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- San Bernardino County Transportation Commission
 - San Bernardino County Transportation Authority
 - San Bernardino County Congestion Management Agency
 - Service Authority for Freeway Emergencies
-

AGENDA
Board of Directors Meeting
September 7, 2016

*******Start Time: 10:00 a.m. (CLOSED SESSION)*******
1170 W. 3rd Street, San Bernardino, CA 92410, 2nd Fl. (The Super Chief)

*****Convvene Regular Meeting at 10:15 a.m.*****
1st Floor Lobby

LOCATION

San Bernardino Associated Governments
Santa Fe Depot - SANBAG Lobby 1st Floor
1170 W. 3rd Street, San Bernardino, CA

Board of Directors

President

Robert Lovingood, Supervisor
County of San Bernardino

Vice-President

Alan Wapner, Council Member
City of Ontario

Rich Kerr, Mayor
City of Adelanto

Curt Emick, Council Member
Town of Apple Valley

Julie McIntyre, Mayor
City of Barstow

Bill Jahn, Mayor Pro Tem
City of Big Bear Lake

Dennis Yates, Mayor
City of Chino

Ed Graham, Council Member
City of Chino Hills

Frank Navarro, Council Member
City of Colton

Michael Tahan, Council Member
City of Fontana

Darcy McNaboe, Mayor
City of Grand Terrace

Eric Schmidt, Council Member
City of Hesperia

Larry McCallon, Mayor
City of Highland

Rhodes "Dusty" Rigsby, Mayor
City of Loma Linda

Paul Eaton, Mayor
City of Montclair

Edward Paget, Mayor
City of Needles

L. Dennis Michael, Mayor
City of Rancho Cucamonga

Jon Harrison, Mayor Pro Tem
City of Redlands

Deborah Robertson, Mayor
City of Rialto

R. Carey Davis, Mayor
City of San Bernardino

Joel Klink, Council Member
City of Twentynine Palms

Ray Musser, Mayor
City of Upland

Ryan McEachron, Council Member
City of Victorville

Dick Riddell, Council Member
City of Yucaipa

George Huntington, Council Member
Town of Yucca Valley

Janice Rutherford, Supervisor
County of San Bernardino

James Ramos, Supervisor
County of San Bernardino

Curt Hagman, Supervisor
County of San Bernardino

Josie Gonzales, Supervisor
County of San Bernardino

John Bulinski, Caltrans
Ex-Officio Member

Ray Wolfe, *Executive Director*

Eileen Teichert, *SANBAG Counsel*

**San Bernardino Associated Governments
County Transportation Commission
County Transportation Authority
County Congestion Management Agency
Service Authority for Freeway Emergencies**

AGENDA

**Board of Directors
September 7, 2016**

*****10:00 a.m. (CLOSED SESSION)***
1170 W. 3rd St., 2nd Fl. (The Super Chief)
San Bernardino, CA**

CLOSED SESSION

1. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

Pursuant to Government Code Section 54956.9(d)(1) -- 13 cases

- a. *Linda Cornwall v. SANBAG, Skanska-Rados Joint Venture, etal.*
San Bernardino County Superior Court Case No. CIVDS 1312628
- b. *In re: Lumbermen's Mutual Casualty Company, In Liquidation*
Office of Special Deputy Receiver, Docket No. 12 CH 24227
Circuit Court of Cook County, Illinois
- c. *In re: City of San Bernardino*
U.S. Bankruptcy Court, Central District of California, Case No.: 6.12-bk-28006-MJ
- d. *Maria de Lourdes Reyes, etal. v. SANBAG, Co. of San Bernardino, etal.*
San Bernardino Superior Court Case No. CIVDS1503543
- e. *Henry Olivier and Ileana Olivier v. San Bernardino Associated Governments, etal.*
San Bernardino Superior Court Case No. CIVDS 1416554
- f. *Southern California Gas Co. v. Ames Construction, Caltrans, etal.*
Riverside Superior Court Case No. RIC 1409810
- g. *Tensar International Corporation v. Skanska USA Civil West California District, Inc., etal.*
San Bernardino Superior Court Case No. CIVDS 1601610
- h. *Skanska-Rados Joint Venture, Petitioner v. San Bernardino County Transportation Authority, Respondent, Coffman Specialties, Inc. and Superior Gunite, Interested Parties*
State of California Office of Administrative Hearings, Public Works Contract Arbitration Committee, Arbitration Case No. A-0002-2016
- i. *San Bernardino County Transportation Commission v. Jong Uk Byun, Central Metal, Inc.*
San Bernardino Superior Court Case No. CIVDS 1302767
- j. *Central Metal, Inc. v. Shimmick Construction Company, Inc.*
San Bernardino Superior Court Case No. CIVDS 1518775
- k. *Central Metal, Inc. v. San Bernardino County Transportation Commission*
San Bernardino Superior Court Case No. CIVDS 1602934
- l. *Michael Foster v. State of California, County of San Bernardino, San Bernardino Associated Governments*
San Bernardino Superior Court Case No. CIVDS 1605806
- m. *George Cornwell, etal. v. Miguel Tiscareno, City of Rialto, San Bernardino Associated Governments*
San Bernardino Superior Court Case No. CIVDS 1514990

2. **CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION**
 (Threatened) Pursuant to Government Code Section 54956.9(d)(2) -- 5 cases
 Claim filed by Leslie Cooper
 Claim filed by Tremisha Terry, Taevain Terry, James Robinson
 Claim filed by Julie Wade
 Claim filed by Colleen Paine
 Claim filed by Brett Beale, Bigg Dane & Beale's Texas BBQ, LLC
Based on existing facts and circumstances there is a significant exposure to litigation.
3. **CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION**
 (Initiation) Pursuant to Government Code Section 54956.9(d)(4) -- 1 case

**** Convene Regular Meeting at 10:15 a.m. ****
1170 W. 3rd Street, 1st Floor Lobby, San Bernardino

To obtain additional information on any items, please contact the staff person listed under each item. You are encouraged to obtain any clarifying information prior to the meeting to allow the Board to move expeditiously in its deliberations. Additional *“Meeting Procedures”* and agenda explanations are attached to the end of this agenda.

CALL TO ORDER

(Meeting Chaired by Robert Lovingood)

- i. Pledge of Allegiance
- ii. Attendance
- iii. Announcements
 Calendar of Events
- iv. Agenda Notices/Modifications

Pg. 17

Possible Conflict of Interest Issues

Note agenda item contractors, subcontractors and agents which may require member abstentions due to conflict of interest and financial interests. Board Member abstentions shall be stated under this item for recordation on the appropriate item.

1. Information Relative to Possible Conflict of Interest

Pg. 18

Note agenda items and contractors/subcontractors, which may require member abstentions due to possible conflicts of interest.

This item is prepared monthly for review by SANBAG Board and Committee members.

CONSENT CALENDAR

Items listed on the Consent Calendar are expected to be routine and non-controversial. These items have been discussed at SANBAG Policy Committee meetings and made available for public review as noted in the agenda. The Consent Calendar will be acted upon as a single motion. Items on the Consent Calendar may be removed for discussion by Board Member Request. Items pulled from the consent calendar will be brought up immediately following the vote on the Consent Calendar.

Consent - Administrative Matters

2. May, June and July 2016 Procurement Report

Pg. 20

Receive the May, June and July 2016 Procurement Report.
Presenter: William Stawarski

This item was received by the General Policy Committee on August 10, 2016.

- 3. Policy 11010 – Procurement Standards of Conduct** Pg. 33
 That the Board approve Policy 11010 – Procurement Standards of Conduct.
Presenter: William Stawarski
This item was reviewed and unanimously recommended for approval by the General Policy Committee on August 10, 2016. SANBAG General Counsel and the Procurement Manager have reviewed this item.
- 4. Measure I Revenue** Pg. 37
 Receive report on Measure I receipts for Measure I 2010-2040.
Presenter: William Stawarski
This item was received by the General Policy Committee on August 10, 2016.
- 5. Measure I Local Pass-Through Compliance Audit for City of Adelanto Fiscal Year 2014/2015** Pg. 39
 That the Board review and receive the Measure I Audit Reports of Local Pass-Through Funds for the City of Adelanto for the year ended June 30, 2015.
Presenter: William Stawarski
This item was received by the General Policy Committee on August 10, 2016.
- 6. Request for Proposal 17-1001569 Audit Services for Transportation Development Act (TDA) Claimants, Measure I Local Pass-Through Revenue Recipients, and Financial & Compliance Auditing Services for Transit Operators.** Pg. 41
 That the Board approve the release of Request for Proposal 17-1001569 for qualified firms to provide Auditing Services for TDA Claimants and Financial & Compliance Auditing Services for Transit Operators, acting in its capacity as the San Bernardino County Transportation Commission, and for the Measure I Local Pass-Through Revenue Recipients, acting as the San Bernardino County Transportation Authority.
Presenter: William Stawarski
This item was reviewed and unanimously recommended for approval by the General Policy Committee on August 10, 2016. SANBAG General Counsel and the Procurement Manager have reviewed this item and Scope of Services as to form.
- 7. Insurance Premium Update** Pg. 51
 Receive and file report on result of insurance premium for Fiscal Year 2016/2017.
Presenter: William Stawarski
This item was received by the General Policy Committee on August 10, 2016.
- 8. Investment Policy No. 20100** Pg. 53
 That the Board:
 A. Approve existing SANBAG Investment Policy No. 20100 with staff recommended changes to Paragraph IX - Allowable Investments for SANBAG Operating Funds, modifying subparagraph J and to Paragraph XVIII - Annual Submission of Investment Policy.
 B. Delegate to SANBAG’s treasurer for a one-year period the authority to invest or reinvest funds, or to sell or exchange securities so purchased, pursuant to SANBAG Investment Policy No. 20100.
Presenter: William Stawarski
This item was reviewed and unanimously recommended for approval by the General Policy Committee on August 10, 2016. SANBAG’s General Counsel has reviewed this item and the Policy.

- 9. Executive Director Employment Contract Amendment** Pg. 64
- Approve Amendment No. 3 to Employment Contract No. C12222 with Executive Director Raymond W. Wolfe.
- Presenter: Robert A. Lovingood**
- The compensation set forth in this item was reviewed and recommended by the Board of Directors on July 6, 2016. The draft amendment and this item have been reviewed by SANBAG General Counsel.**
- 10. General Counsel Employment Contract Amendment** Pg. 68
- Approve Amendment No. 2 to Employment Contract No. C12223 with General Counsel, Eileen Monaghan Teichert.
- Presenter: Robert A. Lovingood**
- The compensation set forth in this item was reviewed and recommended for approval by the Board of Directors on July 6, 2016.**
- 11. Merit Adjustments for Fiscal Year 2016/2017** Pg. 71
- Approve the inclusion of merit increases in the adopted Fiscal Year 2016/2017 budget to be approved by the Executive Director based on employee performance.
- Presenter: Duane Baker**
- This matter was discussed by the Board of Directors on July 6, 2016.**
- 12. Fiscal Year 2015/2016 Work Goals and Objectives 4th Quarter Report** Pg. 73
- Receive the Fiscal Year 2015/2016 4th Quarter Work Goals and Objectives.
- Presenter: Raymond Wolfe**
- This item was reviewed by the General Policy Committee on August 11, 2016.**
- Consent - Project Delivery**
- 13. I-215 Bi-County Project - Billboard Relocation Agreement between SANBAG, City of Ontario, and Lamar Advertising Company** Pg. 74
- That the Board, acting in its capacity as the San Bernardino County Transportation Authority:
- Authorize the Executive Director or designee to execute the three-party Billboard Relocation Agreement No. 16-1001496 between SANBAG, the City of Ontario (City), and Lamar Advertising Company, subsequent to SANBAG General Counsel approval as to form, which defines roles and responsibilities for relocation of an advertising billboard that was displaced by the Interstate 215 (I-215) Bi-County Project and to be placed within the limits of the City.
- Presenter: Garry Cohoe**
- This item was reviewed and recommended for approval (16-0-2; Abstained: Wapner and McEachron) with a quorum of the Board present at the Board of Directors Metro Valley Study Session on August 11, 2016. SANBAG General Counsel and Procurement Manager have reviewed this item and a draft of the agreement.**

14. Amendment 4 to I-10/Tippecanoe Interchange Construction Management Contract with Simon Wong Engineering Pg. 84

That the Board, acting as the San Bernardino County Transportation Commission:

A. Approve Amendment No. 4 to Contract No. C13130 with Simon Wong Engineering, Inc. a Wholly Owned Subsidiary of Kleinfelder West, Inc., for an additional \$158,000 for a revised not-to-exceed amount of \$3,083,000.

B. Approve an increase in contingency amount for Contract No. C13130 of \$25,000 for a revised amount of \$372,500 and authorize the Executive Director or designee to release contingency as necessary for the project.

Presenter: Garry Cohoe

This item was reviewed and recommended for approval (19-0-0) with a quorum of the Board present at the Board of Directors Metro Valley Study Session on August 11, 2016. SANBAG General Counsel and Procurement Manager have reviewed this item and a draft of the amendment.

15. San Bernardino Valley Coordinated Traffic Signal System (SBVCTSS) - Future Operation and Maintenance Pg. 89

That the Board, acting as the San Bernardino County Transportation Authority:

A. Authorize release of Request for Proposal (RFP) 16-1001515 to retain a consultant for the preparation of updated Coordination Timing Plans, to provide Semi-Annual Assessments and provide On-call System Support for the San Bernardino Valley Coordinated Traffic Signal System (SBVCTSS).

B. Approve the draft templates of Cooperative Agreements between the San Bernardino County Transportation Authority (SANBAG) and local agencies (Chino, Chino Hills, Colton, Fontana, Grand Terrace, Highland, Loma Linda, Montclair, Ontario, Rancho Cucamonga, Redlands, Rialto, San Bernardino City, San Bernardino County, Upland and Yucaipa) establishing responsibilities to maintain, monitor, assess and funding of the San Bernardino Valley Coordinated Traffic Signal System.

C. Authorize the Executive Director or designee to execute the final Cooperative Agreements with local agencies after approval as to form by General Counsel without further approval by the Board, provided the Cooperative Agreements are substantially in the form of the attached draft templates.

Presenter: Garry Cohoe

This item was reviewed and recommended for approval (19-0-0) with a quorum of the Board present at the Board of Directors Metro Valley Study Session on August 11, 2016. SANBAG's General Counsel and Procurement Manager have reviewed this item, the draft Cooperative Agreements, and the draft Scope of Work.

16. RFP for On Call Right of Way Advisor Services Pg. 124

That the Board, acting in its capacity as the San Bernardino County Transportation Authority:

Approve the release of Request for Proposals (RFP) No. 16-1001545 for On-Call Right-of-Way Advisor Services for various projects of the Measure I Major Projects Program.

Presenter: Garry Cohoe

This item was reviewed and recommended for approval (19-0-0) with a quorum of the Board present at the Board of Directors Metro Valley Study Session on August 11, 2016. SANBAG General Counsel and Procurement Manager have reviewed this item and a draft of the RFP.

17. Caltrans Cooperative Agreement and Award for Preliminary Engineering Services for the Interstate 215 (I-215) /University Parkway Interchange Project Pg. 128

That the Board, acting in its capacity as the San Bernardino County Transportation Commission:

A. Approve Cooperative Agreement No. 16-1001479 with Caltrans for the Project Approval and Environmental Document (PA/ED), Plans, Specifications, and Estimates (PS&E), and Right of Way (ROW) phases of the I-215 University Parkway Interchange Project which designates SANBAG as the implementing and funding agency for the project and designates SANBAG as the agency acquiring ROW and exercising Eminent Domain.

That the Board, acting in its capacity as the San Bernardino County Transportation Authority:

B. Approve award of Contract No. 16-1001359 with HDR, Inc. for Environmental and Design services for the I-215 University Parkway Interchange Project in an amount not-to-exceed \$1,500,932.

C. Authorize the Executive Director or designee to execute Contract No. 16-1001359 subject to federal authorization for use of federal funding and after receipt of the Caltrans Conformance Letter and correction of any deficiencies noted therein, as required by the Caltrans Local Assistance Procedures Manual.

D. Approve a 15% contingency amount for Contract No. 16-1001359 of \$225,140 and authorize the Executive Director or designee to release contingency as necessary for the project.

E. Approve purchase order to HDR, Inc. for an amount not-to-exceed \$82,500 for early design services prior to execution of Contract No. 16-1001359.

F. Authorize the Executive Director or designee to execute Amendment No. 1 to Cooperative Agreement No. 16-1001335 with the City of San Bernardino, subsequent to General Counsel approval as to form, to update the program cost in the funding table and to allow the City to deposit its share directly to SANBAG.

Presenter: Garry Cohoe

This item was reviewed and recommended for approval (19-0-0) with a quorum of the Board present at the Board of Directors Metro Valley Study Session on August 11, 2016. SANBAG General Counsel and Procurement Manager have reviewed this item and drafts of the agreements.

Consent - Regional/Subregional Planning

18. South Coast Air Quality Management District Agreement for Signal Synchronization Funding Using Mobile Source Air Pollution Reduction Review Committee Funds Pg. 173

That the Board, acting as the San Bernardino County Transportation Commission, approve Contract 17-1001574 (MS16091) with the South Coast Air Quality Management District defining the roles and responsibilities for the administration of Assembly Bill 2766 Discretionary Funds totaling \$1,000,000 allocated to the San Bernardino County Transportation Commission.

Presenter: Steve Smith

This item was reviewed and recommended for approval (19-0-0) with a quorum of the board present at the Board of Directors Metro Valley Study Session on August 11, 2016. This item and the draft agreement have been reviewed by SANBAG General Counsel.

Consent - Transit/Rail

- 19. Fourth Quarter Fiscal Year 2015/2016 Railroad Right-of-Way Grants of Use Reports** Pg. 191
Receive the fourth quarter (April, May, June) Right-of-Way Grants of Use Report.
Presenter: Carrie Schindler
This item was received by the Transit Committee on August 11, 2016.
- 20. Allocation for Zanja Bridge** Pg. 193
That the Board, acting in its capacity as the San Bernardino County Transportation Commission and the San Bernardino County Transportation Authority, allocate \$94,000 of Rail Asset Funds for the removal of the Zanja Bridge.
Presenter: Carrie Schindler
This item was reviewed and unanimously recommended for approval by the Transit Committee on August 11, 2016.
- 21. San Bernardino Municipal Water District Purchase Order for Downtown San Bernardino Passenger Rail Project** Pg. 199
That the Board, approve an increase to Purchase Order No. 4001433 with the City of San Bernardino Municipal Water District for additional work required to accommodate the Downtown San Bernardino Passengers Rail Project, increasing the purchase order by \$75,000 for a new total of \$150,000.
Presenter: Carrie Schindler
This item was reviewed and unanimously recommended for approval by the Transit Committee on August 11, 2016.
- 22. Southern California Regional Rail Authority All-Share Allocation Formulas MOU 17-1001572** Pg. 201
That the Board:
A. Approve Memorandum of Understanding No. 17-1001572 with Southern California Regional Rail Authority defining the roles and responsibilities related to a review of the current cost allocation formulas used by the Southern California Regional Rail Authority and committing \$13,841 in SANBAG Valley Local Transportation Funds.
B. Authorize a budget amendment to the Fiscal Year 2016/2017 budget in the amount of \$13,841 to Task 0314 Transit Operations, Sub Task 0377 Metrolink Operating & Maintenance Subsidy, funded with Local Transportation Funds – Valley.
Presenter: Carrie Schindler
This item was reviewed and unanimously recommended for approval by the Transit Committee on August 11, 2016.
- 23. Award Redlands Passenger Rail Project – Construction Management Consultant Services.** Pg. 206
That the Board, acting in its capacity as the San Bernardino County Transportation Authority:
A. Approve Contract No. 16-1001440 with AECOM for a five year term in an amount not-to-exceed \$17,380,058 for Construction Management Services on the Redlands Passenger Rail Project to be funded with Valley Measure I Metrolink/Rail funds.

B. Approve contingency of an amount not-to-exceed \$1,738,006 for Contract No. 16-1001440 and authorize the Executive Director or his designee to release contingency as necessary for the Project to be funded with Valley Measure I Metrolink/Rail funds.

Presenter: Carrie Schindler

This item was reviewed and unanimously recommended for approval by the Transit Committee on August 11, 2016. SANBAG General Counsel and Procurement Manager have reviewed and approved this item and the contract.

Consent - Council of Governments

24. Changes to the Commercial HERO Program Administered by SAMAS Capital, LLC Pg. 233

Approve Resolution No. 17-004 authorizing changes to the Commercial HERO Program administered for San Bernardino Associated Governments (SANBAG) by SAMAS Capital, LLC (SAMAS), including: amending the HERO Program Report and the Master Indenture for issuance of bonds secured by assessments on commercial parcels participating in SAMAS Commercial program; and second amendments to the Master Bond Purchase Agreement with SAMAS (C14055) and the Administrative Services Agreement with SAMAS (C14052).

Presenter: Duane Baker

This item was reviewed and unanimously recommended for approval by the General Policy Committee on August 10, 2016. This item, the draft resolution, draft amendments, and draft amended and restated Master Indenture, have been reviewed by SANBAG's General Counsel.

25. Changes to the Commercial HERO Program Adding Renovate America, Inc. Pg. 262

Approve Resolution No. 17-003 authorizing changes to the Commercial HERO Program administered for San Bernardino Associated Governments (SANBAG) by adding Renovate America, Inc.

Presenter: Duane Baker

This item was reviewed and unanimously recommended for approval by the General Policy Committee on August 10, 2016. SANBAG General Counsel has reviewed this item, the draft agreements, and draft master indenture.

Consent - Transportation Programming and Fund Administration

26. Fiscal Year 2015/2016 Budget Amendment for LTF Pass Through Funds Pg. 333

That the Board approve a Fiscal Year 2015/2016 Budget Amendment to increase Task No. 0550-Programming by \$6,720,000 to be funded by Local Transportation Funds previously allocated to transit operators and ratify expenditures made during the fiscal year.

Presenter: Andrea Zureick

This item was reviewed and unanimously recommended for approval by the Transit Committee on August 11, 2016.

27. Transportation Development Act Unmet Needs Hearings Pg. 335

That the Board, acting in its capacity as the San Bernardino County Transportation Commission:

A. Adopt definitions of "Unmet Transit Needs" and "Reasonable to Meet" as identified in Attachment A.

B. Set times, dates and locations for Transportation Development Act Unmet Transit Needs Public Hearings. **Presenter: Andrea Zureick**

This item was reviewed and unanimously recommended for approval by the Transit Committee on August 11, 2016.

28. VVTA - Repeal Resolution No. 98-002

Pg. 339

That the Board, acting as the San Bernardino County Transportation Commission, adopt Resolution No. 17-002 repealing Resolution No. 98-002, which set the required ratio of fares to operating cost for Victor Valley Transit Authority at 15%.

Presenter: Andrea Zureick

This item was reviewed and unanimously recommended for approval by the Transit Committee on August 11, 2016. SANBAG General Counsel has reviewed this item and the Resolution.

Consent Calendar Items Pulled for Discussion

Items removed from the Consent Calendar shall be taken under this item in the order they were presented on the agenda.

DISCUSSION ITEMS

Discussion - Regional/Subregional Planning

29. Draft 2016 South Coast Air Quality Management Plan

Pg. 345

That the Board receive a presentation from the South Coast Air Quality Management District (SCAQMD) on the 2016 Draft Air Quality Management Plan (AQMP).

Presenter: Steve Smith

This item has not had prior review by any other policy committee or technical advisory committee.

Discussion - Project Delivery

30. Hearing to Consider Resolution of Necessity for Parcel for the Interstate 215 (I-215) Barton Road Interchange Improvement Project in the City of Grand Terrace

Pg. 364

That the Board, acting as the San Bernardino County Transportation Commission:

A. Conduct a public hearing to consider condemnation of real property required for the I-215 Barton Road Interchange Improvement Project in the City of Grand Terrace; and

B. Upon completion of a public hearing, that the Board of Directors adopt the Resolution of Necessity No. 16-031 authorizing and directing General Counsel, or her designees, to prepare, commence, and prosecute proceedings in eminent domain for the purpose of acquiring necessary right-of-way and real property interests from: Colton Joint Unified School District who is the successor agency for the Terrace Union School District, Trustees of the Terrace School District, County of San Bernardino, State of California, as to Parcel A; and Terrace Union School of San Bernardino County, as to Parcels B, C, and D; (Assessor's Parcel Number [APN] 0275-232-04; Caltrans Parcel Number [CPN] 23345). The Resolution must be approved by at least a two-thirds majority.

Presenter: Paula Beauchamp

This item was reviewed and recommended (20-0-0) to proceed to Hearings of Resolutions of Necessity by the Board of Directors with a quorum of the Board present at the Board of Directors Metro Valley Study Session on June 9, 2016. SANBAG General Counsel has reviewed this item and draft resolution.

Discussion - Council of Governments

31. **Inland Southern California Economic Strategy and Plan Development with the Brookings Institution** Pg. 389

Receive presentation by UCR Director Ronald Loveridge.

Presenter: Duane Baker

This item has not been reviewed by any policy committee or technical advisory committee.

Discussion - Transportation Programming and Fund Administration

32. **Contract Amendment C14021-02 for the I-40 Needles Connector Project** Pg. 391

That the Board, acting in its capacity as the San Bernardino County Transportation Authority:

A. Allocate \$218,000 in Colorado River Subarea Major Local Highway Program funds to the City of Needles for the Needles Connector Project.

B. Approve Contract Amendment C14021-02 for the I-40 Needles Connector Project increasing the amount to \$408,290.

C. Approve a Fiscal Year 2016/2017 budget amendment to increase Sub-task 0516 MSI Mt/Desert Apportionment and Allocation Fund in the amount of \$175,000 from Measure I Colorado River Fund-Major Local Highway. **Presenter: Andrea Zureick**

This item has not had prior review by any other policy committee or technical advisory committee. This item and the draft amendment have been reviewed by General Counsel.

Discussion - Administrative Matters

33. **Process to Fill Upcoming Vacancies on the Independent Taxpayer Oversight Committee** Pg. 401

Approve the process for the selection of two members of the Independent Taxpayer Oversight Committee (ITOC) to fill vacancies that will be created on December 31, 2016, due to term limits. **Presenter: Duane Baker**

This item was reviewed and unanimously recommended for approval by the General Policy Committee on August 10, 2016.

Discussion - Transit/Rail

34. **Southern California Regional Rail Authority Budget Amendment Allocation for Fiscal Year 2016/2017 for Los Angeles Rams Pilot Program** Pg. 407

That the Board, acting in its capacity as the San Bernardino County Transportation Commission:

A. Approve an increase in the Southern California Regional Rail Authority Fiscal Year 2016/2017 Operating Assistance allocation in the amount of \$20,000 for a new total of \$14,860,000, to be funded with Valley Local Transportation Fund;

B. Authorize a budget amendment to the SANBAG Fiscal Year 2016/2017 Budget in the amount of \$20,000 to Task 0314 Transit Operations, Sub Task 0377 Metrolink Operating & Maintenance Subsidy, funded with Local Transportation Funds for a new task total of \$16,513,816. **Presenter: Carrie Schindler**

This item has not received prior policy committee or technical advisory committee review. This item is being taken directly to the SANBAG Board due to time constraints.

Comments from Board Members

Brief Comments from Board Members

Executive Director's Comments

Brief Comments from the Executive Director

Public Comment

Brief Comments from the General Public

ADJOURNMENT

Additional Information

Attendance	Pg. 411
SANBAG Entities	Pg. 413
Acronym List	Pg. 414

Agency Reports

Mobile Source Air Pollution Reduction Review Committee	Pg. 417
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Committee Membership

Representatives on SCAG Committees	Pg. 420
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SANBAG Committee Membership	Pg. 423

Mission Statement

Mission Statement	Pg. 428
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Meeting Procedures and Rules of Conduct

Meeting Procedures - The Ralph M. Brown Act is the state law which guarantees the public's right to attend and participate in meetings of local legislative bodies. These rules have been adopted by the Board of Directors in accordance with the Brown Act, Government Code 54950 et seq., and shall apply at all meetings of the Board of Directors and Policy Committees.

Accessibility - The SANBAG meeting facility is accessible to persons with disabilities. If assistive listening devices or other auxiliary aids or services are needed in order to participate in the public meeting, requests should be made through the Clerk of the Board at least three (3) business days prior to the Board meeting. The Clerk's telephone number is (909) 884-8276 and office is located at 1170 W. 3rd Street, 2nd Floor, San Bernardino, CA.

Agendas – All agendas are posted at 1170 W. 3rd Street, 1st Floor, San Bernardino at least 72 hours in advance of the meeting. Staff reports related to agenda items may be reviewed at the SANBAG offices located at 1170 W. 3rd Street, 2nd Floor, San Bernardino and our website: www.sanbag.ca.gov.

Agenda Actions – Items listed on both the “Consent Calendar” and “Discussion” contain recommended actions. The Board of Directors will generally consider items in the order listed on the agenda. However, items may be considered in any order. New agenda items can be added and action taken by two-thirds vote of the Board of Directors or unanimous vote of members present as provided in the Ralph M. Brown Act Government Code Sec. 54954.2(b).

Closed Session Agenda Items – Consideration of closed session items excludes members of the public. These items include issues related to personnel, pending litigation, labor negotiations and real estate negotiations. Prior to each closed session, the Chair will announce the subject matter of the closed session. If action is taken in closed session, the Chair may report the action to the public at the conclusion of the closed session.

Public Testimony on an Item – Members of the public are afforded an opportunity to speak on any listed item. Individuals wishing to address the Board of Directors or Policy Committee Members should complete a “Request to Speak” form, provided at the rear of the meeting room, and present it to the Clerk prior to the Board's consideration of the item. A "Request to Speak" form must be completed for each item an individual wishes to speak on. When recognized by the Chair, speakers should be prepared to step forward and announce their name and address for the record. In the interest of facilitating the business of the Board, speakers are limited to three (3) minutes on each item. Additionally, a twelve (12) minute limitation is established for the total amount of time any one individual may address the Board at any one meeting. The Chair or a majority of the Board may establish a different time limit as appropriate, and parties to agenda items shall not be subject to the time limitations. Members of the public requesting information be distributed to the Board of Directors must provide 40 copies of such information in advance of the meeting, except for noticed public hearings. Information provided as public testimony is not read into the record by the Clerk.

The Consent Calendar is considered a single item, thus the three (3) minute rule applies. Consent Calendar items can be pulled at Board member request and will be brought up individually at the specified time in the agenda allowing further public comment on those items.

Agenda Times – The Board is concerned that discussion take place in a timely and efficient manner. Agendas may be prepared with estimated times for categorical areas and certain topics to be discussed. These times may vary according to the length of presentation and amount of resulting discussion on agenda items.

Public Comment – At the end of the agenda, an opportunity is also provided for members of the public to speak on any subject within the Board’s authority. Matters raised under “Public Comment” may not be acted upon at that meeting. “Public Testimony on any Item” still applies.

Disruptive or Prohibited Conduct – If any meeting of the Board is willfully disrupted by a person or by a group of persons so as to render the orderly conduct of the meeting impossible, the Chair may recess the meeting or order the person, group or groups of person willfully disrupting the meeting to leave the meeting or to be removed from the meeting. Disruptive or prohibited conduct includes without limitation addressing the Board without first being recognized, not addressing the subject before the Board, repetitiously addressing the same subject, failing to relinquish the podium when requested to do so, bringing into the meeting any type of object that could be used as a weapon, including without limitation sticks affixed to signs, or otherwise preventing the Board from conducting its meeting in an orderly manner. Your cooperation is appreciated!

**SANBAG General Practices for Conducting Meetings
of
Board of Directors and Policy Committees**

Attendance.

- The Chair of the Board or a Policy Committee (Chair) has the option of taking attendance by Roll Call or Self-Introductions. If attendance is taken by Roll Call, the Clerk of the Board will call out by jurisdiction or supervisorial district. The Member or Alternate will respond by stating his/her name. If attendance is by Self-Introduction, the Member or Alternate will state his/her name and jurisdiction or supervisorial district.
- A Member/Alternate, who arrives after attendance is taken, shall announce his/her name prior to voting on any item.
- A Member/Alternate, who wishes to leave the meeting after attendance is taken but before remaining items are voted on, shall announce his/her name and that he/she is leaving the meeting.

Basic Agenda Item Discussion.

- The Chair announces the agenda item number and states the subject.
- The Chair calls upon the appropriate staff member or Board Member to report on the item.
- The Chair asks members of the Board/Committee if they have any questions or comments on the item. General discussion ensues.
- The Chair calls for public comment based on “Request to Speak” forms which may be submitted.
- Following public comment, the Chair announces that public comment is closed and asks if there is any further discussion by members of the Board/Committee.
- The Chair calls for a motion from members of the Board/Committee.
- Upon a motion, the Chair announces the name of the member who makes the motion. Motions require a second by a member of the Board/Committee. Upon a second, the Chair announces the name of the Member who made the second, and the vote is taken.
- The “aye” votes in favor of the motion shall be made collectively. Any Member who wishes to oppose or abstain from voting on the motion, shall individually and orally state the Member’s “nay” vote or abstention. Members present who do not individually and orally state their “nay” vote or abstention shall be deemed, and reported to the public, to have voted “aye” on the motion.

The Vote as specified in the SANBAG Bylaws.

- Each Member of the Board of Directors shall have one vote. In the absence of the official representative, the alternate shall be entitled to vote. (Board of Directors only.)
- Voting may be either by voice or roll call vote. A roll call vote shall be conducted upon the demand of five official representatives present, or at the discretion of the presiding officer.

Amendment or Substitute Motion.

- Occasionally a Board Member offers a substitute motion before the vote on a previous motion. In instances where there is a motion and a second, the maker of the original motion is asked if he or she would like to amend his or her motion to include the substitution or withdraw the motion on the floor. If the maker of the original motion does not want to amend or withdraw, the substitute motion is voted upon first, and if it fails, then the original motion is considered.
- Occasionally, a motion dies for lack of a second.

Call for the Question.

- At times, a Member of the Board/Committee may “Call for the Question.”
- Upon a “Call for the Question,” the Chair may order that the debate stop or may allow for limited further comment to provide clarity on the proceedings.
- Alternatively and at the Chair’s discretion, the Chair may call for a vote of the Board/Committee to determine whether or not debate is stopped.
- The Chair re-states the motion before the Board/Committee and calls for the vote on the item.

The Chair.

- At all times, meetings are conducted in accordance with the Chair’s direction.
- These general practices provide guidelines for orderly conduct.
- From time-to-time circumstances require deviation from general practice.
- Deviation from general practice is at the discretion of the Chair.

Courtesy and Decorum.

- These general practices provide for business of the Board/Committee to be conducted efficiently, fairly and with full participation.
- It is the responsibility of the Chair and Members to maintain common courtesy and decorum.

*Adopted By SANBAG Board of Directors January 2008
Revised March 2014
Revised May 4, 2016*



Important Dates to Remember...

September 2016

SANBAG Meetings – Scheduled:			
General Policy Committee	Sept 14	9:00 am	SANBAG Lobby, 1 st Floor
Commuter Rail/Transit Committee	Sept 15	9:00 am	SANBAG Lobby, 1 st Floor
Metro Valley Study Session	Sept 15	9:30 am	SANBAG Lobby, 1 st Floor
I-10/I-15 Corridor Joint Sub-Committee	Sept 15	10:30 am	SANBAG Lobby, 1 st Floor
Mountain/Desert Committee	Sept 16	9:30 am	Mojave Desert Air Quality Management District, Victorville, CA

Other Meetings/Events:			
Unmet Transit Needs-Public Hearing	Sept 19	9:30 am	Hesperia, CA
Unmet Transit Needs-Public Hearing	Sept 22	5:00 pm	Joshua Tree, CA
SANBAG Business2Business Expo	Sept 28	9:00 am	Chino Hills, CA

Communication: Calendar of Events (Announcements)

For additional information, please call SANBAG at (909) 884-8276.

Minute Action

AGENDA ITEM: 1

Date: September 7, 2016

Subject:

Information Relative to Possible Conflict of Interest

Recommendation:

Note agenda items and contractors/subcontractors, which may require member abstentions due to possible conflicts of interest.

Background:

In accordance with California Government Code 84308, members of the SANBAG Board may not participate in any action concerning a contract where they have received a campaign contribution of more than \$250 in the prior twelve months from an entity or individual, except for the initial award of a competitively bid public works contract. This agenda contains recommendations for action relative to the following contractors:

Item No.	Contract No.	Principals & Agents	Subcontractors
13	16-1001496	Lamar Advertising Company <i>Brian Smith</i>	None
14	C13130	Simon Wong Engineering, a Wholly Owned Subsidiary of Kleinfelder West, Inc. <i>Marc McIntyre</i>	Dynamic Engineering Services, Inc. Leighton Consulting Towill
17	16-1001359	HDR, Inc. <i>Tom Kim</i>	Applied Earthworks Arellano Associates Wagner Engineering & Surveys
23	16-1001440	AECOM <i>Chris Mockus</i>	Simon Wong Engineering Xorail Pacific Railroad Enterprises SafeworkCM Sequoia Consultants Soteria Company Psomas
24	Res. No. 17-004	SAMAS Capital, LLC <i>Mark Aarvig</i>	None
25	Res. No. 17-003	Renovate America <i>J.P. McNeill</i>	None

Entity: CMA, COG, CTA, CTC, JPA, SAFE

30	Principals & Agents
	Terrace Union School District of San Bernardino County <i>Owen Chang</i>

Financial Impact:

This item has no direct impact on the SANBAG budget.

Reviewed By:

This item is prepared monthly for review by SANBAG Board and Committee members.

Responsible Staff:

Approved
 Board of Directors
 Date: September 7, 2016

Witnessed By:

Minute Action

AGENDA ITEM: 2

Date: *September 7, 2016*

Subject:

May, June and July 2016 Procurement Report

Recommendation:

Receive the May, June and July 2016 Procurement Report.

Background:

The Board of Directors adopted the Contracting and Procurement Policy (Policy No. 11000) on January 3, 1997, and approved the last revision on March 12, 2014. On February 6, 2013, the Board of Directors authorized the Executive Director, or designee, to approve: a) contracts and purchase orders up to \$100,000 and for purchase orders originally \$100,000 or more, increasing the purchase order amount up to 10% of the original purchase order value, not-to-exceed \$25,000; b) amendments with a zero dollar value; c) amendments to exercise the option term if the option term was approved by the Board of Directors in the original contract; and d) amendments that cumulatively do not exceed 50% of the original contract value or \$100,000, whichever is less and to release Request for Proposal (RFP), Request for Quote (RFQ) and Invitation for Bid (IFB) for proposed contracts from which funding has been approved in San Bernardino Associated Governments (SANBAG's) Annual Budget, and which are estimated not-to-exceed \$1,000,000. SANBAG staff has compiled this report that summarizes all contract actions approved by the Executive Director, or designee.

On July 11, 2012, the Board of Directors authorized SANBAG's General Counsel to award and execute legal services contracts up to \$50,000 with outside counsel as needed on behalf of SANBAG and its authorities organized under the umbrella of the Council of Governments. Also, periodically notify the Board after exercising such authority. A list of all Contracts and Purchase Orders that were executed by the Executive Director and/or General Counsel during the months of May, June and July is presented herein as Attachment A, and all RFPs and IFBs are presented in Attachment B.

Financial Impact:

This item imposes no impact on the Fiscal Year 2015/2016 and 2016/2017 budget. Presentation of the monthly procurement report demonstrates compliance with the Contracting and Procurement Policy.

Reviewed By:

This item was received by the General Policy Committee on August 10, 2016.

Responsible Staff:

William Stawarski, Chief Financial Officer

Entity: CMA, COG, CTA, CTC, SAFE

Board of Directors Agenda Item
September 7, 2016
Page 2

Approved
Board of Directors
Date: September 7, 2016
Witnessed By:

Attachment A

May, June & July Contract Actions

New Contracts Executed:

Contract No.	Description of Specific Services	Vendor Name	Dollar Amount	Description of Overall Program
16-1001474	Public Contracting Legal Services	Gibbs Giden Locher Turner Senet & Wittbrodt, LLP	\$100,000	Legal Services in connection with the I-215 Widening Project, Arbitration Case No. A-002-2016
16-1001508	Zero Emission Truck Development Project	Daylight Transport	\$50,000	Zero Emission Truck Development Project for Intermodal & Warehouse Facilities
16-1001527	Right of Way Permit	MCC Pipeline	\$2,730	Provide right of entry for a 10,000 sq. ft. area

Attachment: Attachment A (3053 : Procurement Report)

Attachment A

May, June & July Amendment Actions

Contract Amendments Executed:

Contract No. & Amendment No.	Reason for Amendment (include a description of the amendment)	Vendor Name	Previous Amendments & Dollar Values	Dollar Amount of Amendment	Amended Contract Total
C03045 Amendment 6	Amendment 6 extends the contract to allow completion of the monitoring period and allow additional time for report preparation and permit close out. Project: Environmental Services for I-215 Bi-County.	LSA Associates	Original \$1,500,000.00 Amendment 1 \$2,342,523.06 Amendment 2 (\$2,026,927.29) Amendment 3 \$0.00 Amendment 4 \$245,218.63 Amendment 5 \$99,858.00	\$0.00	\$2,160,672.40
C10094 Amendment 4	Amendment 4 extends the completion date to June 30, 2019 to allow time to develop as-builts and reconcile ROW costs. Project: PS&E Services for North Vineyard Ave and Union Pacific Railroad Grade Sep.	City of Ontario	Original \$2,436,000.00 Amendment 1 \$520,000.00 Amendment 2 \$176,000.00 Amendment 3 \$120,000.00	\$0.00	\$3,252,000.00
C11123 Amendment 2	Amendment 2 extends the contract completion date to assist in Cherry IC close out and review of contractor potential claims. Project: Construction Management Services for I-10 Citrus and I-10 Cherry Interchange.	Falcon Engineering	Original \$10,914,855.00 Amendment 1 \$0.00	\$0.00	\$10,914,855.00

Attachment: Attachment A (3053 : Procurement Report)

Contract No. & Amendment No.	Reason for Amendment (include a description of the amendment)	Vendor Name	Previous Amendments & Dollar Values	Dollar Amount of Amendment	Amended Contract Total
C11168 Amendment 2	Amendment 2 extends the completion date to June 30, 2019 to allow time to handle loss of goodwill claims and reconcile ROW costs. Project: ROW Services for North Vineyard Ave and Union Pacific Railroad Grade Sep.	City of Ontario	Original \$480,000.00 Amendment 1 \$192,000.00	\$0.00	\$672,000.00
C12233 Amendment 2	Amendment 2 exercises the second of two option years. Project: On-call Labor Compliance Services.	GCAP Services	Original \$300,000.00 Amendment 1 \$0.00 (Shared contract value with Dynamic Engineering, Inc. C13022)	\$0.00	\$300,000.00
C13022 Amendment 2	Amendment 2 exercises the second of two option years. Project: On-call Labor Compliance Services.	Dynamic Engineering, Inc.	Original \$300,000.00 Amendment 1 \$0.00 (Shared contract value with GCAP C12233)	\$0.00	\$300,000.00

Attachment: Attachment A (3053 : Procurement Report)

Attachment A

May, June & July Contract Task Order Actions

Contract Task Order (CTO) Executed:

Contract No. & CTO No.	Description of CTO	Vendor Name	Contract Amount	Previously Issued CTOs	Dollar Amount of CTO
C14086 CTO 37 Amendment 1	Increase to on-call engineering plan review services.	Parsons Brinckerhoff	\$20,000,000.00 (Shared with C14003 Hatch Mott MacDonald)	CTO 1	Original
				\$192,500.00	\$50,000.00
				CTO 2	Amendment 1
				\$963,434.22	\$40,000.00
				CTO 3	Total CTO
				\$20,000.00	\$90,000.00
				CTO 5	
				\$388,136.00	
				CTO 6	
				\$222,070.18	
				CTO 9	
				\$29,917.00	
				CTO 12B	
				\$276,230.96	
				CTO 21	
				\$3,014.70	
				CTO 27	
				\$13,774.98	
				CTO 29	
				\$154,586.83	
CTO 33					
\$377,893.00					
CTO 36					
\$14,762.07					
CTO 39					
\$157,992.10					
CTO 40					
\$34,026.00					
CTO 42					
\$98,993.70					
CTO 45					
\$144,918.90					
CTO 46					
\$132,868.00					

Attachment: Attachment A (3053 : Procurement Report)

Contract No. & CTO No.	Description of CTO	Vendor Name	Contract Amount	Previously Issued CTOs	Dollar Amount of CTO
C14086 CTO 39 Amendment 1	Removed Shortway Quiet Zone and Rancho to Lilac Double track. Added management through construction on Fontana Grade project.	Parsons Brinckerhoff	\$20,000,000.00 (Shared with C14003 Hatch Mott MacDonald)	CTO 1 \$192,500.00 CTO 2 \$963,434.22 CTO 3 \$20,000.00 CTO 5 \$388,136.00 CTO 6 \$222,070.18 CTO 9 \$29,917.00 CTO 12B \$276,230.96 CTO 21 \$3,014.70 CTO 27 \$13,774.98 CTO 29 \$154,586.83 CTO 33 \$377,893.00 CTO 36 \$14,762.07 CTO 37 \$90,000.00 CTO 40 \$34,026.00 CTO 42 \$98,993.70 CTO 45 \$144,918.90 CTO 46 \$132,868.00	Original \$209,788.00 Amendment 1 (\$51,795.90) Total CTO \$157,992.10

Attachment: Attachment A (3053 : Procurement Report)

Contract No. & CTO No.	Description of CTO	Vendor Name	Contract Amount	Previously Issued CTOs	Dollar Amount of CTO
C14086 CTO 45	Project Management Services for Shortway Quiet Zone plus additional work for the construction phase of the project.	Parsons Brinckerhoff	\$20,000,000.00 (Shared with C14003 Hatch Mott MacDonald)	CTO 1 \$192,500.00 CTO 2 \$963,434.22 CTO 3 \$20,000.00 CTO 5 \$388,136.00 CTO 6 \$222,070.18 CTO 9 \$29,917.00 CTO 12B \$276,230.96 CTO 21 \$3,014.70 CTO 27 \$13,774.98 CTO 29 \$154,586.83 CTO 33 \$377,893.00 CTO 36 \$14,762.07 CTO 37 \$90,000.00 CTO 39 \$157,992.10 CTO 40 \$34,026.00 CTO 42 \$98,993.70 CTO 46 \$132,868.00	CTO 45 \$144,918.90

Attachment: Attachment A (3053 : Procurement Report)

Contract No. & CTO No.	Description of CTO	Vendor Name	Contract Amount	Previously Issued CTOs	Dollar Amount of CTO
C14086 CTO 46	Project Management Services for Rancho to Lilac Double Track Project.	Parsons Brinckerhoff	\$20,000,000.00 (Shared with C14003 Hatch Mott MacDonald)	CTO 1 \$192,500.00 CTO 2 \$963,434.22 CTO 3 \$20,000.00 CTO 5 \$388,136.00 CTO 6 \$222,070.18 CTO 9 \$29,917.00 CTO 12B \$276,230.96 CTO 21 \$3,014.70 CTO 27 \$13,774.98 CTO 29 \$154,586.83 CTO 33 \$377,893.00 CTO 36 \$14,762.07 CTO 37 \$90,000.00 CTO 39 \$157,992.10 CTO 40 \$34,026.00 CTO 42 \$98,993.70 CTO 45 \$144,918.90	\$132,868.00

Attachment: Attachment A (3053 : Procurement Report)

Contract No. & CTO No.	Description of CTO	Vendor Name	Contract Amount	Previously Issued CTOs	Dollar Amount of CTO
C12033 CTO 57	Develop coordination signal timing information for new signal at Valley Blvd.	Albert Grover Associates	\$1,000,000.00	CTO 1 to CTO 38 \$515,966.00 CTO 42 19,480.00 CTO 43 \$21,570.00 CTO 45 \$49,488.00 CTO 46 \$18,534.00 CTO 47 \$12,902.00 CTO 48 \$9,890.00 CTO 52 \$5,829.00 CTO 53 \$5,829.00 CTO 55 \$4,638.00 CTO 56 \$5,416.00	\$4,649.00
15-1001226 CTO 2	Audit on procurement procedures and internal control processes.	Conrad LLP	\$500,000.00 (Shared with Macia Gini & O'Connell, 15-1001061)	CTO 1 \$33,569.00 CTO 3 \$40,120.00 CTO 4 \$1,840.00 CTO 5 \$10,480.00	\$11,800.00
16-1001356 CTO 3	Public Outreach I-215/Barton Road Interchange Project.	Caltrop	\$800,000.00 (Shared with SimonWong, 16-1001432 & Michael Baker, 16-1001433)	None	\$75,000.00

Attachment: Attachment A (3053 : Procurement Report)

Attachment A

May, June & July Purchase Order Actions

Purchase Orders:

PO No.	PO Issue Date	Vendor Name	Description of Services	PO Dollar Amount
4001464	06/30/2016	NEOGOV	Subscription for automated application tracking system.	\$20,130.00
4001467	06/30/2016	Sigmanet, Inc.	Data room hardware to accommodate for office expansion into SCRRA office space.	\$11,333.76
4001474	06/30/2016	Sigmanet, Inc.	Purchase 20 (twenty) new Hewlett-Packard computers.	\$20,112.85
4001476	06/30/2016	CityCom Real Estate Services	Structural engineering services to evaluate crack located in the interior of SANBAG's office space.	\$11,900.00
4001478	06/30/2016	Ecosys	Maintenance agreement for Ecosys licenses.	\$7,622.54
4001481	06/30/2016	Xerox Corporation	Rental fee and extra copies fee for Xerox copier.	\$13,330.24
4001482	06/30/2016	Xerox Corporation	Rental fee and extra copies fee for Xerox copier.	\$10,257.72
4001483	06/30/2016	Xerox Corporation	Rental fee and extra copies fee for Xerox copier.	\$49,869.84
4001484	06/30/2016	Xerox Corporation	Rental fee and extra copies fee for Xerox copier.	\$38,943.88
4001464	06/30/2016	NEOGOV	Subscription for automated application tracking system.	\$20,130.00
4001467	06/30/2016	Sigmanet, Inc.	Data room hardware to accommodate for office expansion into SCRRA office space.	\$11,333.76
4001474	06/30/2016	Sigmanet, Inc.	Purchase 20 (twenty) new Hewlett-Packard computers.	\$20,112.85

Attachment: Attachment A (3053 : Procurement Report)

Attachment A

May, June & July Purchase Order Amendment Actions

Purchase Order Amendments Executed:

Purchase Order No. & Amendment No.	Description of Services and Reason for Amendment	Vendor Name	Previous Amendments & Dollar Values	Dollar Amount of Amendment	Amended PO Total
None					

Attachment: Attachment A (3053 : Procurement Report)

Attachment B

May, June & July RFP's and IFB's

Release of RFP's and IFB's

Release Date	RFP/IFB No.	Description of Services	Anticipated Dollar Amount	Anticipated Award Date	Description of Overall Program and Program Budget
6/14/16	16-1001521	FSP Program Digital Radio System and Equipment	\$82,050	10/5/16	Installation of Digital Radio System and Equipment for the Freeway Service Patrol (FSP) Program
				Total	\$82,050

Minute Action

AGENDA ITEM: 3

Date: *September 7, 2016*

Subject:

Policy 11010 – Procurement Standards of Conduct

Recommendation:

That the Board approve Policy 11010 – Procurement Standards of Conduct.

