECTIVE

The objective of this project is to provide additional east-west arterial capacity in the mid-Torrance area via grade-separated roadway over existing Burlington Northern Santa Fe railroad tracks.

The following regional activity centers and transit routes will benefit from the project:

Del Amo Mall – This facility, located between Hawthorne Boulevard and Madrona Avenue south of Torrance Boulevard, is one of the largest retail shopping centers in the United States. Approximately 44,000 people visit the Mall daily, generating approximately 34,000 vehicle trips per day. This facility is a significant regional employer employing as many as 6,000 workers and generating retail sales in excess of $430 million per year. Extension of Del Amo Boulevard including a grade separation will provide a much needed additional east-west access route to the mall which will aide in maintaining the economic viability of this facility.

Los Angeles County Courthouse – The South Bay Municipal Courthouse exists on Maple Avenue south of the proposed project. This courthouse is the primary courthouse in the South Bay regions. Los Angeles County proposes to expand this facility from 150,000 to 370,000 SF requiring 1000 additional parking spaces. Extension of Del Amo Boulevard including a grade separation will provide arterial access for motorists accessing the site from the north-east and would provide mitigation of the additional traffic to be generated by the proposed expansion.

Torrance Transit – The City of Torrance owns and operates a municipal bus line operating 43 buses per day. The central fleet maintenance and storage facility is located on Madrona Avenue south of Del Amo Boulevard. Access to easterly bus routes will be provided by the proposed extension of Del Amo Boulevard via the proposed grade separation, thereby removing these buses from existing congested routes.

Truck Route – Del Amo Boulevard between Maple Avenue and Crenshaw Boulevard will be designated as a truck route upon project completion. It is estimated that 2 to 4% of traffic will be heavy trucks (450 to 920 trucks per day). The Burlington Northern and Sante Fe Railroad Company conveys 15 trains per day on the track to be spanned by this project.

Benefit to Transit Users – Extension of Del Amo Boulevard will reduce congestion and increase the mobility of traffic traveling in the network of arterial surrounding the project. The following bus lines are within the area of influence of the project and will benefit by the increased mobility the project will provide:

- 182nd Street – Torrance #2
- 190th Street – Torrance #6
- Torrance Boulevard – Torrance #2, 3, 8
- Hawthorne Boulevard – Torrance #8; MTA #40, 210, 211, 310, 442, 444; Gardena #3
- Prairie Avenue/Madrona Avenue – Torrance #1, 4, 6
- Crenshaw Boulevard – Torrance #5

ATTACHMENT C

PROJECT PLANS/SCHEDULE/COST

Task	Schedule	Cost
Project Study Report	Jan. 99 – May 2000	$65,000
Pre-Project Evaluation	May 2000 - Nov. 2000	$35,000
Environmental Assessment	Nov. 2000 – Apr. 2004	$210,000
PUC Approval	June 2004 – Sep. 2005	$0
Design and Right-of-Way Engineering	June 2004 – Dec. 2007	$1,453,300
Right-of-Way Acquisition	June 2004 – Dec. 2007	$4,598,000
Construction	Jan. 2008 – Jan 2010	$22,522,700
Construction Engineering	Jan. 2008 – Jan 2010	$1,000,000
	Total Non-Reimbursable Cost	$9,763,000
	Total Reimbursable Cost	$20,121,000
	Total Project Cost	$29,884,000

QUARTERLY MILESTONES

Quarter Ending	Milestones
06/30/99	Complete and submit Project Study Report to MTA.
09/30/99	City Council approval to proceed with environmental assessment.
03/31/99	Hire consultant to prepare Preliminary Environmental Assessment Report (PEAR).
06/30/00	Complete PEAR and hire consultant to prepare environmental document. Hold Public Hearings.
06/30/04	Complete environmental assessment. Issue design and right-of-way engineering RFP.
09/30/04	Award consultant contract for design and right-of-way engineering services. Initiate design.
12/30/04	Initiate railroad design. Initiate right-of-way acquisition. Submit application to CPUC and RR for new crossing.
12/31/07	Complete railroad design.
12/31/07	Complete design. Complete right-of-way acquisition. Advertise for construction.
03/30/08	Construction bid opening. Award Construction Contract. Start Construction.
06/30/08	Begin relocation of utilities and private facilities.
06/30/08	Begin relocation of railroad facilities.
03/31/09	Complete utilities and private facilities relocations. Begin bridge substructure, retaining walls, earthwork and drainage facilities.
03/31/09	Complete railroad facilities relocations. Begin traffic and environmental mitigation measures.
09/30/09	Complete bridge substructure. Begin bridge superstructure and underground facilities; parkway and median construction, traffic signals and lighting work.
09/30/09	Complete traffic and environmental mitigation measures.
09/30/09	Begin pavement construction and reconstruction.
12/31/09	Project completion.

