

Council Meeting of
October 6, 2009

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

Members of the Council:

SUBJECT: Public Works – Approve Amendment No. 2 to a Memorandum of Understanding that extends the lapse date of grant funding 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. 2 to Amended and Restated Memorandum of Understanding/Letter of Agreement, MOU/LOA.P0004314S (C2007-102) with the Los Angeles County Metropolitan Transportation Authority that extends from June 30, 2009 until June 30, 2011 the lapse date of grant funding for the Del Amo Boulevard Extension/Grade Separation, T-30.

Funding

Not applicable.

BACKGROUND

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 original total project budget (approximately \$19 million) and are available on a reimbursement basis. To date, a portion of the funds have been used to help offset design, right-of-way acquisition and easement costs.

In June 2007, the City and METRO approved an Amended and Restated MOU that 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 to help offset estimated higher construction costs. The additional grant funds also are available on a reimbursement basis.

In October 2008, the City and METRO approved Amendment No. 1 to Amended and Restated Memorandum of Understanding/Letter of Agreement, MOU/LOA.P0004314S that provided an additional year (until June 30, 2009) to complete the acquisition of easements needed for the project.

Staff from the City Manager’s Office, City Attorney’s Office and Public Works Department diligently worked together to complete the acquisition of street, utility and temporary construction easements needed for the T-30 Project. The joint effort was

completed by the June 30, 2009 deadline. Consequently, the City remained eligible for the previously approved grant funds and qualified for another extension to the lapse date.

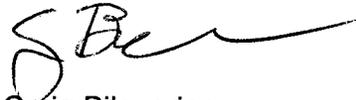
ANALYSIS

In July 2009, the METRO Board approved an extension from June 30, 2009 to June 30, 2011 to allow the City adequate time to administer the construction bidding and to construct the T-30 Project. The recommended Amendment No. 2 to Amended and Restated Memorandum of Understanding/Letter of Agreement, MOU/LOA.P0004314S formalizes the extension of the deadline to June 30, 2011.

The first phase of construction for the T-30 Project will be the relocation of two sewer and two water pipelines. The first phase is currently advertised for bid and construction bids will be opened on Thursday, October 8, 2009. The second phase of the T-30 Project will be the construction of the new 4-lane divided roadway and bridge over the rails owned by Burlington Northern and Santa Fe Railroad Company and Los Angeles County Metropolitan Transportation Authority. Currently, staff is administering final approval of the federal authorization process. It is anticipated that the second phase of the T-30 Project will be advertised for construction bids in early 2010.

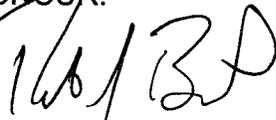
Respectfully submitted,

ROBERT J. BESTE
Public Works Director



By Craig Bilezerian
Engineering Manager

CONCUR:



Robert J. Beste
Public Works Director



By Beth Overstreet
Engineering Manager



LeRoy J. Jackson
City Manager

- Attachments:
- A. Amendment No. 2 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.P0004314
 - C. Amendment No. 1 to Amended and Restated Memorandum of Understanding/Letter of Agreement, MOU/LOA.P0004314S

FTIP#: LA974314

PPNO: N/A

CFP# 4314
AMENDMENT NO. 2
MOU/LOA.P0004314S

AMENDMENT NO. 2
AMENDED AND RESTATED
MEMORANDUM OF UNDERSTANDING/LETTER OF AGREEMENT
BETWEEN
CITY OF TORRANCE
AND

THE LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

This Amendment No. 2 to Amended and Restated Memorandum of Understanding/Letter of Agreement (this "Amendment"), is dated as of August 7, 2009, by and between 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, which was amended on September 3, 2008 (as amended, 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 23, 2009, desires to extend the lapsing date of Funds programmed for ALL programmed Fiscal years to June 30, 2011; and

C. 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, 2011."

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, 2011. 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, 2011".

4. Attachment B of the Existing Amended and Restated MOU/LOA is hereby deleted.

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.

FTIP#: LA974314

PPNO: N/A

CFP# 4314
AMENDMENT NO. 2
MOU/LOA.P0004314S

IN WITNESS WHEREOF, the parties have caused this Amendment No. 2 to be duly executed and delivered as of the above date.

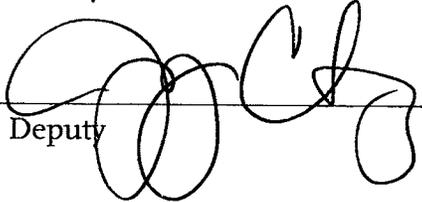
LOS ANGELES COUNTY
METROPOLITAN TRANSPORTATION AUTHORITY

By: _____
Arthur T. Leahy
Chief Executive Officer

Date: _____

Approved as to form:

Robert E. Kalunian
Acting County Counsel

By:  _____
Deputy

Date: 8/21/09

CITY OF TORRANCE

By: _____
Frank Scotto
Mayor

Date: _____

Attest:

By: _____
Sue Herbers
City Clerk

Date: _____

Approved as to form:

By: _____
John L. Fellows III
City Attorney

Date: _____

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

Call for Projects – [Del Amo Boulevard Extension/Grade Separation and Project # 4314] Memorandum of Understanding (MOU/LOA) MOU/LOA.P0004314S

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.

Call for Projects – [Del Amo Boulevard Extension/Grade Separation and Project # 4314] Memorandum of Understanding (MOU/LOA) MOU/LOA.P0004314S

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: [Signature] 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: John L. Fellows III 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

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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

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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

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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

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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

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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

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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 are

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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.

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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

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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

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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.

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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)							4
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											25
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											
FTA 5307 (Section 9)									\$ 7,000,000		\$7,000,000
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 Santa 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.

TIP#: LA974314

PPNO N/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.

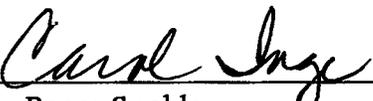
TIP#: LA974314

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.

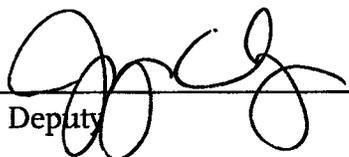
LOS ANGELES COUNTY
METROPOLITAN TRANSPORTATION AUTHORITY

By: 
Roger Snoble
Chief Executive Officer

Date: 11-17-08

Approved as to form:

Raymond G. Fortner, Jr.
County Counsel

By: 
Deputy

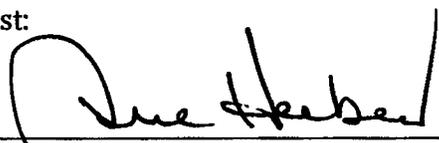
Date: 9/10/08

CITY OF TORRANCE

By: 
Frank Scotto
Mayor

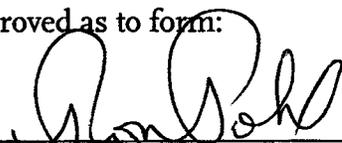
Date: 10-16-2008

Attest:

By: 
Sue Herbers
City Clerk

Date: 10-16-2008

Approved as to form:

By: 
John L. Fellows III
City Attorney

Date: Oct 15, 2008

TIP# LA974314

CFP# 4314
AMENDMENT NO. 1
MOU.P0004314

PPNO N/A

**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.