Background:

Prior to 2010, SANBAG's procurements and contract administration were not centralized and were conducted solely by the Project Managers in various departments. In 2010, a Contract Manager was hired as a consultant to revise the procurement policy and create standardized templates. It was soon realized that a full time in-house procurement/contracts administrator was necessary to handle the day-to-day procurement operations. In 2012, a Procurement/Risk Management/Contracts Administrator was hired. Together they worked to standardize procurement solicitations throughout the agency. Templates were created for all aspects of the procurement process, along with procedures.

As revisions and changes were made, it was decided to start centralizing procurement activities in order to consistently implement all the necessary changes. A Procurement Group (Procurement) was created and two Procurement Analysts were hired in 2014. Procurement is now centralized in all aspects of the procurement process.

The following is a summary of changes and improvements that have been made:

- Procurement was created, comprised of a Procurement Manager and two Procurement Analysts (Procurement Professionals).
- Solicitations have been centralized and are managed by procurement staff.
- Procurement documents and templates have been standardized.
- Procurement Policy has had several revisions.
- Procurement reviews the scope of work being released.
- Insurance is checked for compliance before a notice to proceed is issued.
- Insurance tracking is in the process of being implemented.
- Training for SANBAG staff on procurement policies and procedures has been conducted.
- Procurement staff participate in negotiations.

As part of Procurement's goal to provide an open, fair and competitive procurement process, Procurement would like to adopt Procurement Standards of Conduct. The proposed policy in part stipulates that Procurement Professionals (Procurement Manager and Procurement Analysts) shall avoid any private or professional activity that would create an actual Conflict of Interest, or the appearance of a Conflict of Interest, impropriety, or unfair competitive advantage, in the Procurement Process. This Standards of Conduct Policy supplements and is more stringent than the requirements of SANBAG's Conflict of Interest Code which is based upon the requirements of the California Political Reform Act.

Entity: CMA, COG, CTA, CTC, JPA, SAFE

Board of Directors Agenda Item
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Page 2

In addition, Evaluation Panel members who review and evaluate consultants during the procurement process will be required to follow this new Policy.

Financial Impact:

This item has no financial impact on the Fiscal Year 2016/2017 budget.

Reviewed By:

This item was reviewed and unanimously recommended for approval by the General Policy Committee on August 10, 2016. SANBAG General Counsel and the Procurement Manager have reviewed this item.

Responsible Staff:

William Stawarski, Chief Financial Officer

Approved
Board of Directors
Date: September 7, 2016

Witnessed By:

San Bernardino Associated Governments	Policy	11010
Adopted by the Board of Directors Sept. 7, 2016	Revised	
Procurement Standards of Conduct	Revision No.	0

Important Notice: A hardcopy of this document may not be the document currently in effect. The current version is always the version on the SANBAG Intranet.

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I. PURPOSE

This Policy establishes standards of conduct for SANBAG employees and consultants involved in the procurement process to ensure procurement contracts are awarded and administered in an ethical manner resulting in procurements that serve the best interests of the public. These standards of conduct are in addition to the SANBAG Conflict of Interest Code (Policy 10102) requirements applicable to designated persons.

II. REFERENCES

SANBAG Conflict of Interest Code (Policy 10102); SANBAG Procurement Policy (Policy 11000); California Political Reform Act (Government Code Section 87100 et seq., Title 2 California Code of Regulations, Division 6, Sections 18700 through 18709); California Government Code Section 1090; Title 23 Code of Federal Regulations Section 1.33.

III. DEFINITIONS

“Conflict of Interest” - means a circumstance arising out of a person's existing or past activities, including financial, familial and contractual relationships, employment and business interests, as set forth in SANBAG's Conflict of Interest Code (Policy 10102), the California Political Reform Act (Government Code Section 87100 et seq.) or Government Code Section 1090, that prohibits a person from making or participating in making a SANBAG Procurement decision.

“Contractor” – means a vendor, supplier, consultant, or contractor who is seeking to be awarded or to whom SANBAG has awarded or issued a Procurement Contract.

“Procurement” - means SANBAG's purchase of goods, services, supplies, professional services, maintenance and construction work from a Contractor.

“Procurement Contract” - means a contract or purchase order awarded or issued as a result of a Procurement Solicitation.

“Procurement Personnel” - means any SANBAG employee, consultant or agent participating on behalf of SANBAG in the Procurement Process, including Procurement Professionals.

“Procurement Process” - means Procurement-related activities including preparation and issuance of Procurement Solicitations, review and evaluation of responses to Procurement Solicitations, award and administration of Procurement Contracts.

“Procurement Professional” – means the Procurement Manager or the Procurement Analyst(s) designated as responsible for a specific Procurement Solicitation.

“Procurement Solicitation” - means the Invitation for Bids (IFB), Request for Proposals (RFP), Request for Qualifications (RFQ), Invitation for Quotes (IFQ) or other written or verbal contact by Procurement Personnel seeking bids, proposals or quotes from a Contractor for the purpose of awarding or issuing a Procurement Contract.

“Procurement Window” - means the period of time between release of the Procurement Solicitation and the award or issuance of the Procurement Contract.

IV. POLICY

- A. Procurement Professionals shall avoid any private or professional activity that would create an actual Conflict of Interest, or the appearance of a Conflict of Interest, impropriety, or unfair competitive advantage, in the Procurement Process.
- B. Procurement Professionals must treat Contractors fairly and equally by:
1. Refraining from showing favoritism or being influenced by Contractors through the acceptance of gifts, gratuities, loans or favors;
 2. Safeguarding Contractor confidentiality; and
 3. Selecting Contractors on the basis of meeting applicable, appropriate and fair criteria.
- C. Procurement Professionals are subject to the gift limits and gift reporting requirements set out in the SANBAG Conflict of Interest Code.
- D. Procurement Personnel shall not participate in the Procurement Process for any Procurement where the Procurement Personnel's participation would be an actual Conflict of Interest or would create the appearance of a Conflict of Interest, impropriety, or an unfair competitive advantage or disadvantage for a Contractor.
- E. Procurement Personnel shall avoid allowing political or other factors outside the applicable criteria to influence the Procurement Process.
- F. Procurement Professionals shall vet with SANBAG management any advance restriction involving a Procurement, and shall include in the Procurement Solicitation an explanation of the nature of the restrictions and any limitations on future procurements. The rationale for such restrictions shall be documented in the contract file.
- G. Procurement Professionals shall provide a copy of this policy to persons participating in any selection panel evaluating Contractors for award of a Procurement Contract and shall require selection panel participants to sign a "Declaration of Impartiality and Confidentiality" disclosure form.
- H. During the Procurement Window, there shall be no communications between Procurement Personnel (except for Procurement Professionals) and potential bidders or proposers regarding a specific Procurement.
- I. Procurement Contracts shall include a Conflict of Interest clause requiring the Contractor to fully disclose any circumstance that may present an actual or potential conflict of interest.
- J. This policy is advisory and any failure to comply with this policy shall not provide a basis for a bid protest by a Contractor or any other person.

V. REVISION HISTORY

Revision No.	Revisions	Adopted
0	Procurement Standards of Conduct approved.	09/07/16



Minute Action

AGENDA ITEM: 4

Date: *September 7, 2016*

Subject:

Measure I Revenue

Recommendation:

Receive report on Measure I receipts for Measure I 2010-2040.

Background:

Sales tax revenue collections for Measure I 2010 through 2040 began on April 1, 2010. Cumulative total receipts for Fiscal Year 2015/2016 as of June 30, 2016 were \$159,487,730.

Included is a summary of the current Measure I receipts by quarter and cumulative total since its inception. The quarterly receipts represent sales tax collection from the previous quarter taxable sales. For example, receipts for April through June represent sales tax collections from January through March.

Measure I revenue for the 2015/2016 Fiscal Year budget was estimated to be \$149,000,000. Actual Measure I receipts for Fiscal Year 2015/2016 April through June are \$38,929,588, in comparison to \$37,132,591 received during the quarter ending June 2014/2015, with an increase of 4.84%.

Financial Impact:

Measure I revenues are expected to exceed both the budgeted amount and prior years' collections.

Reviewed By:

This item was received by the General Policy Committee on August 10, 2016.

Responsible Staff:

William Stawarski, Chief Financial Officer

Approved
 Board of Directors
 Date: September 7, 2016

Witnessed By:

Entity: CMA, CTA, CTC

ATTACHMENT A

Summary of SANBAG Measure I Receipts 2010-2040						
Fiscal Year	July- September	October- December	January- March	April- June	Fiscal Year Total	Cumulative Total To Date
Receipts Prior to FY 2010/11						\$7,158,800
Fiscal Year 2010/11	28,188,907	29,207,950	28,808,766	29,397,456	115,603,079	\$122,761,879
Fiscal Year 2011/12	31,027,319	33,547,956	32,757,419	33,476,051	130,808,745	\$253,570,624
Fiscal Year 2012/13	34,279,449	35,076,980	34,336,570	34,309,171	138,002,171	\$391,572,794
Fiscal Year 2013/14	35,430,012	35,403,641	36,843,452	35,789,045	143,466,150	\$535,038,944
Fiscal Year 2014/15	37,253,007	38,007,716	38,225,122	37,132,591	150,618,436	\$685,657,380
Fiscal Year 2015/16	39,298,056	40,309,825	40,950,261	38,929,588	159,487,730	\$845,145,110
% Increase Over 14/15	5.49%	6.06%	7.13%	4.84%		

Minute Action

AGENDA ITEM: 5

Date: *September 7, 2016*

Subject:

Measure I Local Pass-Through Compliance Audit for City of Adelanto Fiscal Year 2014/2015

Recommendation:

That the Board review and receive the Measure I Audit Reports of Local Pass-Through Funds for the City of Adelanto for the year ended June 30, 2015.

Background:

Each year San Bernardino Associated Governments (SANBAG) provides for audits of all local jurisdictions receiving Measure I Local Pass-Through Funds, which are dedicated for transportation planning, design, construction, operation and maintenance only.

A financial examination is completed by an independent audit firm for activities during the previous fiscal year, including internal control systems of checks and balances. The examination must encompass both project expenditures and projects for which funds were received but not expended. A listing of all projects comparing actual revenues and expenses to the Measure I Five Year Capital Improvement Plan adopted by the local governing board and reported annually to SANBAG must be included with any interest earned. The report shall also contain an examination of expenditures, statement of revenue and expenses, and balance sheet for each Measure I special revenue fund.

Vavrinek, Trine, Day & Co, LLP (VTD) was selected in July 2012 to conduct Compliance Audits of the Measure I 2010-2040 pass-through funds for a three-year period, with two one-year extensions. SANBAG, VTD, and the local jurisdictions worked through issues of interpretation of policies and procedures related to reporting of Measure I 1990-2010 balances, eligible expenditures, and repayment of ineligible expenditures. In January 2014, the Board approved a modification of pass-through Policies 40003, 40012 and 40016 to better define expectations and processes for this Program.

The audit of the City of Adelanto for Fiscal Year (FY) 2014/2015 contains the following findings:

- The City did not recognize a receivable for MSI revenue for the months of May and June.
Corrective Action: City will record the accrual of MSI revenue in FY 2015 and will ensure future recognition of sales tax receivables.
- Ineligible expenditure was charged to MSI fund.
Corrective Action: The City's Finance department will coordinate efforts with Public Works department that the five year implementation plan is updated and expenditures are charged to eligible Measure I projects.

Entity: CTA

Board of Directors Agenda Item

September 7, 2016

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- Interest earned on money market account was not recorded and reconciled timely.
Corrective Action: The City's Finance department will reconcile the money market account and record the interest timely.

The Financial Statement for the City of Adelanto is included as separate support material.

Financial Impact:

This item has no impact on the adopted SANBAG Fiscal Year 2016/2017 Budget.

Reviewed By:

This item was received by the General Policy Committee on August 10, 2016.

Responsible Staff:

William Stawarski, Chief Financial Officer

Approved
Board of Directors
Date: September 7, 2016

Witnessed By:

Minute Action

AGENDA ITEM: 6

Date: *September 7, 2016*

Subject:

Request for Proposal 17-1001569 Audit Services for Transportation Development Act (TDA) Claimants, Measure I Local Pass-Through Revenue Recipients, and Financial & Compliance Auditing Services for Transit Operators.

Recommendation:

That the Board approve the release of Request for Proposal 17-1001569 for qualified firms to provide Auditing Services for TDA Claimants and Financial & Compliance Auditing Services for Transit Operators, acting in its capacity as the San Bernardino County Transportation Commission, and for the Measure I Local Pass-Through Revenue Recipients, acting as the San Bernardino County Transportation Authority.

Background:

San Bernardino Associated Governments (SANBAG), as the regional transportation planning agency, is responsible for ensuring that all claimants to whom it allocates TDA funds pursuant to Public Utilities Code, Sections 99245-99249, 6663, 6664.5, and 6664.6, submit compliance audits of funds received or remaining balances. SANBAG is also required to certify compliance of Measure I Pass-Through recipients with the requirements of the San Bernardino County Transportation Authority Ordinance 04-01 accompanying Measure I Policies. In addition, the guidelines for the receipt of federal funds equal or exceeding \$500,000 and receipt of Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA) funds require an audit.

Consultant shall:

1. Conduct audits of the TDA Claimants, including a compliance with applicable Public Utility Codes and California Code of Regulations. Due to the nature of this funding source the number of audits required varies from year to year and may include approximately one annual audit for each of 24 Cities and 6 sub-areas within the County;
2. Conduct audits of Measure I local pass-through funds, including each City and the County which may include approximately 25 audits each fiscal year;
3. Conduct audits, prepare the State Controller Report and Federal Single Audits when required for transit operators which may include approximately 4 audits each fiscal year; and

Pursuant to policy direction, SANBAG is required to award these types of contracts on the basis of demonstrated competence and on the professional qualifications necessary for the satisfactory performance of the services at a fair and reasonable price to SANBAG. Such selection shall take

Entity: CTA, CTC

Board of Directors Agenda Item

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into consideration prior experience of the firm and/or representatives, understanding of work to be completed, knowledge of the working environment, and particular skills and expertise of the firm and/or representatives proposed for the function. Staff will return to the Board with approval of the selected firms for contract award.

Financial Impact:

This item is consistent with the SANBAG Fiscal Year 2016/2017 Budget.

Reviewed By:

This item was reviewed and unanimously recommended for approval by the General Policy Committee on August 10, 2016. SANBAG General Counsel and the Procurement Manager have reviewed this item and Scope of Services as to form.

Responsible Staff:

William Stawarski, Chief Financial Officer

Approved
Board of Directors
Date: September 7, 2016

Witnessed By:

ATTACHMENT A

“TDA SCOPE OF SERVICES”

GENERAL

San Bernardino Associated Governments (SANBAG) is requesting proposals from qualified certified public accounting firms to audit its Jurisdictions (Exhibit A) for the Fiscal Years ending June 30, 2017, 2018, 2019, 2020, and 2021, with the option of performing such services for two (2) additional one-year terms. SANBAG acting as the regional transportation agency is responsible for ensuring that all claimants to whom it directs allocation of funds pursuant to Public Utilities Code, Chapter 4, of the Transportation Development Act (TDA) submit an annual certified compliance and fiscal audit of funds received. Additionally SANBAG is also required to certify compliance of Measure I Pass-Through recipients with the requirements of the San Bernardino County Transportation Authority Ordinance 04-01, and accompanying Measure I Policies.

AUDITING STANDARDS TO BE FOLLOWED

The audits are to be performed by the consultant in accordance with generally accepted auditing standards, including use of the most current version of each of the following standards and guidelines:

- The standards set forth for financial audits in the General Accounting Office’s (GAO) *Government Auditing Standards*
- San Bernardino County Transportation Authority Ordinance 04-01, *San Bernardino Valley Subarea Expenditure Plan* (Section F and H), *Mountain Desert Expenditure Plan* (Section C and E)
- Transportation Development Act regulations in Title 21 of the California Code of Regulations Section 6664 discusses the fiscal and compliance audits of all claimants. Section 6666 provides the compliance audit tasks for non-transit claimants, and Section 6667 provides the compliance audit tasks for transit claimants.

Transportation Development Act

- Funds are typically allocated upon project completion however some projects are allowed progress payment(s). Complete examination of financial activities, including internal systems of checks and balances, on or before December 30th of each audit year.
- Financial examination must encompass both expenditure and projects for which funds were allocated but expended. A listing of all major projects comparing actual revenues/expenses to budgeted revenues/expenses must be included in the audit report,

as well as an accounting of interest earned on the funds. The report shall include the audited amounts for the fiscal year prior to the year audited.

- Compliance examination of the claimants' transportation activities under the Transportation Development Act; including, to the extent applicable, the task contained in the SANBAG Compliance Audit Guide.
- A compliance examination of the operator's implementation of the Uniform System of Accounts for Public Transit Operators, under PUC 66343 and where applicable the updated National Transit Database (NTD) Reporting Manuals as required by 49 USC. 5335(a), formerly Section 15.
 - **Article 3 Bicycle & Pedestrian**
 - **Article 8a Local Streets and Roads:**

Measure I 2010-2040 Local Pass-Through (Ordinance 04-01)

- SANBAG receives a one-half of one percent retail transaction and use tax, which is dedicated for transportation planning, design, construction, operation and maintenance only in the San Bernardino County. Within this ordinance SANBAG provides a Pass-through of Local Streets and Senior and Disabled Transit Service funds to the local jurisdictions. Preparation of an audit report for the Measure I 2010-2040 Local Pass-through receipts for periods ending June 30th of each audit year.
- Financial examination of activities, including internal systems of checks and balances, during the specified period. The examination must encompass both project expenditures and projects for which funds were received but not expended. A listing of all projects comparing actual revenues/expenses to the Measure I Five Year Capital Improvement Program adopted by the local governing board for the specified period must be included in the audit report, as well as an accounting of interest earned on the funds. The project listing shall illustrate the street or project names, project limits, and type of improvement. The report shall also contain an examination of expenditures, statement of revenue and expenses and balance sheet for each component of the special Measure I fund.
- Compliance Examination with provision of Ordinance 04-01 and the Expenditure Plan, adopted by the Authority relating to the expenditure of Measure I revenue
 - **San Bernardino Valley Subarea Expenditure Plan**
 - Section F Local Streets
 - **Mountain Desert Expenditure Plan**
 - Section C Local Streets

REQUIRED REPORTS TO SANBAG

Following the completion of the audit of the fiscal year's financial statement, the Auditor shall issue the following reports and letters:

1. Local Transportation Fund (LTF) Financial and Compliance Report
2. State Transit Assistance Fund (STAF) Financial and Compliance Report
3. Report on applying agreed upon procedures for Appropriations limit calculation
4. Management Letter (if required)
5. Preparation of the State Controllers Report (Due prior to September 30th)

Provide two (2) copies of the "Draft" Audit Report. One for each claimant on or before November 30 of each audit year. One for SANBAG.

Final Audit Report: Provide four (4) copies of each "Final" Audit Report on or before December 30th of each audit year.

- One copy of the report for each claimant
- One copy of the report for SANBAG
- One copy for the San Bernardino County Internal Audits Division
- Once copy for the State Controller's Office

Also include up to 20 copies of the "Final" for each claimant's Board of Directors.

Additional Considerations

- **Working Papers:** All working papers shall be retained by the auditor for a minimum of four (4) years after the conclusion of the engagement unless authorized to do otherwise in writing by SANBAG. The audits may be subject to review by state and federal agencies. Accordingly, the working papers shall be made available upon request.
- **Audit Schedule:** The work to be performed shall be arranged with the individual recipients after the conclusion of a planning meeting with the Commission and the Commission's issuance of audit notification letters to each jurisdiction recipients.
- **Audit Timelines:** Effective for the first year of the contract the contractor's timelines are extended for 90 days. Thereafter, the specified timelines can be extended for up to an additional 90 days, with approval of SANBAG, depending upon the condition of each jurisdiction supporting data/documentation and the cooperation of each jurisdictions management throughout the audit process.
- **Audit Plan:** Planning, Risk Assessment, Preparation of the overall audit plan, conducting the interim audit, conducting the final audit, reporting. Details as laid out in the proposal.

Exhibit A

Jurisdictions

Agency

Adelanto, City of
Apple Valley, Town of
Barstow, City of
Big Bear Lake, City of
Chino Hills, City of
Chino, City of
Colton, City of
Fontana, City of
Grand Terrace, City of
Hesperia, City of
Highland, City of
Loma Linda, City of
Montclair, City of
Ontario, City of
Rancho Cucamonga, City of
Redlands, City of
Rialto, City of
San Bernardino, City of
San Bernardino, County of
Twentynine Palms, City of
Upland, City of
Needles, City of
Victorville, City of
Yucaipa, City of
Yucca Valley, Town of

ATTACHMENT B

“TRANSIT PROVIDERS SCOPE OF SERVICES”

AUDITING STANDARDS TO BE FOLLOWED

The audit shall be performed so as to satisfy the audit requirements in accordance with the most current version of each of the following standards and guidelines:

- The standards set forth for financial audits in the General Accounting Office’s (GAO) *Government Auditing Standards*
- The provision of the federal Single Audit Act of 1984, the Single Audit Act Amendments of 1996, the U.S Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, as applicable;
- OMB’s Compliance supplement titled *Uniform requirements for Grants to State and Local Government*
- San Bernardino County Transportation Authority Ordinance 04-01, *San Bernardino Valley Subarea Expenditure Plan* (Section F and H), *Mountain Desert Expenditure Plan* (Section C and E)
- Transportation Development Act Regulations. CA Code Section 6664 discusses the fiscal and compliance audits of all claimants. Section 6666 provides the compliance audit tasks for non-transit claimants, and Section 6667 provides the compliance audit tasks for transit claimants.
- Proposition 1B Compliance Requirements. Public Transportation Modernization Improvement and Service Enhancement Account (PTMISEA) funds received through Caltrans
- California Transit Security Grant Program – California Transit Assistance Funds (CTSGP-CTAF) funds received through CalEMA

REQUIRED REPORTS TO SANBAG

Following the completion of the audit of the fiscal year’s financial statement, the Auditor shall issue the following reports and letters:

1. Independent Auditor’s Report on Comprehensive Annual Financial Report (CAFR) or Basic Financial statements;
2. Independent Auditor’s Single Audit Report (if applicable)
3. Local Transportation Fund (LTF) Financial and Compliance Report
4. State Transit Assistance Fund (STAF) Financial and Compliance Report
5. Report on applying agreed upon procedures for Appropriations limit calculation

6. Audit Committee Letter
7. Management Letter (if required)
8. Preparation of the State Controllers Report (Due prior to September 30th)
9. PTMISEA fund disclosure in the Independent Auditor's Report on Comprehensive Annual Financial Report or Basic Financial Statements
10. California Transit Security Grant Program fund disclosure in the Independent Auditor's Report on Comprehensive Annual Financial Report or Basic Financial Statements

Provide two (2) copies of the "Draft" Audit Report. One for each claimant on or before November 30 of each audit year. One for SANBAG.

Final Audit Report: Provide four (4) copies of each "Final" Audit Report on or before December 30th of each audit year.

- One copy of the report for each claimant
- One copy of the report for SANBAG
- One copy for the San Bernardino County Internal Audits Division
- One copy for the State Controller's Office

Final Federal Single Audit Report: Provide three (3) copies of each "Final" audit report on or before March 15th of each audit year.

- One copy of the report for each claimant
- One copy of the report for SANBAG
- One copy for the San Bernardino County Internal Audits Division

Also include up to 20 copies of the "Final" for each claimants Board of Directors.

Additional Considerations

- **Working Papers:** All working papers shall be retained by the auditor for a minimum of four (4) years after the conclusion of the engagement unless authorized to do otherwise in writing by SANBAG. The audits may be subject to review by state and federal agencies. Accordingly, the working papers shall be made available upon request.
- **Audit Schedule:** The work to be performed shall be arranged with the individual recipients after the conclusion of a planning meeting with the Commission and the Commission's issuance of audit notification letters to each jurisdiction recipients.
- **Audit Timelines:** Effective for the first year of the contract the contractor's timelines are extended for 90 days. Thereafter, the specified timelines can be extended for up to an additional 90 days, with approval of SANBAG, depending upon the condition of each jurisdiction supporting data/documentation and the cooperation of each jurisdictions management throughout the audit process.

- **Audit Plan:** Planning, Risk Assessment, Preparation of the overall audit plan, conducting the interim audit, conducting the final audit, reporting. Details as laid out in the proposal.

Exhibit B

Transit Providers

Agency

Barstow, City of
Omnitrans
Morongo Basin Transit Authority (MBTA)
Mountain Area Regional Transit Authority
(MARTA)
Needles, City of
Valley Transportation Services (Vtrans)
Victor Valley Transit Authority (VVTA)

- San Bernardino County Transportation Commission •San Bernardino County Transportation Authority
- San Bernardino County Congestion Management Agency •Service Authority for Freeway Emergencies

Minute Action

AGENDA ITEM: 7

Date: September 7, 2016

Subject:

Insurance Premium Update

Recommendation:

Receive and file report on result of insurance premium for Fiscal Year 2016/2017.

Background:

On May 4, 2016 the Board of Directors approved a not-to-exceed amount of \$495,836 for general liability, excess liability, automotive, public officials, crime, excess crime, property, and worker’s compensation coverage. The Board also authorized SANBAG to join the Municipal Insurance Cooperative (MIC) for liability insurance (general, excess, and public officials) and procure cyber protection coverage. The total insurance premium (including cyber coverage) is \$349,377 in comparison to \$476,281 from the prior year. This resulted in a net savings of \$126,904 for Fiscal Year 2016/2017.

The following programs and premiums are included in the renewal:

<u>Carrier</u>	<u>Coverage</u>	<u>Premium</u>
MIC	General Liability	(225,000)
MIC	Excess Liability	
MIC	Public Officials Liability	
The Hartford Insurance Group	Automotive	1,394
National Union Fire Insurance	Crime	3,702
Great American	Excess Crime	12,257
Affiliated FM	Property	34,468
Zenith	Workers Compensation	56,151
Beazley	Cyber	16,405
	Total	\$ 349,377

MIC requires an annual administrative fee of \$4,000 per member for legal, financial audit, and member professional development (member travel, training, etc.) costs. The funds are the property of MIC’s members and are accounted for in MIC’s financial statements.

Financial Impact:

This item is consistent with the approved Fiscal Year 2016/2017 Budget.

Reviewed By:

This item was received by the General Policy Committee on August 10, 2016.

Entity: CMA, COG, CTA, CTC, SAFE

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Responsible Staff:
William Stawarski, Chief Financial Officer

Approved
Board of Directors
Date: September 7, 2016
Witnessed By:

Minute Action

AGENDA ITEM: 8

Date: *September 7, 2016*

Subject:

Investment Policy No. 20100

Recommendation:

That the Board:

A. Approve existing SANBAG Investment Policy No. 20100 with staff recommended changes to Paragraph IX - Allowable Investments for SANBAG Operating Funds, modifying subparagraph J and to Paragraph XVIII - Annual Submission of Investment Policy.

B. Delegate to SANBAG's treasurer for a one-year period the authority to invest or reinvest funds, or to sell or exchange securities so purchased, pursuant to SANBAG Investment Policy No. 20100.

Background:

California Government Code (Government Code) Section 53600 et seq. and Section 53630 et seq. govern the investment and the deposit of local agency public funds, and require that the local agency's investment policy and any changes to that investment policy be considered by and approved by the local agency's governing body at a public meeting.

Staff and SANBAG's investment advisor, PFM Investment Management (PFM), have reviewed the current investment policy, Policy No. 20100, and recommend updating Paragraph IX – Allowable Investments for SANBAG Operating Funds and Paragraph XVIII – Annual Submission of Investment Policy. Recommendation A recommends approval of the proposed updates to Policy No. 20100. The first update includes modifying subparagraph J of Paragraph IX to permit investments in the State of California's Local Agency Investment Fund not exceeding the lesser of 60% of SANBAG's operating funds or "up to the maximum amount permitted by the State Treasurer". Currently, Policy No. 20100 caps LAIF investments at the lesser of 60% of SANBAG's operating funds or \$50 million. The proposed change allows for greater flexibility in investing funds while remaining consistent with state law.

The second update addresses a 2010 amendment to the Government Code which changed the annual consideration of an investment policy by a local agency legislative body from a mandated action to a permissive action. The Government Code still requires any changes to the investment policy to be considered by the local agency legislative body at a public meeting. Policy No. 20100 currently requires the SANBAG Chief Financial Officer (CFO) to render a statement of investment policy to the Board annually. The proposed modification to Paragraph XVIII states that SANBAG's CFO shall render a statement of investment policy to the Board of Directors as required by the Government Code. With this change to Policy No. 20100, the Board will consider the Investment Policy only when further changes to the Policy are proposed, and will consider the changes at a public meeting.

Entity: CMA, COG, CTA, CTC, JPA, SAFE

The Government Code also provides that if an agency's legislative body elects to delegate investment authority to the agency treasurer it may do so for a one-year period, which delegation may be renewed annually. Recommendation B requests the Board approve its annual delegation of SANBAG's investment authority pursuant to Policy No. 20100 for a one-year period to the SANBAG treasurer, who is also SANBAG's CFO.

Financial Impact:

This item imposes no financial impact on the Fiscal Year 2016/2017 Budget.

Reviewed By:

This item was reviewed and unanimously recommended for approval by the General Policy Committee on August 10, 2016. SANBAG's General Counsel has reviewed this item and the Policy.

Responsible Staff:

William Stawarski, Chief Financial Officer

Approved
Board of Directors
Date: September 7, 2016

Witnessed By:

San Bernardino Associated Governments	Policy	20100
Adopted by the Board of Directors	October 2, 1996	Revised 9/7/165
Investment Policy	Revision No.	4819

Important Notice: A hardcopy of this document may not be the document currently in effect. The current version is always the version on the SANBAG Intranet.

Table of Contents
Purpose Policy Investment Goals Prudent Investor Standard Scope Delegation of Authority Conflicts of Interest Portfolio Maturity Limits Allowable Investments for SANBAG Operating Funds Additional Allowable Investments for Bond Proceeds Only Prohibited Investment Transactions Investment in "Derivative" Securities Leveraging Safekeeping of Securities Competitive Bidding of Investments Broker/Dealers Reporting Annual Submission of Investment Policy Revision History

I. PURPOSE

The purpose of this policy is to provide guidelines for the investment of funds based upon prudent cash management practices and in conformity with all applicable statutes.

II. POLICY

The Board of Directors of the San Bernardino Associated Governments (SANBAG) and its related authorities and agencies recognizes its responsibility to direct the investment of funds under its care. This policy is designed to meet the specific needs of SANBAG while ensuring the safety of funds.

III. INVESTMENT GOALS

The investment of funds by SANBAG shall be guided by the goals of safety, liquidity, diversification, and a reasonable market rate of return.

Safety: Safety of principal is the foremost objective of the investment program. Investments of SANBAG will be undertaken in a manner that seeks to ensure the preservation of capital in the portfolio.

Liquidity: SANBAG's investment portfolio will remain sufficiently liquid to enable SANBAG to meet all operating requirements and budgeted expenditures, including an additional amount to cover reasonably estimated contingencies.

Diversification: The investment portfolio will be diversified to avoid risk regarding specific security types or individual financial institutions.

Reasonable Market Rate of Return: The investment portfolio will be designed to attain a market average rate of return through economic cycles which is consistent with SANBAG's primary goals of safety, liquidity and diversification.

IV. PRUDENT INVESTOR STANDARD

SANBAG investments are governed by the prudent investor standard, set forth as follows:

When investing, reinvesting, purchasing, acquiring, exchanging, selling, and managing public funds, a trustee shall act with care, skill, prudence and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency that a prudent person acting in a like capacity and familiarity with those matters would use in the investment of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency. Within the limitations of this section and considering individual investments as part of an overall investment strategy, investments may be acquired as authorized by law.

Attachment: Policy20100_redlined_June 2016_FINAL (3054 : Investment Policy No. 20100)

V. SCOPE

The investment policy applies to all financial assets held by SANBAG, including bond proceeds. Funds specifically exempt from this policy include employee deferred compensation plans, employee pension plans, or assets held in trust by SANBAG with specific investment instructions.

VI. DELEGATION OF AUTHORITY

SANBAG's bylaws designate the Chief Financial Officer as Treasurer for the Agency.

Under the direction and oversight of the Chief Financial Officer, and in consultation with SANBAG's investment adviser, the Chief Financial Officer shall direct the investment of SANBAG operating funds, which are not invested in the County Pool or in LAIF ("DIRECT INVESTMENTS"). All officials, staff members and consultants are directly accountable to the SANBAG Board for investment functions.

VII. CONFLICTS OF INTEREST

All officials, staff members and consultants involved in the investment functions will refrain from personal business activity that could conflict with the execution of the investment function or which could impair their ability to make impartial investment decisions. Officials, staff members, and consultants will disclose to the Executive Director any financial interest with a financial institution or broker that conducts business with SANBAG. Officials, staff members and consultants will further disclose any personal financial positions that could be related to the performance of SANBAG's portfolio.

VIII. PORTFOLIO MATURITY LIMITS

Investment maturities shall be based on a review of cash flow forecasts. Maturities will be scheduled so as to permit the Authority to meet all projected obligations.

The maximum maturity of any other investment of operating funds ("direct investments") may not exceed five years unless otherwise noted in Paragraph IX.

Investment of bond proceeds shall be made in consideration of the liquidity needs of the bond fund, and may not exceed five years, except for securities to be held in a defeasance escrow for refunded bonds and bond debt ~~serve~~-service reserve funds.

Investments in the San Bernardino County Pool and in LAIF are subject to maturity limits and other investment restrictions as imposed by the governing bodies of those agencies.

IX. ALLOWABLE INVESTMENTS FOR SANBAG OPERATING FUNDS

Investment of SANBAG's funds is governed by the California Government Code, Sections 53600 et seq. and 53635 et seq. Should the Government Code become more restrictive than this policy, the Government Code restrictions shall prevail.

The following investment vehicles are permitted for the investment of operating funds.

- A. Government obligations for which the full faith and credit of the United States are pledged for the payment of principal and interest.
- B. Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises. No more than 40% of SANBAG's investment portfolio may be invested in the obligations of any one federal agency or United States government-sponsored enterprise.
- C. Obligations of the State of California or any local agency within the state, including bonds payable solely out of revenues from a revenue producing property owned, controlled or operated by the state or any local agency or by a department, board, agency or authority of the state or any local agency. Obligations of the State of California or any California local agency may not represent more than 20% of SANBAG's portfolio and no more than 10% may be invested in the obligations of any one issuer.

D. Registered treasury notes or bonds of any of the other 49 United States in addition to California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 United States, in addition to California. Obligations of the other 49 states may not represent more than 20% of SANBAG's portfolio and no more than 10% may be invested in the obligations of any one issuer.

E. Repurchase Agreements used solely as short-term investments not to exceed 30 days.

The following collateral restrictions will be observed: Only U.S. Treasury securities or Federal Agency securities, as described in par. IX. A and B, will be acceptable collateral. All securities underlying Repurchase Agreements must be delivered to SANBAG's custodian bank by book entry, physical delivery, or held by a third party custodial agreement. The total of all collateral for each Repurchase Agreement must equal or exceed, on the basis of market value, 102% of the funds borrowed against those securities. For any Repurchase Agreement with a term of more than one day, the value of the underlying securities must be reviewed on a weekly basis and the value of the underlying securities brought back up to 102% no later than the next business day.

Market value must be calculated each time there is a substitution of collateral.

SANBAG or its trustee shall have a perfected first security interest under the Uniform Commercial Code in all securities subject to the Repurchase Agreement.

SANBAG may enter into Repurchase Agreements only with primary dealers of the Federal Reserve Bank of New York.

SANBAG will have specific written agreements with each firm with which it enters into Repurchase Agreements.

Reverse repurchase agreements will not be allowed.

Repurchase agreements may not represent more than 20% of SANBAG's investment portfolio.

F. Bankers' Acceptances issued by domestic or foreign banks, which are eligible for purchase by the Federal Reserve System, the short-term paper of which is rated in the highest category by a nationally recognized statistical-rating organization.

Purchases of Bankers' Acceptances may not exceed 180 days maturity or 40% of SANBAG's investment portfolio. No more than 3% of SANBAG's investment portfolio may be invested in the securities of any one non-government issuer regardless of security type.

G. Commercial paper rated in the highest short-term rating category, as provided by a nationally recognized statistical-rating organization. The entity that issues the commercial paper shall meet all of the following conditions in either paragraph (1) or paragraph (2):

(1) The entity meets the following criteria: (a) is organized and operating in the United States as a general corporation; (b) has total assets in excess of five hundred million dollars (\$500,000,000); (c) has debt other than commercial paper, if any, that is rated "A" or higher by a nationally recognized statistical-rating organization.

(2) The entity meets the following criteria: (a) is organized within the United States as a special purpose corporation, trust, or limited liability company; (b) has program-wide credit enhancements including, but not limited to, over collateralization, letters of credit, or surety bond; (c) has commercial paper that is rated "A-1" or higher, or the equivalent, by a nationally recognized statistical-rating organization.

Purchases of eligible commercial paper may not exceed 270 days maturity nor represent more than 10% of the outstanding paper of an issuing corporation.

Purchases of commercial paper may not exceed 25% of SANBAG's investment portfolio. No more than 3% of SANBAG's investment portfolio may be invested in the securities on any one non-government issuer regardless of security type.

H. Medium-term corporate notes issued by corporations organized and operating within the United States or by depository institutions licensed by the U.S. or any state and operating within the U.S. Medium-term corporate notes shall be rated in a rating category "A", or its equivalent or better, by a nationally recognized statistical-rating organization.

Purchase of medium-term corporate notes may not exceed 30% of SANBAG's investment portfolio. No more than 3% of SANBAG's investment portfolio may be invested in the securities of any one non-government issuer regardless of security type.

- I. Negotiable certificates of deposit or deposit notes issued by a nationally or state-chartered bank or a state or federal savings and loan association or by a federally- or state-licensed branch of a foreign bank. Investments under this subdivision shall be rated "A" for long-term, "A-1" for short-term, their equivalent or better by a nationally recognized statistical-rating organization.

Purchase of negotiable certificates of deposit may not exceed 30% of SANBAG's investment portfolio. No more than 3% of SANBAG's investment portfolio may be invested in the securities of any one non-government issuer regardless of security type.

- J. State of California's Local Agency Investment Fund (LAIF)

Investment in LAIF may not exceed 60% of SANBAG's operating funds or \$50 million up to the maximum amount permitted by the State Treasurer, whichever is less.

- K. San Bernardino County Investment Pool.

- L. Insured savings accounts.

- M. Shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1, et seq.). To be eligible for investment pursuant to this subdivision, these companies shall either: (1) have attained the highest ranking or the highest letter and numerical rating provided by not less than two nationally recognized statistical rating organizations, or (2) have an investment advisor registered or exempt from registration with the Securities and Exchange Commission with not less than five years experience managing money market mutual funds and with assets under management in excess of \$500,000,000.

The purchase price of shares of beneficial interest purchased shall not include any commission that the companies may charge and shall not exceed 20% of SANBAG's investment portfolio. Further, no more than 10% of SANBAG's investment portfolio may be invested in shares of beneficial interest of any one money market fund.

- N. United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development (IBRD), International Finance Corporation (IFC), or Inter-American Development Bank (IADB), with a maximum remaining maturity of five years or less, and eligible for purchase and sale within the United States. Investments under this subdivision shall be rated "AAA" or better by a nationally recognized statistical-rating organization and may not exceed 30% of SANBAG's investment portfolio.

- O. A mortgage passthrough security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable passthrough certificate, or consumer receivable-backed bond of a maximum of five years' maturity. Securities eligible for investment under this subdivision shall be rated "AAA" by a nationally recognized statistical-rating organization and may not exceed 20% of SANBAG's investment portfolio. No more than 3% of SANBAG's investment portfolio may be invested in the securities of any one non-government issuer regardless of security type.

For purposes of determining compliance with this policy, where this section specifies a percentage limitation for a particular category of investment, that percentage is applied on the date of purchase. Credit criteria listed in this section refers to the credit of the issuing organization at the time the security is purchased.

X. ADDITIONAL ALLOWABLE INVESTMENTS FOR BOND PROCEEDS ONLY

- A. California Asset Management Program (CAMP)'s money market pool, which is rated AAAM and has an average maturity of 60 days or less and its separately managed portfolio.
- B. Investment agreement with an AA rated bank or collateralized investment agreement with an A rated bank or an investment acceptable to a bond insurance company and approved specifically by the SANBAG Board.