MOU ATTACHMENT D

REPORTING & EXPENDITURE GUIDELINES

REPORTING PROCEDURES

- Quarterly Progress/Expenditure Report (Attachment D1) is required for all projects. The Grantee shall be subject to and comply with all applicable requirements of the funding agency regarding project-reporting requirements. In addition, Grantee will submit a quarterly report to the MTA at **P.O. Box 512296, Los Angeles, CA 90051-0296**. Please note that letters or other forms of documentation may not be substituted for this form.

- The Quarterly Progress/Expenditure Report covers all activities related to the project and lists all costs incurred. It is essential that Grantee provide complete and adequate response to all the questions. The expenses listed must be supported by appropriate documentation with a clear explanation of the purpose and relevance of each expense to the project. Expenses must reflect the proportionate share of local match, including in-kind, charged to the grant.

- In cases where there are no activities to report, or problems causing delays, clear explanation, including actions to remedy the situation, must be provided.

- Grantees are required to track and report on the project schedule. MTA will monitor the timely use of funds and delivery of projects. Project delay, if any, must be reported each quarter. Projects not delivered in a timely manner will be reevaluated by MTA as part of the annual Call for Projects Recertification process and the Funds may be deobligated and reprogrammed by the MTA Board.

- The Quarterly Progress/Expenditure Report is due to the MTA as soon as possible after the close of each quarter, but no later than the following dates for each fiscal year:

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

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

EXPENDITURE GUIDELINES

- Any activity or expense charged above and beyond the approved Scope-of-Work (LOA Attachment C), **is considered ineligible** and will not be reimbursed by the MTA unless **prior written authorization** has been granted by the MTA Chief Executive Officer or his designee.

- Any expense charged to the grant or local match, including in-kind, must be clearly and directly related to the project.

- Any activity or expense charged as local match cannot be applied to any other MTA-funded or non-MTA-funded projects; activities or expenses related to a previously funded project cannot be used as local match for the current project.

- Administrative cost is the ongoing expense incurred by the Grantee for the duration of the project and for the direct benefit of the project as specified in the Scope-of-Work (Attachment C). Examples of administrative costs are personnel, office supplies, and equipment. As a condition for eligibility, all costs must be necessary for maintaining, monitoring, coordinating, reporting and budgeting of the project. Additionally, expenses must be reasonable and appropriate to the activities related to the project.

- MTA is not responsible for, and will not reimburse any costs incurred by the Grantee prior to the execution of the LOA, unless **written authorization** has been granted by the MTA Chief Executive Officer or her designee.

- The LOA is considered executed when the MTA Chief Executive Officer or her designee signs the document.

DEFINITIONS

- Local Participation: Where local participation consists of "in-kind" contributions rather than funds, the following contributions may be included:
    - Costs incurred by a local jurisdiction to successfully complete the project. Examples include engineering, design, rights-of-way purchase, and construction management costs.
    - Donations of land, building space, supplies, equipment, loaned equipment, or loaned building space dedicated to the project.
    - Donations of volunteer services dedicated to the project.
    - A third-party contribution of services, land, building space, supplies or equipment dedicated to the project.

- Allowable Cost: To be allowable, costs must be reasonable, recognized as ordinary and necessary, consistent with established practices of the organization, and consistent with industry standard of pay for work classification.

- Excessive Cost: Any expense deemed "excessive" by MTA staff would be adjusted to reflect a "reasonable and customary" level. For detail definition of "reasonable cost", please refer to the Federal Register *OMB Circulars A-87 Cost Principals for State and Local Governments; and A-122 Cost Principals for Nonprofit Organizations.*

- In-eligible Expenditures: Any activity or expense charged above and beyond the approved Scope-of-Work is considered in eligible.

METRO MOU ATTACHMENT D1

QUARTERLY PROGRESS / EXPENSE REPORT

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

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

SECTION 1: QUARTERLY EXPENSE REPORT

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

	Metro Grant $	Local Match (Incl. In-Kind) $	Local Match %	Total $
Project Quarter Expenditure				
This Quarter Expenditure				
Retention Amount				
Net Invoice Amount (Less Retention)				
Project-to-Date Expenditure				
Funds Expended to Date (Include this Quarter)				
Total Project Budget				
% of Project Budget Expended to Date				
Balance Remaining				

SECTION 2: GENERAL INFORMATION

PROJECT TITLE: _____

MOU #: _____

QUARTERLY REPORT SUBMITTED FOR:

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

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

DATE SUBMITTED: _____

METRO MODAL CATEGORY:

☐ Freeway ☐ RSTI ☐ Signal Synchronization
☐ TDM ☐ Bikeway ☐ Pedestrian
☐ Transit ☐ TEA

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

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

SECTION 3 : QUARTERLY PROGRESS REPORT

1. DELIVERABLES & MILESTONES

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

Grantees must make every effort to accurately portray milestone dates in the original MOU Scope of Work, since this will provide the basis for calculating any project delay. If milestone start and/or end dates change from those stated in the Original MOU Scope of Work, indicate the new dates under Actual Schedule below and re-calculate the project duration. However, this does not change the original milestones in your MOU. PER YOUR MOU AGREEMENT, ANY CHANGES TO THE PROJECT SCHEDULE MUST BE FORMALLY SUBMITTED UNDER SEPARATE COVER TO METRO FOR WRITTEN CONCURRENCE.