- C. Debt service reserve funds and debt service funds may be invested longer than five years as long as they are permitted by state law and investments are readily available for bond payments and other bond purposes (refundings, defeasance, etc.).
- D. U.S. Treasury Securities and State and Local Government Securities having a maturity longer than five years are permitted for escrowed defeasances.
- E. Forward purchase agreements, forward delivery agreements and debt service reserve agreements approved specifically by the SANBAG Board.
- F. Other investments as permitted by bond indentures.

XI PROHIBITED INVESTMENT TRANSACTIONS

Any investment not specifically allowed by this policy is prohibited.

XII. INVESTMENT IN "DERIVATIVE" SECURITIES

Direct investment in derivative securities is prohibited. A "derivative security" is any investment the value of which is derived from an underlying security, commodity or index. For purposes of this policy, a derivative is any security that has principal and/or interest payments which are subject to significant uncertainty as to timing, and/or amount.

It is understood that the County Pool and LAIF may invest in certain derivative securities.

XIII. LEVERAGING

All forms of portfolio leverage, including, but not limited to, securities lending programs, reverse repurchase agreements, and margin accounts, are prohibited.

XIV. SAFEKEEPING OF SECURITIES

SANBAG shall enter into an agreement with a bank trust department to serve as the safekeeping agent for all direct investments. The safekeeping agent shall hold all investments in an account for the sole benefit of SANBAG. All direct investments shall be delivered by the broker to SANBAG's safekeeping account on a delivery versus payment basis.

XV. COMPETITIVE BIDDING OF INVESTMENTS

The investment procedures require that approved broker/dealers compete for direct investment purchases and sales to ensure that all investment transactions are free from favoritism. The CFO in conjunction with SANBAG's investment advisor shall determine the best execution price for SANBAG, and act accordingly.

XVI. BROKER/DEALERS

If a third party investment advisor is authorized to conduct investment transactions on SANBAG's behalf, the investment advisor may use their own list of approved broker/dealers and financial institutions for investment purposes. The investment advisor's approved list must be made available to SANBAG upon request.

For any investment transactions conducted by the Treasurer on behalf of SANBAG, the Treasurer shall comply with the following requirements:

Transactions initiated by SANBAG shall be executed through government securities dealers reporting as primary dealers to the New York Federal Reserve Bank of New York or direct issuers (defined as corporations that issue their own securities) and through secondary dealers who have received prior approval to do business with SANBAG.

Primary dealers wishing to do business with SANBAG must meet the following criteria:

1. The primary dealer representative must have demonstrated experience providing investment services to public agencies in California.

- The primary dealer representative must provide SANBAG with a minimum of three references of finance officials from public agencies in California.

Secondary dealers must complete a broker/dealer application provided by SANBAG, and must meet the following criteria to the satisfaction of SANBAG's Chief Financial Officer:

- The broker/dealer must qualify under SEC Rule 15C3-1 (uniform net capital rule).
- The broker/dealer and the broker/dealer representative must be properly registered with the appropriate state and federal regulatory bodies.
- The broker/dealer should be a market maker and have a strong market presence in one or more product areas that are pertinent to SANBAG's investment goals.
- The broker/dealer and its representative should be well established in the business and have an acceptable track record.

Each broker/dealer will be sent a copy of this Policy, a broker/dealer application, and a list of persons authorized to execute transactions on SANBAG's behalf. In order to be considered for investment business opportunities with SANBAG, each firm must acknowledge receipt of such materials.

XVII. REPORTING

A. Quarterly Report

The CFO will provide a quarterly report to the Administrative Committee and to the Board of Directors providing the following information:

- Breakout of all securities, investments and moneys held by SANBAG by investment type, issuer, date of maturity, par, dollar amount and percent of portfolio invested in each.
- A description of all SANBAG's funds, investments or programs that are under the management of any outside party that is not a local agency. This report must also include market valuation of the portfolio and the source of the valuation.
- A statement of compliance with investment policy and a statement denoting the ability of SANBAG to meet all expenditures for the next six months.

B. Monthly Report

The CFO will provide a monthly list of investment transactions to the Board of Directors as required by the California Government Code §53607 when investment authority has been delegated by the Board.

XVIII. ANNUAL SUBMISSION OF INVESTMENT POLICY

SANBAG's CFO shall render a statement of investment policy to the Board of Directors ~~annually~~ as required by the California Government Code. ~~If changes are proposed, the~~ Board shall consider the policy, ~~with and proposed~~ any changes, in a public meeting.

XIX. REVISION HISTORY

Revision No.	Revisions	Adopted
0	Adopted by the Board of Directors.	10/02/96
1	20100: Added paragraph starting with "It shall be SANBAG's long term objective . . .".	09/03/97
2	No changes.	12/02/98
3	20100.10: Changed percentage of operating funds amount to 20%. 20100.10: Changed percentage of San Bernardino portfolio to 20%.	11/03/99
4	No changes. Re-approved by the Board of Directors.	11/01/00
5	Added Para. 20100.16 Qualifications of Broker/Dealers; re-sequenced existing paragraphs. 20100.16, 20100.17, 20100.18, 20100.19, 20100.20, and 20100.21 to 20100.17, 20100.18, 20100.19, 20100.20, and 20100.22. Revised Par. 20100.10: Revised "...not to exceed 20% of SANBAG's operating funds..." to "...not to exceed 30% of SANBAG's operating funds...", and "Portion of Portfolio: 20% maximum" to "Portion of Portfolio: 30% maximum".	11/07/01

Revision No.	Revisions	Adopted
6	Changed paragraph numbering style from 20100.1,20100.2, 20100.3 etc. to I, II, III, etc. Par. IX: Changed "one year" to "two years". Par. X.4: Changed "1 year maximum" to "2 year maximum". Par. X.5: Changed "1 year maximum" to "2 year maximum". Par. X.6: Changed "180 days maximum" to "270 day maximum".	11/06/02
7	No changes. Re-approved by the Board of Directors	11/05/03
8	No changes. Re-approved by the Board of Directors	01/05/05
9	No changes. Re-approved by the Board of Directors	11/02/05
10	Paragraphs on DEFINITIONS, ANNUAL MANAGEMENT REVIEW AND AUDIT, AND SEGREGATED INVESTMENT, and EXECUTION AND RECORD KEEPING: Deleted. Paragraphs III, IV, IX, and XVII: Minor revisions. Paragraphs VIII, IX, and XVI: Major revisions.	07/05/06
11	Par. IX.J: Removed limitation.	09/13/06
12	No changes. Re-approved by the Board of Directors	01/09/08
13	Par. VI: Delete "In addition, the CFO, under the direction and oversight of the Executive Director, and consultation with SANBAG's investment advisor, shall review the alternatives for the investment of bond proceeds, and shall recommend such investments to the SANBAG Board for approval". The investment of bond proceeds is identified under par. X. and will be authorized by bond covenant. Par. IX: Add (C) Obligations of the State of California or any local agency within the state and (D) Registered treasury notes or bonds of other states in addition to California to diversify the number of sectors and issuers; revise (C) to be (E) and add "held" before "by a third party custodial agreement". Also add "Repurchase agreements may not represent more than 20% of SANBAG's investment portfolio", to limit the amount to be invested in repurchase agreements; delete "(G) "provided that the issuing corporation is organized and operating within the United States, has total assets in excess of \$500 million and has an "A" or higher rating for its long-term debt, if any, as provided by a nationally recognized statistical rating organization." This is also stated in paragraphs (G) (1) and (2); increase (J) from \$40 million to \$50 million limitation on LAIF investment per State Treasurer's Office authorization to increase the dollar amount for investment. Par. X: Change (A) For CAMP, rating from AAA to AAAM and average maturity from one year to 60 days or less. This is to improve safety and liquidity. Par. XV: Add "in conjunction with SANBAG's investment advisor" for clarification purposes.	09/01/10
14	Par. VIII: Changed four years to five years and added "unless otherwise noted in Par. IX. Par. IX.B: Changed 10% to 40%. Par. IX.F: Changed 20% to 40% and changed "No more than 5% of SANBAG's investment portfolio may be invested in the Bankers' Acceptances of any one commercial bank." to "No more than 3% of SANBAG's investment portfolio may be invested in the securities of any one non-government issuer regardless of security type." Par. IX.G: Changed "No more than 5% of SANBAG's investment portfolio may be invested in commercial paper of one issuer." to "No more than 3% of SANBAG's investment portfolio may be invested in the securities on any one non-government issuer regardless of security type." Par. IX.H: Changed 20% to 30 and changed "No more than 5% of SANBAG's investment portfolio may be invested in a medium-term note of any one corporation." to "No more than 3% of SANBAG's investment portfolio may be invested in the securities of any one non-government issuer regardless of security type." Par. IX.I: Changed 20% to 30% and added "No more than 3% of SANBAG's investment portfolio may be invested in the securities of any one non-government issuer regardless of security type." Par. XVII: Removed 'QUARTERLY' from title, renumbered paragraphs, and added "B. Monthly Report. The CFO will provide a monthly list of investment transactions to the Board of Directors as required by the California Government Code 53607 when investment authority has been delegated by the Board.	07/06/11
15	Par. IX.H: Changed rating of "AA" to "A". Par. IX.I: Changed "... by a state-licensed branch ..." to "... by a federally or state-licensed branch ..." and changed "... rated AA ..." to "... rated A or its equivalent ...". Re-approved by the Board of Directors.	08/01/12
16	No changes. Re-approved by the Board of Directors on 9/4/13, Agenda Item 5.	09/04/13
17	Re-approved by the Board of Directors on 7/2/14, Agenda Item 4. Updated Par. VI to mirror bylaws that designate the CFO as Treasurer.	07/02/14
18	Re-approved by the Board of Directors on 9/2/15, Agenda Item 6. Updated Par. IX – Allowable Investments for SANBAG Operating Funds, including modifications to subparagraph I, and adding subparagraphs N and O.	09/02/15

July 1, 2016

Memorandum

To: Bill Stawarski, Chief Financial Officer
Hilda Flores, Chief of Fiscal Resources
San Bernardino Associated Governments

From: Sarah Meacham, Director
Henry Sun, Senior Analyst
PFM Asset Management LLC

Re: Investment Policy Review

We have completed our annual review of the SANBAG's Investment Policy (the "Policy"). The Policy is in compliance with the sections of the California Government Code (the "Code") that govern the investment of public funds. We do, however, recommend two changes to provide SANBAG with greater flexibility with regards to the prudent management its portfolio. This memorandum explains our recommended revisions to the Policy.

IX. (K.) ALLOWABLE INVESTMENTS FOR SANBAG OPERATING FUNDS

- We recommend updating the language to provide SANBAG with greater flexibility in its permitted investment in LAIF as the State Treasurer adjusts the maximum permitted investment in LAIF over time.

XVIII. SUBMISSION OF INVESTMENT POLICY

- Since SANBAG would like to eliminate the Policy's requirement to submit the Policy annually when there are no changes recommended, we have revised the language in this section to require the Policy be considered by the Board when changes are recommended as required by the California Government Code.

We would be happy to discuss our recommendations with you and the Board of Directors.

Attachment: SANBAG Investment Policy Memo_July 2016_FINAL (3054 : Investment Policy No. 20100)

Minute Action

AGENDA ITEM: 9

Date: September 7, 2016

Subject:

Executive Director Employment Contract Amendment

Recommendation:

Approve Amendment No. 3 to Employment Contract No. C12222 with Executive Director Raymond W. Wolfe.

Background:

On March 7, 2012, the SANBAG Board of Directors approved a three year contract with Raymond W. Wolfe to serve as the SANBAG Executive Director. The contract provided that the Board review and evaluate the performance of the Executive Director during the month of April 2013, and annually thereafter, and to review his salary level compensation and possible extension of the contract.

In April 2015, the Board reviewed and evaluated the Executive Director's performance. On May 6, 2015, the Board approved a Second Amendment to his contract which increased his annual salary by \$22,717, extended the contract to April 9, 2021, and provided for his contract be extended by one year each year the Board assigns him a performance rating of four or more on a scale of one to five, with five being the highest rating.

In June 2016, the Board evaluated the Executive Director's performance, and in recognition of his exemplary performance, the Board desires to amend his contract to: increase his annual salary to \$275,000 per year effective on the first day of the first pay period of fiscal year 2016/2017 (June 25, 2016), and to extend the contract to April 9, 2022.

Financial Impact:

This item is consistent with the adopted Fiscal Year 2016/2017 SANBAG budget in task 0200, Indirect fund.

Reviewed By:

The compensation set forth in this item was reviewed and recommended by the Board of Directors on July 6, 2016. The draft amendment and this item have been reviewed by SANBAG General Counsel.

Responsible Staff:

Robert A. Lovingood, Supervisor, County of San Bernardino

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September 7, 2016
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Approved
Board of Directors
Date: September 7, 2016
Witnessed By:

**THIRD AMENDMENT TO SAN BERNARDINO ASSOCIATED GOVERNMENTS
EXECUTIVE DIRECTOR EMPLOYMENT CONTRACT NO. C12222 (C12222-03)**

This Third Amendment to the Executive Director Employment Contract No. C12222 (Contract) is made and entered into this seventh day of September, 2016, by and between Raymond W. Wolfe (Employee) and San Bernardino Associated Governments, acting in its capacity as a Joint Powers Authority, the San Bernardino County Transportation Commission, San Bernardino County Transportation Authority, the San Bernardino County Service Authority for Freeway Emergencies, and the San Bernardino County Congestion Management Agency (SANBAG or Employer).

RECITALS

A. On March 7, 2012, the SANBAG Board of Directors approved an Employment Contract with Employee.

B. The Contract provides that the Board shall annually review Employee's performance and his salary compensation level and may consider extending the Contract.

C. On June 5, 2013, the SANBAG Board of Directors approved a First Amendment to the Contract adjusting Employee's compensation and extending his Contract term.

D. On May 6, 2015, the Board approved a Second Amendment to the Contract adjusting Employee's compensation and extending his contract.

E. In recognition of Employee's performance the Board desires to amend Employee's Contract to adjust his salary effective on the first day of the first pay period of Fiscal Year 2016/2017 (June 25, 2016), inclusive of a two percent cost of living allowance awarded to all of Employer's employees, and extend his Contract term.

NOW THEREFORE, in consideration of the foregoing recitals that are incorporated herein, the Parties desire to amend the Contract as follows:

1. Section 1 of the Contract is amended and restated as follows:

“SECTION 1. TERM

The term of this Agreement shall be through April 9, 2022, subject to extensions as provided in Section 8, and subject to the early termination provisions as provided in Section 9. As provided in the Joint Powers Authority Agreement and SANBAG's Personnel Rules, Employee serves at the pleasure of SANBAG's Board of Directors.”

2. Paragraph A of Section 3 of the Contract is amended and restated as follows:

“SECTION 3. SALARY AND COMPENSATION

A. For the services rendered under this Agreement, Employee’s annual salary shall be Two Hundred Seventy-Five Thousand Dollars (\$275,000.00) effective June 25, 2016, which shall be paid in the same manner and at the same time as all other salaries of SANBAG employees.”

- 3. The Contract is incorporated into this Third Amendment.
- 4. All other terms and conditions of the Contract not expressly amended by this Third Amendment shall remain the same.
- 5. This Third Amendment is the full and complete understanding of the Parties regarding the rights and obligations of the Parties with respect to Employee’s provision of services.

This Third Amendment is duly executed by the Parties on the dates indicated below.

SANBAG/EMPLOYER

EMPLOYEE

Robert A. Lovingood, Board President

Raymond W. Wolfe

Date:_____

Date:_____

APPROVED AS TO FORM

Eileen Monaghan Teichert
General Counsel

Date:_____

Minute Action

AGENDA ITEM: 10

Date: *September 7, 2016*

Subject:

General Counsel Employment Contract Amendment

Recommendation:

Approve Amendment No. 2 to Employment Contract No. C12223 with General Counsel, Eileen Monaghan Teichert.

Background:

On April 5, 2012, the SANBAG Board of Directors approved a contract with Eileen Monaghan Teichert to serve as the SANBAG General Counsel. The contract provides for the Board to review and evaluate the performance of the General Counsel annually, and to grant merit increases in recognition of General Counsel's accomplishments.

In recognition of the General Counsel's exemplary performance, in October 2014, the Board approved an amendment to General Counsel's contract increasing her compensation effective July 1, 2014. In June, 2016, the Board reviewed General Counsel's performance and expressed its desire to amend her contract to increase her annual salary to \$235,070, per year effective on the first day of the first pay period of fiscal year 2016/2017 (June 25, 2016).

Financial Impact:

This item is consistent with the Fiscal Year 2016/2017 SANBAG budget in Task 0350, Indirect Fund.

Reviewed By:

The compensation set forth in this item was reviewed and recommended for approval by the Board of Directors on July 6, 2016.

Responsible Staff:

Robert A. Lovingood, Supervisor, County of San Bernardino

Approved
 Board of Directors
 Date: September 7, 2016

Witnessed By:

Entity: CMA, COG, CTA, CTC, SAFE

**SECOND AMENDMENT TO SAN BERNARDINO ASSOCIATED GOVERNMENTS
GENERAL COUNSEL EMPLOYMENT CONTRACT NO. C12223 (C12223-02)**

This Second Amendment to the General Counsel Employment Contract No. C12223 (Contract) is made and entered into this seventh day of September, 2016, by and between Eileen Monaghan Teichert (Employee) and San Bernardino Associated Governments, a Joint Powers Authority, acting in its capacity as a Joint Powers Authority, the San Bernardino County Transportation Commission, San Bernardino County Transportation Authority and the Service Authority for Freeway Emergencies, (SANBAG or Employer).

RECITALS

A. On April 4, 2012, the SANBAG Board of Directors approved an Employment Contract with Employee.

B. The Contract provides that the Board shall annually review Employee's performance and may grant merit increases to Employee.

C. On October 1, 2014, the Board approved a First Amendment to the Contract adjusting Employee's salary subsequent to a performance evaluation.

D. The Board has evaluated Employee's performance, and in recognition of Employee's performance the Board desires to amend Employee's Contract to adjust her salary effective on the first day of the first pay period of fiscal year 2016/2017 (June 25, 2016), by the amount of a merit increase plus the two percent cost of living allowance awarded to all of Employer's employees.

NOW THEREFORE, in consideration of the foregoing recitals that are incorporated herein, the Parties desire to amend the Contract as follows:

1. Section 5 of the Contract is amended and restated as follows:

“SECTION 5. SALARY.

Employer agrees to pay Employee for services rendered, Two Hundred Thirty-Five Thousand Seventy Dollars (\$235,070) per year effective June 25, 2016, which shall be paid in the same manner and at the same time as all other salaries of SANBAG employees. Employer agrees to modify the salary base and other benefits of Employee, by not more or less than the same percentage and amounts, and at the same time and same manner, as the salary and benefits adjustments given to other Professional/Administrative employees of SANBAG. Additionally, in recognition of Employee's accomplishments and outstanding performance, SANBAG may, in its sole discretion, grant merit increases to Employee.”

2. The Contract is incorporated into this Second Amendment.

3. All other terms and conditions of the Contract not expressly amended by this Second Amendment shall remain the same.

4. This Second Amendment is the full and complete understanding of the Parties regarding the rights and obligations of the Parties with respect to Employee’s provision of services.

This Second Amendment is duly executed by the Parties on the dates indicated below.

SANBAG/EMPLOYER

EMPLOYEE

Robert Lovingood, President

Eileen Monaghan Teichert

Date:

Date:

Minute Action

AGENDA ITEM: 11

Date: *September 7, 2016*

Subject:

Merit Adjustments for Fiscal Year 2016/2017

Recommendation:

Approve the inclusion of merit increases in the adopted Fiscal Year 2016/2017 budget to be approved by the Executive Director based on employee performance.

Background:

As the budget was being prepared in the spring, the Board authorized a 2% cost of living adjustment (COLA) for all employees as part of the budget process. Budget authorization for a merit increase was not incorporated into the budget as salary discussions were still taking place when the budget was adopted. Those salary discussions are now concluded and it is being recommended that the Board authorize the inclusion of merit salary adjustments to employees based on their performance evaluations and approved by the Executive Director.

The ability of the Executive Director to grant merit adjustments is a tool and is not an automatic salary increase. When an employee receives their performance evaluation they can receive a merit adjustment from 0% to 5% depending on the budget authority granted to the Executive Director. In this case the Board is being asked to authorize up to 3%.

By comparison, in many of our member organizations employees are eligible to receive an automatic “step” increase after a successful evaluation. These steps are typically 2.5% to 5%. SANBAG does not have a “step” system. Instead each employee is assigned to a salary range that has a spread of 50% from minimum to maximum. Employees can only move up in their assigned salary range as the result of positive performance evaluations and do not receive automatic annual increases. These merit adjustments can only occur when the Executive Director receives budget authority from the Board of Directors.

The Executive Director reviews and approves all performance evaluations. The direction from the Executive Director to all Department Directors and supervisors is that evaluations must reflect the true range of employee performance. Not every employee is in the “exceptional” category as employee performance is a range with some performing better than others. Past evaluations have reflected that this direction is being applied to evaluations. On the last two occasions that a merit adjustment was approved it was for a maximum of 5%. The merit adjustment actually approved based on performance evaluations was below the 5% requested.

The approval of this item will allow the Executive Director to approve merit adjustments to employee’s salary based on their performance. The merit adjustments will be tied to the most

Entity: CMA, COG, CTA, CTC, JPA, SAFE

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recent employee evaluations and will be effective as of the first pay period of Fiscal Year 2016/2017.

Financial Impact:

Approval of this item currently does not require an amendment to the adopted budget. However, a future budget amendment may be required, and if necessary, will be based upon actual merit increases approved by the Executive Director.

Reviewed By:

This matter was discussed by the Board of Directors on July 6, 2016.

Responsible Staff:

Duane Baker, Deputy Executive Director

Approved
Board of Directors
Date: September 7, 2016

Witnessed By:

Minute Action

AGENDA ITEM: 12

Date: September 7, 2016

Subject:

Fiscal Year 2015/2016 Work Goals and Objectives 4th Quarter Report

Recommendation:

Receive the Fiscal Year 2015/2016 4th Quarter Work Goals and Objectives.

Background:

The SANBAG Fiscal Year 2015/2016 Work Goals and Objectives establish the Board of Directors' priorities for the year. The Executive Director uses this as a tool with the Executive Management Team to evaluate SANBAG's progress in achieving the Board's priorities. This is the 4th Quarter report on those work goals and objectives.

Financial Impact:

This item is consistent with the adopted Fiscal Year 2015/2016 budget.

Reviewed By:

This item was reviewed by the General Policy Committee on August 11, 2016.

Responsible Staff:

Raymond Wolfe, Executive Director

Approved
 Board of Directors
 Date: September 7, 2016

Witnessed By:

Entity: CMA, COG, CTA, CTC, SAFE

Minute Action

AGENDA ITEM: 13

Date: *September 7, 2016*

Subject:

I-215 Bi-County Project - Billboard Relocation Agreement between SANBAG, City of Ontario, and Lamar Advertising Company

Recommendation:

That the Board, acting in its capacity as the San Bernardino County Transportation Authority:

Authorize the Executive Director or designee to execute the three-party Billboard Relocation Agreement No. 16-1001496 between SANBAG, the City of Ontario (City), and Lamar Advertising Company, subsequent to SANBAG General Counsel approval as to form, which defines roles and responsibilities for relocation of an advertising billboard that was displaced by the Interstate 215 (I-215) Bi-County Project and to be placed within the limits of the City.

Background:

In March 2012, two static advertising billboard signs that were owned by Lamar Advertising Company (Lamar) and located within the median of Interstate 215 (I-215) just south of Interstate 10 were removed to accommodate construction activities for widening of the Colton/Loma Linda Bridge as part of the I-215 Bi-County Project. The intent when the signs were removed was to replace the signs in the same location once construction was complete. In order to replace the signs that were removed, Lamar would be required to resubmit an application to the Caltrans Outdoor Advertising Division (Outdoor Advertising) since the relocated signs would be considered to be new signs per Caltrans policy. Discretionary approval is required from Outdoor Advertising for both signs to be relocated back into their original location because the widened bridge and the billboards would now be closer to each other.

In early 2015, approximately six weeks before construction activity was anticipated to be complete around the Colton/Loma Linda Bridge, Lamar submitted an application to Caltrans Outdoor Advertising Division to replace the billboards but was denied. Caltrans had concerns with the proximity of the edge of the signs in relation to the freeway.

The original estimated amount for the removal and relocation of both billboards was \$2 million. This estimate consisted of costs to replace each billboard, relocation costs, and loss of revenue while the billboards were out of service until the end of construction. If the billboards cannot be relocated, final settlements could reach up to \$7 million based on Lamar's independent estimate of the value of both billboards. The median of I-215 provided the best visibility for travelers and was most desired by businesses for advertisement. Typically, a premium was paid on the use of these billboards. Since Lamar's application was denied in 2015, Staff has been working with Caltrans and Lamar to relocate the two billboards. The relocation for one of the billboards is anticipated in the City of San Bernardino later this year. Based on current estimates, if both

Entity: CTA

billboards can be relocated by the end of 2016, ultimate costs can remain within the original estimated amount of \$2 million.

The other billboard is being proposed to be relocated along I-10 within the City of Ontario. The City of Ontario Development Code allows relocation of billboard signs within City limits provided that the relocation has a public interest and is sponsored by a public agency through an interagency agreement. To comply with the City requirements, SANBAG will be a party to the billboard relocation agreement as a sponsoring agency. This agreement will not have a direct financial impact to SANBAG; however, it will help mitigate risks for higher costs if no relocation site can be found. Staff is recommending that the Board approve Billboard Relocation Agreement No. 16-1001496 with the City of Ontario and Lamar to complete the relocation of a billboard that was displaced with the I-215 Bi-County Project and reduce the risk for a significantly higher final settlement cost.

The City of Ontario and Lamar are in the process of finalizing the exact location for the billboard. Staff is recommending that the Board authorize the SANBAG Executive Director or designee to execute the agreement once a location has been finalized and SANBAG General Counsel has approved the agreement as to form.

Financial Impact:

This item is consistent with the 2016/2017 Fiscal Year Budget.

Reviewed By:

This item was reviewed and recommended for approval (16-0-2; Abstained: Wapner and McEachron) with a quorum of the Board present at the Board of Directors Metro Valley Study Session on August 11, 2016. SANBAG General Counsel and Procurement Manager have reviewed this item and a draft of the agreement.

Responsible Staff:

Garry Cohoe, Director of Project Delivery

Approved
 Board of Directors
 Date: September 7, 2016

Witnessed By:

Contract Summary Sheet

General Contract Information

Contract No: 16-1001496 Amendment No.: 0 Vendor No.: 01570
Vendor/Customer Name: City of Ontario and Lamar Advertising Sole Source? [x] Yes [] No
Description: Billboard Relocation Agreement
Start Date: 09/07/2016 Expiration Date: 09/07/2019 Revised Expiration Date:
Has Contract Term Been Amended? [x] No [] Yes - Please Explain
List Any Related Contracts Nos.:

Table with 4 columns: Dollar Amount, Original Contract, Revised Contract, Current Amendment, TOTAL CONTRACT VALUE, Original Contingency, Revised Contingency, Contingency Amendment, TOTAL CONTINGENCY VALUE, TOTAL DOLLAR AUTHORITY.

Contract Authorization

[] Executive Director Date:
Executive Director Action:
[x] Board of Directors Date: 09/07/2016
Board of Directors Action: Authorize ED to Approve Billboard Relocation Agreement 16-1001496

Contract Management: Payable/Miscellaneous

[] Invoice Warning: 20% Renewals: Type: [] Capital [] PAA [] Other
[] Retention: % Maximum Retention: \$ -
Services: [] Construction [] Intrgrnt/MOU/COOP [] A & E Services [] Other Professional Services
[] Disadvantaged Business Enterprise (DBE) Goal %

Contract Management: Receivable

[] E-76 and/or CTC Date (Attach Copy) [] Program Supplement No.:
[] Finance Letter [] Reversion Date: [] EA No.:

All of the above MUST be submitted to FINANCE including originals, amendments and miscellaneous transaction changes

Additional Information

Project Manager: Paul Melocoton; No DCSS - neither payable nor receivable - no cost component

Attachment: CSS 16-1001496 (3023 : I-215 Bi-County agreement with City of Ontario and Lamar for billboard relocation)

**[DRAFT] BILLBOARD REMOVAL AND RELOCATION AGREEMENT AMONG THE
CITY OF ONTARIO, SAN BERNARDINO COUNTY TRANSPORTATION
AUTHORITY, AND LAMAR ADVERTISING COMPANY**

1. PARTIES.

This Billboard Relocation Agreement (“Agreement”) is made this ___ day of 2016, among the City of Ontario (“Ontario”), San Bernardino County Transportation Authority (“SANBAG”), and Lamar Advertising Company (“Lamar”). Ontario, SANBAG, and Lamar are referred to collectively as “Parties.”

2. RECITALS.

2.1 WHEREAS, Ontario has, consistent with the California Outdoor Advertising Act (California Business & Professions Code, § 5200 et seq.), adopted certain regulations concerning outdoor advertising displays (“Billboards”) as part of the Ontario Development Code (“ODC”), including a prohibition on new Billboards (ODC, § 8.01.015), provisions governing the relocation of Billboards (ODC, § 44.02.010), and a specific provision relating to inter-agency relocation agreements (ODC, § 4.02.010(F)(2)(f)); and

2.2 WHEREAS, the California Outdoor Advertising Act generally provides that compensation must be paid to Billboard owners for the removal, abatement or limitation of the customary maintenance, use or repair of certain lawfully erected Billboards; and

2.3 WHEREAS, the California Outdoor Advertising Act also contains language providing that “it is the policy of the State of California to encourage local entities to continue development in a planned manner without expenditure of public funds while allowing the continued maintenance or private investment and a medium of public communication.” As a result, “. . . local entities are specifically empowered to enter into relocation agreements on whatever terms are agreeable to the display owner and the city . . . and adopt ordinances and resolutions providing for relocation of displays”; and

2.4 WHEREAS, Lamar maintains five Billboards within Ontario which it is willing and able to remove (“Preexisting Billboards”); and

2.5 WHEREAS, Lamar maintains a Billboard within the City of Colton that meets the candidacy requirements for relocation to Ontario under Section 4.02.010(F)(2)(f) of the ODC because it is proposed to be removed as a result of work being performed by SANBAG on the I-215 freeway (“Colton Billboard”); and

2.6 WHEREAS, Ontario is willing to accommodate the relocation of the Colton Billboard to Ontario in exchange for the removal of the Preexisting Billboards in accordance with Section 4.02.010(F)(2)(f) of the ODC.

NOW, THEREFORE, in consideration of the above recitals and the mutual covenants hereinafter contained and for good and valuable consideration, the receipt of which is hereby acknowledged, the Parties agree as follows:

3. EFFECTIVE DATE AND TERM.

3.1 This Agreement shall be effective upon execution of this Agreement by all Parties (“Effective Date”).

3.2 This Agreement shall be effective until all obligations hereunder are complete.

4. TERMS.

4.1 Incorporation of Recitals and Exhibits. All recitals and the exhibits attached hereto are referred to in this Agreement are incorporated as though fully set forth in this Agreement.

4.2 Removal of Preexisting Billboards. Prior to the issuance of any permits for the relocation of the Colton Billboard to Ontario described in Section 4.3, Lamar shall secure the legal right to remove, at its sole cost and expense, the following billboards, herein defined as Preexisting Billboards, and their associated support structures and components:

- A. Billboard No. [1]. Interstate 10 / Interstate 215 Interchange (“Colton Billboard”).
- B. Billboard No. [2]. Location in Ontario TBD
- C. Billboard No. [3]. Location in Ontario TBD
- D. Billboard No. [4]. Location in Ontario TBD
- E. Billboard No. [5]. Location in Ontario TBD
- F. Billboard No. [6]. Location in Ontario TBD

Lamar shall remove the Preexisting Billboards and their associated support structures and components within 90 days following the issuance of the final permit required for the relocation of the Colton Billboard described in Section 4.3.

4.3 Relocation of Colton Billboard. In consideration for Lamar’s actions as described in Section 4.2 above, Lamar shall be permitted to relocate the Colton Billboard to the area shown on the site plan (“Relocation Site”) attached hereto as Exhibit “A” to this Agreement. The Colton Billboard shall be relocated in compliance with the plans and specifications attached hereto as Exhibit “B” to this Agreement. Lamar agrees and understands that the relocation of the Colton Billboard may be subject to certain discretionary and environmental approvals issued by Ontario. Nothing contained herein shall be interpreted to require Ontario to approve the Colton Billboard. Ontario’s obligations with respect to this section shall be to review and consider approval, in good faith and as expeditiously as possible, the relocation of the Colton Billboard. The failure of Ontario to approve the relocation of the Colton Billboard shall not subject Ontario to the payment of compensation or monetary payment for the removal of any Billboard. Lamar understands and agrees that it is not entitled to nor shall it seek compensation or monetary payment of any type or relocation benefits, as may be provided by state or federal law for the removal of any Preexisting Billboard, from either Ontario or SANBAG. Lamar assumes all risks in removing any Preexisting Billboard described in this Agreement prior to the receipt of any discretionary approval required for the relocation of the Colton Billboard.

4.4 Advertising Limitation. Lamar voluntarily covenants and agrees for itself, its successors and assigns, that any advertising displayed on the relocated Colton Billboard shall not contain any advertising for adult entertainment or nudity including, but not limited to, topless bars, nightclubs, establishments that feature nude dancing, mud wrestling, any adult business featuring retail sales of adult novelty items, books, magazines, videos and tapes, or any material that could be reasonably considered pornographic. Further, Lamar voluntarily covenants and agrees for itself, its successors and assigns, that any advertising displayed on the relocated Colton Billboard shall not contain any advertising for alcohol or tobacco products of any type, gambling or gambling services, or any political messages or advertising. Notwithstanding the foregoing, gambling establishments may advertise non-gaming/gambling services. Ontario further reserves the right to object to any other advertising that may be considered detrimental to the image of Ontario. In such cases, Ontario shall inform Lamar in writing of the offensive advertising and request that it be removed. Lamar shall not unreasonably deny the request.

4.5 Maintenance and Operation of Colton Billboard. Lamar shall at its sole cost and expense pay for all maintenance and operation costs associated with operating the Colton Billboard upon relocation. Should the Colton Billboard and the surrounding sites not be maintained in accordance with all laws, codes, and ordinances, Ontario shall provide Lamar with thirty (30) days’ notice to comply with such laws, code, and ordinances before Lamar shall be required to remove the Colton Billboard at its sole cost and expense.

4.6 Indemnification of Ontario. Lamar shall defend, indemnify and hold Ontario, its officials, officers, and agents free and harmless from any and all claims, liabilities, losses, costs, expenses, damages, injuries to property or persons, including wrongful death, in any manner arising out of or incident to any negligent acts, omissions or willful misconduct of Lamar, its officers and employees, agents, consultants and contractors arising out of or in connection with

this Agreement or the removal, past-removal, construction, relocation, and installation of the Preexisting Billboards and Colton Billboard, including without limitation, the payment of all consequential damages, attorneys' fees and other related costs and expenses. At a minimum, this indemnification provision shall apply to the fullest extent of any warranty or guarantee implied by law or fact, or otherwise given to Indemnifying Parties by their contractors for the removal, past-removal, construction, relocation, and installation of the Preexisting Billboards and Colton Billboard. In addition, this indemnity provision and any such warranties or guarantees shall not limit any liability under law of such contractors. Without limiting the foregoing, this indemnity shall extend to any claims arising because Lamar has failed to properly secure any necessary contracts or permit approvals.

4.7 Assignment Without Consent Prohibited. This Agreement may not be assigned by any Party without the express written consent of the other Parties, and consent shall not be unreasonably withheld. Any attempted assignment of this Agreement not in compliance with the terms of this Agreement shall be null and void and shall confer no rights or benefits upon the assignee.

4.8 Permit Fees and Submittal of Plans. Lamar hereby agrees to pay any and all permit fees associated with the required removal of any Preexisting Billboard and the relocation of the Colton Billboard. Lamar also agrees to submit any plans, studies, specifications, engineering studies and calculations needed by Ontario as part of its review of the removal of any Preexisting Billboard and the relocation of the Colton Billboard. Ontario's obligations with respect to the processing of any application shall be contingent upon payment by Lamar of any such fees and the submittal of necessary plans.

4.9 Attorneys' Fees. In the event of any action or proceeding, including arbitration, by any of the Parties to this Agreement against another Party for recovery of any sum due under this Agreement, or to enforce any of the terms, covenants or conditions contained herein, the prevailing Party in any such action or proceeding shall be entitled to reasonable attorneys' fees and costs of litigation, including, without limitation, filing fees, service fees, deposition costs and arbitration costs, in addition to all other legal and equitable remedies available to it. Each Party shall give prompt notice to the other Parties of any claim or suit instituted against it that may affect the other Parties.

4.10 Waiver. The waiver of any Party of any breach of any term, covenant, or condition herein contained shall not be deemed to be a waiver of any other term, covenant, or condition, or of any subsequent breach of the same term, covenant, or condition. However, nothing contained in this Agreement shall be deemed to be an acknowledgment or acceptance by Ontario or SANBAG that compensation is owed as to any Billboard, either in whole or in part, to any Party having an interest in any of the Billboards herein.

4.11 Waiver of Civil Code Section 1542. It is the intention of the Parties that the releases entered into as part of this Agreement shall be effective as a bar to all actions, causes of

action, obligations, costs, expenses, attorneys' fees, damages, losses, claims, liabilities and demands of any character, nature and kind, known or unknown, suspected or unsuspected, to be so barred; in furtherance of which intention the Parties expressly waive any and all right and benefit conferred upon them by the provisions of section 1542 of the California Civil Code, which reads as follows:

A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.

4.12 Notices. All notices shall be in writing and addressed as follows:

- A. To Ontario: City Manager, City of Ontario, 303 East B Street, Ontario, CA 91764.
- B. To SANBAG: Executive Director, San Bernardino Associated Governments, 1170 W. 3rd Street, 2nd Floor, San Bernardino, CA 92410-1715.
- C. To LAMAR: Lamar Advertising Company, [***INSERT ADDRESS**].

All notices shall be deemed made when personally delivered or when mailed forty-eight (48) hours after each deposit in the U.S. mail, first-class postage prepaid and addressed to Party as its applicable address.

4.13 Authority to Enter Agreement. All Parties have all requisite power and authority to execute, deliver, and perform the Agreement. All Parties warrant that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and bind each respective Party.

4.14 Construction; References; Captions. Since the Parties or their agents have participated fully in the preparation of this Agreement, the language shall be construed simply, according to its fair meaning, and not strictly for or against any Party. Any term referencing time, days or period for performance shall be deemed calendar days or calendar weeks, and not work days. All references to any Party shall include its respective directors, elected officials, officers, employees, agents, and volunteers except as otherwise specified in this Agreement. The captions of the various articles and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content, or intent of this Agreement.

4.15 Amendment/Modification. No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing and signed by all Parties.

4.16 No Third-Party Beneficiaries. There are no intended third-party beneficiaries of any right or obligation assumed by the Parties.

4.17 Invalidity/Severability. If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

4.18 Governing Law and Venue. This Agreement shall be governed by the laws of the State of California. Venue shall be in San Bernardino County.

4.19 Time is of the Essence. Time is of the essence in each and every provision of this Agreement.

4.20 Entire Agreement. This Agreement contains the entire Agreement of the Parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements. This Agreement may only be modified by a writing signed by both Parties.

4.21 Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.

4.22 Binding Agreement. Subject to any limitation on assignment elsewhere set forth herein, all terms of this Agreement shall be binding upon, inure to be benefit of, and be enforceable by the Parties hereto and their respective legal representatives, successors and assigns.

[SIGNATURES ON FOLLOWING PAGE]

**SIGNATURE PAGE TO
BILLBOARD REMOVAL AND RELOCATION AGREEMENT AMONG THE CITY OF
ONTARIO, SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY, AND
LAMAR ADVERTISING COMPANY**

CITY OF ONTARIO

LAMAR ADVERTISING COMPANY

Al C. Boling, City Manager

[Name, Title]

ATTEST:

City Clerk

[Name, Title]

APPROVED AS TO FORM:

City Attorney

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

Raymond Wolfe, Executive Director

APPROVED AS TO FORM:

Eileen Monaghan Teichert
General Counsel

Attachment: 16-1001496 (3023 : I-215 Bi-County agreement with City of Ontario and Lamar for billboard relocation)

Minute Action

AGENDA ITEM: 14

Date: *September 7, 2016*

Subject:

Amendment 4 to I-10/Tippecanoe Interchange Construction Management Contract with Simon Wong Engineering

Recommendation:

That the Board, acting as the San Bernardino County Transportation Commission:

A. Approve Amendment No. 4 to Contract No. C13130 with Simon Wong Engineering, Inc. a Wholly Owned Subsidiary of Kleinfelder West, Inc., for an additional \$158,000 for a revised not-to-exceed amount of \$3,083,000.

B. Approve an increase in contingency amount for Contract No. C13130 of \$25,000 for a revised amount of \$372,500 and authorize the Executive Director or designee to release contingency as necessary for the project.

Background:

On October 2, 2013, the Board of Directors approved the award of Contract No. C13130 to Simon Wong Engineering for Construction Management services for the Interstate 10 (I-10) Tippecanoe Interchange Improvement Project – Phase II in an amount not-to-exceed \$2,475,000 and a contingency amount of \$247,500.

In June 2015, the Board approved Amendment No. 1 that modified the insurance requirements.

In February 2016, due to project delays the Board approved Amendment No. 2 increasing the not to exceed amount to \$2,825,000 and increasing contingency to \$347,500.

On June 30, 2016, per Policy 11000, Amendment No. 3 was approved by the Executive Director increasing the not-to-exceed amount to \$2,925,000.

On February 12, 2015, work on the project started with a 280 working day schedule and an original completion date of February 19, 2016. The new ramps were open to the public on April 7, 2016, however as of July 27, 2016, the project is approximately 96% complete with a current completion date estimated at the end of August 2016. Delays and increases in construction management cost to the project are attributed to numerous issues including a late start by the contractor, contractor procurement and installation delays, unknown buried manmade objects (septic tanks, water line, water meters, gas lines), changes in soil conditions, utility relocation issues, weather delays, right-of-way issues, additional staff for night time inspections, extended landscape and electrical installation times and currently due to contractor extended electrical installation and testing.

Entity: CTC

In May 2016, Simon Wong Engineering advised staff that due to the extended construction duration that additional funds would be needed to provide construction management services through construction completion in August 2016, plus one year Plant Establishment and project closeout. Staff has met with the consultant, reviewed their estimate of cost to complete and negotiated an increase in fee of \$158,000 for a total not to exceed amount of \$3,083,000.

Staff also recommends the contingency be increased by \$25,000 for a total contingency of \$372,500. The total not-to-exceed amount, including contingency, is \$3,455,500. The increase to this contract can be funded from savings realized in the construction phase for Phase II so that there is no net increase to the total project cost. The savings consist of \$3,000 Federal Demonstration, \$95,599 TCIF, and \$84,401 Measure I

Financial Impact:

This item is consistent with the adopted SANBAG Fiscal Year 2016/2017 Budget under Task No. 0830 Interchange Projects.

Reviewed By:

This item was reviewed and recommended for approval (19-0-0) with a quorum of the Board present at the Board of Directors Metro Valley Study Session on August 11, 2016. SANBAG General Counsel and Procurement Manager have reviewed this item and a draft of the amendment.

Responsible Staff:

Garry Cohoe, Director of Project Delivery

Approved
Board of Directors
Date: September 7, 2016

Witnessed By:

Contract Summary Sheet

General Contract Information

Contract No: 15-1001143-C13130 Amendment No.: 4 Vendor No.: 02864
 Vendor/Customer Name: Simon Wong Engineering Sole Source? Yes No
 Description: Construction Management Services I 10 Tippecanoe Ave. IC Phase 2
 Start Date: 08/20/2014 Expiration Date: 12/31/2017 Revised Expiration Date: _____
 Has Contract Term Been Amended? No Yes - Please Explain _____
 List Any Related Contracts Nos.: C12196,R10200, C12183, C14164

Dollar Amount			
Original Contract	\$ 2,475,000.00	Original Contingency	\$ 247,500.00
Revised Contract (Inclusive of Prior Amendments)	\$ 2,925,000.00	Revised Contingency (Inclusive of Prior Amendments)	\$ 347,500.00
Current Amendment	\$ 158,000.00	Contingency Amendment	\$ 25,000.00
TOTAL CONTRACT VALUE	\$ 3,083,000.00	TOTAL CONTINGENCY VALUE	\$ 372,500.00
		TOTAL DOLLAR AUTHORITY (Contract Value and Contingency)	\$ 3,455,500.00

Contract Authorization

Executive Director Date: _____
 Executive Director Action: _____
 Board of Directors Date: 09/07/2016
 Board of Directors Action: Approve Amendment # 4 C13130

Contract Management: Payable/Miscellaneous

Invoice Warning: 20% Renewals: _____ Type: Capital PAA Other
 Retention: _____ % Maximum Retention: \$ _____
 Services: Construction Intrgrnt/MOU/COOP A & E Services Other Professional Services
 Disadvantaged Business Enterprise (DBE) Goal 26%

Contract Management: Receivable

E-76 and/or CTC Date _____ (Attach Copy) Program Supplement No.: _____
 Finance Letter Reversion Date: _____ EA No.: _____

All of the above MUST be submitted to FINANCE including originals, amendments and miscellaneous transaction changes

Additional Information

Project Manager: Mike Barnum

Attachment: C13130-04 CCS (3027 : Amendment No. 4 to C13130 Simon Wong Tippecanoe IC Phase 2)

AMENDMENT NO. 4 TO CONTRACT NO. C13130

FOR

CONSTRUCTION MANAGEMENT SERVICES FOR I-10 TIPPECANOE AVENUE

INTERCHANGE PHASE 2 PROJECT

(SIMON WONG ENGINEERING, INC.)