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

2. PROJECT COMPLETION

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

☐ On schedule per original MOU schedule

☐ Less than 12 months behind original schedule

☐ Between 12-24 months behind original schedule

☐ More than 24 months behind original schedule

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

☐ Yes ☐ No ☐ Not Applicable

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

☐ Yes ☐ No ☐ Not Applicable

3. TASKS/MILESTONES ACCOMPLISHED

List tasks or milestones accomplished and progress made this quarter.

4. PROJECT DELAY

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

5. ACTION ITEMS TO RESOLVE DELAY

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

SECTION 4: ITEMIZED LISTING OF EXPENSES AND CHARGES THIS QUARTER

All expenses and charges, including grant and local match, must be itemized and listed below. Each item listed must be verifiable by an invoice and/or other proper documentation. The total amounts shown here must be equal to this quarter's expenditures listed on page 1 of this report. All expenses and charges must be reflective of the approved budget and rates as shown in the MOU Attachment C, Scope of Work. Use additional pages if needed.

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

Notes:

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

Invoice Payment Information:

If you would prefer to have your invoice paid electronically via ACH please check he☐:
ACH Payments require that you complete an ACH Request Form and fax it to Accounts Payable at 213-9
ACH Request Forms can be found at www.metro.net/callforprojects

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

_____ _____
Signature *Date*

_____ _____
Name *Title*

SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS

2006 Federal TIP (FY 2006/2007 - 2011/2012)

PROJECT REPORT

Local

County: All

Print Date: 4/10/200

SCAG Adopted w/Approved Amendments

SORT: BY SOURCE

Project ID LA000389

System L

Lead Agency TORRANCE

Route 0

Source/FTIP 06FTIP

Amend # 3

Post Mile 0.00

Env. Doc. FEIR 04/07/04

Basin SCAB

to 0.00

TCM

Model # 1132

Element 3

County LOS ANGELES

Change Reason COST>

Program CAN61

Description:

Completion Date 07/01/07

Yr Added 1992

DEL AMO BLVD FROM MADRONA AVE TO CRENSHAW BLVD CONSTRUCT 0 TO 4 LANES NEW GRADE SEPARATION (CFP 6361, 4314; PPNO 2371).

	Fund Name	YEAR	Eng. Cost	R/W Cost	Cons. Cost	Fund Total	
FEDERAL							
	IBRC	2006/2007			200	$200	
						$200	Subtotal
LOCAL							
	CITY	2002/2003	$480	500	4,851	$5,831	
						$5,831	Subtotal
	PC25	2002/2003	$20			$20	
	PC25	2005/2006	$576	4,186		$4,762	
	PC25	2006/2007	$689		7,650	$8,339	
						$13,121	Subtotal
			$1,765	$4,686	$12,701		

SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS

2006 Federal TIP (FY 2006/2007 - 2011/2012)

PROJECT REPORT

Print Date: 4/10/200

SCAG Adopted w/Approved Amendments

SORT: BY SOURCE

Project ID LA000389

Local

County: All

(Funds are in thousands of dollars)

Total Cost: $19,152

Comments: 05/05/06 CHG'D PER MTA 'BINDER' REQUEST.

ATTACHMENT F
LIST OF DOCUMENTS TO BE SUBMITTED TO CALTRANS (FOR FEDERAL FUNDED PROJECTS)

NOTE: Refer to the Local Assistance Procedure Manual (LAPM) for the Exhibits.

Request for Authorization for Preliminary Engineering (PE)

1. Copy of approved FTIP sheet.
2. Copy of LOA with MTA (only if RSTP, CMAQ, or Federal STIP funds are involved).
3. Field Review Form – Exhibit 7-B.
4. Preliminary Environmental Study Form (PES) – Exhibit 6-A.
5. (A field review should be conducted at this stage and then the remaining documents could be submitted. During the field review all issues of the project such as Environmental & Right-of-Way (R/W) should be identified and addressed).
6. Request for Authorization to Proceed with PE – Exhibit 3-A.
7. Request for Authorization – Data Sheets – Exhibit 3-G.
8. Local Programs Agreement – Exhibit 4-A (only if the agency plans to begin invoicing for PE Phase prior to contract award).

NOTE: The portion of PE work done prior to authorization is **ineligible** for federal participation. The Master Agreement (if needed), Supplemental Agreement and PR2 will be initiated upon receiving Exhibit 4-A. Invoices will be accepted only after execution of all of these agreements. Caltrans Encroachment permit must be obtained before the Request to Proceed with Construction Phase if Caltrans R/W is involved.

Request for Authorization for Utility Relocation

1. Request for Authorization to Proceed with Utility Relocation – Exhibit 3-L.
2. Completed Project Prefix Checklist – Exhibit 3-E (if previously not submitted).
3. Finance Letter – Exhibit 3-F.
4. Request for Authorization – Data Sheets – Exhibit 3-G.
5. Local Programs Agreement Checklist – Exhibit 4-A (if not submitted previously).
6. Approved Environmental Document. (After the authorization, the following documents should be submitted).
7. Request for Specific Authorization: See Exhibit 14-A. (Utility relocation work can commence only after the approval of Specific Authorization)
8. Fully executed Utility Agreement.

Request for Authorization for R/W Phase

1. Request for Authorization to Proceed with R/W – Exhibit 3-B.
2. Completed Project Prefix Checklist – Exhibit 3-E (if previously not submitted).
3. Finance Letter – Exhibit 3-F.
4. Request for Authorization – Data Sheets – Exhibit 3-G.
5. Local Programs Agreement Checklist – Exhibit 4-A (if not submitted previously).
6. Approved Environmental Document (if not submitted previously.

Request for Authorization for Construction

1. Environmental Clearance Document.
2. R/W Certification – LAPM, Chapter 13.
3. PS&E Certification – Exhibit 12-C.
4. PS&E Checklist – Exhibit 12-D.
5. Request for Authorization to Proceed with Construction – Exhibit 3-C.
6. Project Prefix Checklist – Exhibit 3-E (if not previously submitted).
7. Preliminary Estimate.
8. Finance Letter – Exhibit 3-F.
9. Request for Authorization – Data Sheets – Exhibit 3-G.
10. Local Programs Agreement – Exhibit 4-A.

NOTE: The Local Agency **shall not** advertise the project until they receive the authorization to proceed with construction. Every local agency must also have Quality Assurance Program (QAP) – LAPM, Chapter 16.14, before advancing to Construction Phase. After a Program Supplemental Agreement, Exhibit 4-A, which includes all the phases of the project, will be mailed to the Local Agency.

Advertise and Award Project

1. Date work is scheduled to start.
2. Local Agency Construction Contract Administration Checklist – Exhibit 15-A.
3. Resident Engineer Contract Administration Checklist – Exhibit 15-B.
4. Local Agency Project Advertise Checklist – Exhibit 15-C.
5. Bid Tabulation Summary Sheet – Exhibit 15-D.
6. National Highway System Bid Tabulation Data – Exhibit 15-E.
7. Bid Price Data – Exhibit 15-F.
8. Local Agency Bidder DBE Information – Exhibit 15-G.
9. Good Faith Effort Statement of DBE participation (if applicable) – Exhibit 15-H.
10. Report of DBE Awards – Exhibit 15-K.
11. Local Agency Contract Award Checklist – Exhibit 15-L.
12. Detail Estimate and Detail Summary – Exhibit 15-M.
13. Local Programs Agreement Checklist – Exhibit 4-A.
14. Finance Letter – Exhibit 15-N.
15. As advertised PS&E with all Addenda, is any.
16. One copy of executed contract.
17. List of contractor's material source.

NOTE: After this PR2, Exhibit 4-A, will be mailed to the Local Agency. The Local Agency can start to invoice Caltrans after receiving this document. The progress invoices (LAPM, Chapter 5) are sent directly to Caltrans Accounting Service in Sacramento. Final Invoice should be sent to Office of Local Assistance in Los Angeles.

Project Completion

1. Cover Letter and Report of Expenditures Checklist – Exhibit 17-A.
2. Final Inspection of Federal Aid Projects – Exhibit 17-B.
3. Final Inspection Form FIF – Exhibit 17-C.
4. Final Invoice – Exhibit 17-D.
5. Final Detail Estimate – LAPM, Chapter 15.7.
6. Change Order Summary – Exhibit 17-E.
7. Date of Completion.
8. Liquidated Damages and Contractors Claim – LAPM, Chapter 16.15.
9. Final Report, Utilization of DBE and WBE – Exhibit 17-F.
10. Materials Certificate – Exhibit 17-G.
11. Form FHWA-47 – Exhibit 17-H.
12. Cover Letter and Report of Completion of Structures on Local Streets & Roads – Exhibits 17-I/17-J.
13. Report of Completion of Right of Way Expenditures (if applicable) – Exhibit 17-K.

ATTACHMENT G

SPECIAL GRANT CONDITION

The approved supplemental funding of $7,000,000 in RSTP funds shall be fully obligated by June 30, 2008.