This AMENDMENT No. 4 to CONTRACT No. C13130 is made by and between Simon Wong Engineering, Inc, a wholly-owned subsidiary of Kleinfelder West, Inc. (“CONSULTANT”) and the San Bernardino County Transportation Commission (“AUTHORITY”):

RECITALS:

- A. AUTHORITY, under Contract No. C13130 (“Contract”), dated August 20, 2014, has engaged the services of CONSULTANT to provide Construction Management Services for the I-10 Tippecanoe Avenue Interchange Phase 2 Project;
- B. On July 23, 2015, AUTHORITY and CONSULTANT entered into Amendment No. 1 replacing contract language regarding insurance under Article 19.1 “Professional Liability”.
- C. On February 3, 2016 AUTHORITY and CONSULTANT entered into Amendment No. 2 increasing the not-to-exceed amount to \$2,825,000.00
- D. On June 30, 2016 AUTHORITY and CONSULTANT entered into Amendment No. 3 increasing the not-to-exceed amount to \$2,925,000.00
- E. AUTHORITY and CONSULTANT desire to further amend the Contract Allowable Cost to provide for construction management services through project closeout activities.

NOW THEREFORE, in consideration of the terms and conditions set forth herein, CONSULTANT and AUTHORITY agree as follows:

1. Section 5.1 under Article 5 “ALLOWABLE COST AND PAYMENTS” is deleted and replaced in its entirety to read as follows:

“5.1 Total compensation to CONSULTANT for full and complete performance of the Scope of Work in compliance with all the terms and conditions of this contract shall be on a Specified Rates of Compensation basis for all obligations incurred in, or application to, Consultant’s performance of Services and for which CONSULTANT shall furnish all personnel, facilities, equipment, materials, supplies, and services (except as may be explicitly set forth in this Contract as furnished by SANBAG), and shall not exceed \$3,083,000.00, unless authorized by a contract amendment. CONSULTANT is paid at an agreed and supported specific fixed hourly, daily, weekly or monthly rate, for each class of employee engaged directly in the work. Such rates of pay include the consultant’s estimated costs and net fee (profit). The specific rates of compensation, except for an individual acting as a sole proprietor, are to include an hourly breakdown, direct salary costs, fringe benefits, indirect costs, and net fee as set forth in Attachment B, which is attached herein and by this reference, incorporated in and made part of this Contract.”

2. The Recitals set forth above are incorporated herein by this reference.

- 3. Except as amended by this Amendment No. 4, all other provisions of the Contract, and amendments thereto, shall remain in full force and effect and are incorporated herein by this reference.
- 4. This Amendment No. 4 is effective upon execution by AUTHORITY.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment No. 4 below.

SIMON WONG ENGINEERING, INC.

**SAN BERNARDINO COUNTY
TRANSPORTATION COMMISSION**

By: _____
Marc McIntyre, PE
Vice President/Principal-in Charge

By: _____
Robert A. Lovingood
Board President

Date: _____

Date: _____

APPROVED AS TO FORM:

By: _____
Eileen Monaghan Teichert
General Counsel

CONCURRENCE:

By: _____
Jeffery Hill
Procurement Manager

Attachment: C13130 Amendment No. 4 (3027 : Amendment No. 4 to C-13130 Simon Wong Tippecanoe IC Phase 2)

Minute Action

AGENDA ITEM: 15

Date: *September 7, 2016*

Subject:

San Bernardino Valley Coordinated Traffic Signal System (SBVCTSS) - Future Operation and Maintenance

Recommendation:

That the Board, acting as the San Bernardino County Transportation Authority:

A. Authorize release of Request for Proposal (RFP) 16-1001515 to retain a consultant for the preparation of updated Coordination Timing Plans, to provide Semi-Annual Assessments and provide On-call System Support for the San Bernardino Valley Coordinated Traffic Signal System (SBVCTSS).

B. Approve the draft templates of Cooperative Agreements between the San Bernardino County Transportation Authority (SANBAG) and local agencies (Chino, Chino Hills, Colton, Fontana, Grand Terrace, Highland, Loma Linda, Montclair, Ontario, Rancho Cucamonga, Redlands, Rialto, San Bernardino City, San Bernardino County, Upland and Yucaipa) establishing responsibilities to maintain, monitor, assess and funding of the San Bernardino Valley Coordinated Traffic Signal System.

C. Authorize the Executive Director or designee to execute the final Cooperative Agreements with local agencies after approval as to form by General Counsel without further approval by the Board, provided the Cooperative Agreements are substantially in the form of the attached draft templates.

Background:

Starting in 2002 with the San Bernardino Valley Traffic Signal Coordination System Master Plan, SANBAG, in conjunction with the local agencies, implemented signal coordination on major arterial corridors on a valley-wide scale with an investment of over \$15 million. Implementation of signal coordination occurred in various phases designated as Tiers 1, 2, 3 and 4, and included approximately 1,250 signalized intersections controlled by sixteen (16) separate local agencies and Caltrans. Both the Tiers 1 & 2 Project (completed in 2008) and Tiers 3 & 4 Project (completed in 2012), at system “turn-on”, showed significant improvements in arterial travel times and reductions in stops and delays.

In July 2011, the Board approved the Memorandum of Understanding (MOU) C11223 between SANBAG and the local agencies providing direction for the operation and maintenance of the San Bernardino Valley Coordinated Traffic Signal System (SBVCTSS). This MOU will expire September 30, 2016.

In April 2015, based on Transportation Technical Advisory Committee (TTAC) and City Managers Technical Advisory Committee (TAC) meetings and discussions, a survey was

Entity: CTA

presented to the local agencies providing possible solutions with the goal of developing a strategy for on-going maintenance and operations of the system that could be further developed into guidelines and that would be recommended for adoption by the SANBAG Board. Based on these discussions, a five-year plan was developed with a goal of maintaining the traffic signal coordination system so as to continue to provide benefits to the traveling public. In September 2015, this plan was presented to the Board, where they directed staff to proceed with the implementation. The components of the plan include:

- Updated coordinated timing plans - \$4,600,000
- On-going maintenance of signal coordination equipment and timing plans - \$5,225,000
- Assessment of Systems and On-Call Systems Support - \$1,000,000
- Total cost for five years - \$10,825,000

Recommendation A

The coordinated timing for the Tiers 1 & 2 portions of the SBVCTSS was completed in 2008 with Tiers 3 & 4 completed in 2012. Without updating the signal coordinated timing, the benefits of SBVCTSS diminish. The estimated cost for updating timing for the SBVCTSS is \$4.6 million. As was approved in September 2015, 50% of the funding will be provided by sources at the discretion of the local agency such as Local Funds, Measure I Valley Major Street, or Measure I Local Street, and 50% from grants secured by SANBAG. On June 24, 2016 SANBAG received approval of Mobile Source Air Pollution Reduction Review Committee (MSRC) funding of \$1,000,000. Staff will continue to seek additional grant funding for SANBAG to meet the program needs. It is proposed that the timing updates be done by geographical area in lieu of by Tier. A priority list of the geographical areas has been developed and presented at TTAC.

The other component of the RFP is to provide on-call support to assist on a case-by-case basis to address major system issues that cannot be resolved by the local jurisdiction and to perform a semi-annual assessment of the coordination systems. SANBAG will be responsible for administering and funding these services. The estimated cost to provide these services is \$200,000 annually. This will be funded with Valley Measure I Traffic Management Systems (TMS) funds.

The RFP for update Coordinated Timing Plans for SBVCTSS for On Call System Support and Assessments of the SBVCTSS is completed. The Scope of Work is attached. Staff is requesting that the Board authorize the release of RFP 16-1001515 to solicit proposals for traffic engineering services to update Coordinated Timing Plans for the SBVCTSS and to provide On-Call System Support and Assessment of the SBVCTSS.

Recommendations B & C

Previously the roles and responsibilities of the local agencies and SANBAG for the development and maintenance of the SBVCTSS were defined in individual Memoranda of Understanding (MOU), collectively known as MOU C11223. As noted above, these MOUs expire September 30, 2016.

Under the direction of the Board noted above, Staff has been working with TTAC and TAC, developing cooperative agreements with local agencies to define the continued operation and maintenance of the SBVCTSS. These cooperative agreements define the roles and

responsibilities of the parties for retiming of the corridors, the semi-annual assessments to gauge the “health” of the SBVCTSS and the on-call services to assist local agencies with special needs beyond their expertise.

Some local agencies have requested that they lead within their jurisdictional boundaries. Due to this two versions of the cooperative agreements are proposed; one with SANBAG as the lead in the retiming effort, and another with the local agency as the lead. Note, four (4) local agencies have requested that SANBAG provide daily maintenance service of their systems on a reimbursement basis. A separate cooperative agreement will be developed if the parties want to proceed with this arrangement.

Attached to this report are two (2) draft agreements; one with SANBAG serving as the lead in the retiming effort, and the second with the local agency as the lead. Both have been reviewed and approved substantially as to form by General Counsel and are currently in various stages of review and execution by each of the local agencies. Copies of the draft cooperative agreements are attached.

Per the two draft cooperative Agreements:

- SANBAG or the local agency will be the lead agency for updating the timing plan. Local agency is responsible for funding 50% of the signal updated within their jurisdiction. SANBAG, through grants, is responsible for the remaining cost up to \$2,000 per signal. The updates will be implemented based on the availability of funds of both parties.
- Local agency is responsible for the on-going monitoring, maintenance and timing adjustments of the coordinated systems. SANBAG will provide a \$500 per signal annual reimbursement for signals found to be operational and coordinated during SANBAG’s semi-annual assessment. For signals found not performing properly, it is proposed to provide a grace period of 6 months for local agencies to bring signal into operational status to still receive reimbursement. Proposed reimbursement funding would be through TMS funds with a maximum estimated total cost of \$500,000 per year.
- SANBAG will be responsible for on-call support and assessment of traffic signal system coordination systems. The system will be assessed semi-annually to verify operation and provide the basis for issuance of the coordinated signal reimbursement. TMS funds will be used for reimbursement to the local agencies.
- It is proposed that the agreements be for three years with an option to extend for two years.

Staff is requesting approval of the two (2) draft Cooperative Agreements between the San Bernardino County Transportation Commission and the thirteen (13) local agencies establishing responsibilities to maintain, monitor, assess and provide funding for the San Bernardino Valley Coordinated Traffic Signal System.

To advance the project Staff is requesting the Board authorize the Executive Director or designee to execute the final Cooperative Agreements with local agencies after approval as to form by General Counsel without further approval by the Board provided the Cooperative Agreements are substantially in the form of the attached draft templates.

Board of Directors Agenda Item

September 7, 2016

Page 4

Financial Impact:

The financial impact of this item will be determined based on the types of agreements entered into with the local agencies. Staff will return with a subsequent item to amend the adopted budget if the budget will be impacted by the execution of individual agreements.

Reviewed By:

This item was reviewed and recommended for approval (19-0-0) with a quorum of the Board present at the Board of Directors Metro Valley Study Session on August 11, 2016. SANBAG's General Counsel and Procurement Manager have reviewed this item, the draft Cooperative Agreements, and the draft Scope of Work.

Responsible Staff:

Garry Cohoe, Director of Project Delivery

Approved
Board of Directors
Date: September 7, 2016

Witnessed By:

SCOPE OF SERVICES

San Bernardino Valley Coordinated Traffic Signal System Program Update Coordination Timing Plans, Semi-Annual Assessments and On-call System Support

San Bernardino Associated Governments, acting as San Bernardino County Transportation Authority ("SANBAG") is seeking professional services to update existing coordinated traffic signal timing plans in order to reduce travel times and number of stops, and increase average speeds along coordinated routes, perform semi-annual system assessments and provide on-call system support for the San Bernardino Valley Coordinated Traffic Signal System (SBVCTSS) corridors. The SBVCTSS was implemented using a tiered approach with Tiers 1 and 2 completed in 2008 and Tiers 3 and 4 completed in 2012. There are 78 arterial corridors in the SBVCTSS with over 1,250 signalized intersections controlled by sixteen (16) local agencies (Chino, Chino Hills, Colton, Fontana, Grand Terrace, Highland, Loma Linda, Montclair, Ontario, Rancho Cucamonga, Redlands, Rialto, San Bernardino City, San Bernardino County, Upland and Yucaipa) and Caltrans. The SYNCHRO models utilized for Tiers 1 through 4 will be made available to the CONSULTANT.

Update Coordination Timing Plans

The updating of the timing plans will be jointly funded by SANBAG and each participating agency in which the corridors are located as described by a cooperative agreement between SANBAG and the local agency. The cooperative agreement will describe the corridors that will have their timing plans updated, as only corridors that the participating agency has identified as having changed conditions, such as traffic patterns or geometrics, will be updated. SANBAG may not be the lead for all corridors, as some participating agencies may elect to be the lead for corridors within their jurisdictions. The updating will be completed as funds are available.

SANBAG shall issue Contract Task Orders on an on-call basis directing CONSULTANT to update coordinated timing plans.

The updated traffic signal timing and coordination timing plans shall reflect the requirements of the latest version of the California's Manual on Uniform Traffic Control Devices (2014 CA-MUTCD) and accommodate changes to traffic volumes and flow patterns along SBVCTSS corridors.

The following specific tasks are required to be performed in the course of providing service for the updated traffic signal coordination timing project.

1. Project Management
 - A. CONSULTANT shall be responsible for conducting monthly progress meetings and prepare agendas and minutes, provide monthly progress reports and updated project schedules.
 - B. CONSULTANT shall lead project kick-off meetings with SANBAG and the individual participating agencies to establish communication channels and protocols; discuss the scope of work, schedule, and budget; gather available information; obtain input and key local needs; and obtain a thorough understanding of the goals for the project. Specific topics to discuss include data

collection needs, and Traffic Signal Timing Optimization software programs.

- C. CONSULTANT shall conduct Project Development Team (PDT) meetings to obtain input and build stakeholder consensus; and conduct technical meetings with SANBAG's project manager to discuss technical approach towards addressing stakeholders' issues.
 - D. Deliverables:
 - 1. Conduct a Project Kick-off Meeting and prepare agenda and meeting materials.
 - 2. Provide monthly progress reports including status of the work effort and updated schedule.
 - 3. Conduct Project Development Team meetings and prepare and distribute meeting materials, including agenda, action items, graphics, presentation aides, and notes.
2. Review of Corridors and Intersections
- A. CONSULTANT shall analyze the listing of signalized intersections on the corridors and develop a plan and schedule for implementation of updated timing plans in the most logical and cost effective manner.
 - B. CONSULTANT shall verify all signalized intersections on corridors to be retimed are to be incorporated into the retiming plan, including new signalized intersections that were installed since the completion of the SBVCTSS.
 - C. Deliverables:
 - 1. Provide Schedule for signal timing update implementation by corridor with intersections identified
3. Data Collection – CONSULTANT shall collect and analyze existing conditions data to thoroughly understand existing traffic conditions. The data shall include, but not limited to, the following:
- A. From the participating agencies, CONSULTANT shall collect current traffic count data, existing timing sheets, existing coordination plans, and traffic signal as-built drawings. Resources for traffic volumes shall include but not be limited to SANBAG's Congestion Management Program (iPems) monitoring tool.
 - B. From the participating agencies, CONSULTANT shall collect signal timing preferences, including, but not limited to, those related to pedestrian and bicycle timing, leading and lagging left-turn phasing, engineering practices for yellow and "all red" times, conditional service and railroad pre-emption practices.
 - C. CONSULTANT will be responsible to coordinate with the participating entity to obtain communications access to traffic signal controllers.
 - D. CONSULTANT shall conduct weekday AM peak, mid-day, and PM peak period turning movement counts at study intersections, including pedestrian, bicycle counts, and trucks, and 24-hour machine counts at strategic locations to

determine periods of coordination. All counts utilized in the study shall be representative of the times and days for which coordination plans will be developed. Counts to be summarized in MS Excel format.

- E. CONSULTANT shall conduct a field review of new or modified study intersections and corridor segments to verify lane geometry, roadway grades, speed limits, storage lengths, signal phasing, distances between intersections and crosswalk lengths.
- F. CONSULTANT shall utilize travel time (iPems) data as provided by SANBAG for the Before Study. CONSULTANT may be directed to perform travel time and delay studies using the “floating car” method to substantiate iPems data.
- G. Deliverables:
 - 1. Existing data information.
 - 2. Summary Table with Before Study results including but not limited to:
 - Travel time
 - Travel speed during AM, Mid-day and PM peak hours
 - Fuel Consumption
 - Emissions (CO₂, CO, NOX, VOC)

4. Develop Traffic Signal Coordination Master Plan for each Area

SBVCTSS has been divided into five Areas. To maximize the operational efficiency within each Area and to provide consistency within the network, the CONSULTANT will develop Traffic Signal Coordination Master Plan that provides “high-level” signal operation parameters, such as the cycle length, that will be utilized in the traffic signal coordination plan for the individual corridors within the Area. The CONSULTANT shall obtain concurrence on the parameters from the participating agencies within the Area. Each Area may need to be further broken into sub-areas of common cycle lengths. Development of the Master Plan will include, but not be limited to the following:

- A. Coordinate with participating agencies of each Area to obtain their input towards dividing each Area into sub-areas with common cycle lengths. Considerations include existing cycle lengths and local travel characteristics that leads to a common cycle lengths in each of the three periods (AM peak, mid-day and PM peak).
- B. Using SYNCHRO software, CONSULTANT shall develop a traffic signal coordination model of the five Areas. Key inputs to be included:
 - 1. Existing geometry, including distance between intersections, number of lanes, turn prohibitions, turn pocket storage lengths, etc.
 - 2. Vehicular volumes, including truck volumes, for every movement at each intersection.
 - 3. Pedestrian volumes.
 - 4. Existing speed limits, or prevailing 85th percentile travel speeds
 - 5. Existing phasing and operational characteristics at each intersection

- C. CONSULTANT shall review and update signal timing parameters in accordance with the 2014 CA-MUTCD. The following parameters, at a minimum, shall be reviewed:
- Yellow change interval per MUTCD(CA)
 - Pedestrian clearance interval
 - Bicycle Minimum Greens
 - All-Red intervals
- D. Three periods shall be modeled; A.M. peak, Midday and P.M. peak. After the SYNCHRO model is calibrated, CONSULTANT shall optimize the signal coordination timing parameters by utilizing available software to analyze and adjust the time-space diagram to maximize the bandwidth.
- E. Deliverables:
1. Master Plan for each Area which includes the “high-level” signal operation parameters.
 2. Traffic models and data files for the Area.
5. Update Traffic Signal Coordination Timing for individual corridors that SANBAG is the lead agency.
- A. Using the parameters and SYNCHRO model developed in Section 5, CONSULTANT shall develop a set of optimized traffic signal coordination timing plans for individual corridors. Key inputs to be included:
1. The “high-level” signal operation parameters developed in Task 5.
 2. Existing geometry, including distance between intersections, number of lanes, turn prohibitions, turn pocket storage lengths, etc.
 3. Vehicular volumes, including truck volumes, for every movement at each intersection.
 4. Pedestrian volumes.
 5. Existing speed limits, or prevailing 85th percentile travel speeds
 6. Existing phasing and operational characteristics at each intersection
- B. CONSULTANT shall review and update signal timing parameters in accordance with 2014 CA-MUTCD. The following parameters, at a minimum, shall be reviewed:
- Yellow change interval per MUTCD(CA)
 - Pedestrian clearance interval
 - Bicycle Minimum Greens
 - All-Red intervals
- C. Up to three peak periods shall be modeled; A.M., Midday and P.M. peak. After the SYNCHRO model is calibrated, CONSULTANT shall optimize the signal coordination timing parameters and utilize modeling software to analyze and adjust the time-space diagram for each corridor or portion of a corridor. The CONSULTANT shall utilize professional judgment to analyze and adjust data

generated from the SYNCHRO and other modeling software to adjust the off-sets and splits, while taking into consideration the participating agencies' preferences. In consultation with the participating agencies, the CONSULTANT shall recommend the hours of day that each of the three periods (AM peak, Mid-day, and PM Peak) be implemented, .

- D. Deliverables:
1. Time space diagrams for the individual corridors
 2. Traffic signal timing plans for each intersection
 3. Traffic models and data files for the individual corridors
6. Implementation and fine tuning of Optimized Traffic Signal Timing for individual corridors that SANBAG is the lead agency.
- A. CONSULTANT shall implement, with oversight of the participating agencies' staff, optimized traffic signal timings. CONSULTANT shall observe the results of the timing implementation in the field and fine-tune the splits and offsets to ensure that the signals are operating efficiently with minimal delay and stops, as intended. CONSULTANT shall provide final timing sheets in each participating agency's format.
- B. Deliverables:
1. Two (2) sets of Final timing sheets with updated Traffic Signal and Coordinated Timing Plans.
7. After Study
- A. Upon completion of the signal timing implementation and fine-tuning, CONSULTANT shall perform "After Studies" to obtain data for verifying the "measures of effectiveness". The "After Studies" data shall be obtained as described in Section 4.G.
- B. Deliverables:
1. After Study report with Summary Table listing results including but not limited to:
 - Reduction in travel time
 - Improvement in travel speed during AM, Mid-day and PM peak periods
 - Reduction of mobile source emissions (CO₂, CO, NO_x, VOC)
 - Reduction of fuel costs
 - Benefit/Cost Analysis using the Cal B/C parameters
8. Traffic Signal Synchronization Report
- A report shall be prepared to summarize the project benefits of traffic signal synchronization retiming. Tables and charts shall be used to analyze the "measures of effectiveness" of the 'Before' and 'After' studies. These benefits shall be quantified and,

wherever possible, converted to monetary terms (using Cal B/C parameters) in order to arrive at an average annual monetary savings to the traveling public.

A. Deliverables:

1. Traffic Signal Synchronization Final Report

Semi-Annual Assessments

Local agencies are responsible for the on-going monitoring, maintenance and timing adjustments for traffic signal systems included as part of the SBVCTSS. In order to determine the SBVCTSS is properly maintained, CONSULTANT shall perform semi-annual assessments of the corridors. SANBAG shall issue Contract Task Orders on an on-call basis directing CONSULTANT to perform Semi-Annual Assessments.

Assessments shall be performed remotely whenever possible via remote connection to participating agency's Traffic Management Centers (TMC). CONSULTANT shall work with participating agency's Information Technology (IT) department or other staff as directed by participating agency to obtain remote "read-only" assess, whenever possible, to perform assessments. Preliminary findings shall be reviewed with the participating agencies when signals are found to be out of compliance to determine if minor corrective action can be implemented to bring signal/corridor into compliance prior to issuing Assessment Reports. Reports shall include tabled results by participating agency, listing by corridor signals, both compliant and non-compliant, with possible causes and recommended corrective actions to bring signals into compliance

A. Deliverables:

1. Semi-Annual Assessment Reports

On-call System Support

Given the variety of central signal systems, signal controllers and different communication systems utilized within the SBVCTSS, CONSULTANT must be familiar with various traffic signal management operating systems as well as traffic controller types, interface modems from wireless to hardwire, telephone drops, fiber optic, interconnect components, communication speed differences for different interconnect types and different controller types and how to actuate coordination for differing local controller programs and software versions.

SANBAG shall issue Contract Task Orders on an on-call basis directing CONSULTANT to investigate traffic signal related issues as reported by participating agencies to the SANBAG Project Manager. Consultant shall meet with the participating agency to fully understand the reported issue. Consultant shall perform observations and collect field data in sufficient quantity to identify existing deficiencies, existing system capabilities and operations. Using data collected, and with input from the participating agencies, Consultant shall determine causes and steps necessary for resolution, including cost to resolve the reported issue.

TRAINING

The Consultant shall train participating agency staff on an on-call basis under a Contract Task Order in the operation of the signal communication hardware to ensure that all appropriate staff

fully understands the basics of the software and hardware operations. Organized training sessions will be conducted to ensure that each agency is fully aware of how to best optimize utilization of their system to promote Valleywide system effectiveness.

COOPERATIVE AGREEMENT NO. 15-100xxxx**BETWEEN****SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY****AND****THE CITY OF _____****FOR****SAN BERNARDINO VALLEY COORDINATED TRAFFIC SIGNAL SYSTEM
Operation and Maintenance
(LOCAL AGENCY RETIMING)**

THIS Cooperative Agreement (hereinafter "AGREEMENT") is made and entered into by and between the San Bernardino County Transportation Authority (hereinafter referred to as "AUTHORITY") and the City of _____, (hereinafter "CITY"). CITY and AUTHORITY may be referred to herein as a "PARTY" and collectively "PARTIES".

I. RECITALS

- A. WHEREAS, on September 1, 1999, the AUTHORITY approved development of the San Bernardino Valley Coordinated Traffic Signal System (SBVCTSS) to be implemented over a 10-year period. AUTHORITY worked with CITY, California Department of Transportation ("Caltrans"), and other local agencies to implement a multijurisdictional plan for interconnecting and coordinating traffic signals in the San Bernardino Valley. The goal of the SBVCTSS is to decrease arterial travel times, congestion and pollution;
- B. WHEREAS, in 2002 starting with the SBVCTSS Master Plan, PARTIES, Caltrans and the other local agencies implemented signal coordination on major arterial corridors on a valley-wide scale in various phases designated as Tiers 1, 2, 3 and 4, and included over 1,250 signalized intersections controlled by fifteen (15) cities, the County of San Bernardino and Caltrans. Both the Tiers 1 and 2 phase (completed in 2008) and Tiers 3 and 4 phase (completed in 2012), at system "turn-on", showed significant improvements in arterial travel times and reductions in stops and delays;
- C. WHEREAS, in July 2011, the AUTHORITY entered into individual Memorandums of Understanding (MOU) with the CITY, and other local agencies, which define the roles and responsibilities for the continual operation and maintenance of the SBVCTSS; these MOUs are collectively known as AUTHORITY's MOU C11223;
- D. WHEREAS, the PARTIES desire that this Cooperative Agreement supersede MOU C11223;
- E. WHEREAS, the SBVCTSS is an intricate system requiring constant monitoring and maintenance to ensure maximum benefits;

- F. WHEREAS, to obtain maximum benefit of the systems, the PARTIES would like to enter into this Agreement to ensure the SBVCTSS continues to operate in an efficient manner, including maintaining traffic signal coordinated timing across jurisdictional boundaries, in a continual effort to reduce delays and improve travel times, mobility and air quality in the San Bernardino Valley;
- G. WHEREAS, to assist in obtaining the maximum benefit of the system, the PARTIES wish to work in partnership to maintain the system corridors listed in Table 1 attached hereto, by conducting a periodic assessment (hereinafter referred to as “Assessment Program”);
- H. WHEREAS, industry standards recommend timing to be updated every three to five years depending on changes in traffic volumes and patterns and roadway geometric improvements, and without updating the coordinated timing the benefits of SBVCTSS diminish;
- I. WHEREAS, to obtain the benefit of updated coordinated timing, the PARTIES propose updating and implementing revised timing plans for the SBVCTSS corridors listed in **Table 2** attached hereto, including Caltrans owned signals on these corridors (hereinafter referred to as “Timing Project”);
- J. WHEREAS the SBVCTSS may require unique support services not normally provided by CITY to address major SBVCTSS coordination issues (hereinafter referred to as “Support Services”);
- K. WHEREAS, PARTIES want to continue operation and maintenance of the SBVCTSS for another three (3) years with an option to extend two (2) more years to ensure the SBVCTSS continues to operate as planned in an efficient manner, with communication and cooperation among AUTHORITY and CITY, to maintain the benefits the system affords to the traveling public; and
- L. WHEREAS, this AGREEMENT does not transfer ownership nor does it transfer any legal responsibilities associated with ownership, operation and maintenance of the existing and future improvements from current owners unless specifically stated below.

NOW, THEREFORE, the PARTIES agree as follows:

II. **EFFECTIVE DATE/TERM**

THIS AGREEMENT shall be effective as of the date executed by AUTHORITY and shall terminate when the AUTHORITY’s annual reimbursement as described in Section III, Subsection C is complete or _____ whichever is earlier, unless earlier terminated in accordance with this Agreement or by mutual agreement. The indemnification and defense obligations and any other terms that contemplate obligations lasting beyond the termination date shall survive termination of this Agreement.

III. AUTHORITY RESPONSIBILITIES:

AUTHORITY agrees:

- A. To be the lead agency for the Assessment Program and Support Services, including the selection and retention of consultants, contractors, and coordination with the other local agencies for the Assessment Program and Support Services. Performance of services under these consultant and/or contractor contracts shall be subject to the technical direction of the AUTHORITY's Director of Project Delivery, or his designee, with input and consultation from CITY.
- B. In support of the TIMING PROJECT, to;
 - i. Reimburse the CITY for 50% of the funding for the CITY-incurred Timing Project costs up to a maximum cost of \$2,000 per signal. The Timing Project costs may include CITY management costs as described in Section IV.B. The total Timing Project costs shall not exceed \$XXX. The AUTHORITY's funding of the Timing Project will be limited to the extent of available funding.
- C. To administer the Assessment Program, to:
 - i. Provide a **\$500** annual reimbursement to the CITY for each CITY signal on the SBVCTSS corridors listed in **Table 1** found to be coordinated as described in Attachment A during AUTHORITY's semi-annual assessment. The AUTHORITY will provide the annual reimbursement for three years, with an option, at AUTHORITY's sole discretion, to extend the period by an additional two years, from the date AUTHORITY deems the corridor coordinated. For a corridor found not coordinated as described in Attachment A for two consecutive assessments, the CITY will not receive the annual reimbursement for the corridor and will not have the annual reimbursement reinstated until the corridor is found to be coordinated in a subsequent assessment.
 - ii. Perform and fund 100% of the semi-annual assessment as described by Attachment A.
- D. As the lead of the Support Services, to:
 - i. Provide and fund 100% of the cost for on-call Support Services to assist the CITY on a case-by-case basis to address major traffic signal coordination and related communication system issues on the SBVCTSS corridors listed in **Table 1** that cannot be resolved by the CITY. Support Services includes training, a maximum of once per year, for CITY staff in the use and maintenance of coordinated traffic signal system equipment and software. These extra Support Services will be considered upon written request from the CITY to AUTHORITY, and if granted at the discretion of the AUTHORITY, will not alleviate the CITY's responsibility for daily operations and maintenance of the signal timing equipment and communications.
- E. To designate a Project Manager to represent AUTHORITY through whom all communications with the CITY shall be channeled.

- F. To perform the services in accordance with State and Federal standards and practices as applicable.
- G. To assist in responding to public inquiries regarding the signal timing plans for the corridors.
- H. To be responsible for its own administrative and management cost for the Timing Project, Assessment Program and Support Services.

IV. **CITY'S RESPONSIBILITIES**

CITY agrees:

- A. To be the lead agency for the Timing Project, including the selection and retention of consultants, contractors, and coordination with other Local Agencies. Performance of services under these consultant and/or contractor contracts shall be subject to the technical direction of the CITY's City Engineer, or his designee, with input and consultation from AUTHORITY.
- B. Provide 50% of the Timing Project cost and 100% of cost that exceeds \$2,000 per signal from sources at the discretion of the CITY, such as Local Funds, Measure I Valley Major Street or Measure I Local Street. The Timing Project cost may include a CITY management cost not to exceed 10% of Signal System Consultant cost. The total CITY's contribution shall not exceed \$XXX. The CITY's funding of the Timing Project will be limited to the extent of available funding.
- C. As the lead of the Timing Project, to:
 - i. Provide AUTHORITY with a schedule to complete the Timing Project.
 - ii. Implement revised timing plans.
 - iii. Provide AUTHORITY with the signal coordinated timing plan, and the Before and After Study results.
- D. In support of the Assessment Program, to;
 - i. Provide read-only remote access to AUTHORITY's consultant to CITY's Central System to assess communication and coordination of SBVCTSS corridors.
 - ii. Provide, maintain and operate traffic signal communication equipment between traffic signals, the Traffic Management Center as well as remote access to CITY's Traffic Management Center.
 - iii. For a corridor found not coordinated as described in Attachment A for two consecutive assessments, the CITY acknowledges it will not receive the annual reimbursement for the corridor and will not have the annual reimbursement reinstated until the corridor is found to be coordinated in a subsequent assessment.
- E. In support of Support Services, to;

- i. Request in writing to AUTHORITY on-call support services to assist the CITY on a case-by-case basis to address major traffic signal coordination and related communication system issues on SBVCTSS corridors eligible for reimbursement as listed in Table 1 that cannot be resolved by the CITY. These extra services will be considered upon written request and justification from the City to AUTHORITY, and if granted at the discretion of the AUTHORITY, would not alleviate the CITY's responsibility for daily operations and maintenance of the signal timing equipment and communications.
- F. To maintain a common time source (either a GPS time clock, or other highly accurate time source) at the appropriate local controller system, field master traffic signal controller or centralized control center for its signals along SBVCTSS arterials identified in Table 1 and resynchronize the system clock time at 12:00 midnight each day.
 - G. If modifying existing signalized intersection or constructing new signalized intersection on a coordinated signal system corridor, CITY shall be responsible for providing traffic signal control equipment, traffic signal communications equipment and a signal timing plan that is compatible with such corridor.
 - H. To be responsible for funding for the on-going monitoring, maintenance and timing adjustments of SBVCTSS signals within CITY's jurisdiction.
 - I. To provide the AUTHORITY with updated timing plans when timing adjustments are made.
 - J. To designate a responsible staff member who will be CITY's representative in attending meetings, receiving communication, and reviewing the Timing Project and Assessment documents.
 - K. To be the lead on responding to public inquiries regarding the signal timing plans for the corridors within the CITY's jurisdiction.
- V. **MUTUAL RESPONSIBILITIES**
- A. To cooperate and coordinate with all PARTIES, adjacent Cities, Caltrans, County of San Bernardino and other jurisdictions, their staff, contractors, consultants and vendors in providing the services and responsibilities required under this AGREEMENT to the extent practicable with respect to the performance hereunder.
 - B. To work together in good faith, using reasonable efforts to resolve any issues, changes or disputes arising out of this AGREEMENT.
 - C. The Timing Project can be completed in total or in phases depending on the available funding from both PARTIES.
 - D. Neither CITY nor any officer, director, employee or agent thereof is responsible for any injury, damage or liability occurring or arising by reason of anything done or omitted to be done by AUTHORITY under or in connection with any work, authority or jurisdiction delegated to AUTHORITY under this AGREEMENT. It is understood and agreed that, pursuant to Government Code Section 895.4, AUTHORITY shall fully defend,

indemnify and save harmless CITY its officers, directors, employees or agents from all claims, suits or actions of every name, kind and description brought for or on account of injury (as defined by Government Code Section 810.8) occurring by reason of anything done or omitted to be done by AUTHORITY under or in connection with any work, authority or jurisdiction delegated to AUTHORITY under this AGREEMENT.

- E. Neither AUTHORITY nor any officer, director, employee or agent thereof is responsible for any injury, damage or liability occurring or arising by reason of anything done or omitted to be done by CITY under or in connection with any work, authority or jurisdiction delegated to CITY under this AGREEMENT. It is understood and agreed that, pursuant to Government Code Section 895.4, CITY shall fully defend, indemnify and save harmless AUTHORITY its affiliated entities, members officers, directors, employees or agents from all claims, suits or actions of every name, kind and description brought for or on account of injury (as defined by Government Code Section 810.8) occurring by reason of anything done or omitted to be done by CITY under or in connection with any work, authority or jurisdiction delegated to CITY under this AGREEMENT. "Its affiliated entities" as used herein shall mean the San Bernardino Associated Governments, the San Bernardino County Transportation Commission, the San Bernardino County Service Authority for Freeway Emergencies and the San Bernardino County Congestion Management Agency.
- F. CITY is a public entity with Professional Liability, General Liability and Automobile Liability policies of \$ 5,000,000 each and Workers' Compensation insurance coverage in the statutory limits, to protect against liabilities arising out of the performance of the terms, conditions or obligations of this AGREEMENT, or through self-insurance in accordance with applicable provisions of California law. CITY shall contractually require any contractor or consultant retained to perform Timing Project work to maintain sufficient insurance coverage and to name AUTHORITY as an additional insured under its Commercial General Liability and Automobile Liability Insurance Policies. If the CITY fails to maintain the required insurance coverage it shall be considered a breach of this AGREEMENT and the AUTHORITY reserves the right to terminate the AGREEMENT.
- G. AUTHORITY is a public entity with Professional Liability, General Liability and Automobile Liability policies of \$5,000,000 each and Workers' Compensation insurance coverage in the statutory limits, to protect against liabilities arising out of the performance of the terms, conditions or obligations of this AGREEMENT. AUTHORITY shall contractually require any contractor or consultant retained to perform Assessments or Support Services to maintain sufficient insurance coverage and to name CITY as an additional insured under its Commercial General Liability and Automobile Liability Insurance Policies. If the AUTHORITY fails to maintain the required insurance coverage it shall be considered a breach of this AGREEMENT and the CITY reserves the right to terminate the AGREEMENT.
- H. All PARTIES hereto warrant that they are duly authorized to execute this AGREEMENT on behalf of said PARTIES and that, by so executing this AGREEMENT, the PARTIES hereto are formally bound to this AGREEMENT.

- I. Except on subjects preempted by Federal law, this AGREEMENT shall be governed and construed in accordance with the laws of the State of California. All PARTIES agree to follow all local, state, county and federal laws and ordinances with respect to performance under this AGREEMENT.
- J. The PARTIES agree that each PARTY and any authorized representative, designated in writing to the PARTIES, and upon reasonable notice, shall have the right during normal business hours to examine all PARTIES' financial books and records with respect to this AGREEMENT. The PARTIES agree to retain their books and records for a period of five (5) years from the later of; (a) the date on which this AGREEMENT terminates; or (b) the date on which such book or record was created.
- K. If any clause or provision of this AGREEMENT is found by a court of competent jurisdiction to be illegal, invalid or unenforceable under applicable present or future laws, then it is the intention of the PARTIES that the remainder of this AGREEMENT shall not be affected but shall remain in full force and effect.
- L. This AGREEMENT can be amended with a written amendment when agreed upon and duly authorized to be executed by all PARTIES. Facsimile signatures will be permitted.
- M. In the event of litigation arising from this AGREEMENT, each PARTY to this AGREEMENT shall bear its own costs, including attorney(s) fees. This paragraph shall not apply to the costs or attorney(s) fees relative to paragraphs D and E of this Section.
- N. This AGREEMENT may be signed in counterparts, each of which shall constitute an original.
- O. Any notice required or authorized to be given hereunder or any other communications between the PARTIES provided for under the terms of this AGREEMENT shall be in writing, unless otherwise provided for herein, and shall be served personally, by reputable courier; by postage-paid and certified United States Mail (return receipt requested) or by facsimile addressed to the relevant party at the address/fax number stated below.
- P. Notice given under or regarding this AGREEMENT shall be deemed given (a) upon actual delivery, if delivery is personally made or by fax or private courier; or (b) upon deposit into the United States Mail, postage paid and certified (return receipt requested), if properly addressed. Notice shall be sent to the respective Party at the address indicated below or to any other address as a Party may designate from time to time by a notice given in accordance with this paragraph.

- a. If to CITY
 City of _____

 _____, CA _____
 Attention: _____
 Title: _____

- b. If to AUTHORITY:
 San Bernardino County Transportation Authority

Attachment: Coop - Retiming by Local Agencies [Revision 1] (3026 : SBVCTSS Signal Retiming RFP and Coop's)

1170 West 3rd Street, 2nd Floor
San Bernardino, CA 92410
Attention: Garry Cohoe
Director of Project Delivery

- Q. The Recitals stated above are true and correct and are incorporated by this reference into the AGREEMENT.
- R. Tables 1 and 2 and Attachment A are attached to and incorporated into this AGREEMENT.

SIGNATURES ON THE FOLLOWING PAGE:

**SIGNATURE PAGE TO
COOPERATIVE AGREEMENT NO. 15-100xxxx
BETWEEN
SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
AND
THE CITY OF _____**

**SAN BERNARDINO COUNTY
TRANSPORTATION AUTHORITY**

CITY OF _____

By: _____
Raymond W. Wolfe
Executive Director

By: _____

Date: _____

Date: _____

APPROVED AS TO FORM:

APPROVED AS TO FORM:

By: _____
Eileen Monaghan Teichert
General Counsel

By: _____
City Attorney

Attachment: Coop - Retiming by Local Agencies [Revision 1] (3026 : SBVCTSS Signal Retiming RFP and Coop's)

TABLE 1

Corridors Eligible for Reimbursement			
No.	Arterial Street	Limits	Number of Signals
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
Total Number of Signals			

Attachment: Coop - Retiming by Local Agencies [Revision 1] (3026 : SBVCTSS Signal Retiming RFP and Coop's)

Note: Traffic signals added to an “Arterial Street” within the “Limits” as described by Table 1 after the execution of this Agreement may be added to Table 1 without an amendment.

Table 2

Corridors Receiving Timing Plan Update			
No.	Arterial Street	Limits	Number of Signals
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
Total Number of Signals			

Note: Traffic signals added to an “Arterial Street” within the “Limits” as described by Table 2 after the execution of this Agreement may be added to Table 2 without an amendment.

Attachment: Coop - Retiming by Local Agencies [Revision 1] (3026 : SBVCTSS Signal Retiming RFP and Coop's)

Attachment A Semi-Annual Assessment Criteria

A corridor is deemed to be coordinated and in compliance to receive the annual reimbursement per signal if the following criteria are met:

- A. Traffic signal communication equipment between traffic signals and the Traffic Management Center, if operational at the completion of SBVCTSS Tiers 1 thru 4, and remote access to CITY's Traffic Management Center are functional.
- B. The traffic signal coordination plan is implemented; the coordination plan cycle length and the timing offset between signals are per the traffic signal coordination plan.

The following issues will be taken into consideration when determining compliance:

- A. Communication failures caused by a third party, such as the communication provider.
- B. When an isolated traffic signal(s) on a corridor is brought in compliance in the following semi-annual assessment, while a different isolated traffic signal(s) is found to be out of compliance in the same semi-annual assessment.

COOPERATIVE AGREEMENT NO. 15-100xxxx**BETWEEN****SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY****AND****THE CITY OF _____****FOR****SAN BERNARDINO VALLEY COORDINATED TRAFFIC SIGNAL SYSTEM
Operation and Maintenance
(AUTHORITY RETIMING)**

THIS Cooperative Agreement (hereinafter "AGREEMENT") is made and entered into by and between the San Bernardino County Transportation Authority (hereinafter referred to as "AUTHORITY") and the City of _____, (hereinafter "CITY"). CITY and AUTHORITY may be referred to herein as a "PARTY" and collectively "PARTIES".

I. RECITALS

- A. WHEREAS, on September 1, 1999, the AUTHORITY approved development of the San Bernardino Valley Coordinated Traffic Signal System (SBVCTSS) to be implemented over a 10-year period. AUTHORITY worked with CITY, California Department of Transportation ("Caltrans"), and other local agencies to implement a multijurisdictional plan for interconnecting and coordinating traffic signals in the San Bernardino Valley. The goal of the SBVCTSS is to decrease arterial travel times, congestion and pollution;
- B. WHEREAS, in 2002 starting with the SBVCTSS Master Plan, PARTIES, Caltrans and the other local agencies implemented signal coordination on major arterial corridors on a valley-wide scale in various phases designated as Tiers 1, 2, 3 and 4, and included over 1,250 signalized intersections controlled by fifteen (15) cities, the County of San Bernardino and Caltrans. Both the Tiers 1 and 2 phase (completed in 2008) and Tiers 3 and 4 phase (completed in 2012), at system "turn-on", showed significant improvements in arterial travel times and reductions in stops and delays;
- C. WHEREAS, in July 2011 the AUTHORITY entered into individual Memorandums of Understanding (MOU) with the CITY, and other local agencies, which define the roles and responsibilities for the continual operation and maintenance of the SBVCTSS; these MOUs are collectively known as AUTHORITY's MOU C11223;
- D. WHEREAS, the PARTIES desire that this Cooperative Agreement supersede MOU C11223;
- E. WHEREAS the SBVCTSS is an intricate system requiring constant monitoring and maintenance to ensure maximum benefits;

- F. WHEREAS, to obtain maximum benefit of the systems, the PARTIES would like to enter into this Agreement to ensure the SBVCTSS continues to operate in an efficient manner, including maintaining traffic signal coordinated timing across jurisdictional boundaries, in a continual effort to reduce delays and improve travel times, mobility and air quality in the San Bernardino Valley;
- G. WHEREAS, to assist in obtaining the maximum benefit of the system, the PARTIES wish to work in partnership to maintain the system corridors listed in Table 1 attached hereto, by conducting a periodic assessment (hereinafter referred to as “Assessment Program”);
- H. WHEREAS, industry standards recommend timing to be updated every three to five years depending on changes in traffic volumes and patterns and roadway geometric improvements, and without updating the coordinated timing the benefits of SBVCTSS diminish;
- I. WHEREAS, to obtain the benefit of updated coordinated timing, the PARTIES propose updating and implementing revised timing plans for the SBVCTSS corridors listed in **Table 2** attached hereto, including Caltrans owned signals on these corridors (hereinafter referred to as “Timing Project”);
- J. WHEREAS the SBVCTSS may require unique support services not normally provided by CITY to address major SBVCTSS coordination issues (hereinafter referred to as “Support Services”);
- K. WHEREAS, PARTIES want to continue operation and maintenance of the SBVCTSS for another three (3) years with an option to extend two (2) more to ensure the SBVCTSS continues to operate as planned in an efficient manner, with communication and cooperation among AUTHORITY and CITY, to maintain the benefits the system affords to the traveling public; and
- L. WHEREAS, this AGREEMENT does not transfer ownership nor does it transfer any legal responsibilities associated with ownership, operation and maintenance of the existing and future improvements from current owners unless specifically stated below.

NOW, THEREFORE, the PARTIES agree as follows:

II. **EFFECTIVE DATE/TERM**

THIS AGREEMENT shall be effective as of the date executed by AUTHORITY and shall terminate when the AUTHORITY’s annual reimbursement as described in Section III, Subsection C is complete or _____ whichever is earlier, unless earlier terminated in accordance with this Agreement or by mutual agreement. The indemnification and defense obligations and any other terms that contemplate obligations lasting beyond the termination date shall survive termination of this Agreement.

III. **AUTHORITY RESPONSIBILITIES:**

AUTHORITY agrees:

- A. To be the lead agency for the Timing Project, Assessment Program and Support Services, including the selection and retention of consultants, contractors, and coordination with other Local Agencies. Performance of services under these consultant and/or contractor contracts shall be subject to the technical direction of the AUTHORITY's Director of Project Delivery, or his designee, with input and consultation from CITY.
- B. As the lead of the Timing Project, to:
- i. Develop revised timing plans for the corridors listed in Table 2.
 - ii. Implement revised timing plans under the oversight of the CITY.
 - iii. Provide the CITY with a schedule to complete the Timing Project.
 - iv. Seek grants such as Mobile Source Air Pollution Reduction Review Committee (MSRC) grants to fund AUTHORITY's 50% of the Timing Project costs as described by Attachment A. The AUTHORITY's funding of the Timing Project will be limited to the extent of available grant funding.
 - v. Develop a SBVCTSS network corridor priority list for San Bernardino Valley sub-areas, taking into consideration Local Agency boundaries, established on travel delay data from the AUTHORITY's iPeMS monitoring tool.
- C. To administer the Assessment Program, to:
- i. Provide a **\$500** annual reimbursement to the CITY for each CITY signal on the SBVCTSS corridors listed in **Table 1** found to be coordinated as described in Attachment A during AUTHORITY's semi-annual assessment. The AUTHORITY will provide the annual reimbursement for three years, with an option, at AUTHORITY's sole discretion, to extend the period by an additional two years, from the date AUTHORITY deems the corridor coordinated. For a corridor found not coordinated as described in Attachment A for two consecutive assessments, the CITY will not receive the annual reimbursement for the corridor and will not have the annual reimbursement reinstated until the corridor is found to be coordinated in a subsequent assessment.
 - ii. Perform and fund 100% of the semi-annual assessment as described by Attachment A.
- D. As the lead of the Support Services, to:
- i. Provide and fund 100% of the cost for on-call Support Services to assist the CITY on a case-by-case basis to address major traffic signal coordination and related communication system issues on the SBVCTSS corridors listed in **Table 1** that cannot be resolved by the CITY. Support Services include training, a maximum of once per year, for CITY staff in the use and maintenance of coordinated traffic signal system equipment and software. These extra Support Services will be considered upon written request from the CITY to AUTHORITY, and if granted at the discretion of the AUTHORITY, will not alleviate the CITY's responsibility for

daily operations and maintenance of the signal timing equipment and communications.

- E. To designate a Project Manager to represent AUTHORITY through whom all communications with the CITY shall be channeled.
- F. To perform the services in accordance with State and Federal standards and practices as applicable.
- G. Assist in responding to public inquiries regarding the signal timing plans for the corridors.
- H. To be responsible for its own administrative and management cost for the Timing Project, Assessment Program and Support Services.

IV. **CITY'S RESPONSIBILITIES**

CITY agrees:

- A. In support of the Timing Project, to;
 - i. Provide timely reviews of Timing Project submittals at no cost to the AUTHORITY.
 - ii. To review and approve revised traffic signal timing plans developed by AUTHORITY for those SBVCTSS coordinated arterials identified in Table 2.
 - iii. Provide oversight of the implementation of the approved traffic signal timing plans by the AUTHORITY as deemed necessary by the CITY.
 - iv. Provide 50% of the Timing Project cost from sources at the discretion of the CITY, such as Local Funds, Measure I Valley Major Street or Measure I Local Street. The CITY's funding of the Timing Project will be limited to the extent of available funding.
 - v. Be the lead on responding to public inquiries regarding the signal timing plans for the corridors within the CITY's jurisdiction.
- B. Assessment Program, to;
 - i. Provide, maintain and operate traffic signal communication equipment between traffic signals, the Traffic Management Center as well as remote access to CITY's Traffic Management Center.
 - ii. Maintain the traffic signal coordination plan for each SBVCTSS corridor.
 - iii. For a corridor found not coordinated as described in Attachment A for two consecutive assessments, the CITY acknowledges it will not receive the annual reimbursement for the corridor and will not have the annual reimbursement reinstated until the corridor is found to be coordinated in a subsequent assessment.
- C. In support of Support Services, to;

- i. Request in writing to AUTHORITY on-call support services to assist the CITY on a case-by-case basis to address major traffic signal coordination and related communication system issues on SBVCTSS corridors eligible for reimbursement as listed in **Table 1** that cannot be resolved by the CITY. These extra services will be considered upon written request and justification from the City to AUTHORITY, and if granted at the discretion of the AUTHORITY, would not alleviate the CITY's responsibility for daily operations and maintenance of the signal timing equipment and communications.
- D. To provide encroachment, traffic control, or other permits at no cost authorizing entry of AUTHORITY and its consultants and contractors onto CITY right of way to perform activities outlined in Part III Authority Responsibilities of this Agreement.
- E. To be responsible for its own administrative and management cost for the Timing Project, Assessment Program and Support Services.
- F. To provide at no cost, existing as-built plans and CITY's standard plans and specifications.
- G. To maintain a common time source (either a GPS time clock, or other highly accurate time source) at the appropriate local controller system, field master traffic signal controller or centralized control center for its signals along SBVCTSS arterials identified in **Table 1** and shall resynchronize the system clock time at 12:00 midnight each day.
- H. If modifying existing signalized intersection or constructing new signalized intersection on a coordinated signal system corridor, CITY shall be responsible for providing traffic signal control equipment, traffic signal communications equipment and a signal timing plan that is compatible with such corridor.
- I. To be responsible for funding for the on-going monitoring, maintenance and timing adjustments of SBVCTSS signals within CITY's jurisdiction.
- J. To designate a responsible staff member who will be CITY's representative in attending meetings, receiving communication and reviewing the Timing Project and Assessment documents.
- K. To provide read-only remote access to AUTHORITY's consultant to CITY's Central System to assess communication and coordination of SBVCTSS corridors identified in **Table 1**.

V. MUTUAL RESPONSIBILITIES

- A. To cooperate and coordinate with all PARTIES, adjacent Cities, Caltrans, County of San Bernardino and other jurisdictions, their staff, contractors, consultants and vendors in providing the services and responsibilities required under this AGREEMENT to the extent practicable with respect to the performance hereunder.
- B. To work together in good faith, using reasonable efforts to resolve any issues, changes or disputes arising out of this AGREEMENT.

- C. The Timing Project can be completed in total or in phases depending on the available funding from both PARTIES.
- D. Neither CITY nor any officer, director, employee or agent thereof is responsible for any injury, damage or liability occurring or arising by reason of anything done or omitted to be done by AUTHORITY under or in connection with any work, authority or jurisdiction delegated to AUTHORITY under this AGREEMENT. It is understood and agreed that, pursuant to Government Code Section 895.4, AUTHORITY shall fully defend, indemnify and save harmless CITY its officers, directors, employees or agents from all claims, suits or actions of every name, kind and description brought for or on account of injury (as defined by Government Code Section 810.8) occurring by reason of anything done or omitted to be done by AUTHORITY under or in connection with any work, authority or jurisdiction delegated to AUTHORITY under this AGREEMENT.
- E. Neither AUTHORITY nor any officer, director, employee or agent thereof is responsible for any injury, damage or liability occurring or arising by reason of anything done or omitted to be done by CITY under or in connection with any work, authority or jurisdiction delegated to CITY under this AGREEMENT. It is understood and agreed that, pursuant to Government Code Section 895.4, CITY shall fully defend, indemnify and save harmless AUTHORITY its affiliated entities, members officers, directors, employees or agents from all claims, suits or actions of every name, kind and description brought for or on account of injury (as defined by Government Code Section 810.8) occurring by reason of anything done or omitted to be done by CITY under or in connection with any work, authority or jurisdiction delegated to CITY under this AGREEMENT. "Its affiliated entities" as used herein shall mean the San Bernardino Associated Governments, the San Bernardino County Transportation Commission, the San Bernardino County Service Authority for Freeway Emergencies and the San Bernardino County Congestion Management Agency.
- F. CITY is a public entity with Professional Liability, General Liability and Automobile Liability policies of \$5,000,000 each and Workers' Compensation insurance coverage in the statutory limits, to protect against liabilities arising out of the performance of the terms, conditions or obligations of this AGREEMENT, or through self-insurance in accordance with applicable provisions of California law. If the CITY fails to maintain the required insurance coverage it shall be considered a breach of this AGREEMENT and the AUTHORITY reserves the right to terminate the AGREEMENT.
- G. AUTHORITY is a public entity with Professional Liability, General Liability and Automobile Liability policies of \$5,000,000 each and Workers' Compensation insurance coverage in the statutory limits, to protect against liabilities arising out of the performance of the terms, conditions or obligations of this AGREEMENT. AUTHORITY shall contractually require any contractor or consultant retained to perform Timing Project work, Assessments or Support Services to maintain sufficient insurance coverage and to name CITY as an additional insured under its Commercial General Liability and Automobile Liability Insurance Policies. If the AUTHORITY fails to maintain the required insurance coverage it shall be considered a breach of this AGREEMENT and the CITY reserves the right to terminate the AGREEMENT.

- H. All PARTIES hereto warrant that they are duly authorized to execute this AGREEMENT on behalf of said PARTIES and that, by so executing this AGREEMENT, the PARTIES hereto are formally bound to this AGREEMENT.
- I. Except on subjects preempted by Federal law, this AGREEMENT shall be governed and construed in accordance with the laws of the State of California. All PARTIES agree to follow all local, state, county and federal laws and ordinances with respect to performance under this AGREEMENT.
- J. The PARTIES agree that each PARTY and any authorized representative, designated in writing to the PARTIES, and upon reasonable notice, shall have the right during normal business hours to examine all PARTIES' financial books and records with respect to this AGREEMENT. The PARTIES agree to retain their books and records for a period of five (5) years from the later of; (a) the date on which this AGREEMENT terminates; or (b) the date on which such book or record was created.
- K. If any clause or provision of this AGREEMENT is found by a court of competent jurisdiction to be illegal, invalid or unenforceable under applicable present or future laws, then it is the intention of the PARTIES that the remainder of this AGREEMENT shall not be affected but shall remain in full force and effect.
- L. This AGREEMENT can be amended with a written amendment when agreed upon and duly authorized to be executed by all PARTIES. Facsimile signatures will be permitted.
- M. In the event of litigation arising from this AGREEMENT, each PARTY to this AGREEMENT shall bear its own costs, including attorney(s) fees. This paragraph shall not apply to the costs or attorney(s) fees relative to paragraphs C and D of this Section.
- N. This AGREEMENT may be signed in counterparts, each of which shall constitute an original.
- O. Any notice required or authorized to be given hereunder or any other communications between the PARTIES provided for under the terms of this AGREEMENT shall be in writing, unless otherwise provided for herein, and shall be served personally, by reputable courier; by postage-paid and certified United States Mail (return receipt requested) or by facsimile addressed to the relevant party at the address/fax number stated below.
- P. Notice given under or regarding this AGREEMENT shall be deemed given (a) upon actual delivery, if delivery is personally made or by fax or private courier; or (b) upon deposit into the United States Mail, postage paid and certified (return receipt requested), if properly addressed. Notice shall be sent to the respective Party at the address indicated below or to any other address as a Party may designate from time to time by a notice given in accordance with this paragraph.

a. If to CITY
 City of _____

 _____, CA _____
 Attention: _____

Attachment: Coop - Retiming by SANBAG (3026 : SBVCTSS Signal Retiming RFP and Coop's)

Title: _____

- b. If to AUTHORITY:
 San Bernardino County Transportation Authority
 1170 West 3rd Street, 2nd Floor
 San Bernardino, CA 92410
 Attention: Garry Cohoe
 Director of Project Delivery
- Q. The Recitals stated above are true and correct and are incorporated by this reference into the AGREEMENT.
- R. Tables 1 and 2, and Attachment A are attached to and incorporated into this AGREEMENT.

SIGNATURES ON THE FOLLOWING PAGE:

Attachment: Coop - Retiming by SANBAG (3026 : SBVCTSS Signal Retiming RFP and Coop's)

**SIGNATURE PAGE TO
COOPERATIVE AGREEMENT NO. 15-100xxxx
BETWEEN
SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
AND
THE CITY OF _____**

**SAN BERNARDINO COUNTY
TRANSPORTATION AUTHORITY**

CITY OF _____

By: _____
Raymond W. Wolfe
Executive Director

By: _____

Date: _____

Date: _____

APPROVED AS TO FORM:

APPROVED AS TO FORM:

By: _____
Eileen Monaghan Teichert
General Counsel

By: _____
City Attorney

Attachment: Coop - Retiming by SANBAG (3026 : SBVCTSS Signal Retiming RFP and Coop's)

TABLE 1

Corridors Eligible for Reimbursement				
No.	Arterial Street	Limits		Number of Signals
		From	To	
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
Total Number of Signals				

Note: Traffic signals added to an “Arterial Street” within the “Limits” as described by Table 1 after the execution of this Agreement may be added to Table 1 without an amendment.

Table 2 Corridors Receiving Timing Plan Update				
No.	Arterial Street	Limits		Number of Signals
		From	To	
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
Total Number of Signals				

Note: Traffic signals added to an “Arterial Street” within the “Limits” as described by Table 2 after the execution of this agreement may be added to Table 2 without an amendment.

Attachment: Coop - Retiming by SANBAG (3026 : SBVCTSS Signal Retiming RFP and Coop's)

Attachment A Semi-Annual Assessment Criteria

A corridor is deemed to be coordinated and in compliance to receive the annual reimbursement per signal if the following criteria are met:

- A. Traffic signal communication equipment between traffic signals and the Traffic Management Center, if operational at the completion of SBVCTSS Tiers 1 thru 4, and remote access to CITY's Traffic Management Center are functional.
- B. The traffic signal coordination plan is implemented; the coordination plan cycle length and the timing offset between signals are per the traffic signal coordination plan.

The following issues will be taken into consideration when determining compliance:

- A. Communication failures caused by a third party, such as the communication provider.
- B. When an isolated traffic signal(s) on a corridor is brought in compliance in the following semi-annual assessment, while a different isolated traffic signal(s) is found to be out of compliance in the same semi-annual assessment.

Minute Action

AGENDA ITEM: 16

Date: *September 7, 2016*

Subject:

RFP for On Call Right of Way Advisor Services

Recommendation:

That the Board, acting in its capacity as the San Bernardino County Transportation Authority:

Approve the release of Request for Proposals (RFP) No. 16-1001545 for On-Call Right-of-Way Advisor Services for various projects of the Measure I Major Projects Program.

Background:

Since December 2002, SANBAG has utilized an on-call right-of-way advisor under contract to assist in the successful completion of the right-of-way certification milestone on various Measure I projects most notably, the State Route (SR) 210 Corridor and Interstate 215 (I-215) North Corridor Projects. Because SANBAG does not have an in-house right-of-way manager it has relied heavily on the advisor's extensive knowledge and experience to assist in the evaluation of various right-of-way options. All aspects of the right-of-way process have been managed and monitored to protect SANBAG's interests. In the near future the current contract is set to expire. In preparation for the upcoming work load, staff has developed the RFP and Scope of Services for future Right-of-Way Advisor needs. If the Board approves the release of this RFP then staff anticipates that this contract could be awarded by the February 2017 Board of Directors meeting.

Upcoming and on-going right-of-way needs for SANBAG include the following projects (in no particular order): SR-60/Archibald Interchange, SR-60/Central Interchange, I-215/Barton Road Interchange, US 395 Phase 1 Widening, I-10/University Avenue Interchange, I-10/Alabama Street Interchange, I-10 Corridor Improvements, and other future projects. In addition, Right-of-Way close out is needed for the following projects: I-15/I-215 Devore Interchange Improvements, Bi-County HOV Gap Closure Project (I-215 Widening), I-10/Tippecanoe Interchange, Palm Avenue Grade Separation, Laurel Grade Separation, SR-210/Pepper Interchange, Hunts Lane Grade Separation, and the I-215 North Corridor. Due to the large number of projects with ongoing Right-of-Way activities, staff is anticipating that up to two On-Call Right-of-Way Advisor Services contracts may be awarded from this RFP. Besides the work load staff is considering multiple advisors in order to avoid any conflict in right-of-way project oversight.

While the work load is increasing in Right-of-Way, the assignments are varied. To sufficiently fill the project needs, staff recommends that these contracts are issued on an on-call basis. The work expected from the on call right-of-way advisors is detailed in the attached scope of services and includes, in part, advising the project development teams of the options for right-of-way certification delivery, recommending optimal approaches for delivery, reviewing schedules and monitoring progress, advising on and monitoring the overall acquisition process,

Entity: CTA

Board of Directors Agenda Item

September 7, 2016

Page 2

and participating in the condemnation process. For condemnation, work includes attending settlement conferences, legal status meetings, interviewing expert witnesses, review of settlement requests and meeting with designers and property owners. For further details please reference the attached Scope of Services.

In an effort to continue cost effective and successful delivery of the Measure I Program, staff recommends approval of this recommendation to release this RFP for On-Call Right-of-Way Advisor Services.

Financial Impact:

This item has no impact on the current approved fiscal year budget.

Reviewed By:

This item was reviewed and recommended for approval (19-0-0) with a quorum of the Board present at the Board of Directors Metro Valley Study Session on August 11, 2016. SANBAG General Counsel and Procurement Manager have reviewed this item and a draft of the RFP.

Responsible Staff:

Garry Cohoe, Director of Project Delivery

Approved
Board of Directors
Date: September 7, 2016

Witnessed By:

Scope of Services

SANBAG, acting as the San Bernardino County Transportation Authority (SANBAG) requests Right-Of-Way Advisor Services as set forth herein.

The Right of Way Advisor services are to be provided to SANBAG concerning the right-of-way certification and post-certification activities on an as-needed basis and may include any or all of the following:

1. Serve as SANBAG'S liaison to State of California Department of Transportation (Caltrans), County of San Bernardino Real Estate Services Division, and/or Local Agencies for the delivery of the right of way phase on projects.
2. Act as SANBAG's Right-Of-Way Advisor for projects within SANBAG's Major Projects Program.
3. Provide overview (and general advice) of property acquisition procedure and practice and ensure compliance with the federal and state regulations.
4. Review project specific schedules and solutions toward achieving Right of Way Certification, completing post-certification activities, and monitoring right of way delivery.
5. Upon request, attend and participate in Project Delivery Team (PDT) meetings, Design & Right of Way Status meetings, Focus meetings, Stakeholder meetings, SANBAG Committee and Board meetings, and other meetings as necessary.
6. Meet with SANBAG, Caltrans, real estate appraisers, business valuation appraisers, machinery and equipment appraisers, property owners, attorneys, engineers and surveyors, real estate brokers, acquisition agents, and City and County staff to develop solutions to right of way related issues.
7. Advise as to the hiring of expert real estate appraisers, business valuation and goodwill appraisers, machinery and equipment appraisers, engineers, environmental studies and others as needed. Serve as the project manager for these specialty contracts.
8. Review right of way maps, descriptions, deeds and easements, design plans, title reports, contracts, schedules, project reports, cooperative agreements, environmental studies, administrative settlements, judgments, orders for possession, final orders of condemnation and other right of way related documents.

9. Review appraisals and offers to be made to property owners and assist right-of-way consultant with property negotiations, as requested.
10. Review all purchase and sale documents, possession and use documents and right-of-entry documents required for acquisition of property.
11. Provide overview (and general advice) of Eminent Domain procedure and ensure compliance with federal and state regulations.
12. Advise on Resolutions of Necessity and supporting documents required for the Resolution(s).
13. Review presentation materials to SANBAG's Board for all hearings on Resolutions of Necessity.
14. Review SANBAG Board items that are requesting approval of appraisals and authorize purchase of property.
15. Advise on complaint and necessary documents needed to obtain prejudgment possession.
16. Attend mediation hearings and trials for any portion of the right-of-way acquisition process that occurs within the court system, including but not limited to right-to-take challenges, stipulated orders for possession/judgment, and valuation.
17. Such other Right-of-Way matters as may be assigned.

Minute Action

AGENDA ITEM: 17

Date: *September 7, 2016*

Subject:

Caltrans Cooperative Agreement and Award for Preliminary Engineering Services for the Interstate 215 (I-215) /University Parkway Interchange Project

Recommendation:

That the Board, acting in its capacity as the San Bernardino County Transportation Commission:

A. Approve Cooperative Agreement No. 16-1001479 with Caltrans for the Project Approval and Environmental Document (PA/ED), Plans, Specifications, and Estimates (PS&E), and Right of Way (ROW) phases of the I-215 University Parkway Interchange Project which designates SANBAG as the implementing and funding agency for the project and designates SANBAG as the agency acquiring ROW and exercising Eminent Domain.

That the Board, acting in its capacity as the San Bernardino County Transportation Authority:

B. Approve award of Contract No. 16-1001359 with HDR, Inc. for Environmental and Design services for the I-215 University Parkway Interchange Project in an amount not-to-exceed \$1,500,932.

C. Authorize the Executive Director or designee to execute Contract No. 16-1001359 subject to federal authorization for use of federal funding and after receipt of the Caltrans Conformance Letter and correction of any deficiencies noted therein, as required by the Caltrans Local Assistance Procedures Manual.

D. Approve a 15% contingency amount for Contract No. 16-1001359 of \$225,140 and authorize the Executive Director or designee to release contingency as necessary for the project.

E. Approve purchase order to HDR, Inc. for an amount not-to-exceed \$82,500 for early design services prior to execution of Contract No. 16-1001359.

F. Authorize the Executive Director or designee to execute Amendment No. 1 to Cooperative Agreement No. 16-1001335 with the City of San Bernardino, subsequent to General Counsel approval as to form, to update the program cost in the funding table and to allow the City to deposit its share directly to SANBAG.

Background:

Recommendation A: In November 2015, the Board approved Memorandum of Understanding (MOU) No. 15-1001217 and Cooperative Agreement No. 16-1001335 with the City of San Bernardino for the I-215 University Parkway Interchange Project. Under both agreements, SANBAG will lead the PA/ED, the PS&E, and ROW phases of project development. SANBAG will fund 84.2% of project costs and 15.8% will be funded with City Development Impact Fees (DIF) after buy down with federal funds. The City is currently the lead agency for the Project

Entity: CTA, CTC

Initiation Document (PID) phase. The Project Study Report-Project Development Study (PSR-PDS) report is anticipated for approval by Caltrans in August 2016.

Cooperative Agreement No. 16-1001479 with Caltrans for the PA/ED, PS&E, and ROW phases is a standard agreement between SANBAG and Caltrans which defines the roles and responsibilities and funding between the parties. Under this agreement SANBAG will be the implementing agency for the above referenced project development phases while Caltrans will be providing no-cost oversight. With the PID phase essentially completed, SANBAG is recommending approval of this agreement with Caltrans in order to proceed with preliminary design and environmental studies. The agreement also specifies that project funding will be fully a Local Agency responsibility. Cooperative Agreement No. 16-1001479 is consistent with the cooperative agreement between SANBAG and the City of San Bernardino.

The agreement specifically identifies SANBAG as the responsible party for acquiring property in SANBAG's name, exercising Eminent Domain, and conveying property to Caltrans at the completion of the project. While Eminent Domain is traditionally exercised by Caltrans and Resolutions of Necessity (RON) heard by the California Transportation Commission (CTC) on SANBAG projects located on the State Highway System, SANBAG has recently been assuming the responsibility due to risk of substantial project delays related to impacts by the California High Speed Rail projects on the CTC's RON schedule.

Recommendations B, C, D, and E: In November 2015, Staff also requested authority from the Board to begin the procurement process for design and environmental services for the Project. Staff proposed starting the procurement process early in order to be able to start the PA/ED phase as soon as the PID phase is completed. On January 21, 2016, staff released Request for Proposals (RFP) No. 16-1001359. On February 25, 2016, two proposals were received, one from HDR, Inc. (HDR) and the other from T.Y. Lin International. Staff reviewed both proposals and determined the submittals to be responsive to the RFP. A shortlist meeting was held by the evaluation panel which included representatives from SANBAG, Caltrans, and the City of San Bernardino. On March 29, 2016, both firms were interviewed and based on the final scores comprised of 40% from the proposals and 60% from the interviews, staff is recommending that the Board award Contract No. 16-1001359 to HDR. According to the evaluation panel, HDR was scored higher than the other firm based on the following factors:

- Experience with Diverging Diamond Interchange (DDI) projects
- Specific public outreach goals identified during the interview
- Overall availability to this project
- Cohesiveness with the various key personnel on the project team

Subsequent to issuance of the Notice of Intent to Award to HDR, staff began review of the price proposal and negotiated the cost for design and environmental services for the PA/ED and PS&E phases. The contract amount of \$1,500,932 has been agreed to by HDR and staff and is subject to Board approval. Staff is recommending that the Board award Contract No. 16-1001359 to HDR, consistent with the recommendation made by the evaluation panel. Staff is also recommending a 15% contingency amount of \$225,140 and requests that Board delegate authority to the SANBAG Executive Director or designee to release contingency as needed. The requested contingency is higher than the typical contingency amount of 10% due to risk of unforeseen additional reviews and processes since the DDI design is a new interchange configuration for California.

Contract No. 16-1001359 will be funded with Federal DEMO funds and a request for authorization will be needed to obligate the federal funds for use. Traditionally, Caltrans Local Assistance requires an approved PID to be able to submit an application to use federal funds for preliminary engineering and environmental studies. The federal funding authorization process could take up to two months as staff anticipates federal authorization in late October or early November 2016. Staff is recommending that the Board authorize the Executive Director to execute Contract No. 16-1001359 subject to federal authorization for use of federal funding and after receipt of the Caltrans Conformance Letter and correction of any deficiencies noted therein, as required by the Caltrans Local Assistance Procedures Manual.

Since there will be an approximately two to three month lag for the federal authorization process and completion of Caltrans audits, staff would like to allow the selected firm to begin work as soon as possible in order to begin project start up and preliminary activities to expedite delivery of this project. As such, a purchase order of a not to exceed amount of \$82,500, which would be funded with Measure I and City funds at 84.2% and 15.8% respectively, is being recommended.

Recommendation F: An Independent Cost Estimate (ICE) was prepared for the project which was used to program the costs in Cooperative Agreement No. 16-1001335 with the City of San Bernardino. The difference in the cost, estimated at a total project amount of \$566,267 over the ICE is attributed to additional hours for both internal and external coordination and meetings to address design features of a DDI, a higher level of effort anticipated for public outreach related to distributing information about the DDI, and additional work or effort that was not assumed in the ICE. In addition, the ICE also assumed a lower indirect rate. The increase in cost will be fully funded by the federal funds that have been programmed for the project. Once design progresses during the PA/ED phase and once potential Right of Way impacts are determined, this agreement may be amended to reflect updated right of way costs as well.

Staff is recommending approval of this amendment to the agreement. Staff is recommending that the Board authorize the SANBAG Executive Director or designee to execute Amendment No. 1 to 16-1001335 under SANBAG Procurement Policy 11000 to update the program cost to reflect a higher amount for design and environmental services under both the PA/ED and PS&E phases. This agreement would be approved in conjunction with approval of Contract No. 16-1001359 for design and environmental services for the project.

Financial Impact:

This item is consistent with the Fiscal Year 2016/2017 Budget.

Reviewed By:

This item was reviewed and recommended for approval (19-0-0) with a quorum of the Board present at the Board of Directors Metro Valley Study Session on August 11, 2016. SANBAG General Counsel and Procurement Manager have reviewed this item and drafts of the agreements.

Responsible Staff:

Garry Cohoe, Director of Project Delivery

Approved
 Board of Directors
 Date: September 7, 2016

Witnessed By:

Contract Summary Sheet

General Contract Information

Contract No: 16-1001479 Amendment No.: 0 Vendor No.: 00450
 Vendor/Customer Name: Caltrans Sole Source? Yes No
 Description: PA/ED, PS&E, and R/W Cooperative Agreement for I-215 University Avenue IC
 Start Date: 09/07/2016 Expiration Date: 09/07/2019 Revised Expiration Date: _____
 Has Contract Term Been Amended? No Yes - Please Explain _____
 List Any Related Contracts Nos.: 15-1001217, 16-1001335, 16-1001359

Dollar Amount			
Original Contract	\$ -	Original Contingency	\$ -
Revised Contract (Inclusive of Prior Amendments)	\$ -	Revised Contingency (Inclusive of Prior Amendments)	\$ -
Current Amendment	\$ -	Contingency Amendment	\$ -
TOTAL CONTRACT VALUE	\$ -	TOTAL CONTINGENCY VALUE	\$ -
		TOTAL DOLLAR AUTHORITY (Contract Value and Contingency)	\$ -

Contract Authorization

Executive Director Date: _____
 Executive Director Action: _____
 Board of Directors Date: 09/07/2016
 Board of Directors Action: Approve Cooperative Agreement No 16-1001479

Contract Management: Payable/Miscellaneous

Invoice Warning: 20% Renewals: _____ Type: Capital PAA Other
 Retention: _____ % Maximum Retention: \$ _____
 Services: Construction Intrgrnt/MOU/COOP A & E Services Other Professional Services
 Disadvantaged Business Enterprise (DBE) Goal _____ %

Contract Management: Receivable

E-76 and/or CTC Date _____ (Attach Copy) Program Supplement No.: _____
 Finance Letter Reversion Date: _____ EA No.: _____

All of the above MUST be submitted to FINANCE including originals, amendments and miscellaneous transaction changes

Additional Information

Project Manager: Paul Melocoton; No DCSS- roles and responsibilities only, neither payable nor receivable

Attachment: CSS 16-1001479 (2024 : I-215 University Parkway IC:Preliminary Engineering Services and Caltrans Cooperative Agreement)

COOPERATIVE AGREEMENT

State Independent Quality Assurance

This AGREEMENT, effective on _____, is between the State of California, acting through its Department of Transportation, referred to as CALTRANS, and:

San Bernardino County Transportation Commission, a public corporation/entity, referred to hereinafter as COMMISSION.

RECITALS

1. PARTNERS are authorized to enter into a cooperative agreement for improvements to the state highway system (SHS) per the California Streets and Highways Code sections 114 and 130.
2. For the purpose of this AGREEMENT, *reconfigure existing interchange and ramp at University Parkway in the city of San Bernardino* will be referred to hereinafter as PROJECT. The project scope of work is defined in the PROJECT initiation and approval documents (e.g. Project Study Report, Permit Engineering Evaluation Report, or Project Report).
3. All responsibilities assigned in this AGREEMENT to complete the following PROJECT COMPONENTS will be referred to hereinafter as OBLIGATIONS:
 - Project Approval and Environmental Document (PA&ED)
 - Plans, Specifications, and Estimate (PS&E)
 - Right of Way Support (R/W SUPPORT)
 - Right of Way Capital (R/W CAPITAL)
4. This AGREEMENT is separate from and does not modify or replace any other cooperative agreement or memorandum of understanding between PARTNERS regarding the PROJECT.
5. The following work associated with this PROJECT has been completed or is in progress:
 - COMMISSION is developing the Project Initiation Document.
6. In this AGREEMENT capitalized words represent defined terms, initialisms, or acronyms.
7. PARTNERS hereby set forth the terms, covenants, and conditions of this AGREEMENT, under which they will accomplish OBLIGATIONS.

RESPONSIBILITIES

Sponsorship

8. COMMISSION is the SPONSOR for the PROJECT COMPONENTS in this AGREEMENT.

Funding

9. Funding sources, funding amounts, and invoicing/payment details are documented in the FUNDING SUMMARY. The FUNDING SUMMARY is incorporated and made an express part of this AGREEMENT.

PARTNERS will execute a new FUNDING SUMMARY each time the funding details change. The FUNDING SUMMARY will be executed by a legally authorized representative of the respective PARTNERS. The most current fully executed FUNDING SUMMARY supersedes any previous FUNDING SUMMARY created for this AGREEMENT.

Replacement of the FUNDING SUMMARY will not require an amendment to the body of this AGREEMENT unless the funding changes require it.

10. Each PARTNER is responsible for the costs they incur in performing the OBLIGATIONS of this AGREEMENT unless otherwise stated in this AGREEMENT.

Implementing Agency

11. COMMISSION is the IMPLEMENTING AGENCY for PA&ED.
12. COMMISSION is the IMPLEMENTING AGENCY for PS&E.
13. COMMISSION is the IMPLEMENTING AGENCY for RIGHT OF WAY.
14. The IMPLEMENTING AGENCY for a PROJECT COMPONENT will provide a Quality Management Plan (QMP) for that component as part of the PROJECT MANAGEMENT PLAN. The Quality Management Plan describes the IMPLEMENTING AGENCY's quality policy and how it will be used. The Quality Management Plan is subject to CALTRANS review and approval.
15. Any PARTNER responsible for completing WORK shall make its personnel and consultants that prepare WORK available to help resolve WORK-related problems and changes for the entire duration of the PROJECT including PROJECT COMPONENT work that may occur under separate agreements.

Independent Quality Assurance

- 16. CALTRANS will provide Independent Quality Assurance for the portions of WORK within the existing and proposed SHS right-of-way.

CALTRANS' Independent Quality Assurance efforts are to ensure that COMMISSION'S quality assurance activities result in WORK being developed in accordance with the applicable standards and within an established Quality Management Plan. Independent Quality Assurance does not include any efforts necessary to develop or deliver WORK or any validation by verifying or rechecking work performed by another party.

When CALTRANS performs Independent Quality Assurance it does so for its own benefit. No one can assign liability to CALTRANS due to its Independent Quality Assurance.

Environmental Document Quality Control (EDQC) Program

- 17. Per NEPA assignment and CEQA statutes, CALTRANS will perform Environmental Document Quality Control and NEPA Assignment Review Procedures for environmental documentation. CALTRANS quality control and quality assurance procedures for all environmental documents are described in the Jay Norvell Memos dated October 1, 2012 (available at http://www.dot.ca.gov/ser/memos.htm#LinkTarget_705). This also includes the independent judgment analysis and determination under CEQA that the environmental documentation meets CEQA requirements.

CEQA/NEPA Lead Agency

- 18. CALTRANS is the CEQA Lead Agency for the PROJECT.
- 19. CALTRANS is the NEPA Lead Agency for the PROJECT.

Environmental Permits, Approvals and Agreements

- 20. PARTNERS will comply with the commitments and conditions set forth in the environmental documentation, environmental permits, approvals, and applicable agreements as those commitments and conditions apply to each PARTNER's responsibilities in this AGREEMENT.
- 21. Unless otherwise assigned in this AGREEMENT, the IMPLEMENTING AGENCY for a PROJECT COMPONENT is responsible for all PROJECT COMPONENT WORK associated with coordinating, obtaining, implementing, renewing, and amending the PROJECT permits, agreements, and approvals whether they are identified in the planned project scope of work or become necessary in the course of completing the PROJECT.

22. The PROJECT requires the following environmental requirements/approvals:

ENVIRONMENTAL PERMITS/REQUIREMENTS
404, US Army Corps Of Engineers
1602 California Department of Fish and Wildlife
401, Regional Water Quality Control Board
FESA Section 7 Consultation

Project Approval and Environmental Document (PA&ED)

23. As IMPLEMENTING AGENCY for PA&ED, COMMISSION is responsible for all PA&ED WORK except those PA&ED activities and responsibilities that are assigned to another PARTNER in this AGREEMENT and those activities that may be specifically excluded.
24. CALTRANS will be responsible for completing the following PA&ED activities:

CALTRANS Work Breakdown Structure Identifier (If Applicable)
Independent Quality Assurance
Environmental Document Quality Control
165.15.15.xx Section 7 Consultation
165.25.25 Approval to Circulate Resolution
175.20 Project Preferred Alternative
180.10.05.05.xx CEQA Lead Final Env. Doc QA/QC and Approval
180.15.05 Record of Decision (NEPA)
180.15.10 Notice of Determination (CEQA)

25. Any PARTNER preparing environmental documentation, including studies and reports, will ensure that qualified personnel remain available to help resolve environmental issues and perform any necessary work to ensure that the PROJECT remains in environmental compliance.

California Environmental Quality Act (CEQA)

26. CALTRANS will determine the type of CEQA documentation and will cause that documentation to be prepared in accordance with CEQA requirements.
27. Any PARTNER involved in the preparation of CEQA environmental documentation will prepare the documentation to meet CEQA requirements and follow CALTRANS' standards that apply to the CEQA process.
28. Any PARTNER preparing any portion of the CEQA environmental documentation, including any studies and reports, will submit that portion of the documentation to the CEQA Lead Agency for review, comment, and approval at appropriate stages of development prior to public availability.
29. COMMISSION will submit CEQA-related public notices to CALTRANS for review, comment, and approval prior to publication and circulation.
30. COMMISSION will submit all CEQA-related public meeting materials to CALTRANS for review, comment, and approval at least ten (10) working days prior to the public meeting date. If CALTRANS makes any changes to the materials, then CALTRANS will allow COMMISSION to review, comment, and concur on those changes at least three (3) working days prior to the public meeting date.
31. CALTRANS will attend all CEQA-related public meetings.
32. If a PARTNER who is not the CEQA lead agency holds a public meeting about the PROJECT, that PARTNER must clearly state its role in the PROJECT and the identity of the CEQA lead agency on all meeting publications. All meeting publications must also inform the attendees that public comments collected at the meetings are not part of the CEQA public review process.

That PARTNER will submit all meeting advertisements, agendas, exhibits, handouts, and materials to the CEQA lead agency for review, comment, and approval at least ten (10) working days prior to publication or use. If that PARTNER makes any changes to the materials, it will allow the CEQA lead agency to review, comment on, and approve those changes at least three (3) working days prior to the public meeting date.

The CEQA lead agency maintains final editorial control with respect to text or graphics that could lead to public confusion over CEQA-related roles and responsibilities.

National Environmental Policy Act (NEPA)

33. Pursuant to Chapter 3 of Title 23, United States Code (23 U.S.C. 326) and 23 U.S.C. 327, CALTRANS is the NEPA lead agency for the PROJECT. CALTRANS is responsible for NEPA compliance, will determine the type of NEPA documentation, and will cause that documentation to be prepared in accordance with NEPA requirements.

CALTRANS, as the NEPA lead agency for PROJECT, will review, comment, and approve all environmental documentation (including, but not limited to, studies, reports, public notices, and public meeting materials, determinations, administrative drafts, and final environmental documents) at appropriate stages of development prior to approval and public availability.

When required as NEPA lead agency, CALTRANS will conduct consultation and coordination and obtain, renew, or amend approvals pursuant to the Federal Endangered Species Act, and Essential Fish Habitat.

When required as NEPA lead agency, CALTRANS will conduct consultation and coordination approvals pursuant to Section 106 of the National Historic Preservation Act.

34. Any PARTNER involved in the preparation of NEPA environmental documentation will follow FHWA and CALTRANS STANDARDS that apply to the NEPA process including, but not limited to, the guidance provided in the FHWA Environmental Guidebook (available at www.fhwa.dot.gov/hep/index.htm) and the CALTRANS Standard Environmental Reference.
35. Any PARTNER preparing any portion of the NEPA environmental documentation (including, but not limited to, studies, reports, public notices, and public meeting materials, determinations, administrative drafts, and final environmental documents) will submit that portion of the documentation to CALTRANS for CALTRANS' review, comment, and approval prior to public availability.
36. COMMISSION will prepare, publicize, and circulate all NEPA-related public notices, except Federal Register notices. COMMISSION will submit all notices to CALTRANS for CALTRANS' review, comment, and approval prior to publication and circulation.
- CALTRANS will work with the appropriate federal agency to publish notices in the Federal Register.
37. CALTRANS will attend all NEPA-related public meetings.
38. COMMISSION will submit all NEPA-related public meeting materials to CALTRANS for CALTRANS' review, comment, and approval at least ten (10) working days prior to the public meeting date.

39. If a PARTNER who is not the NEPA lead agency holds a public meeting about the PROJECT, that PARTNER must clearly state its role in the PROJECT and the identity of the NEPA lead agency on all meeting publications. All meeting publications must also inform the attendees that public comments collected at the meetings are not part of the NEPA public review process.

That PARTNER will submit all meeting advertisements, agendas, exhibits, handouts, and materials to the NEPA lead agency for review, comment, and approval at least ten (10) working days prior to publication or use. If that PARTNER makes any changes to the materials, it will allow the NEPA lead agency to review, comment on, and approve those changes at least three (3) working days prior to the public meeting date.

The NEPA lead agency has final approval authority with respect to text or graphics that could lead to public confusion over NEPA-related roles and responsibilities.

Plans, Specifications, and Estimate (PS&E)

40. As IMPLEMENTING AGENCY for PS&E, COMMISSION is responsible for all PS&E WORK except those PS&E activities and responsibilities that are assigned to another PARTNER in this AGREEMENT and those activities that may be specifically excluded.
41. CALTRANS will be responsible for completing the following PS&E activities:

CALTRANS Work Breakdown Structure Identifier (If Applicable)
Independent Quality Assurance

42. COMMISSION will prepare Utility Conflict Maps identifying the accommodation, protection, relocation, or removal of any existing utility facilities that conflict with construction of the PROJECT or that violate CALTRANS' encroachment policy.

COMMISSION will provide CALTRANS a copy of Utility Conflict Maps for CALTRANS' concurrence prior to issuing the Notices to Owner and executing the Utility Agreement. All utility conflicts will be addressed in the PROJECT plans, specifications, and estimate.

Right of Way (R/W)

43. As IMPLEMENTING AGENCY for R/W, COMMISSION is responsible for all R/W SUPPORT WORK except those R/W SUPPORT activities and responsibilities that are assigned to another PARTNER in this AGREEMENT and those activities that may be specifically excluded.

44. CALTRANS will be responsible for completing the following R/W SUPPORT activities:

CALTRANS Work Breakdown Structure Identifier (If Applicable)
Independent Quality Assurance

45. The selection of R/W personnel and WORK within the completed PROJECT's SHS right-of-way will be performed in accordance with federal and California laws and regulations, and CALTRANS' policies, procedures, standards, practices, and applicable agreements.
46. COMMISSION will make all necessary arrangements with utility owners for the timely accommodation, protection, relocation, or removal of any existing utility facilities that conflict with construction of the PROJECT or that violate CALTRANS' encroachment policy.
47. COMMISSION will provide CALTRANS a copy of conflict maps, Relocation Plans, proposed Notices to Owner, Reports of Investigation, and Utility Agreements (if applicable) for CALTRANS' concurrence prior to issuing the Notices to Owner and executing the Utility Agreement. All utility conflicts will be fully addressed prior to Right of Way Certification and all arrangements for the protection, relocation, or removal of all conflicting facilities will be completed prior to construction contract award and included in the PROJECT plans, specifications, and estimate.
48. COMMISSION will determine the cost to positively identify and locate, protect, relocate, or remove any utility facilities whether inside or outside SHS right-of-way in accordance with federal and California laws and regulations, and CALTRANS' policies, procedures, standards, practices, and applicable agreements including but not limited to Freeway Master Contracts.
49. COMMISSION will provide a land surveyor licensed in the State of California to be responsible for surveying and right-of-way engineering. All survey and right-of-way engineering documents will bear the professional seal, certificate number, registration classification, expiration date of certificate, and signature of the responsible surveyor.
50. COMMISSION will utilize a public agency currently qualified by CALTRANS or a properly licensed consultant for all right-of-way activities. A qualified right-of-way agent will administer all right-of-way consultant contracts.

COMMISSION will submit a draft Right of Way Certification document to CALTRANS six (6) weeks prior to the scheduled Right of Way Certification milestone date for review.

COMMISSION will submit a final Right of Way certification document to CALTRANS for approval prior to the PROJECT advertisement.

- 51. Physical and legal possession of right-of-way must be completed prior to construction advertisement, unless PARTNERS mutually agree to other arrangements in writing. Right of way conveyances must be completed prior to OBLIGATION COMPLETION, unless PARTNERS mutually agree to other arrangements in writing.
- 52. SANBAG agrees to first acquire any necessary rights-of-way in its own name. Prior to the closeout of this AGREEMENT SANBAG shall transfer title to said rights-of-way to CALTRANS, free and clear of all encumbrances and liens, except as to those items which CALTRANS agrees are not in conflict with CALTRANS use for highway purposes. CALTRANS’ acceptance of right-of-way title is subject to review of an “Updated Preliminary Title Report” provided by SANBAG. PARTNERS shall cooperate and use their best efforts to ensure the transfer of title of properties incorporated into the SHS right of way is accomplished no more than 90 days after presentation of properties for acceptance. Upon acceptance, SANBAG will provide CALTRANS with a Policy of Title Insurance in CALTRANS’ name.
- 53. SANBAG certifies that it is authorized to hear and, if appropriate, adopt Resolutions of Necessity for PROJECT. SANBAG agrees to be responsible for hearing and adopting Resolutions of Necessity for PROJECT. SANBAG is responsible for all work associated with hearing and adopting Resolutions of Necessity.
- 54. SANBAG is responsible for conducting and documenting the functional equivalent of the CALTRANS’ District Condemnation Evaluation Meeting and the CALTRANS’ Condemnation Panel Review Meetings. CALTRANS’ Right of Way staff will be invited to any functional equivalent of a Condemnation Panel Review Meeting. CALTRANS’ concurrence is required, in advance, for any exception to CALTRANS’ or FHWA’s right-of-way policies, procedures, or standards.

Schedule

- 55. PARTNERS will manage the schedule for OBLIGATIONS through the work plan included in the PROJECT MANAGEMENT PLAN.

Additional Provisions

- 56. PARTNERS will perform all OBLIGATIONS in accordance with federal and California laws, regulations, and standards; FHWA STANDARDS; and CALTRANS STANDARDS.
- 57. CALTRANS retains the right to reject noncompliant WORK, protect public safety, preserve property rights, and ensure that all WORK is in the best interest of the SHS.
- 58. Each PARTNER will ensure that personnel participating in OBLIGATIONS are appropriately qualified or licensed to perform the tasks assigned to them.

59. PARTNERS will invite each other to participate in the selection of any consultants who participate in OBLIGATIONS.
60. CALTRANS will issue, upon proper application, the encroachment permits required for WORK within SHS right-of-way. Contractors and/or agents, and utility owners will not work within the SHS right-of-way without an encroachment permit issued in their name. CALTRANS will provide encroachment permits to PARTNERS, their contractors, consultants and agents, and utility owners at no cost. If the encroachment permit and this AGREEMENT conflict, the requirements of this AGREEMENT shall prevail.
61. The IMPLEMENTING AGENCY for a PROJECT COMPONENT will coordinate, prepare, obtain, implement, renew, and amend any encroachment permits needed to complete the PROJECT COMPONENT WORK.
62. If any PARTNER discovers unanticipated cultural, archaeological, paleontological, or other protected resources during WORK, all WORK in that area will stop and that PARTNER will notify all PARTNERS within twenty-four (24) hours of discovery. WORK may only resume after a qualified professional has evaluated the nature and significance of the discovery and a plan is approved for its removal or protection.
63. PARTNERS will hold all administrative drafts and administrative final reports, studies, materials, and documentation relied upon, produced, created, or utilized for the PROJECT in confidence to the extent permitted by law and where applicable, the provisions of California Government Code section 6254.5(e) shall protect the confidentiality of such documents in the event that said documents are shared between PARTNERS.

PARTNERS will not distribute, release, or share said documents with anyone other than employees, agents, and consultants who require access to complete the PROJECT without the written consent of the PARTNER authorized to release them, unless required or authorized to do so by law.
64. If a PARTNER receives a public records request pertaining to OBLIGATIONS, that PARTNER will notify PARTNERS within five (5) working days of receipt and make PARTNERS aware of any disclosed public documents. PARTNERS will consult with each other prior to the release of any public documents related to the PROJECT.
65. If HM-1 or HM-2 is found during a PROJECT COMPONENT, the IMPLEMENTING AGENCY for that PROJECT COMPONENT will immediately notify PARTNERS.
66. CALTRANS, independent of the PROJECT, is responsible for any HM-1 found within the existing SHS right-of-way. CALTRANS will undertake, or cause to be undertaken, HM MANAGEMENT ACTIVITIES related to HM-1 with minimum impact to the PROJECT schedule.

CALTRANS, independent of the PROJECT will pay, or cause to be paid, the cost of HM MANAGEMENT ACTIVITIES related to HM-1 found within the existing SHS right-of-way.

67. If HM-1 is found within the PROJECT limits and outside the existing SHS right-of-way, responsibility for such HM-1 rests with the owner(s) of the parcel(s) on which the HM-1 is found. COMMISSION, in concert with the local agency having land use jurisdiction over the parcel(s), will ensure that HM MANAGEMENT ACTIVITIES related to HM-1 are undertaken with minimum impact to PROJECT schedule.

The costs for HM MANAGEMENT ACTIVITIES related to HM-1 found within the PROJECT limits and outside the existing SHS right-of-way will be the responsibility of the owner(s) of the parcel(s) where the HM-1 is located.

68. If HM-2 is found within the PROJECT limits, the public agency responsible for the advertisement, award, and administration (AAA) of the PROJECT construction contract will be responsible for HM MANAGEMENT ACTIVITIES related to HM-2.
69. CALTRANS' acquisition or acceptance of title to any property on which any HM-1 or HM-2 is found will proceed in accordance with CALTRANS' policy on such acquisition.
70. COMMISSION will accept, reject, compromise, settle, or litigate claims of any non-AGREEMENT parties hired to complete OBLIGATIONS.
71. PARTNERS will confer on any claim that may affect OBLIGATIONS or PARTNERS' liability or responsibility under this AGREEMENT in order to retain resolution possibilities for potential future claims. No PARTNER will prejudice the rights of another PARTNER until after PARTNERS confer on the claim.
72. If the PROJECT expends state or federal funds, each PARTNER will comply with the federal Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards of 2 CFR, Part 200. PARTNERS will ensure that any for-profit party hired to participate in the OBLIGATIONS will comply with the requirements in 48 CFR, Chapter 1, Part 31. When state or federal funds are expended on the PROJECT these principles and requirements apply to all funding types included in this AGREEMENT.
73. If the PROJECT expends state or federal funds, each PARTNER will undergo an annual audit in accordance with the Single Audit Act and the federal Office of Management and Budget (OMB) Circular A-133.
74. If the PROJECT expends federal funds, any PARTNER that hires an A&E consultant to perform WORK on any part of the PROJECT will ensure that the procurement of the consultant and the consultant overhead costs are in accordance with Chapter 10 of the *Local Assistance Procedures Manual*.

- 75. If WORK stops for any reason, IMPLEMENTING AGENCY will place the PROJECT right-of-way in a safe and operable condition acceptable to CALTRANS.
- 76. If WORK stops for any reason, each PARTNER will continue to implement all of its applicable commitments and conditions included in the PROJECT environmental documentation, permits, agreements, or approvals that are in effect at the time that WORK stops, as they apply to each PARTNER's responsibilities in this AGREEMENT, in order to keep the PROJECT in environmental compliance until WORK resumes.
- 77. Fines, interest, or penalties levied against a PARTNER will be paid by the PARTNER whose action or lack of action caused the levy.
- 78. If there are insufficient funds available in this AGREEMENT to place PROJECT right-of-way in a safe and operable condition, the appropriate IMPLEMENTING AGENCY will fund these activities until such time as PARTNERS amend this AGREEMENT.

That IMPLEMENTING AGENCY may request reimbursement for these costs during the amendment process.

- 79. COMMISSION will furnish CALTRANS with the Project History Files related to the PROJECT facilities on SHS within sixty (60) days following the completion of each PROJECT COMPONENT. COMMISSION will prepare the Project History File in accordance with the Project Development Procedures Manual, Chapter 7. All material will be submitted neatly in a three-ring binder and on a CD ROM in PDF format.

GENERAL CONDITIONS

- 80. PARTNERS understand that this AGREEMENT is in accordance with and governed by the Constitution and laws of the State of California. This AGREEMENT will be enforceable in the State of California. Any PARTNER initiating legal action arising from this AGREEMENT will file and maintain that legal action in the Superior Court of the county in which the CALTRANS district office that is signatory to this AGREEMENT resides, or in the Superior Court of the county in which the PROJECT is physically located.
- 81. All CALTRANS' OBLIGATIONS under this AGREEMENT are subject to the appropriation of resources by the Legislature, the State Budget Act authority, and the allocation of funds by the California Transportation Commission.

Attachment: Agreement 16-1001479 (3024 : I-215 University Parkway IC:Preliminary Engineering Services and Caltrans Cooperative Agreement)

- 82. Neither COMMISSION nor any officer or employee thereof is responsible for any injury, damage or liability occurring by reason of anything done or omitted to be done by CALTRANS, its contractors, sub-contractors, and/or its agents under or in connection with any work, authority, or jurisdiction conferred upon CALTRANS under this AGREEMENT. It is understood and agreed that CALTRANS, to the extent permitted by law, will defend, indemnify, and save harmless COMMISSION and all of its officers and employees from all claims, suits, or actions of every name, kind, and description brought forth under, but not limited to, tortious, contractual, inverse condemnation, or other theories and assertions of liability occurring by reason of anything done or omitted to be done by CALTRANS, its contractors, sub-contractors, and/or its agents under this AGREEMENT.
- 83. Neither CALTRANS nor any officer or employee thereof is responsible for any injury, damage, or liability occurring by reason of anything done or omitted to be done by COMMISSION, its contractors, sub-contractors, and/or its agents under or in connection with any work, authority, or jurisdiction conferred upon COMMISSION under this AGREEMENT. It is understood and agreed that COMMISSION, to the extent permitted by law, will defend, indemnify, and save harmless CALTRANS and all of its officers and employees from all claims, suits, or actions of every name, kind, and description brought forth under, but not limited to, tortious, contractual, inverse condemnation, or other theories and assertions of liability occurring by reason of anything done or omitted to be done by COMMISSION, its contractors, sub-contractors, and/or its agents under this AGREEMENT.
- 84. PARTNERS do not intend this AGREEMENT to create a third party beneficiary or define duties, obligations, or rights in parties not signatory to this AGREEMENT. PARTNERS do not intend this AGREEMENT to affect their legal liability by imposing any standard of care for fulfilling OBLIGATIONS different from the standards imposed by law.
- 85. PARTNERS will not assign or attempt to assign OBLIGATIONS to parties not signatory to this AGREEMENT without an amendment to this AGREEMENT.
- 86. COMMISSION will not interpret any ambiguity contained in this AGREEMENT against CALTRANS. COMMISSION waives the provisions of California Civil Code section 1654.

A waiver of a PARTNER’s performance under this AGREEMENT will not constitute a continuous waiver of any other provision.

- 87. A delay or omission to exercise a right or power due to a default does not negate the use of that right or power in the future when deemed necessary.
- 88. If any PARTNER defaults in its OBLIGATIONS, a non-defaulting PARTNER will request in writing that the default be remedied within thirty (30) calendar days. If the defaulting PARTNER fails to do so, the non-defaulting PARTNER may initiate dispute resolution.

89. PARTNERS will first attempt to resolve AGREEMENT disputes at the PROJECT team level. If they cannot resolve the dispute themselves, the CALTRANS district director and the executive officer of COMMISSION will attempt to negotiate a resolution. If PARTNERS do not reach a resolution, PARTNERS' legal counsel will initiate mediation. PARTNERS agree to participate in mediation in good faith and will share equally in its costs.

Neither the dispute nor the mediation process relieves PARTNERS from full and timely performance of OBLIGATIONS in accordance with the terms of this AGREEMENT. However, if any PARTNER stops fulfilling OBLIGATIONS, any other PARTNER may seek equitable relief to ensure that OBLIGATIONS continue.

Except for equitable relief, no PARTNER may file a civil complaint until after mediation, or forty-five (45) calendar days after filing the written mediation request, whichever occurs first.

PARTNERS will file any civil complaints in the Superior Court of the county in which the CALTRANS district office signatory to this AGREEMENT resides or in the Superior Court of the county in which the PROJECT is physically located. The prevailing PARTNER will be entitled to an award of all costs, fees, and expenses, including reasonable attorney fees as a result of litigating a dispute under this AGREEMENT or to enforce the provisions of this article including equitable relief.

90. PARTNERS maintain the ability to pursue alternative or additional dispute remedies if a previously selected remedy does not achieve resolution.
91. If any provisions in this AGREEMENT are found by a court of competent jurisdiction to be, or are in fact, illegal, inoperative, or unenforceable, those provisions do not render any or all other AGREEMENT provisions invalid, inoperative, or unenforceable, and those provisions will be automatically severed from this AGREEMENT.
92. If during performance of WORK additional activities or environmental documentation is necessary to keep the PROJECT in environmental compliance, PARTNERS will amend this AGREEMENT to include completion of those additional tasks.
93. Except as otherwise provided in the AGREEMENT, PARTNERS will execute a formal written amendment if there are any changes to OBLIGATIONS.

94. When WORK performed on the PROJECT is done under contract and falls within the Labor Code section 1720(a)(1) definition of "public works" in that it is construction, alteration, demolition, installation, or repair; or maintenance work under Labor Code section 1771, PARTNERS shall conform to the provisions of Labor Code sections 1720 through 1815, and all applicable provisions of California Code of Regulations found in Title 8, Division 1, Chapter 8, Subchapter 3, Articles 1-7. PARTNERS shall include prevailing wage requirements in contracts for public work and require contractors to include the same prevailing wage requirements in all subcontracts. Work performed by a PARTNER's own employees is exempt from the Labor Code's Prevailing Wage requirements.

95. If WORK is paid for, in whole or part, with federal funds and is of the type of work subject to federal prevailing wage requirements, PARTNERS shall conform to the provisions of the Davis-Bacon and Related Acts, 40 U.S.C. § 276(a).

When applicable, PARTNERS shall include federal prevailing wage requirements in contracts for public work. WORK performed by a PARTNER's employees is exempt from federal prevailing wage requirements.

96. PARTNERS agree to sign a CLOSURE STATEMENT to terminate this AGREEMENT. However, all indemnification, document retention, audit, claims, environmental commitment, legal challenge, maintenance and ownership articles will remain in effect until terminated or modified in writing by mutual agreement or expire by the statute of limitations.

97. PARTNERS intend this AGREEMENT to be their final expression that supersedes any oral understanding or writings pertaining to the OBLIGATIONS. The requirements of this AGREEMENT shall preside over any conflicting requirements in any documents that are made an express part of this AGREEMENT.

98. The cost of any engineering support performed by CALTRANS includes all direct and applicable indirect costs. CALTRANS calculates indirect costs based solely on the type of funds used to pay support costs. State and federal funds administered by CALTRANS are subject to the current Program Functional Rate. All other funds are subject to the current Program Functional Rate and the current Administration Rate. The Program Functional Rate and Administration Rate are adjusted periodically.

DEFINITIONS

AGREEMENT – This agreement including any attachments, exhibits, and amendments.

CALTRANS STANDARDS – CALTRANS policies and procedures, including, but not limited to, the guidance provided in the Project Development Procedures Manual (PDPM) and the CALTRANS Workplan Standards Guide for the Delivery of Capital Projects (WSG) [which contains the CALTRANS Work Breakdown Structure (WBS) and was previously known as the WBS Guide] and is available at <http://www.dot.ca.gov/hq/projmgmt/guidance.htm>.

CEQA (California Environmental Quality Act) – The act (California Public Resources Code, sections 21000 et seq.) that requires state and local agencies to identify the significant environmental impacts of their actions and to avoid or mitigate those significant impacts, if feasible.

CFR (Code of Federal Regulations) – The general and permanent rules published in the Federal Register by the executive departments and agencies of the federal government.

CLOSURE STATEMENT – A document signed by PARTNERS that verifies the completion of all **OBLIGATIONS** included in this **AGREEMENT** and in all amendments to this **AGREEMENT**.

EDQC (Environmental Document Quality Control) - CALTRANS quality control and quality assurance procedures for all environmental documents as described in the Jay Norvell Memos dated October 1, 2012 (available at http://www.dot.ca.gov/ser/memos.htm#LinkTarget_705). This also includes the independent judgment analysis and determination under CEQA that the environmental documentation meets CEQA requirements.

FHWA – Federal Highway Administration.

FHWA STANDARDS – FHWA regulations, policies and procedures, including, but not limited to, the guidance provided at www.fhwa.dot.gov/topics.htm.

FUNDING PARTNER – A PARTNER that commits funds in this **AGREEMENT** to fulfill **OBLIGATIONS**. A **FUNDING PARTNER** accepts the responsibility to provide the funds it commits in this Agreement.

FUNDING SUMMARY – An executed document that includes a **FUNDING TABLE** and invoicing and payment methods.

FUNDING TABLE – The table that designates funding sources, types of funds, and the **PROJECT COMPONENT** in which the funds are to be spent. Funds listed on the **FUNDING TABLE** are “not-to-exceed” amounts for each **FUNDING PARTNER**.

GAAP (Generally Accepted Accounting Principles) – Uniform minimum standards and guidelines for financial accounting and reporting issued by the Federal Accounting Standards Advisory Board that serve to achieve some level of standardization. See <http://www.fasab.gov/accepted.html>.

HM-1 – Hazardous material (including, but not limited to, hazardous waste) that may require removal and disposal pursuant to federal or state law whether it is disturbed by the PROJECT or not.

HM-2 – Hazardous material (including, but not limited to, hazardous waste) that may require removal and disposal pursuant to federal or state law only if disturbed by the PROJECT.

HM MANAGEMENT ACTIVITIES – Management activities related to either HM-1 or HM-2 including, without limitation, any necessary manifest requirements and disposal facility designations.

IMPLEMENTING AGENCY – The PARTNER responsible for managing the scope, cost, and schedule of a PROJECT COMPONENT to ensure the completion of that component.

IQA (Independent Quality Assurance) – CALTRANS' efforts to ensure that another PARTNER's quality assurance activities are in accordance with the applicable standards and the PROJECT's Quality Management Plan (QMP). When CALTRANS performs Independent Quality Assurance it does not develop, produce, validate, verify, re-check, or quality control another PARTNER's work products.

NEPA (National Environmental Policy Act of 1969) – This federal act establishes a national policy for the environment and a process to disclose the adverse impacts of projects with a federal nexus.

OBLIGATIONS – All WORK responsibilities and their associated costs.

OBLIGATION COMPLETION – PARTNERS have fulfilled all OBLIGATIONS included in this AGREEMENT and have signed a CLOSURE STATEMENT.

PA&ED (Project Approval and Environmental Document) – See PROJECT COMPONENT

PARTNER – Any individual signatory party to this AGREEMENT.

PARTNERS – The term that collectively references all of the signatory agencies to this AGREEMENT. This term only describes the relationship between these agencies to work together to achieve a mutually beneficial goal. It is not used in the traditional legal sense in which one PARTNER's individual actions legally bind the other PARTNER.

PROJECT COMPONENT – A distinct portion of the planning and project development process of a capital project as outlined in California Government Code, section 14529(b).

- **PID (Project Initiation Document)** – The work required to deliver the project initiation document for the PROJECT in accordance with CALTRANS STANDARDS.
- **PA&ED (Project Approval and Environmental Document)** – The work required to deliver the project approval and environmental documentation for the PROJECT in accordance with CALTRANS STANDARDS.
- **PS&E (Plans, Specifications, and Estimate)** – The work required to deliver the plans, specifications, and estimate for the PROJECT in accordance with CALTRANS STANDARDS.
- **R/W (Right of Way)** – The project components for the purpose of acquiring real property interests for the PROJECT in accordance with CALTRANS STANDARDS.
 - **R/W (Right of Way) SUPPORT** – The work required to obtain all property interests for the PROJECT.
 - **R/W (Right of Way) CAPITAL** – The funds for acquisition of property rights for the PROJECT.
- **CONSTRUCTION** – The project components for the purpose of completing the construction of the PROJECT in accordance with CALTRANS STANDARDS.
 - **CONSTRUCTION SUPPORT** – The work required for the administration, acceptance, and final documentation of the construction contract for the PROJECT.
 - **CONSTRUCTION CAPITAL** – The funds for the construction contract.

PROJECT MANAGEMENT PLAN – A group of documents used to guide the PROJECT’s execution and control throughout that project’s lifecycle.

PS&E (Plans, Specifications, and Estimate) – See PROJECT COMPONENT.

QMP (Quality Management Plan) – An integral part of the PROJECT MANAGEMENT PLAN that describes IMPLEMENTING AGENCY’s quality policy and how it will be used.

R/W (Right of Way) CAPITAL – See PROJECT COMPONENT.

R/W (Right of Way) SUPPORT – See PROJECT COMPONENT.

SHS (State Highway System) – All highways, right-of-way, and related facilities acquired, laid out, constructed, improved, or maintained as a state highway pursuant to constitutional or legislative authorization.

SPONSOR – Any PARTNER that accepts the responsibility to establish scope of the PROJECT and the obligation to secure financial resources to fund the PROJECT COMPONENTS in this AGREEMENT. A SPONSOR is responsible for adjusting the PROJECT scope to match committed funds or securing additional funds to fully fund the PROJECT COMPONENTS in this AGREEMENT. If this AGREEMENT has more than one SPONSOR, funding adjustments will be made by percentage (as outlined in Responsibilities). Scope adjustments must be developed through the project development process and must be approved by CALTRANS as the owner/operator of the SHS.

WORK – All efforts to complete the OBLIGATIONS included in this AGREEMENT as described by the activities in the CALTRANS Workplan Standards Guide for the Delivery of Capital Projects (WSG).

SIGNATURES

PARTNERS are empowered by California Streets and Highways Code section 114 and 130 to enter into this AGREEMENT and have delegated to the undersigned the authority to execute this AGREEMENT on behalf of the respective agencies and covenants to have followed all the necessary legal requirements to validly execute this AGREEMENT.

Signatories may execute this AGREEMENT through individual signature pages provided that each signature is an original. This AGREEMENT is not fully executed until all original signatures are attached.

**STATE OF CALIFORNIA
DEPARTMENT OF TRANSPORTATION**

John Bulinski
District Director

Certified as to funds:

Lisa Pacheco
District Budget Manager

**SAN BERNARDINO COUNTY
TRANSPORTATION COMMISSION**

Robert A. Lovingood
Board President

Approved as to form:

Eileen Monaghan Teichert
General Counsel

FUNDING SUMMARY NO. 01

v. 112							
<u>FUNDING TABLE</u>							
<u>IMPLEMENTING AGENCY →</u>			<u>COMMISSION</u>	<u>COMMISSION</u>	<u>COMMISSION</u>		
Source	FUNDING PARTNER	Fund Type	PA&ED	PS&E	R/W SUPPORT	R/W CAPITAL	Totals
Federal	COMMISSION	Sec 129 Surface Transportation Priorities*	420,241	314,759	0	0	735,000
Federal	COMMISSION	Surface Transportation Program (STP)*	519,476	389,096	0	0	908,572
Local	COMMISSION	Local	82,500	0	25,000	37,700	75,000
Totals			1,022,217	703,855	25,000	37,700	1,788,772

- * This fund type includes federal funds
- * Toll credit to match STP (\$104,214). Sec 129 is 100% reimbursable

Funding

1. In accordance with the Caltrans Federal-Aid Project Funding Guidelines, COMMISSION must obtain approval from the Federal Highway Administration prior to any PROJECT funding changes that that will change the federal share of funds.

Invoicing and Payment*Project Approval and Environmental Document (PA&ED)*

2. No invoicing or reimbursement will occur for the PA&ED PROJECT COMPONENT.

Plans, Specifications, and Estimate (PS&E)

3. No invoicing or reimbursement will occur for the PS&E PROJECT COMPONENT.

Right of Way Support (R/W SUPPORT)

4. No invoicing or reimbursement will occur for the R/W SUPPORT PROJECT COMPONENT.

Right of Way Capital (R/W CAPITAL)

5. No invoicing or reimbursement will occur for the R/W CAPITAL PROJECT COMPONENT.

Signatures

PARTNERS are empowered by California Streets and Highways Code sections 114 and 130 to enter into this AGREEMENT and have delegated to the undersigned the authority to execute this FUNDING SUMMARY on behalf of the respective agencies and covenants to have followed all the necessary legal requirements to validly execute this FUNDING SUMMARY.

Signatories may execute this FUNDING SUMMARY through individual signature pages provided that each signature is an original. This FUNDING SUMMARY is not fully executed until all original signatures are attached.

**STATE OF CALIFORNIA
DEPARTMENT OF TRANSPORTATION**

**SAN BERNARDINO COUNTY
TRANSPORTATION COMMISSION**

John Bulinski
District Director

Raymond W. Wolfe
Executive Director

Date _____

Date _____

Lisa Pacheco
District Budget Manager

HQ Accounting

Attachment: Agreement 16-1001479 (3024 : I-215 University Parkway IC:Preliminary Engineering Services and Caltrans Cooperative Agreement)

Contract Summary Sheet

General Contract Information

Contract No: 16-1001359 Amendment No.: 0 Vendor No.: 00982
 Vendor/Customer Name: HDR Sole Source? Yes No
 Description: I-215 University Parkway Interchange Design and Environmental Services
 Start Date: 09/07/2016 Expiration Date: 09/06/2019 Revised Expiration Date: _____
 Has Contract Term Been Amended? No Yes - Please Explain _____
 List Any Related Contracts Nos.: 16-1001335

Dollar Amount			
Original Contract	\$ 1,500,932.00	Original Contingency	\$ 225,140.00
Revised Contract (Inclusive of Prior Amendments)	\$ -	Revised Contingency (Inclusive of Prior Amendments)	\$ -
Current Amendment	\$ -	Contingency Amendment	\$ -
TOTAL CONTRACT VALUE	\$ 1,500,932.00	TOTAL CONTINGENCY VALUE	\$ 225,140.00
		TOTAL DOLLAR AUTHORITY (Contract Value and Contingency)	\$ 1,726,072.00

Contract Authorization

Executive Director Date: _____
 Executive Director Action: _____
 Board of Directors Date: 09/07/2016
 Board of Directors Action: Approve Contract No. 16-1001359

Contract Management: Payable/Miscellaneous

Invoice Warning: 20% Renewals: _____ Type: Capital PAA Other
 Retention: _____ % Maximum Retention: \$ _____
 Services: Construction Intrgrnt/MOU/COOP A & E Services Other Professional Services
 Disadvantaged Business Enterprise (DBE) Goal 11%

Contract Management: Receivable

E-76 and/or CTC Date _____ (Attach Copy) Program Supplement No.: _____
 Finance Letter Reversion Date: _____ EA No.: _____

All of the above MUST be submitted to FINANCE including originals, amendments and miscellaneous transaction changes

Additional Information

Attachment: CSS 16-1001359 (3024 : I-215 University Parkway IC:Preliminary Engineering Services and Caltrans Cooperative Agreement)

ATTACHMENT A - SCOPE OF WORK

RFP No. 16-1001359

San Bernardino Associated Governments, acting as San Bernardino County Transportation Authority (“SANBAG”), is seeking professional services for the development of a Project Report (PR), Environmental Document (ED), and Plans, Specifications and Estimate (PS&E) for the Interstate 215 (I-215) University Parkway Interchange Project (“Project”) in the City of San Bernardino (EA 0E420). Federal funds, SANBAG Sales Tax Measure I Funds, and City Funds may be used to cover the cost of the preparation of the PR, ED and PS&E. Construction is anticipated to be funded by local and federal funds.

The I-215 University Parkway Interchange is located along I-215 at Postmile 11.63, approximately 1.6 miles north of the I-215/SR-210 Interchange. The project would reduce congestion, improve local traffic along University Parkway, and improve freeway access. The project proposes to improve freeway ramp intersections and local traffic geometry.

Preliminary Engineering Services as part of the preparation of the PR are anticipated to include preliminary engineering, preparation the Geometric Approval Drawings (GAD), and preparation of various engineering reports.

Caltrans will be the lead agency for the California Environmental Quality Act (CEQA) and the National Environmental Policy Act (NEPA).

Prior to initiation of the environmental studies, scoping and early analysis of build alternatives and refinement of the purpose and need of the project will be required.

After environmental approval, the PS&E phase will commence. PS&E services include Right-of-Way (ROW) and construction management support.

I. APPLICABLE STANDARDS

All documents shall be prepared in accordance with current SANBAG, Caltrans, and City of San Bernardino (City) regulations, policies, procedures, manuals, and standards where applicable. CONSULTANT shall obtain, at its expense, all applicable Manuals and Standard Plans.

II. GENERAL DESCRIPTION OF REQUIRED SERVICES

- A. Required services listed below do not supersede the requirements established in the Contract.
- B. CONSULTANT Services include the studies, reports, drawings, plans, specifications, estimates, and special provisions necessary to complete the PR, ED, and PS&E for a Diverging Diamond build alternative.
- C. The deliverables list for the PR, ED and PS&E will be refined during the

- initial planning and scoping Project Development Team (PDT) meeting. Not all deliverables may be required.
- D. CONSULTANT shall develop and maintain a Project schedule. The Project schedule may be presented monthly to the PDT meeting. A deliverables matrix will accompany the schedule. The deliverables matrix will highlight the status of the documents in the review process.
 - E. CONSULTANT shall employ appropriate quality control and quality assurance procedures for every deliverable.
 - F. CONSULTANT shall identify potential risks and uncertainties related to the delivery and construction of the Project. Risks that may be encountered include, but are not limited to, soil conditions, constructability, factors of safety, impacts to adjacent properties, public safety, and environmental considerations. If at any time during the performance of this Scope of Services, CONSULTANT observes, encounters, or identifies any circumstance that could pose potential risk, CONSULTANT shall notify SANBAG immediately.
 - G. The design will be prepared in English units.
 - H. Prime contract terms and conditions will be incorporated into the subcontract agreements.
 - I. The Task and WBS Structure used for pricing, cost reporting and schedule preparation shall be consistent with the Caltrans Workplan Standards Guide for Delivery of Capital Projects. Project Management activities will be performed in accordance to the Caltrans' Workplan Standards Guide for Delivery of Capital Projects.
 - J. CONSULTANT shall prepare and submit monthly invoices and project controls reports. Invoices shall follow SANBAG templates and shall contain all required information.
 - K. Project plans and specifications must comply with the Federal Americans with Disabilities Act (ADA) requirements 28 CFR, Part 35 or Part 36, and the *California and Local Building Codes* within the project limits. In accordance with 28 CFR Sec. 35.151, curbs and ramps must meet current ADA standards if the project includes streets that are to be newly constructed or altered (includes repaving). For ADA requirements, see Chapter 11 "Design Standards," and Section 12.7 of this chapter. Complete the Caltrans Certification of Compliance with Americans with Disabilities Act (ADA) Form TR-040.
 - L. The final engineering technical reports must bear the signature, stamp or seal, registration number, and registration certificate expiration date of the registered civil engineer most directly in responsible charge or other registered or certified professional working on the report as specified in Section 9 of the Project Development Procedures Manual.

III. ASSUMPTIONS

- A. One build and one no-build alternative will be evaluated in the PR and ED to address the operational deficiencies of the Project.
- B. There will be three meetings per month (including conference calls) during the duration of this contract, including one mandatory monthly PDT meeting.
- C. CONSULTANT will coordinate with SANBAG and Caltrans prior to distribution of all deliverables to determine the points of contact, number of hardcopies and format of electronic files.
- D. Assume one peer review and two Caltrans reviews for each major deliverable. Twenty (20) hard copies are assumed for each major deliverable.
- E. The NEPA Environmental Document is assumed to be a Categorical Exclusion (CE) and the CEQA Environmental Document is assumed to be a Categorical Exemption (CE).
- F. Public outreach efforts will include collateral materials or electronic media with information about the DDI configuration.
- G. There will be no enhancements, improvements, widening, or the addition of auxiliary, nor acceleration / deceleration lanes along the I-215, or any other work on the freeway mainline.
- H. The existing bridge and existing abutment walls will remain in place and will not be modified.
- I. Formal landscaping or aesthetic betterments will be not be included as part of the design.

Task 100 Project Management

SCOPE OF SERVICES

Following the selection of a consultant, the selected firm shall prepare and submit a Cost Proposal and Project Schedule. The selected firm shall use the latest SANBAG Work Breakdown Structure (WBS), and cost and schedule templates for the preparation of the cost proposal and schedule.

TASK 2.100.10 - PROJECT MANAGEMENT

2.100.10 Project Management

CONSULTANT shall furnish a Project Manager to coordinate all CONSULTANT operations with SANBAG, including but not limited to, tracking progress of the work and administering subcontracts. CONSULTANT Project Manager shall provide overall project management, coordination, and supervision of project staff to facilitate the performance of the work in accordance with standards and requirements of the SANBAG and other applicable standards and requirements. CONSULTANT Project Manager shall prepare and submit monthly project progress reports to SANBAG Project Manager.

Deliverables:

- *Monthly Progress Reports*

2.100.10-1 Coordination and Meetings

CONSULTANT Project Manager shall conduct regular meetings with SANBAG, and shall conduct meetings and coordination with other stakeholders, including Caltrans, City, and other agencies, in monthly Project Development Team (PDT) meetings or technical workshops and focused meetings as necessary. CONSULTANT Project Manager will be responsible for preparation of agendas and meeting minutes, Communication and distribution of project records and information, and responses to all internal requests for information about the project.

Deliverables:

- *PDT meeting notices, agendas, handouts/exhibits, deliverable matrix, and minutes.*

2.100.10-2 Administration

CONSULTANT Project Manager shall prepare and update the Project schedule on a monthly basis or as needed. Project schedule shall be logical, complete, and shall consider SANBAG peer reviews. CONSULTANT Project Manager shall provide regular reporting on the project status, including, but not limited to, schedule, contract budget, general progress on project tasks, and project issues and concerns. CONSULTANT Project Manager shall maintain project files using the Caltrans Uniform System in hard copies and electronic format.

CONSULTANT Project Manager shall prepare and implement a Quality Control/Quality Assurance (QA/QC) Plan and a Risk Management Plan following SANBAG format and content requirements; CONSULTANT Project Manager will be responsible for adherence to all applicable SANBAG administrative policies and procedures.

Deliverables:

- *Project Schedules*
- *Project Master Files*
- *QA/QC Plan and Risk Management Plan*

TASK 2.160 – PRELIMINARY ENGINEERING STUDIES & PROJECT REPORT**Task 2.160.05 Review Updated Project Information**

CONSULTANT shall request, collect, assemble, and review all pertinent project information, including, but are not limited to, prior Project Reports and Engineering Technical Reports, Environmental Documents and Environmental Technical Reports, CAD files and drawings, and relevant correspondence. CONSULTANT shall incorporate the collected materials and information into the Project Master File.

Deliverables:

- *Project Records Files*

Task 2.160.10 Engineering Studies

CONSULTANT shall perform all necessary Engineering Studies and preliminary design work required for the preparation of a Project Report, development and refinement of viable Project Build Alternatives, selection of the preferred alternative, and initiation of final design efforts. All engineering studies performed and reports prepared shall meet Caltrans requirements according to the Highway Design Manual, Project Development Procedures Manual, and other pertinent Caltrans guidance. CONSULTANT will be responsible for obtaining any right of entry permits required for field work.

Task 2.160.10-1 Traffic Studies

CONSULTANT will prepare a Draft Traffic Analysis Assumptions and Methodologies Memorandum. The memorandum will contain a list of assumptions and recommended methodologies to use for traffic forecasting and operations analysis. CONSULTANT will prepare the Final Memorandum to memorialize work to be accomplished in the traffic analysis.

CONSULTANT shall collect and analyze relevant travel-demand and travel forecast data to generate traffic forecasts to be used in the traffic operational analysis. If appropriate, CONSULTANT shall perform supplemental traffic forecasting and modeling. Future traffic projections should include data for intersections, highway mainline, and interchange ramps. Utilizing traffic forecasts, CONSULTANT shall perform a traffic capacity/operational analysis for each build alternative. The traffic operational analysis criteria to be used shall include, but not be limited to, levels of service, vehicle miles travelled, vehicle hours travelled, average speeds, and delay. The traffic operational analysis shall consider traffic control measures such as ramp metering and intelligent transportation systems. CONSULTANT shall prepare a traffic report that includes traffic information and analysis for current year, opening year, and a design horizon year.

Deliverables:

- *Traffic Methodology Memorandum*
- *Traffic Report*

Task 2.160.10-2 Hydraulics/Hydrology Studies

CONSULTANT shall perform on-site Hydraulics/Hydrology studies to analyze on-site storm water flows for the project build alternative. CONSULTANT shall identify requirements for hydraulic and storm water treatment design features as part of this task. Results of this study shall be considered and utilized in the project preliminary design.

Deliverables:

- *Hydrology Report (on-site)*
- *Storm Water Data Report (short form)*

Task 2.160.10-3 Right of Way Data Sheets

CONSULTANT shall assess project ROW requirements by obtaining ROW information

and preparing ROW data sheets for the build alternative. This task shall include preliminary utility location work which includes, but not limited to, review of utility as-build plans and performing utility record searches. Results of this assessment will be used as basis for estimating ROW costs.

Deliverables:

- *ROW Data Sheet*

Task 2.160.10-4 Preliminary Materials Report

CONSULTANT shall prepare a Preliminary Materials Report which shall provide recommendations for pavement structure recommendations, pavement type, proposed pavement design life and corrosion studies if culverts are proposed. Results of this assessment will be used as basis for estimating project construction costs.

Deliverables:

- *Materials Report*
- *Pavement Life Cycle Cost Analysis*

Task 2.160.15 Draft Project Report

CONSULTANT shall prepare a Project Report following the Caltrans format. The Project Report shall be prepared by or under the supervision of a registered Civil Engineer in the State of California. The consideration of non-standard features shall be closely coordinated with the SANBAG Project Manager and designee to confirm acceptability by the SANBAG.

Deliverables:

- *Draft Project Report*
- *Fact Sheet for Mandatory and Advisory Design Exception*
- *Truck Turning Template Exhibits*

Task 2.160.45 GADs, Base Maps and Plan Sheets for PA&ED Development

CONSULTANT shall prepare the geometric approval drawings (GADs) for the locally preferred build alternative. GADs shall include horizontal and vertical alignments, cross sections, and typical sections. Preparation of the GADs shall be performed in close coordination with Caltrans Design staff. CONSULTANT will be responsible for completion and approval of the GADs by Caltrans in a manner where there is sufficient time to proceed with the circulation of the Environmental Document and approval of the Project Report within the project schedule. One workshop and two formal submittals to Caltrans are assumed for this deliverable.

Deliverables:

- *GADs*

TASK 2.165 – ENVIRONMENTAL STUDIES & ENVIRONMENTAL DOCUMENT

Task 2.165.10 General Environmental Studies

CONSULTANT shall perform general environmental studies to support the evaluation of the Project Build Alternatives and, if necessary, to support the environmental determination made under the California Environmental Quality Act (CEQA), the National Environmental Policy Act (NEPA) and other applicable environmental laws and regulations. Caltrans will act as the Lead Agency under CEQA and NEPA; the preparation of each environmental technical report shall be performed in consultation with the SANBAG Project Manager or designee. All environmental studies performed and reports prepared shall meet Caltrans requirements according to the Standard Environmental Reference site (SER) and other pertinent Caltrans guidance. CONSULTANT will be responsible for obtaining any right of entry permits required for field work.

Task 2.165.10-2 Visual Impact Analysis

CONSULTANT shall perform a visual impact analysis (Minor VIA) will be referenced in the environmental document. Up to two visual viewpoints may be presented. This task may include coordination with local agencies, citizens groups, and business groups related to community design and scenic issues. Discussions and negotiations with external parties as part of this task shall only be performed in consultation with the SANBAG Project Manager or designee.

Deliverables:

- *Visual Impact Analysis – Minor VIA*

Task 2.165.10-3 Noise Study

CONSULTANT shall perform noise studies to assess potential noise impacts to adjacent sensitive receptors. This task shall include identification of sensitive receptors, collection of pertinent noise data and other relevant information such as local noise ordinance requirements, perform noise modeling, and preparation of a Noise Study Report. If there are no sensitive receivers that could be affected by traffic related noise as part of the project, CONSULTANT shall prepare a brief noise technical memorandum that will be referenced in the environmental document.

Deliverables:

- *Noise Study Report*

Task 2.165.10-4 Air Quality Study

CONSULTANT shall perform air quality studies to assess potential air quality impacts. This task shall include identification of sensitive receptors, collection of pertinent air quality data, perform micro-scale modeling to predict future pollutant concentrations with the no-build and build alternatives, verification of Federal Clean Air Act conformity status of the project, coordination with regional and air quality agencies to obtain concurrence in the conformity status of the project, and preparation of an Air Quality Study Report. If necessary, CONSULTANT may prepare an Air Quality Conformity Report.

Deliverables:

- *Air Quality Study Report*

Task 2.165.10-5 Paleontology Study

CONSULTANT shall perform a paleontology study to identify and evaluate potential impacts to paleontological resources in the project area. This task shall include an assessment of the project area's potential to contain significant paleontological resource through literature search of paleontological resources in the region, if necessary, consultation with paleontologists with expertise in the region, and preparation of a Paleontological Identification Report (PIR). If necessary, CONSULTANT may prepare a Paleontological Evaluation Report (PER) and a Paleontological Monitoring Plan (PMP).

Deliverables:

- *Paleontological Identification Report*

Task 2.165.10-6 Hazardous Waste Initial Site Assessment

CONSULTANT shall perform a hazardous waste assessment to identify and evaluate the potential for Recognized Environmental Conditions (REC) that occur in the project area. This task shall include a literature search and review of historic information, interagency coordination with the appropriate agencies, field studies, and preparation of an Initial Site Assessment (ISA) report.

Deliverables:

- *Initial Site Assessment Report*

Task 2.165.10-7 Water Quality Study

CONSULTANT will complete a Scoping Questionnaire for Water Quality Issues . The project's potential impact on water quality will be evaluated and mitigation measures necessary to prevent adverse water quality impacts will be identified. In addition, rough hydrologic calculations (suitable for determination of estimated on-site storm water runoff volumes) based upon topography and preliminary engineering plans will be provided by the project engineer as part of the hydrology report.

Deliverables:

- *Scoping Questionnaire for Water Quality Issues*

Task 2.160.15 Biological Studies

CONSULTANT shall perform biological studies to assess potential impacts to biological resources in the project area. Biological studies perform shall support the environmental determination made in the Environmental Document and shall be used to demonstrate with all applicable biological related laws, regulations, and requirements, including but not limited to, the Federal Endangered Species Act, California Endangered Species Act, Clean Water Act, and the Department of Fish and Game Code. All biological studies performed and reports prepared shall meet Caltrans requirements

according to the SER and other pertinent Caltrans guidance. CONSULTANT will be responsible for obtaining any right of entry permits required for field work.

Task 2.160.15-1 Natural Environment Study

CONSULTANT shall perform a general biological study to identify biological resources that could be affected by the project. This task shall include a literature search, interagency coordination with the appropriate agencies, field studies, and preparation of a Natural Environment Study (NES) report. Biological studies shall address natural communities and habitat, plant and animal species, and federally and state listed species. If necessary, CONSULTANT may conduct informal consultation with appropriate regulatory agencies. Discussions and negotiations with external agencies as part of this task shall only be performed in consultation with the SANBAG Project Manager or designee.

Deliverables:

- *Natural Environment Study Report*

Task 2.165.20 Cultural Resources Studies

CONSULTANT shall perform cultural resources studies to assess potential impacts to archaeological and historic resources in the project area. Cultural studies performed shall support the environmental determination made in the Environmental Document. This task shall include preparation of an Area of Potential Effects (APE) map, archaeological resources studies, assessment of the built environment, Native American consultation, and preparation of a Historic Properties Survey Report (HPSR). All cultural studies performed and reports prepared shall meet Caltrans requirements according to the SER and other pertinent Caltrans guidance. CONSULTANT will be responsible for obtaining any right of entry permits required for field work.

Deliverables:

- *Historic Resources Compliance Report*

Task 2.165.25 Environmental Document

Task 2.165.25-2 Public Outreach

CONSULTANT shall provide Public Outreach services and shall take the lead in providing the public notice about the project and coordinating one public meeting if necessary. CONSULTANT shall provide all Public Outreach collateral materials including notices, handouts, and exhibits. CONSULTANT may serve as initial point of contact for public inquiries and shall be expected to maintain a Public Outreach file, which shall include a project mailing list, correspondence log, and records of public meeting. Public Outreach shall be performed in consultation with the SANBAG Project Manager or designee and the SANBAG's Public Information Officer (PIO).

Deliverables:

- *Public Outreach collateral materials/Electronic Media*
- *Public Outreach File*

TASK 2.170 – PERMITS & AGREEMENTS

Task 2.170.05 Determine Required Permits & Task 2.170.10 Obtain Permits

CONSULTANT shall perform work to identify and obtain all necessary permits and agreements needed for project construction. Work as part of this task may include discussions with permitting agencies, preparation of the permit and attachments such as maps and other exhibits identify funds necessary for the permit application, and submitting the permit. CONSULTANT is responsible for identifying and obtaining all permits that are required to complete the project construction. Discussions and negotiations with permitting agencies shall only be performed in consultation with the SANBAG Project Manager or designee.

Deliverables:

- *Various Construction Permits*

TASK 3.180 – PROJECT REPORT & FINAL ENVIRONMENTAL DOCUMENT (FED)

TASK 3.185 – PREPARE BASE MAPS AND PLAN SHEETS

Task 3.185-1 Mapping and Surveys

CONSULTANT shall perform survey control work and engineering surveys necessary to produce the mapping for final design. CONSULTANT shall perform the necessary work to establish the project design file and CADD base maps. CONSULTANT will be responsible for obtaining as-built maps, record of surveys, topographic data, aerial mapping, and maps and plans of major utilities and proposed utilities within the project area. CONSULTANT will be responsible for obtaining any right of entry permits required for field survey work.

Deliverables:

- *Design Base Maps*

Task 3.185-2 Right Of Way Requirements

CONSULTANT shall perform the work necessary to determine the right of way needs and prepare maps for use in the Right Of Way (ROW) process. Work would include identifying the need for new ROW, permanent easements, and temporary construction easements. This task includes determination of potential utility conflicts and consultation with affected agencies.

Deliverables:

- *ROW Requirements Map*
- *Utility Conflicts Map*

TASK 3.230 – PREPARE DRAFT PLANS, SPECIFICATIONS & ESTIMATE (PS&E)

Task 3.230-1 Draft Plans

CONSULTANT shall prepare the Roadway Plans, Specifications, and Estimates (PS&E) plans set for the project following the Caltrans Highway Design Manual and Caltrans Standard Plans as appropriate. Preparation of the PS&E plans set shall include preparation of the following roadway engineering sheets:

- | | |
|--|-------------------------------------|
| - Title Sheet | - Typical Cross Sections |
| - Roadway/Geometric Layouts | - Profile and Superelevation Sheets |
| - Construction Details | - Contour Grading Plans |
| - Summary of Quantities | - Stage Construction Plans |
| - Traffic Handling Plans | - Irrigation Plans |
| - Utility & Utility Relocation Plans | - Drainage Plans |
| - Signing and Pavement Delineation Plans | - Electrical Plans |

Preparation of the roadway plans shall be consistent with Caltrans design standards to the greatest extent feasible. CONSULTANT shall perform an internal QA/QC plans check and review and shall submit copies to SANBAG for peer review prior to submittal to Caltrans. CONSULTANT shall notify the SANBAG's Project Manager if the CONSULTANT is seeking any exceptions to any applicable design standards.

Deliverables:

- 65% Plans
- 95% Plans

Task 3.230-2 Draft Specifications and Quantities and Estimates

CONSULTANT shall prepare the Specifications and Special Provisions and PS&E Quantities and Estimates for the project following the Caltrans Standard Specifications. CONSULTANT shall notify the SANBAG's Project Manager if the CONSULTANT is seeking any exceptions to this requirement.

Deliverables:

- *Draft Standard Special Provisions*

Task 3.230-3 Transportation Management Plan

CONSULTANT will prepare the Draft and Final Transportation Management Plan (TMP) checklist in accordance with current Caltrans procedures and guidelines. The TMP will identify specific measures that can be taken during construction to reduce impacts due to construction on the traveling public and to provide travel through and around the work area.

Deliverables:

- *Transportation Management Plan (checklist)*

TASK 3.255 – PREPARE FINAL PS&E PACKAGE

Task 3.225-1 Final PS&E Package

This task includes the distribution of the PS&E package for final review by the Caltrans, the SANBAG, and other stakeholders. CONSULTANT shall address comments received and incorporate changes as appropriate in the final combined PS&E package. Under this task, CONSULTANT shall perform an internal QA/QC plans check and review and shall submit the final combined PS&E package to an independent reviewer, which shall be provided by the CONSULTANT. The independent reviewer shall be a registered Professional Engineer in the State of California and shall certify the quality of the package and that the plans are constructible. The independent reviewer shall submit a stamped report to the SANBAG summarizing its review and certifying the constructability of the plans and that the final combined PS&E package is biddable. CONSULTANT will be responsible for completion of the draft final combined PS&E package in a manner where there is sufficient time to address comments during the independent review and finalize the PS&E package within the project schedule. CONSULTANT will be responsible for the constructability of the project.

Deliverables:

- *Final PS&E Package*
- *Independent Constructability and Ready-to-Bid Certification*

Task 3.225-2 Resident Engineer File and Supplemental Materials

CONSULTANT shall be responsible for preparing the pending Resident Engineer File and other supplemental PS&E materials, which would include the following:

- | | |
|--|-------------------------------------|
| - Geotechnical Information Handout | - Materials Information Handout |
| - Construction Staking Package and Control | - Project Controls for Construction |
| - Grid Grades | - Construction Permits |

Deliverables:

- *Pending Resident Engineer File*
- *Supplemental PS&E Materials*

TASK 3.260 – PREPARE CONTRACT BID DOCUMENTS

Task 3.260-1 Draft Contract

CONSULTANT shall assist the SANBAG in the preparation of the Construction Contract Bid Documents. Under this task, the CONSULTANT shall assist SANBAG to develop a draft contract, which shall be consistent with Caltrans standards. Draft contract shall include the plans, specifications, special provisions, applicable Federal, state and local laws, regulations, and requirements and item codes. All contract pay items shall utilize the Basic Engineering Estimate System (BEES) coding.

Deliverables:

- *BEES List for Draft Construction Contract Package*

Contract Summary Sheet

General Contract Information

Contract No: 16-1001335 Amendment No.: 1 Vendor No.: 1901
 Vendor/Customer Name: City of San Bernardino Sole Source? Yes No
 Description: I-215 University Parkway Interchange Cooperative Agreement for PA/ED, PS&E, and ROW
 Start Date: 11/04/2015 Expiration Date: 12/28/2018 Revised Expiration Date: _____
 Has Contract Term Been Amended? No Yes - Please Explain _____
 List Any Related Contracts Nos.: 15-1001217, 16-1001359

Dollar Amount			
Original Contract	\$ 242,942.00	Original Contingency	\$ -
Revised Contract (Inclusive of Prior Amendments)	\$ -	Revised Contingency (Inclusive of Prior Amendments)	\$ -
Current Amendment	\$ -	Contingency Amendment	\$ -
TOTAL CONTRACT VALUE	\$ 242,942.00	TOTAL CONTINGENCY VALUE	\$ -
		TOTAL DOLLAR AUTHORITY (Contract Value and Contingency)	\$ 242,942.00

Contract Authorization

Executive Director Date: _____
 Executive Director Action: _____
 Board of Directors Date: 09/07/2016
 Board of Directors Action: Approve Amendment 1 to Cooperative Agreement No. 16-1001335

Contract Management: Payable/Miscellaneous

Invoice Warning: 20% Renewals: _____ Type: Capital PAA Other
 Retention: _____% Maximum Retention: \$ _____
 Services: Construction Intrgrnt/MOU/COOP A & E Services Other Professional Services
 Disadvantaged Business Enterprise (DBE) Goal _____%

Contract Management: Receivable

E-76 and/or CTC Date _____ (Attach Copy) Program Supplement No.: _____
 Finance Letter Reversion Date: _____ EA No.: _____

All of the above MUST be submitted to FINANCE including originals, amendments and miscellaneous transaction changes

Additional Information

Project Manager: Paul Melocoton No DCSS; Amendment does not change contract amount with City

Attachment: CSS 16-1001335-01 (2024 : I-215 University Parkway IC:Preliminary Engineering Services and Caltrans Cooperative Agreement)

AMENDMENT NO. 1 TO COOPERATIVE AGREEMENT NO. 16-1001335

BETWEEN

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

AND

CITY OF SAN BERNARDINO

FOR

PROJECT APPROVAL AND ENVIRONMENTAL DOCUMENT (PA/ED), PLANS, SPECIFICATIONS AND ESTIMATES (PS&E), AND RIGHT OF WAY (ROW) PHASES FOR THE INTERCHANGE AT UNIVERSITY PARKWAY AND INTERSTATE 215 (I-215) IN THE CITY OF SAN BERNARDINO

This Amendment No. 1 to Cooperative Agreement No. 16-1001335 is made by and between the San Bernardino County Transportation Authority (AUTHORITY) and the City of San Bernardino (CITY). The AUTHORITY and CITY are collectively known as PARTIES.

RECITALS:

- A. PARTIES entered into Cooperative Agreement No. 16-1001335 in November 2015 to define roles and responsibilities and funding for improvements to the interchange at University Parkway and I-215 in the limits of the City of San Bernardino (PROJECT); and
- B. AUTHORITY initiated procurement for environmental and design services for the PA/ED and PS&E phases and is currently negotiating the scope and cost for professional services; and
- C. The estimated cost of the PA/ED and PS&E phases has increased; and
- D. PARTIES desire to amend the agreement to allow CITY to deposit its share directly to AUTHORITY.

NOW THEREFORE, in consideration of the terms and conditions set forth herein, the PARTIES agree to the following:

- 1. Delete Section III (AUTHORITY RESPONSIBILITIES), Article C in its entirety and replace with the following:
 - C. To Provide CITY monthly copies of payments processed from the CITY's deposit amount described in Section IV, Article C.

2. Delete Section IV (CITY RESPONSIBILITIES), Article B in its entirety.
3. Delete Section IV (CITY RESPONSIBILITIES), Article C in its entirety and replace with the following:
 - C. To pay AUTHORITY a deposit of the full amount of the CITY's estimated share towards the PA/ED, PS&E, and ROW phases of the PROJECT cost and for AUTHORITY's Project Management as shown in Attachment A-1 within thirty (30) calendar days after AUTHORITY invoices CITY. AUTHORITY will have the right to withdraw funds for all eligible PROJECT expenditures as set forth in this agreement, including eligible PROJECT expenditures prior to CITY's deposit of funds. Any unused funds will be returned to CITY.
4. Replace "Attachment A" with the attached revised "Attachment A-1".
5. Replace all references to "Attachment A" in the Agreement with reference to "Attachment A-1".
6. The recitals of this Amendment No. 1 are incorporated into the Agreement by reference.
7. All other provisions of Cooperative Agreement No. 16-1001335 shall remain in full force and effect and are incorporated into this Amendment.
8. This Amendment No. 1 is effective on the date signed by AUTHORITY.
9. This Agreement may be signed in counterparts, each of which shall constitute an original.

-----SIGNATURES ON THE FOLLOWING PAGE-----

IN WITNESS WHEREOF, the PARTIES have duly executed this Amendment No. 1 below.

SAN BERNARDINO COUNTY
TRANSPORTATION AUTHORITY

CITY OF SAN BERNARDINO

By: _____
Raymond W. Wolfe
Executive Director

By: _____
Mark Scott
City Manager

Date: _____

Date: _____

APPROVED AS TO FORM:

APPROVED AS TO FORM:

By: _____
Eileen Monaghan Teichert
General Counsel

By: _____
Gary D. Saenz
City Attorney

CONCURRENCE

By: _____
Jeffery Hill
Procurement Manager

Attachment: 16-1001335-01 (3024 : I-215 University Parkway IC:Preliminary Engineering Services and Caltrans Cooperative Agreement)

Attachment A

Project Scope:

Improve traffic operations at the I-215 University Parkway Interchange by improving freeway access to I-215 and improving local traffic flow on University Parkway. An alternative being evaluated is to reconstruct the existing ramp intersections at the interchange into a Diverging Diamond Interchange (DDI) configuration. Further study will determine the final configuration and design of the interchange improvements.

Project Cost Estimate and Funding Shares:

Public Share: 84.2%

Development Share/ Local Share: 15.8%

Phase	Estimated Cost ^{1,2}	Buy-Down Funds ³	Public Share	Development Share
Project Approval and Environmental Document (PA/ED)	\$1,022,216	\$939,716	\$69,465	\$13,035
Design (PS&E)	\$703,856	\$703,856	\$-	\$-
Right of Way (ROW)	\$62,700	\$-	\$52,793	\$9,907
SANBAG Oversight	\$220,000	\$-		\$220,000
TOTAL	\$2,008,772	\$1,643,572	\$122,258	\$242,942

¹ Estimated cost assumes DDI configuration and analysis of one alternative only.

² Project costs that are not federally reimbursable will be split according to the Nexus Study Share.

³ In accordance with SANBAG Board action on 9/4/2013, buy-down funds include up to \$5,000,000 of Federal Surface Transportation Program Funds and \$735,000 of Surface Transportation Priorities Sec 129 Funds.

Project Milestones:

Milestone	Actual (Forecast)
Start of Project Approval and Environmental Document (PA/ED)	(9/2016)
Environmental Approval	(12/2017)
Design Approved and ROW Certified	(12/2018)

Milestone assumed DDI configuration and analysis of one alternative only. Anticipated environmental document is a Categorical Exemption/Categorical Exclusion.

Minute Action

AGENDA ITEM: 18

Date: *September 7, 2016*

Subject:

South Coast Air Quality Management District Agreement for Signal Synchronization Funding Using Mobile Source Air Pollution Reduction Review Committee Funds

Recommendation:

That the Board, acting as the San Bernardino County Transportation Commission, approve Contract 17-1001574 (MS16091) with the South Coast Air Quality Management District defining the roles and responsibilities for the administration of Assembly Bill 2766 Discretionary Funds totaling \$1,000,000 allocated to the San Bernardino County Transportation Commission.

Background:

In September 1990, California Assembly Bill (AB) 2766 was signed into law authorizing a \$4 per vehicle surcharge on annual registration fees, in order to fund the implementation of programs to reduce air pollution from motor vehicles pursuant to air quality plans and provisions of the California Clean Air Act. AB 2766 also provided that a portion of the monies collected by the Department of Motor Vehicles would be distributed to the South Coast Air Quality Management District (SCAQMD) and shall be deposited by the SCAQMD in a discretionary account (the "Discretionary Fund") to be used to implement or monitor programs to reduce motor vehicle air pollution. To determine which projects should be funded by the Discretionary Fund, AB 2766 called for the creation of the Mobile Source Air Pollution Reduction Review Committee (MSRC), which would develop a Work Program for evaluating programs, and would make a final recommendation to the SCAQMD Governing Board as to which programs and/or projects would be funded.

The MSRC has partnered with the County Transportation Commissions (CTC) to implement projects that significantly reduce automobile trips or remove impediments to efficient traffic flow. To this end, the SCAQMD has allocated a total of \$10 million in Clean Transportation Funding to the CTCs. Each CTC within the South Coast Air Basin, including SANBAG, was allocated \$2.5 million to support projects that focus on air quality improvements. On May 1, 2015, the MSRC released an Invitation to Negotiate seeking proposals from CTCs on how the Clean Transportation Funding under the Transportation Control Measure Partnership Program should be invested.

Over the past 15 years, SANBAG has developed a systematic approach to coordinating 1,250 traffic signals throughout the San Bernardino Valley to improve traffic flow and provide air quality benefits to the traveling public and local communities. Implementation of the San Bernardino Valley Coordinated Traffic Signal System (SBVCTSS) occurred over four tiers, based on priority with significant benefits realized through the \$15 million investment into the system. Travel times improved, the number of vehicle stops was reduced and vehicle emissions

Entity: CTC

and fuel consumption were reduced throughout the valley. The plan has been implemented in collaboration with the following jurisdictions:

- Chino Hills
- Chino
- Montclair
- Upland
- Ontario
- Rancho Cucamonga
- Fontana
- Rialto
- Colton
- Grand Terrace
- San Bernardino
- Loma Linda
- Highland
- Redlands
- Yucaipa
- County of San Bernardino

Based on the past success realized by implementation of the plan, further efforts are required to maintain the system and benefits realized through plan implementation as well as continuing to improve the signal infrastructure throughout the Valley. Funding for signal synchronization needs throughout the San Bernardino Valley exceeds available local funding. Preliminary analysis reveals as traffic volumes have increased with the improved economy over the past few years, the existing coordinated timing plans have become outdated. Older equipment has been experiencing failures, resulting in an increase in travel times and delay during peak periods as compared with off-peak periods. These higher travel times and increased number of stops for vehicles along key valley corridors result in increased air pollution, reduced transit performance, increased accident rates and reduced productivity for commercial vehicles. As corridors are prioritized for synchronization implementation and upgrades, traffic signals along the priority corridors will be retimed to optimize corridor and network performance. This project will also install equipment upgrades as warranted and feasible to improve progression and ensure coordination can be maintained.

SANBAG has estimated approximately \$1.5 million per year in needs to upgrade and expand the signal synchronization program throughout the Valley. SANBAG requested \$1,000,000 from the Transportation Control Measure CTC Partnership Program to supplement local funds to implement Phase 1 of the SBVCTSS Update effort to ensure the system continues to grow and expand and deliver the congestion relief and air quality benefits that have been realized to date.

There are certain administrative and fiscal responsibilities associated with receiving MSRC Funds. MSRC funding requirements include submitting progress reports and a final report following project completion. The purpose of the attached agreement is to identify the roles and responsibilities of SCAQMD and SANBAG to implement the work plan associated with the Clean Transportation Funding. To implement the work plan, staff is developing a scope of work and agreements with each San Bernardino Valley jurisdiction to implement the plan once the funding is available from SCAQMD.

Board of Directors Agenda Item
September 7, 2016
Page 3

Financial Impact:

This item is consistent with the adopted SANBAG Fiscal Year 2016/2017 budget under Task No. 0860. The funding source is the Transportation Control Measure Partnership Program by the South Coast Air Quality Management District Mobile Source Pollution Reduction Review Committee.

Reviewed By:

This item was reviewed and recommended for approval (19-0-0) with a quorum of the board present at the Board of Directors Metro Valley Study Session on August 11, 2016. This item and the draft agreement have been reviewed by SANBAG General Counsel.

Responsible Staff:

Steve Smith, Director of Planning

Approved
Board of Directors
Date: September 7, 2016

Witnessed By:

Contract Summary Sheet

General Contract Information

Contract No: 17-1001574 Amendment No.: _____ Vendor No.: 01965
 Vendor/Customer Name: South Coast Air Quality Management District Sole Source? Yes No
 Description: MSRC Funding for Signal System Retiming and Upgrades MS16091
 Start Date: 09/07/2016 Expiration Date: 10/07/2018 Revised Expiration Date: _____
 Has Contract Term Been Amended? No Yes - Please Explain _____
 List Any Related Contracts Nos.: _____

Dollar Amount			
Original Contract	\$ 1,000,000.00	Original Contingency	\$ -
Revised Contract (Inclusive of Prior Amendments)	\$ -	Revised Contingency (Inclusive of Prior Amendments)	\$ -
Current Amendment	\$ -	Contingency Amendment	\$ -
TOTAL CONTRACT VALUE	\$ 1,000,000.00	TOTAL CONTINGENCY VALUE	\$ -
		TOTAL DOLLAR AUTHORITY (Contract Value and Contingency)	\$ 1,000,000.00

Contract Authorization

Executive Director Date: _____
 Executive Director Action: _____
 Board of Directors Date: 09/07/2016
 Board of Directors Action: Approve Contract No. 17-1001574

Contract Management: Payable/Miscellaneous

Invoice Warning: 20% Renewals: _____ Type: Capital PAA Other
 Retention: _____ % Maximum Retention: \$ _____
 Services: Construction Intrgrnt/MOU/COOP A & E Services Other Professional Services
 Disadvantaged Business Enterprise (DBE) Goal _____ %

Contract Management: Receivable

E-76 and/or CTC Date _____ (Attach Copy) Program Supplement No.: _____
 Finance Letter Reversion Date: _____ EA No.: _____

All of the above MUST be submitted to FINANCE including originals, amendments and miscellaneous transaction changes

Additional Information

Project Manager: Tim Byrne

Attachment: Contract Summary Sheet (3046 : SCAQMD MSRC Signal Synchronization Funding Agreement)



**South Coast
Air Quality Management District**



Contract No. MS16091

AB 2766/MSRC TRANSPORTATION CONTROL MEASURE PARTNERSHIP PROGRAM CONTRACT

1. **PARTIES** - The parties to this Contract are the South Coast Air Quality Management District (hereinafter referred to as "SCAQMD") whose address is 21865 Copley Drive, Diamond Bar, California 91765-4178, and the San Bernardino Associated Governments, (hereinafter referred to as "CONTRACTOR") acting as the San Bernardino County Transportation Commission, whose address is 1170 W. 3rd Street, San Bernardino, California 92410.
2. **RECITALS**
 - A. SCAQMD is the local agency with primary responsibility for regulating stationary source air pollution within the geographical boundaries of the South Coast Air Quality Management District in the State of California (State). SCAQMD is authorized under State Health & Safety Code Section 44225 (AB 2766) to levy a fee on motor vehicles for the purpose of reducing air pollution from such vehicles and to implement the California Clean Air Act.
 - B. Under AB 2766, SCAQMD's Governing Board has authorized the imposition of the statutorily set motor vehicle fee. By taking such action, the State's Department of Motor Vehicles (DMV) is required to collect such fee and remit it periodically to SCAQMD.
 - C. AB 2766 further mandates that thirty (30) percent of such vehicle registration fees be placed by SCAQMD into a separate account for the sole purpose of implementing and monitoring programs to reduce air pollution from motor vehicles.
 - D. AB 2766 creates a regional Mobile Source Air Pollution Reduction Review Committee (MSRC) to develop a work program to fund projects from the separate account. Pursuant to approval of the work program by SCAQMD's Governing Board, SCAQMD authorized this Contract with CONTRACTOR for equipment or services described in Attachment 1 - Statement of Work, expressly incorporated herein by this reference and made a part hereof of this Contract.
 - E. CONTRACTOR has met the requirements for receipt of AB 2766 Discretionary Funds as set forth in CONTRACTOR's Transportation Control Measure Partnership Program Proposal dated March 2, 2016.
 - F. CONTRACTOR is authorized to do business in the State of California and attests that it is in good tax standing with the California Franchise Tax Board.
 - G. All parties to this Contract have had the opportunity to have this Contract reviewed by their attorney.
3. **DMV FEES** - CONTRACTOR acknowledges that SCAQMD cannot guarantee that the amount of fees to be collected under AB 2766 will be sufficient to fund this Contract. CONTRACTOR further acknowledges that payment under this Contract is contingent upon SCAQMD receiving sufficient funds from the DMV, and that SCAQMD assumes no responsibility for the collection and remittance of motor vehicle registration fees.
4. **AUDIT AND RECORDS RETENTION**
 - A. CONTRACTOR shall, at least once every two years, or within two years of the termination of the Contract if the term is less than two years, be subject to an audit by SCAQMD or its authorized representative to determine if the revenues received by CONTRACTOR were spent for the reduction of pollution from motor vehicles pursuant to the Clean Air Act of 1988.
 - B. CONTRACTOR agrees to maintain records related to this Contract during the Contract term and continue to retain these records for a period of two years beyond the Contract term, except that in no

case shall CONTRACTOR be required to retain more than the most recent five years' records. SCAQMD shall coordinate such audit through CONTRACTOR'S audit staff.

C. If an amount is found to be inappropriately expended, SCAQMD may withhold funding, or seek reimbursement, from CONTRACTOR in the amount equal to the amount that was inappropriately expended. Such withholding shall not be construed as SCAQMD's sole remedy and shall not relieve CONTRACTOR of its obligation to perform under the terms of this Contract.

5. TERM - The term of this Contract is for twenty five (25) months from the date of execution by both parties, unless terminated earlier as provided for in the TERMINATION clause of this Contract, or the term is extended by amendment of this Contract in writing. No work shall commence prior to the Contract start date, except at CONTRACTOR's cost and risk, and no charges are authorized until this Contract is fully executed, subject to the provisions stated in the PRE-CONTRACT COSTS clause of this Contract.
6. SUCCESSORS-IN-INTEREST - This Contract, and the obligations arising under the Contract, shall be binding on and inure to the benefit of CONTRACTOR and their executors, administrators, successors, and assigns.
7. REPORTING - CONTRACTOR shall submit reports to SCAQMD as outlined in Attachment 1 - Statement of Work. SCAQMD reserves the right to review, comment, and request changes to any report produced as a result of this Contract.
8. TERMINATION
 - A. In the event any party fails to comply with any term or condition of this Contract, or fails to provide services in the manner agreed upon by the parties, including, but not limited to, the requirements of Attachment 1 – Statement of Work, this failure shall constitute a breach of this Contract. The non-breaching party shall notify the breaching party that it must cure this breach or provide written notification of its intention to terminate this contract. Notification shall be provided in the manner set forth in the NOTICES clause of this Contract. The non-breaching party reserves all rights under law and equity to enforce this Contract and recover damages.
 - B. SCAQMD reserves the right to terminate this Contract, in whole or in part, without cause, upon thirty (30) days' written notice. Once such notice has been given, CONTRACTOR shall, except as and to the extent or directed otherwise by SCAQMD, discontinue any Work being performed under this Contract and cancel any of CONTRACTOR's orders for materials, facilities, and supplies in connection with such Work, and shall use its best efforts to procure termination of existing subcontracts upon terms satisfactory to SCAQMD. Thereafter, CONTRACTOR shall perform only such services as may be necessary to preserve and protect any Work already in progress and to dispose of any property as requested by SCAQMD.
 - B. CONTRACTOR shall be paid in accordance with this Contract for all Work performed before the effective date of termination under section B of the TERMINATION clause of this Contract. Before expiration of the thirty (30) days' written notice, CONTRACTOR shall promptly deliver to SCAQMD all copies of documents and other information and data prepared or developed by CONTRACTOR under this Contract with the exception of a record copy of such materials, which may be retained by CONTRACTOR.
9. STOP WORK - SCAQMD may, at any time, by written notice to CONTRACTOR, require CONTRACTOR to stop all or any part of the Statement of Work tasks in this Contract. A stop work order may be issued for reasons including, but not limited to, the project exceeding the budget, out of scope work, delay in project schedule, or misrepresentations. Upon receipt of the stop work order, CONTRACTOR shall immediately

take all necessary steps to comply with the order. CONTRACTOR shall resume the work only upon receipt of written instructions from SCAQMD cancelling the stop work order. CONTRACTOR agrees and understands that CONTRACTOR will not be paid for performing work while the stop work order is in effect, unless SCAQMD agrees to do so in its written cancellation of the stop work order.

10. INSURANCE

- A. CONTRACTOR shall furnish evidence to SCAQMD of workers' compensation insurance for each of its employees, in accordance with either California or other states' applicable statutory requirements prior to commencement of any work on this Contract.
- B. CONTRACTOR shall furnish evidence to SCAQMD of general liability insurance with a limit of at least \$1,000,000 per occurrence, and \$2,000,000 in a general aggregate prior to commencement of any work on this Contract. SCAQMD shall be named as an additional insured on any such liability policy, and thirty (30) days written notice prior to cancellation of any such insurance shall be given by CONTRACTOR to SCAQMD.
- C. CONTRACTOR shall furnish evidence to SCAQMD of automobile liability insurance with limits of at least \$100,000 per person and \$300,000 per accident for bodily injuries, and \$50,000 in property damage, or \$1,000,000 combined single limit for bodily injury or property damage, prior to commencement of any work on this Contract. SCAQMD shall be named as an additional insured on any such liability policy, and thirty (30) days written notice prior to cancellation of any such insurance shall be given by CONTRACTOR to SCAQMD.
- D. If CONTRACTOR fails to maintain the required insurance coverage set forth above, SCAQMD reserves the right either to purchase such additional insurance and to deduct the cost thereof from any payments owed to CONTRACTOR or terminate this Contract for breach.
- E. All insurance certificates shall be mailed to: SCAQMD, 21865 Copley Drive, Diamond Bar, CA 91765-4178, Attention: Cynthia Ravenstein, MSRC Contracts Administrator. **The SCAQMD Contract Number must be included on the face of the certificate.**
- F. CONTRACTOR must provide updates on the insurance coverage throughout the term of the Contract to ensure that there is no break in coverage during the period of contract performance. Failure to provide evidence of current coverage shall be grounds for termination for breach of Contract.

11. INDEMNIFICATION - CONTRACTOR agrees to hold harmless, defend and indemnify SCAQMD, its officers, employees, agents, representatives, and successors-in-interest against any and all loss, damage, costs, lawsuits, claims, demands, causes of action, judgments, attorney's fees, or any other expenses arising from or related to any third party claim against SCAQMD, its officers, employees, agents, representatives, or successors in interest that arise or result in whole or in part, from any actual or alleged act or omission of CONTRACTOR, its employees, subcontractors, agents or representatives in the performance of this Contract. This Indemnification Clause shall survive the expiration or termination (for any reason) of the Contract and shall remain in full force and effect.

12. DISCLAIMER OF WARRANTY - The purchase or lease of funded vehicles/equipment is the CONTRACTOR's decision. The SCAQMD does not make any express or implied warranty of merchantability, fitness for a particular purpose or otherwise, quality or usefulness of the technology or product. Without limiting the foregoing, the SCAQMD will not be financially responsible, or otherwise liable, for the installation or performance of the vehicle/equipment.

13. PAYMENT

- A. SCAQMD shall reimburse CONTRACTOR up to a total amount of One Million Dollars (\$1,000,000) in accordance with Attachment 2 – Payment Schedule expressly incorporated herein by this reference and made a part hereof of the Contract.
- B. A withhold amount or percentage (if any) shall be identified in the Payment Schedule, and such amount shall be withheld from each invoice. Upon satisfactory completion of project and final acceptance of work and the final report, CONTRACTOR's invoice for the withheld amount shall be released. Proof of project completion shall include a Final Report detailing the project goals and accomplishments, data collected during project performance, if any, documentation of significant results, and emissions reduction input data needed for calculation of emissions reductions.
- C. Any funds not expended upon early Contract termination or Contract completion shall revert to the AB 2766 Discretionary Fund. Payment of charges shall be made by SCAQMD to CONTRACTOR within thirty (30) days after approval by SCAQMD of an itemized invoice prepared and furnished by CONTRACTOR.
- D. An invoice submitted to SCAQMD for payment must be prepared in duplicate, on company letterhead, and list SCAQMD's contract number, period covered by invoice, and CONTRACTOR's social security number or Employer Identification Number and submitted to:

South Coast Air Quality Management District
 21865 Copley Drive
 Diamond Bar, CA 91765-4178
 Attn: Cynthia Ravenstein, MSRC Contracts Administrator

- 1. Charges for equipment, material, and supply costs, travel expenses, subcontractors, and other charges, as applicable, must be itemized by CONTRACTOR. Reimbursement for equipment, material, supplies, subcontractors, and other charges, as applicable, shall be made at actual cost. Supporting documentation must be provided for all individual charges (with the exception of direct labor charges provided by CONTRACTOR).
- 2. SCAQMD shall pay CONTRACTOR for travel-related expenses only if such travel is expressly set forth in Attachment 2 – Payment Schedule of this Contract or pre-authorized by SCAQMD in writing.
- 3. CONTRACTOR's failure to provide receipts shall be grounds for SCAQMD's non-reimbursement of such charges. CONTRACTOR may reduce payments on invoices by those charges for which receipts were not provided.
- 4. CONTRACTOR must submit final invoice no later than ninety (90) days after the termination date of this Contract or invoice may not be paid.

14. COMPLIANCE WITH APPLICABLE LAWS - CONTRACTOR agrees to comply with all federal, state, and local laws, ordinances, codes and regulations and orders of public authorities in the performance of this Contract. CONTRACTOR must also ensure that the vehicles and/or equipment to be purchased, leased or installed is in compliance with all applicable federal, state, and local air quality rules and regulations, and that it will maintain compliance for the full Contract term. CONTRACTOR shall ensure that the provisions of this clause are included in all subcontracts.

15. MOBILE SOURCE EMISSION REDUCTION CREDITS (MSERCs)

- A. The MSRC has adopted a policy that no MSERCs resulting from AB 2766 Discretionary Funds may be generated and/or sold.

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18.b

- B. CONTRACTOR has the opportunity to generate MSERCs as a by-product of the project if a portion of the air quality benefits attributable to the project resulted from funding sources other than AB2766. These MSERCs, which are issued by SCAQMD, are based upon the quantified vehicle miles traveled (VMT) by project vehicles or other activity data as appropriate. Therefore, a portion of prospective MSERCs, generated as a result of AB 2766 Funds, must be retired. The portion of prospective credits funded by the AB 2766 program, and which are subject to retirement, shall be referred to as "AB 2766-MSERCs."
- C. The determination of AB 2766-MSERC's is to be prorated based upon the AB 2766 program's contribution to the cost associated with the air quality benefits. In the case where AB 2766 Discretionary Funds are used to pay for the full differential cost of a new alternative fuel vehicle or for the retrofitting or repowering of an existing vehicle, all MSERCs attributable to AB 2766 Discretionary Funds must be retired. The determination of AB 2766-MSERCs for infrastructure and other ancillary items is to be prorated based upon the AB 2766 program's contribution to the associated air quality benefits. Determination of the project's overall cost will be on a case-by-case basis at the time an MSERC application is submitted. SCAQMD staff, at the time an MSERC application is submitted, will calculate total MSERCs and retire the AB 2766-MSERCs. CONTRACTOR would then receive the balance of the MSERCs not associated with AB 2766 funding.
16. NOTICES - All notices that are required under this Contract shall be provided in the manner set forth herein, unless specified otherwise. Notice to a party shall be delivered to the attention of the person listed below, or to such other person or persons as may hereafter be designated by that party in writing. Notice shall be in writing sent by email, U.S. Mail, express, certified, return receipt requested, or a nationally recognized overnight courier service. In the case of email communications, valid notice shall be deemed to have been delivered upon sending, provided the sender obtained an electronic confirmation of delivery. Email communications shall be deemed to have been received on the date of such transmission, provided such date was a business day (Tuesday-Friday) and delivered prior to 5:30pm Pacific Standard Time. Otherwise, receipt of email communications shall be deemed to have occurred on the following business day. In the case of U.S. Mail notice, notice shall be deemed to be received when delivered or five (5) business days after deposit in the U. S. Mail. In the case of a nationally recognized overnight courier service, notice shall be deemed received when delivered (written receipt of delivery).

SCAQMD:
 South Coast Air Quality Management District
 21865 Copley Drive
 Diamond Bar, CA 91765-4178
 Attn: Cynthia Ravenstein, MSRC Contracts Administrator, email: cravenstein@aqmd.gov

CONTRACTOR:
 San Bernardino Associated Governments, acting as the
 San Bernardino County Transportation Commission
 1170 W. 3rd Street, 2nd Floor
 San Bernardino, CA 92410
 Attn: Timothy Byrne, email: TByrne@sanbag.ca.gov

17. INDEPENDENT CONTRACTOR - CONTRACTOR is an independent contractor. CONTRACTOR, its officers, employees, agents, representatives, or subcontractors shall in no sense be considered employees or agents of SCAQMD, nor shall CONTRACTOR, its officers, employees, agents, representatives, or

subcontractors be entitled to or eligible to participate in any benefits, privileges, or plans, given or extended by SCAQMD to its employees. SCAQMD will not supervise, direct, or have control over, or be responsible for, CONTRACTOR's or subcontractor's means, methods, techniques, work sequences or procedures, or for the safety precautions and programs incident thereto, or for any failure by them to comply with any local, state, or federal laws, or rules or regulations, including state minimum wage laws and OSHA requirements.

18. SUBCONTRACTOR APPROVAL - If CONTRACTOR intends to subcontract all or a portion of the work under this Contract, then CONTRACTOR must first obtain written approval from SCAQMD's Executive Officer or designee prior to subcontracting any work. Any material changes to the subcontract(s) that affect the scope of work, deliverable schedule, and/or payment/cost schedule shall also require the prior written approval of the SCAQMD Executive Officer or designee. No subcontract charges will be reimbursed unless the required approvals have been obtained from SCAQMD.
19. OWNERSHIP - Title and full ownership rights to any equipment purchased under this Contract shall at all times remain with CONTRACTOR.
20. NON-DISCRIMINATION - In the performance of this Contract, CONTRACTOR shall not discriminate in recruiting, hiring, promotion, demotion, or termination practices on the basis of race, religious creed, color, national origin, ancestry, sex, age, or physical handicap and shall comply with the provisions of the California Fair Employment & Housing Act (Government Code Section 12900, *et seq.*), the Federal Civil Rights Act of 1964 (P.L. 88-352) and all amendments thereto, Executive Order No. 11246 (30 Federal Register 12319), and all administrative rules and regulations issued pursuant to said Acts and Order. CONTRACTOR shall likewise require each subcontractor to comply with this clause and shall include in each such subcontract language similar to this clause.
21. CITIZENSHIP AND ALIEN STATUS
- A. CONTRACTOR warrants that it fully complies with all laws regarding the employment of aliens and others, and that its employees performing services hereunder meet the citizenship or alien status requirements contained in federal and state statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986 (P.L. 99-603). CONTRACTOR shall obtain from all covered employees performing services hereunder all verification and other documentation of employees' eligibility status required by federal statutes and regulations as they currently exist and as they may be hereafter amended. CONTRACTOR shall have a continuing obligation to verify and document the continuing employment authorization and authorized alien status of employees performing services under this Contract to insure continued compliance with all federal statutes and regulations. Notwithstanding the above, CONTRACTOR, in the performance of this Contract, shall not discriminate against any person in violation of 8 USC Section 1324b.
- B. CONTRACTOR shall retain such documentation for all covered employees for the period described by law. CONTRACTOR shall indemnify, defend, and hold harmless SCAQMD, its officers and employees from employer sanctions and other liability which may be assessed against CONTRACTOR or SCAQMD, or both in connection with any alleged violation of federal statutes or regulations pertaining to the eligibility for employment of persons performing services under this Contract.
22. ASSIGNMENT AND TRANSFER OF EQUIPMENT
- A. The rights and responsibilities granted hereby may not be assigned, sold, licensed, or otherwise transferred by CONTRACTOR without the prior written consent of SCAQMD, and any attempt by CONTRACTOR to do so shall be void upon inception.

- B. CONTRACTOR agrees to obtain SCAQMD's written consent to any assignment, sale, license or transfer of Equipment, if any, prior to completing the transaction. CONTRACTOR shall inform the proposed assignee, buyer, licensee or transferee (collectively referred to here as "Buyer") of the terms of this Contract. CONTRACTOR is responsible for establishing contact between SCAQMD and the Buyer and shall assist SCAQMD in facilitating the transfer of this Contract's terms and conditions to the Buyer. **CONTRACTOR will not be relieved of the legal obligation to fulfill the terms and conditions of this Contract until and unless the Buyer has assumed responsibility of this Contract's terms and conditions through an executed contract with SCAQMD**
23. NON-EFFECT OF WAIVER - The failure of CONTRACTOR or SCAQMD to insist upon the performance of any or all of the terms, covenants, or conditions of this Contract, or failure to exercise any rights or remedies hereunder, shall not be construed as a waiver or relinquishment of the future performance of any such terms, covenants, or conditions, or of the future exercise of such rights or remedies, unless otherwise provided for herein.
24. TAX IMPLICATIONS FROM RECEIPT OF MSRC FUNDS - CONTRACTOR is advised to consult a tax attorney regarding potential tax implications from receipt of MSRC funds.
25. ATTORNEYS' FEES - In the event any action is filed in connection with the enforcement or interpretation of this Contract, each party in said action shall pay its own attorneys' fees and costs.
26. FORCE MAJEURE - Neither SCAQMD nor CONTRACTOR shall be liable or deemed to be in default for any delay or failure in performance under this Contract or interruption of services resulting, directly or indirectly, from acts of God, civil or military authority, acts of public enemy, war, strikes, labor disputes, shortages of suitable parts, materials, labor or transportation, or any similar cause beyond the reasonable control of SCAQMD or CONTRACTOR.
27. SEVERABILITY - In the event that any one or more of the provisions contained in this Contract shall for any reason be held to be unenforceable in any respect by a court of competent jurisdiction, such holding shall not affect any other provisions of this Contract, and the Contract shall then be construed as if such unenforceable provisions are not a part hereof.
28. HEADINGS - Headings on the clauses of this Contract are for convenience and reference only, and the words contained therein shall in no way be held to explain, modify, amplify, or aid in the interpretation, construction, or meaning of the provisions of this Contract.
29. DUPLICATE EXECUTION - This Contract is executed in duplicate. Each signed copy shall have the force and effect of an original.
30. GOVERNING LAW - This Contract shall be construed and interpreted and the legal relations created thereby shall be determined in accordance with the laws of the State of California. Venue for resolution of any disputes under this Contract shall be Los Angeles County, California.
31. PRE-CONTRACT COSTS - Any costs incurred by CONTRACTOR prior to CONTRACTOR receipt of a fully executed Contract shall be incurred solely at the risk of the CONTRACTOR. In the event that a formal Contract is not executed, neither the MSRC nor the SCAQMD shall be liable for any amounts expended in anticipation of a formal Contract. If a formal Contract does result, pre-contract cost expenditures authorized

by the Contract will be reimbursed in accordance with the Payment Schedule and payment provision of the Contract.

32. CHANGE TERMS - Changes to any part of this Contract must be requested in writing by CONTRACTOR and approved by MSRC in accordance with MSRC policies and procedures. CONTRACTOR must make requests a minimum of 90 days prior to desired effective date of change. All modifications to this Contract shall be in writing and signed by the authorized representatives of the parties. Fueling station location changes shall not be approved under any circumstances.
33. ENTIRE CONTRACT - This Contract represents the entire agreement between CONTRACTOR and SCAQMD. There are no understandings, representations, or warranties of any kind except as expressly set forth herein. No waiver, alteration, or modification of any of the provisions herein shall be binding on any party unless in writing and signed by the authorized representative of the party against whom enforcement of such waiver, alteration, or modification is sought.
34. AUTHORITY - The signator hereto represents and warrants that he or she is authorized and empowered and has the legal capacity to execute this Contract and to legally bind CONTRACTOR both in an operational and financial capacity and that the requirements and obligations under this Contract are legally enforceable and binding on CONTRACTOR.

(THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK)

IN WITNESS WHEREOF, the parties to this Contract have caused this Contract to be duly executed on their behalf by their authorized representatives.

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

SAN BERNARDINO ASSOCIATED GOVERNMENTS,
ACTING AS THE SAN BERNARDINO COUNTY
TRANSPORTATION COMMISSION

By: _____
Dr. William A. Burke, Chairman, Governing Board

By: _____
Name:
Title:

Date: _____

Date: _____

ATTEST:
Saundra McDaniel, Clerk of the Board

By: _____

APPROVED AS TO FORM:
Kurt R. Wiese, General Counsel

By: _____

//MSRC Master Boilerplate
Revised January 27, 2016

**Attachment 1
Statement of Work
San Bernardino Associated Governments, acting as
the San Bernardino Transportation Commission
Contract Number MS16091**

1. Project

The San Bernardino Valley Coordinated Traffic Signal System (SBVCTSS) was implemented using a tiered approach wherein coordinated timing was applied to north-south and east-west corridors where the greatest need was identified. This method of execution did not take into account crossing corridors, and therefore compromises were made. In order to decrease vehicle stops and fuel consumption, and thereby decrease emissions from motor vehicles, San Bernardino Associated Governments, acting as the San Bernardino Transportation Commission (hereinafter referred to as CONTRACTOR) has proposed to update the SBVCTSS. In the time since the original synchronization effort led by CONTRACTOR, timing plans have become outdated and technology has improved so that some upgrades to the original equipment are needed to maximize coordination and associated air quality benefits. Using funds provided by the South Coast Air Quality Management District (SCAQMD), on behalf of the Mobile Source Air Pollution Reduction Review Committee (MSRC), CONTRACTOR shall assess the System's performance, and implement resolutions to highest priority issues based on the assessment results. Specific tasks include:

- a. Working with local agencies, conduct initial assessment and identify Corridor Priority List to receive updated coordinated timing; submit Corridor Priority List to MSRC
- b. For each corridor identified in the Corridor Priority List, perform "before" study measuring average travel speed, number of stops, and travel time; generate and submit report including delay and emissions
- c. Collect existing turning movement counts and existing signal timing plans from local jurisdiction. Confirm signal timing policy for each jurisdiction along the corridor to be retimed is consistent with original implementation.
- d. Using existing traffic counts, develop updated coordinated timing plans through application of a signal timing model. Timing plans define the green time, yellow time, red time, pedestrian crossing times and total signal cycle time for each movement or phase of movements at each signalized intersection along the coordinated corridor based on various parameters, and are developed to minimize delay and maximize travel time and air quality benefits through a corridor by ensuring a platoon of vehicles can continuously travel through a corridor. Coordinated Timing plans specify an offset, or time difference, between each corridor signal and a master clock.
- e. Implement updated timing plans by coding timing plans into signal controller; perform equipment upgrades and fine tune as necessary for optimal coordination based on field observation. Document any adjustments made in field to signal timing plans developed from technical analysis.
- f. Perform "after" study and generate report to include statistics that compare after conditions to before conditions so air quality benefits can be realized and quantified.

2. Promotion

CONTRACTOR shall prepare and submit a proposed Public Outreach Plan to promote the MSRC's co-funding of the signal synchronization upgrades. Acceptable outreach may include, but is not

**Attachment 1
Statement of Work – continued
San Bernardino Associated Governments, acting as
the San Bernardino Transportation Commission
Contract Number MS16091**

limited to, notices in CONTRACTOR mailings to residents, newspaper notices, flyers, and information items at CONTRACTOR Board meetings and community events. The Public Outreach Plan shall automatically be deemed approved 30 days following receipt by SCAQMD staff, unless SCAQMD staff notify CONTRACTOR in writing of a Public Outreach Plan deficiency. CONTRACTOR shall implement the approved Public Outreach Plan in accordance with the Project Schedule below.

3. Reports

Quarterly Reports: Until signal synchronization upgrades are implemented, CONTRACTOR shall provide quarterly progress reports that summarize the project results to date including, but not limited to: tasks completed, issues or problems encountered, resolutions implemented, and progress to date. Progress reports that do not comply will be returned to the CONTRACTOR as inadequate.

Final Report: A Final Report shall be submitted by the CONTRACTOR in the format provided by SCAQMD staff. Report shall include, at a minimum: a) an executive summary; and b) a detailed discussion of the results and conclusions at this project, including a comparison of performance levels before and after implementation of timing plan updates. CONTRACTOR will identify any barriers encountered and solutions developed to overcome the barriers, and impact of project on future signal synchronization upgrade projects.

4. Project Schedule

CONTRACTOR shall comply with the increments of progress identified in the following chart. The completion month for each task is based on the date of Contract execution.

Task	Completion
Identify Corridor Priority List	Month 4
Submit Public Outreach Plan	Month 4
Select subcontractor for updating timing plans	Month 8
Select subcontractor for system assessment and upgrade	Month 8
Develop updated timing plans and deliver "before" report	Month 14
Implement updated timing plans and deliver "after" report	Month 20
Implement Public Outreach Plan	Month 22
Quarterly Reports	Months 4, 7, and 10
Final Report	Month 23

**Attachment 2
Payment Schedule
San Bernardino Associated Governments, acting as
the San Bernardino Transportation Commission
Contract Number MS16091**

Cost Breakdown

Purchase Category	Maximum AB 2766 Discretionary Funds payable under this Contract	CONTRACTOR Co-Funding (estimated)	Total Cost
Update timing plans	\$750,000	\$175,000	\$925,000
System assessment/upgrade	\$250,000	\$995,000	\$1,245,000
Totals	\$1,000,000	\$1,170,000	<u>\$2,170,000</u>

No funds shall be paid out to CONTRACTOR pursuant to this Contract, until the project described in Attachment 1 is completed and proof of completion is provided to SCAQMD. If the project described in Attachment 1 is not completed and satisfactory proof of completion is not provided to SCAQMD, no monies shall be due and payable to CONTRACTOR.

CONTRACTOR shall be reimbursed according to the amounts stated above upon submission of invoices which shall include a copy of receipts for equipment and/or invoice(s) from subcontractor(s) performing the work.

Additional AB 2766 Discretionary Funds will not be available to fund project cost overruns. Any project cost overruns must be funded from other than AB 2766 Discretionary Funds.

Minute Action

AGENDA ITEM: 19

Date: September 7, 2016

Subject:

Fourth Quarter Fiscal Year 2015/2016 Railroad Right-of-Way Grants of Use Reports

Recommendation:

Receive the fourth quarter (April, May, June) Right-of-Way Grants of Use Report.

Background:

The Board of Directors adopted the SANBAG Rail Property Policy No. 31602 on July 2, 2014. In accordance with Policy No. 31602, Section B - Policy Principals and Authority to Execute Grants of Right of Use, the Board authorized the Executive Director, or designee, to approve all grants of rights of use documents as approved to form by General Counsel.

Attachment A identifies the grants of use approved in the fourth quarter of Fiscal Year 2016.

Financial Impact:

This item is consistent with the approved SANBAG Budget. Presentation of the quarterly Right-of-Way report demonstrates compliance with the SANBAG Rail Property Policy No. 31602.

Reviewed By:

This item was received by the Transit Committee on August 11, 2016.

Responsible Staff:

Carrie Schindler, Director of Transit and Rail

Approved
 Board of Directors
 Date: September 7, 2016

Witnessed By:

Entity: CTC

Attachment A

April - June 2016 Right-of-Way Grants of Use Report

Vendor Name	Contract No.	Agreement Type	Linked Agreements	Executed Date	Term Date	Application Fee	Annual Admin Fee	Amendment or Extension Fee	Use Fee	Use Fee Duration	Fee's Waived	Waived Fee Amount	Waived Fee Comments
Property One LLC	16-1001495	License	None	4/18/16	30 day notice	\$ 2,230.00	\$1,200.00	n/a	\$500.00	n/a	n/a	n/a	
MCC Pipeline Inc.	16-1001527	ROE	None	5/26/16	08/26/2016	\$ 2,230.00	n/a	n/a	\$500.00	90 days	n/a	n/a	

Total One-time Application Fee \$ 4,460.00
Total Annual Admin Fee \$1,200.00
Total One-time Use Fee \$0.00 \$1,000.00

Attachment: ROW Grants of Use Quarter Apr-Jun 2016 (3057 : Fourth Quarter FY16 Right-of-Way Grants of Use Reports)

Minute Action

AGENDA ITEM: 20

Date: *September 7, 2016*

Subject:

Allocation for Zanja Bridge

Recommendation:

That the Board, acting in its capacity as the San Bernardino County Transportation Commission and the San Bernardino County Transportation Authority, allocate \$94,000 of Rail Asset Funds for the removal of the Zanja Bridge.

Background:

The Zanja Bridge is a non-functioning timber railroad bridge, with a span of approximately 30 feet, partially crossing Zanja Creek located on the SANBAG railroad right-of-way near the intersection of Lincoln Street and Sylvan Boulevard in the City of Redlands. Zanja Creek is designated as a historical resource and the bridge has historical potential because it crosses the creek. The recently completed Orange Blossom Trail multi-use path is located within the same right-of-way on either end of the bridge. Rather than utilize the bridge to cross Zanja Creek, the trail currently detours along Sylvan Blvd and North Lincoln Street and then re-joins the existing right-of-way after crossing the creek. At the March 2016 Transit Committee, SANBAG staff presented options for removal and retrofit of the timber bridge which are described below:

Retrofit the Bridge for use as part of the Orange Blossom Trail - Remove the existing bridge deck, rehabilitate the timber piles, caps, and abutments, and install a new timber deck suitable for a multi-use trail. Upon completion, staff would recommend the City be responsible for maintenance through an amendment to their existing license agreement for the Orange Blossom Trail (OBT). The estimated cost for this option was \$223,150 and it was estimated to take approximately 14 months to complete.

Removal of Existing Bridge – Remove all components of the existing bridge and contour creek banks after removal. The estimated cost for this option was \$55,000 which includes costs to obtain environmental approval and actual removal of the bridge. It is estimated this would take approximately 9 months to complete.

The Committee expressed concerns regarding the cost and whether or not retrofit of the bridge was an appropriate expenditure for SANBAG. The Committee requested further analysis of the costs and renderings of what the retrofitted structure might look like. The Committee also requested that the City be asked to contribute to the cost of retrofitting the structure. Early conversations with the City staff indicated they were agreeable to recommending the City contribute to the project.

The additional analysis has been completed and indicated the existing bridge was in poor structural condition with many bridge components rotted and unsalvageable. Because of the risks associated with retrofitting a deteriorating structure, a third option was added to replace the

Entity: CTA, CTC

Board of Directors Agenda Item

September 7, 2016

Page 2

bridge with a new similar timber structure. Because Zanja Creek is designated as historical, and all of the options will require work within the channel, a similar environmental permitting effort is anticipated for each option. Further, the cost to obtain environmental approval for any of the options was deemed higher than originally estimated. Based on the additional analysis, retrofit of the existing structure is estimated at \$240,000, replacement of the structure is estimated at \$250,000 but has a lower level of risk associated with it, and removal of the bridge is estimated at \$94,000.

Upon completion of the analysis, SANBAG staff shared the updated cost estimates for both removal and replacement of the structure with City staff. SANBAG staff proposed a cost sharing approach of SANBAG funding the actual cost of the environmental efforts, estimated at \$45,000, since those would be incurred if the structure was removed, and that SANBAG would make a flat contribution of \$49,000, towards the remaining cost based on the total estimated cost for removal of the structure of \$94,000. Based on this approach the City's cost for replacement of the structure is estimated at \$156,000. The City indicated that they are unable to fund their estimated share of \$156,000 at this time.

Based on the discussion that occurred at the March 2016 Transit Committee and that the City is unable to fund the additional cost associated with replacement of the structure, it is recommended that SANBAG proceed with the removal of the existing bridge and not the replacement. The initial step will be to initiate the environmental approval process including working with the State Historical Preservation Office. It is anticipated that the contract to remove the structure will be awarded in summer 2017.

Financial Impact:

This item is consistent with the Fiscal Year 2016/2017 Adopted Budget.

Reviewed By:

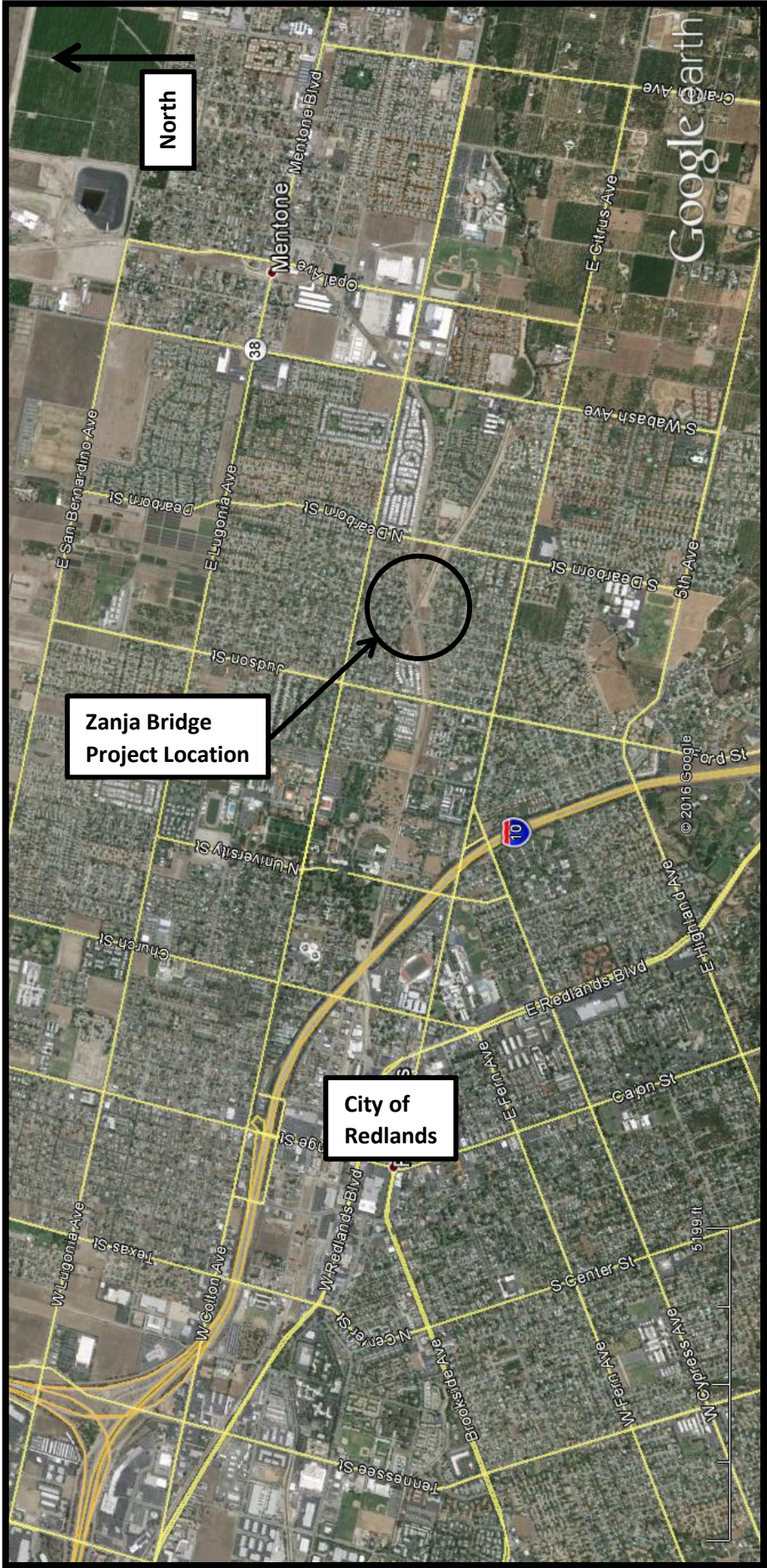
This item was reviewed and unanimously recommended for approval by the Transit Committee on August 11, 2016.

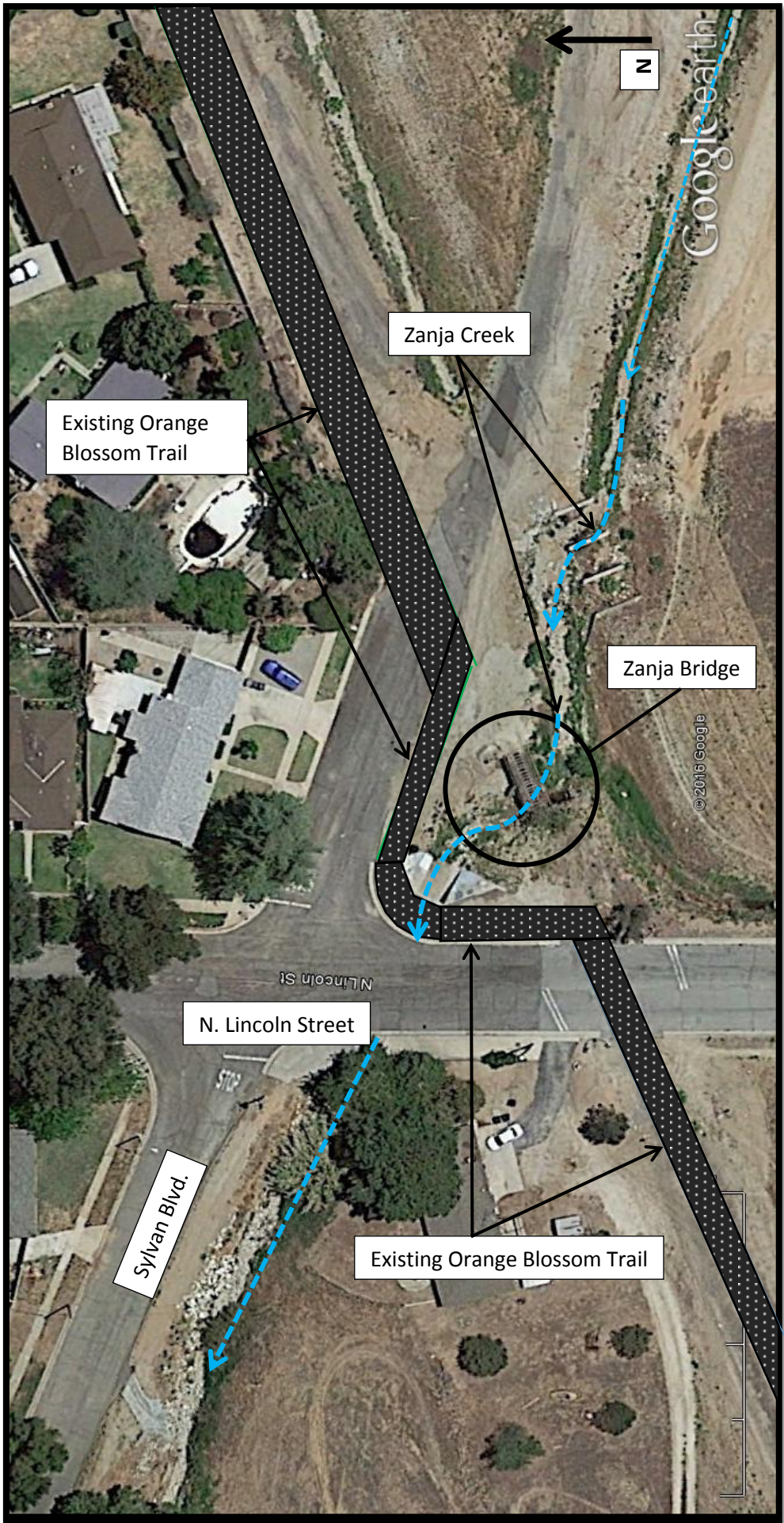
Responsible Staff:

Carrie Schindler, Director of Transit and Rail

Approved
Board of Directors
Date: September 7, 2016

Witnessed By:





Attachment: Exhibit Zanja Bridge Revised 25July2016 (3060 : Allocation for Zanja Bridge)



Attachment: Exhibit Zanja Bridge Revised 25 July 2016 (3060 : Allocation for Zanja Bridge)



Attachment: IMG_20160321_160955910_02 (3060 : Allocation for Zanja Bridge)

Minute Action

AGENDA ITEM: 21

Date: September 7, 2016

Subject:

San Bernardino Municipal Water District Purchase Order for Downtown San Bernardino Passenger Rail Project

Recommendation:

That the Board, approve an increase to Purchase Order No. 4001433 with the City of San Bernardino Municipal Water District for additional work required to accommodate the Downtown San Bernardino Passengers Rail Project, increasing the purchase order by \$75,000 for a new total of \$150,000.

Background:

The Downtown San Bernardino Passenger Rail Project (DSBPRP) is an extension of Metrolink commuter rail passenger service. The extension is approximately one mile east from its current terminus at the existing Santa Fe Depot to new Metrolink commuter rail platforms at the proposed San Bernardino Transit Center (SBTC), near the intersection of Rialto Avenue and E Street in the City of San Bernardino.

The construction activities involve work on the City of San Bernardino Municipal Water District (SBMWD) owned facilities. A purchase order increase is needed in order to cover costs associated with SBMWD staff completing various items of work including, but not limited to, removal and installation of fire hydrants, installation of fire service connections, cut/cap existing water line facilities, removal and installation of water valves and acquisition of service fees.

The SANBAG Procurement Policy 11000 allows delegation of authority to the Executive Director, or designee, for purchase orders up to \$100,000; including purchase orders that fall under sole source procurements such as this one. The original purchase order amount was \$49,000 and was previously increased to \$75,000 per Policy 11000. The remaining work associated with the SBMWD owned facilities was originally estimated to be less than \$100,000. Staff has identified additional work required by the SBMWD requiring an additional increase to the existing purchase order for a new total of \$150,000.

Financial Impact:

This item is consistent with the SANBAG Fiscal Year 2016/2017 Budget.

Reviewed By:

This item was reviewed and unanimously recommended for approval by the Transit Committee on August 11, 2016.

Responsible Staff:

Carrie Schindler, Director of Transit and Rail

Entity: CTA, CTC

Board of Directors Agenda Item
September 7, 2016
Page 2

Approved
Board of Directors
Date: September 7, 2016
Witnessed By:

Minute Action

AGENDA ITEM: 22

Date: September 7, 2016

Subject:

Southern California Regional Rail Authority All-Share Allocation Formulas MOU 17-1001572

Recommendation:

That the Board:

A. Approve Memorandum of Understanding No. 17-1001572 with Southern California Regional Rail Authority defining the roles and responsibilities related to a review of the current cost allocation formulas used by the Southern California Regional Rail Authority and committing \$13,841 in SANBAG Valley Local Transportation Funds.

B. Authorize a budget amendment to the Fiscal Year 2016/2017 budget in the amount of \$13,841 to Task 0314 Transit Operations, Sub Task 0377 Metrolink Operating & Maintenance Subsidy, funded with Local Transportation Funds – Valley.

Background:

Southern California Regional Rail Authority (SCRRA) is a Joint Powers Authority (JPA) including five member agencies: Los Angeles County Metropolitan Transportation Authority (LACMTA), Orange County Transportation Authority (OCTA), Riverside County Transportation Commission (RCTC), Ventura County Transportation Commission (VCTC) and San Bernardino Associated Governments (SANBAG). The SCRRA budget is made up of two principle components: the operating budget consisting of train operations and maintenance of way, and the capital program consisting of both new capital projects and rehabilitation projects. Funding for these costs is derived from SCRRA fare revenue and other income, with the balance provided by grants and subsidies paid by the five member agencies. Under the terms of the JPA, each member agency approves its individual Operating and Capital contributions for the upcoming fiscal year. These contributions are based on a series of formulated allocations that distribute revenue and costs across operating line segments and member agencies that have been used since 1998.

Recently the SCRRA Board and Technical Advisory Committee (TAC) have identified the need for a review of the repeatedly used cost allocation formulas to ensure all member agencies are being allocated costs equitably. SCRRA solicited proposals for a consultant to conduct such an analysis and has awarded a contract with LTK Engineering Services as subcontractor to AECOM to complete the task. It should be noted that AECOM is an On-Call firm to SCRRA and a separate RFP was not solicited. The total amount of the contract task order is \$96,184.48; the cost split between the member agencies is shown below.

Entity: CTC

Board of Directors Agenda Item

September 7, 2016

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	MTA	OCTA	RCTC	SANBAG	VCTC	Total
ALL-SHARE %	47.53%	19.78%	11.11%	14.39%	7.19%	100.00%
Member portion	\$45,716.48	\$19,025.29	\$10,686.10	\$13,840.95	\$ 6,915.66	\$96,184.48

SANBAG's contribution to this contract is \$13,841. SCRRA is requesting each member agency to enter into a Memorandum Of Understanding (MOU) which covers their portion of the cost and allows SCRRA to set-up the appropriate accounting mechanisms to proceed with the procurement process and begin the review.

Recommendation A seeks approval of the MOU and commitment of \$13,841 in Valley Local Transportation Funds. Recommendation B is requesting the additional SANBAG Fiscal Year 2016/2017 budget authority needed to fund SANBAG share of the cost. The cost of the review was not known at the time the SANBAG Fiscal Year 2016/2017 Budget was completed.

Financial Impact:

This item is not consistent with the Fiscal Year 2016/2017 adopted budget. Recommendation B includes a budget amendment to Task 0314 Transit Operations.

Reviewed By:

This item was reviewed and unanimously recommended for approval by the Transit Committee on August 11, 2016.

Responsible Staff:

Carrie Schindler, Director of Transit and Rail

Approved
Board of Directors
Date: September 7, 2016

Witnessed By:

Contract Summary Sheet

General Contract Information

Contract No: 17-1001572 Amendment No.: 0 Vendor No.: 02003
 Vendor/Customer Name: Southern California Regional Rail Authority Sole Source? Yes No
 Description: MOU for All-Share Allocation Formula
 Start Date: 07/01/2016 Expiration Date: None (review 6/30/17) Revised Expiration Date: _____
 Has Contract Term Been Amended? No Yes - Please Explain _____
 List Any Related Contracts Nos.: _____

Dollar Amount			
Original Contract	\$ 13,841.00	Original Contingency	\$ -
Revised Contract (Inclusive of Prior Amendments)	\$ -	Revised Contingency (Inclusive of Prior Amendments)	\$ -
Current Amendment	\$ -	Contingency Amendment	\$ -
TOTAL CONTRACT VALUE	\$ 13,841.00	TOTAL CONTINGENCY VALUE	\$ -
		TOTAL DOLLAR AUTHORITY (Contract Value and Contingency)	\$ 13,841.00

Contract Authorization

Executive Director Date: _____
 Executive Director Action: _____
 Board of Directors Date: 09/07/2016
 Board of Directors Action: Approve Memorandum of Understanding (MOU) with Southern California Regional Rail Authority agreement 17-1001572 for the All-Share Allocation Formulas

Contract Management: Payable/Miscellaneous

Invoice Warning: 20% Renewals: _____ Type: Capital PAA Other
 Retention: _____ % Maximum Retention: \$ _____
 Services: Construction Intrgrnt/MOU/COOP A & E Services Other Professional Services
 Disadvantaged Business Enterprise (DBE) Goal _____ %

Contract Management: Receivable

E-76 and/or CTC Date _____ (Attach Copy) Program Supplement No.: _____
 Finance Letter Reversion Date: _____ EA No.: _____

All of the above MUST be submitted to FINANCE including originals, amendments and miscellaneous transaction changes

Additional Information

Project Manager: Monica Morales

Attachment: Contract Summary Sheet (3041 : Southern California Regional Rail Authority All-Share Formula MOU 17-1001572)



Southern California Regional Rail Authority

July 6, 2016

Dear Member Agency CFOs and TAC Members:

Re: Allocation Review MOU

In recent months, SCRRA staff (the Authority) recommended that the All-Share formula (static since 1998) be reviewed and updated. Member Agencies felt this was an appropriate time to review all allocation formulas.

It was informally agreed that the Member Agencies would divide the cost of an outside consultant who would perform the review, and provide suggestions for revisions. It was also agreed that the Member Agencies would play an active part in crafting any changes to the allocations.

In response to the Member Agency request, SCRRA solicited proposals from four consulting firms, and received quotes from three of those firms. A selection was made on the basis of understanding of the scope of the project, quality of staff, and cost.

The selected firm is LTK subcontracted through AECOM. The quoted price is \$96,184.48.

The cost split, based on the current All-Share Formula is as shown below:

	MTA	OCTA	RCTC	SANBAG	VCTC	Total
ALL-SHARE %	47.53%	19.78%	11.11%	14.39%	7.19%	100.00%
Member portion	\$45,716.48	\$19,025.29	\$10,686.10	\$13,840.95	\$ 6,915.66	\$96,184.48

The Authority requests that each Member Agency forward a signed MOU to SCRRA covering their portion of the cost as shown above. Receipt of an MOU will allow us to establish a Recollectable Project, so that we may proceed with the procurement process.

For those Members who may wish to use it, we have constructed an MOU Template for this project which is attached here. Thank you for your assisting in moving this project forward,

Ronnie Campbell
Chief Financial Officer

Southern California Regional Rail Authority
One Gateway Plaza Floor 12 Los Angeles, CA 90012 T (213) 452.0200
metrolinktrains.com

MEMORANDUM OF UNDERSTANDING

Memorandum of Understanding is made and entered into by and between the Southern California Regional Rail Authority ("SCRRA") and San Bernardino County Transportation Commission (MEMBER) and is effective upon signature of both parties.

RECITALS:

- A. WHEREAS, SCRRA and MEMBER have agreed that the current allocations used by SCRRA to distribute should be reviewed and assessed by an outside consulting firm; and,
- B. WHEREAS, SCRRA staff has solicited bids from four potential consulting firms, and received proposals from three of those firms,
- C. WHEREAS, SCRRA staff has selected LTK subcontracted through AECOM with a total cost of \$96,184.48,
- D. WHEREAS, Member Agencies have jointly agreed that the cost of this Allocation Assessment Consulting will be paid by Member Agencies based on the All Share Allocation Method.

AGREEMENT:

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

- 1. The MEMBER will remit to SCRRA, not later than September 30, 2016, their share of the Allocation Assessment Consulting Cost in the amount of \$13,840.95. (A listing of shares by Member Agency is attached.)
- 2. The MEMBER will participate as requested (and within reason) in the process of the evaluation of current allocation, and establishment of possible new allocation.
- 3. At the conclusion of the assessment, MEMBER will receive a report evaluating current allocation methods, and recommending possible new methods.

IN WITNESS WHEREOF, the parties have caused this MOU to be duly executed and delivered as of the above date.

MEMBER: SAN BERNARDINO COUNTY TRANSPORTATION COMMISSION

By (signature): _____ Date: _____
 Printed Name: Robert A. Lovingood
 Title: Board President

SCRRA:

SOUTHERN CALIFORNIA REGIONAL RAIL AUTHORITY

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

Attachment: MOU Allocation Memo - Final [Revision 1] (3041 : Southern California Regional Rail Authority All-Share Formula MOU 17-1001572)

Minute Action

AGENDA ITEM: 23

Date: *September 7, 2016*

Subject:

Award Redlands Passenger Rail Project – Construction Management Consultant Services.

Recommendation:

That the Board, acting in its capacity as the San Bernardino County Transportation Authority:

- A. Approve Contract No. 16-1001440 with AECOM for a five year term in an amount not-to-exceed \$17,380,058 for Construction Management Services on the Redlands Passenger Rail Project to be funded with Valley Measure I Metrolink/Rail funds.
- B. Approve contingency of an amount not-to-exceed \$1,738,006 for Contract No. 16-1001440 and authorize the Executive Director or his designee to release contingency as necessary for the Project to be funded with Valley Measure I Metrolink/Rail funds.

Background:

With the San Bernardino Associated Governments (SANBAG) Board of Directors identifying the Redlands Passenger Rail Project (RPRP) as one of its priority projects and RPRP having cleared environmental review in March 2015, staff is moving forward with the delivery of the project. The implementation of a new passenger rail service is very complex, thus several types of consultants have been identified that will assist SANBAG staff in implementing the project, including program management, main-line final design, right-of-way legal services, and construction management to support the construction activities.

SANBAG staff began the process of procuring a Construction Management Consultant in April 2016 by releasing a Request for Proposals (RFP) 16-1001440 and posting a notice on SANBAG's website and via the on-line procurement service PlanetBids.

Firms registered on SANBAG's PlanetBids website were notified of the bid opening through an electronic distribution. The solicitation was issued in accordance with SANBAG's procurement policies and procedures for Architectural and Engineering services.

Fifty-one (51) firms downloaded the RFP Packet from PlanetBids. A Pre-Proposal meeting was held on March 23, 2016 and was attended by forty two (42) firms. Three addendums were issued for this procurement in the following sequence. Addendum No. 1 was issued on March 30, 2016 informing bidder of the interview date change. Addendum No. 2 was issued on March 31, 2016 presenting the sign in sheets from the pre-proposal meeting and slide show presented at the meeting. Addendum No. 3 responding to questions and provided answers to the various questions submitted regarding the RFP and project.

Five (5) proposals were received by the date and time specified in the RFP. The following is a summary of the events that transpired in the evaluation and selection process. A responsiveness

Entity: CTA

review was conducted by the Procurement Analyst and found all five (5) proposals responsive meeting the requirements outlined in the RFP instruction and requirements.

The Evaluation Committee was comprised of three technical staff persons from SANBAG, one from the San Diego Association of Governments (SANDAG), one from the City of Redlands and one from the City of San Bernardino. Evaluators concluded their individual reviews of the five (5) proposals and convened to review, discuss, and score the proposals on May 5, 2016. At the completion of discussions the committee members individually scored the proposals based on the following evaluation criteria: Qualifications, Related Experience and References of the Firm – 30 points; Proposed Staffing and Project Organization – 30 points; and Work Plan – 40 points.

As a result of the scoring, four firms were ranked in order of technical merit, and a short-list was developed. The firms short-listed and invited to interviews were, AECOM, Arcadis, PreScience, and WSP / Parsons Brinckerhoff.

Minor variances in the criteria scores were noted and discussed. Full detail of the scores is included in the Contract Audit File.

On May 10, 2016, interviews were conducted with the short-listed firms. Interviews were 50 minutes in length, which consisted of a 5 minute set up, 10-minute opening and statement, followed by 30 minutes of questions and answers and 5 minutes for closing statements. At the completion of the interviews, the Evaluation Committee separately scored the interviews. The assigned weighting between the technical proposal and interviews is 40% and 60% respectively.

Evaluation Committee Recommendation Summary:

The Committee considered all four (4) proposing firms qualified to perform the work specified in the Request for Proposals. The highest ranked firm, AECOM is being selected for the following reasons: The firm was able to show the committee they had a clear understanding of the importance of this project. The firm was able to identify the critical components of the project that could present challenges during construction. The firm was able to present a sound work plan that included the process and procedures the firm uses in its daily function as a construction management consultant to monitor and track all activities, ensuring a safe and productive project. The firm also presented a strong team with highly qualified key staff who are knowledgeable and experienced in the construction and rail industries.

As a result of the scoring, the Evaluation Committee recommends that the contract to perform the scope of work as outlined in the Request for Proposals 16-1001440 be awarded to AECOM. The firm ranked first in technical score and overall score. The firm clearly demonstrated a thorough understanding of the scope of work and proposed an overall solid team. Evaluation forms and reference checks are located in the Contract Audit File.

Financial Impact:

This item is consistent with the SANBAG Fiscal Year 2016/2017 Adopted Budget.

Reviewed By:

This item was reviewed and unanimously recommended for approval by the Transit Committee on August 11, 2016. SANBAG General Counsel and Procurement Manager have reviewed and approved this item and the contract.

Responsible Staff:

Carrie Schindler, Director of Transit and Rail

Approved
Board of Directors
Date: September 7, 2016
Witnessed By:

Contract Summary Sheet

General Contract Information

Contract No: 16-1001440 Amendment No.: _____ Vendor No.: 00091
 Vendor/Customer Name: AECOM Sole Source? Yes No
 Description: RPRP - Mainline Construction Management Consulting Services
 Start Date: 09/07/2016 Expiration Date: 06/30/2021 Revised Expiration Date: _____
 Has Contract Term Been Amended? No Yes - Please Explain _____
 List Any Related Contracts Nos.: _____

Dollar Amount			
Original Contract	\$ 17,380,058.00	Original Contingency	\$ 1,738,006.00
Revised Contract (Inclusive of Prior Amendments)	\$ -	Revised Contingency (Inclusive of Prior Amendments)	\$ -
Current Amendment	\$ -	Contingency Amendment	\$ -
TOTAL CONTRACT VALUE	\$ 17,380,058.00	TOTAL CONTINGENCY VALUE	\$ 1,738,006.00
		TOTAL DOLLAR AUTHORITY (Contract Value and Contingency)	\$ 19,118,064.00

Contract Authorization

Executive Director Date: _____
 Executive Director Action: _____
 Board of Directors Date: 09/07/2016
 Board of Directors Action: _____

Contract Management: Payable/Miscellaneous

Invoice Warning: 20% Renewals: _____ Type: Capital PAA Other
 Retention: _____ % Maximum Retention: \$ _____
 Services: Construction Intrgrnt/MOU/COOP A & E Services Other Professional Services
 Disadvantaged Business Enterprise (DBE) Goal _____ %

Contract Management: Receivable

E-76 and/or CTC Date _____ (Attach Copy) Program Supplement No.: _____
 Finance Letter Reversion Date: _____ EA No.: _____

All of the above MUST be submitted to FINANCE including originals, amendments and miscellaneous transaction changes

Additional Information

Project Manager: Justin Fornelli

Attachment: Contract Summary Sheet (3058 : Award RPRP Construction Management Consultant Services)

**ATTACHMENT A
CONSTRUCTION MANAGEMENT
SERVICES - SCOPE OF WORK
REDLANDS PASSENGER RAIL PROJECT**

RFP No. 16-1001440

Prepared for



San Bernardino Associated Governments
1170 W. 3rd Street, 2nd Floor
San Bernardino, CA 92410

July 2016

Prepared by



901 Via Piemonte, 5th floor
Ontario, CA 91764
(949) 795-2969

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A. DESCRIPTION OF SERVICES

B. PERFORMANCE REQUIREMENTS

C. DUTIES AND RESPONSIBILITIES

D. DELIVERABLES

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F. MATERIALS TO BE FURNISHED BY SANBAG

G. AVAILABILITY AND WORK HOURS

H. LIMITATIONS TO AUTHORITY

I. THIRD PARTY RELATIONSHIPS

J. CONSTRUCTION SITE SAFETY

A. DESCRIPTION OF SERVICES

The San Bernardino Association of Governments (SANBAG) will utilize the services of a Construction Management Consultant (CMC) to support the construction activities for the Redlands Passenger Rail Project (RPRP). The CMC will provide construction management, materials testing, and support SANBAG's public outreach for the RPRP. A description of the RPRP is given below.

A.1 Redlands Passenger Rail Project

The Redland Passenger Rail Project (RPRP) will be constructed and operate on the rail corridor near and along Interstate 10 (I-10) and is the segment of railroad in San Bernardino County stretching from the San Bernardino Transit Center (SBTC), at MP 1.0, east to the University of Redlands, MP10.0. The RPRP is located entirely in the County of San Bernardino and traverses the cities of San Bernardino and Redlands, California.

The RPRP extends along an existing railroad right-of-way (ROW) owned by SANBAG and commonly referred to as the Redlands Subdivision and proposes the operation of passenger rail service with five station stops. SANBAG also proposes the replacement of the existing railroad tracks and ties, reconstruction or rehabilitation of existing bridge structures, drainage improvements, at-grade roadway crossing and safety improvements, including the implementation of Quiet Zones, passenger stations, and improvements to pedestrian access. The RPRP construction also involves building a new wayside signal and communications system that includes positive train control (PTC), procuring a fare collection system, and procuring diesel multiple unit (DMU) passenger train sets.

A.2 SERVICES

Services are anticipated to generally include, but are not limited to the following: participation in the evaluation of scheduling; constructability review; construction advertising, bid analysis, and award; construction inspection; materials testing, landscape inspection, contractor interface and contract administration; office engineering; supporting SANBAG's public outreach services and other assorted duties as appropriate in managing construction of RPRP.

It is expected that the CMC will assign a part-time Project Manager to coordinate all contract and personnel activities for all phases of construction. Other Resident Engineer(s) and inspection personnel may be assigned to coordinate specific field activities and responsibilities as needed to support satisfactory performance. Only the Project Manager is required to be licensed as a Professional Engineer in the State of California at the time of proposal submittal through the duration of the contract. The CMC is expected to provide the necessary personnel to administer the construction support services requested herein and to assign qualified field personnel to perform the requested services, including coordination with SANBAG's Public Information Office, and the Cities of Redlands, Loma Linda and San Bernardino in implementing the Public Outreach Program established and implemented for RPRP by a separate consultant.

Insofar as the CMC's approach described in the Proposal, the scope of responsibility and the total number of personnel assigned to each phase is left to the discretion of the CMC. The Proposal shall include a staffing plan, an organization chart and a resource loaded schedule that establish the firm's ability to adequately and appropriately staff and manage the PROJECT.

SANBAG anticipates that the total contract will be approximately 53 months in duration, with preconstruction services starting in October 2016, utility relocations and building demolition construction contracts beginning in the summer of 2016, and the mainline construction starting in 2017 and ending in 2020 followed by closeout activities not exceeding three months.

CMC shall provide qualified construction management and inspection, materials testing, and support SANBAG's public relations personnel to perform a wide variety of construction management, support and contract administration duties as outlined in this Scope of Services for the PROJECT.

SANBAG has designated a Project Manager to coordinate all construction activities.

The CMC shall report to and receive direction from SANBAG through the Project Manager, or his/her designees. The SANBAG Project Manager is responsible for coordination of all SANBAG construction activities and for coordinating the efforts of the total construction team. The SANBAG Project Manager will be the main contact and primary source of information between the CMC and other SANBAG consultants working on the PROJECT, and RPRP stakeholders; supporting- CMCs and the public for the construction of RPRP.

B. PERFORMANCE REQUIREMENTS

Construction Management: CMC shall furnish a Project Manager to coordinate CMC operations with SANBAG. The Project Manager shall be responsible for all matters related to CMC personnel and operations. The Project Manager may also serve as the Resident Engineer. The Resident Engineer shall be assigned to monitor and coordinate construction activities under this contract. Other Assistant Resident Engineers may be assigned to each specific PROJECT responsibility, as needed. The Resident Engineer shall be in responsible charge of construction management support services for construction activity within the PROJECT.

The number of CMC personnel assigned to the PROJECT will vary throughout the duration of the contract. CMC personnel will be assigned, in varying levels of responsibility, as needed by the CMC to support the RPRP construction schedule and construction activities.

If CMC personnel are on leave of absence, or have terminated employment with CMC the Project Manager shall provide equally qualified replacement personnel until the assigned personnel returns to the PROJECT approved by SANBAG.

The typical workday includes all hours worked by the construction Contractor. If necessary, overtime for CMC personnel may be required. The construction Contractor's operations may be restricted to specific hours during the week, which shall become the normal workday for CMC personnel with two week notice as required by Prevailing Wage provided it is an extended duration. The Project Manager, with prior concurrence from SANBAG, shall have the authority to increase, decrease, or eliminate CMC personnel work hours dependent on the schedule and requirements of

**Construction Management Services
Redlands Passenger Rail Project- Scope of Work
RFP No. 16-1001440**

the construction Contractor. All overtime pre-planned by CMC personnel shall be approved and authorized by SANBAG prior to each occurrence. If extraordinary circumstances require CMC overtime, the time along with an explanation shall be submitted to SANBAG within five (5) working days of the incident.

CMC personnel shall be knowledgeable of and comply with all applicable local, state, and federal regulations. CMC personnel shall cooperate and consult with SANBAG, State, Federal, and City officials during the course of the PROJECT. CMC personnel shall perform duties as may be required to that construction is being performed in general accordance with the RPRP plans and specifications and all appropriate State and Federal rules and regulations. CMC personnel shall keep accurate and timely records and document all work performed by the Contractor and CMC.

CMC shall monitor for Contractor's compliance with the labor standards provisions of the Contract and the related wage determination decisions of the Secretary of Labor.

CMC personnel shall assist SANBAG and local agencies in obtaining compliance with the safety and accident prevention provisions. CMC will coordinate traffic handling with local agencies.

All services required herein shall be performed in accordance with Southern California Regional Rail Authority (SCRRA), California Public Utilities Commission (CPUC), Federal Railroad Administration (FRA), Federal Transit Administration (FTA), and where applicable, California Department of Transportation (Caltrans) guidelines, regulations, policies, procedures, manuals, and standards, except as noted in the special provisions.

B.1 Materials Testing & Source Inspection:

The number of field testing and source inspection personnel assigned to the PROJECT will vary throughout the duration of the construction contracts. CMC certified materials testing and source inspection personnel will be assigned as needed by the Resident Engineer to meet the required numbers and frequencies of testing based on schedule of the construction contractors.

Materials Testing/Source Inspection Services will be provided on an on-call basis. The duration of assignments could vary from a minimum of a few hours to the full term of the PROJECT. CMC personnel will be available within one (1) day of written notification by SANBAG.

It is the intent of SANBAG to maintain a consistency of material testing/source inspection quality throughout each phase of the RPRP construction. CMC is therefore encouraged to provide, where ever and whenever possible, the same personnel for the duration of each construction contract.

On days when work is not performed by the construction contractor, such as rainy or unsuitable weather days, CMC will not provide services unless authorized by the SANBAG Project Manager.

Resumes of materials testing/source inspection personnel must be submitted to SANBAG for review and approval prior to assignment to the PROJECT. If, at any time, the level of performance of any testing personnel is below expectations, SANBAG may release that field person and request that another be assigned as needed.

CMC shall be responsible for drafting a Source Inspection Quality Management Plan (SIQMP) to match the RPRP construction requirements, which outlines the approach to source inspection and the

roles and responsibilities of the source inspection personnel. CMC shall provide Structural Materials Representative (SMR), Steel inspectors, Non-destructive Steel Inspectors, Coating Inspectors, Precast Concrete Inspectors and other source inspectors as needed.

QA/QC Requirements

CMC will prepare the CM Quality Assurance/Quality Control Plan in accordance with the FTA-MA-06-0189-92-1, which will be consistent with SANBAG's Quality Assurance Program as well as Program Management Plant (PMP). CMS's Resident Engineer will be responsible for monitoring construction quality activities for the RPRP construction and will have the authority to act in all quality related issues. CMC will also review and approve the Contractor's QA/QC plan for applicable work activities and audit the same for its compliance.

The Quality Assurance section of our QA/QC Plan will focus on ascertaining the quality of the scope of work requirements through planned and systematic actions. As for the Quality Control section of the plan, CMC will address the process control measures including, inspection, testing, documentation, operational activities, in fulfilling the scope requirements addressed in quality assurance.

Material Testing Services

The materials testing services for both structure and civil materials will be provided in accordance with the SANBAG's Quality Assurance Program. The quality assurance materials sampling, testing and inspection services will also conform to the SANBAG's Special Provisions in conjunction with Exhibit 16R of the Caltrans Local Assistance Program Manual for the type and frequency of testing. CMC anticipates that our certified and well experienced material testers to be handling the sampling, testing and inspection of soil, concrete asphalt at on-site and off-site plant locations as well as laboratory testing of the same. CMC's inspectors will be handling the welding and NDT inspection for structural steel and the thermite welding of the rail. It is CMC's intention to have a comprehensive material testing program to ascertain that all materials employed in the construction are sampled, tested and accepted and material related processes are reviewed and accepted prior to being incorporated in the work.

Source Inspection

CMC will assume the responsibilities of source inspection and management of all structure materials that require offsite fabrication. CMC will prepare and implement the RPRP-specific Source Inspection Quality Management Plan (SIQMP) in accordance with SANBAG / Caltrans guide lines. This scope of work will be led by CMC's Structure Materials Representative who will work closely with the source inspectors in accomplishing the timely sampling, inspection, testing and release of the fabricated materials. Based on the list of all fabricated structure materials submitted by the Contractor through the CEM-3101 - Materials to be Used form, CMC will identify, coordinate and perform the source inspection process to ascertain the quality assurance of the fabricated structural units are in strict compliance with the requirements as specified in the SIQMP.

B.2 Construction Surveying

CMC shall review and provide Quality Assurance and Quality Control of the Contractor's construction surveys for the PROJECT. All services required herein shall be performed in

accordance with SCRRA guidelines, regulations, policies, procedures, manuals, and standards, except as noted in the special provisions.

Quality assurance/quality control survey support services will be provided to the construction management team to support the construction of the Redlands passenger Rail Project.

QA/QC Survey Services

Survey staff will be provided to the construction management team to perform the QA/QC survey support services for the duration of the PROJECT. This staff will include:

- A survey project manager will be assigned to this project to oversee all survey work performed. The survey PROJECT manager will be a California-licensed Professional Land Surveyor.
- A Field Crew Supervisor to perform computations of survey requests, assist with survey matters and instruct and oversee the QA/QC survey support operation, as needed and requested by the resident engineer.
- Two-person survey crew(s) to perform QA/QC survey support services, as needed and requested by the resident engineer. Every effort will be made to ensure the same survey crew personnel will be assigned for the duration of the PROJECT.

At the onset of construction, the QA/QC survey support team will verify the primary control, right of way maps, legal descriptions, design files and improvement plans as they pertain to the RPRP. Client-provided primary and project control will be field-verified, and the horizontal design alignments and vertical profiles will be reviewed.

QA /QC survey support services will be performed in accordance with SCRRA guidelines, regulations, policies, procedures, manuals and standards except as noted in the special provisions as well as the Professional Land Surveyors Act. It is understood that the QA/QC surveyor shall monitor the contractor's surveyor for compliance with the RPRP surveying requirements. The QA/QC surveyor shall verify the contractor's layout and controls, perform independent survey checks of line and grade, spot check reference points and verify location and preservation of the critical baseline survey points prior to and after construction.

The QA/QC surveyor shall provide the construction management team the survey services described above. In the event the contractor's surveyor cannot be relied upon, the QA/QC surveyor may provide additional baseline surveys and one set of construction staking for all aspects of the construction. These additional staking services will be at the contractor's expense.

Project control provided by SANBAG will be maintained where possible throughout the duration of construction. Secondary control will be set and tied to the project control as needed to support the QA/QC survey support services activities. Any newly-established control will be tied to the client-provided primary and project control.

Optional items

Topographic field and office surveys can be performed as requested by the Resident Engineer to address utility, drainage or other special field studies during the construction phase of the RPRP. If necessary and requested, rights of way services can be provided and may include cadastral research, perpetuation of existing documentation, right of way surveys and final documentation. Right of way engineering documents prepared during the design phase will be obtained and reviewed prior to completing any requested right of way services.

C. DUTIES AND RESPONSIBILITIES

The following scope of work is divided into three phases: Pre-Construction, Construction, and Post-Construction. This generalized scope of work does not list all of the CMC responsibilities. CMC shall provide complete and comprehensive construction management services for each phase of work, for each construction contract issued by SANBAG to complete the RPRP.

C.1 Phase 1 – Pre-Construction Services

Immediately following receipt of the NTP, the CMC shall establish the field office with staff that includes the Project Manager and staff as directed by SANBAG to complete the following items.

- a) Create a complete Construction Management (CM) Procedures Manual modeled after similar mainline commuter rail projects, including but not limited to, the Downtown San Bernardino Passenger Rail Project. At a minimum, it should address the control and management of construction related documents, including: Requests for Information; Change Orders; Contractor Submittals; Construction Photos; Operations and Maintenance Manuals; As-built drawings and RPRP Record Documents. This document shall follow and implement appropriate guidelines in the latest FTA “Project and Construction Management Guidelines 2016”
- b) Perform constructability analysis of the 65% and 90% complete construction documents. Verify the contract documents has incorporated all conditions from permitting agencies including for flood control, channel, working in Santa Ana River, TMP for local streets, right of way agreements and any other items as provided during RE file Transfer meeting. The Mainline Design Consultant (MDC) will support this analysis and coordinate with the CMC on appropriate plan, specification and bid item revisions. As part of constructability review identify risk items and incorporate into risk management plan being developed by MDC. As part of CMC’s constructability review we will develop an independent construction schedule. This schedule will identify long lead items, a proposed critical path and will identify risk items to be discussed as part of risk management sessions.
- c) Assist SANBAG in obtaining, compiling, and analyzing constructability review comments of the 90% construction documents from independent construction firms.
- d) Verify all changes and conditions provided by plan checks with local agencies and stakeholders are incorporated into the contract documents.
- e) Participate in risk management sessions to identify and mitigate against construction risk and hazards.
- f) Coordinate with the Program Management Consultant (PMC) to analyze and provide comments on the Primavera CPM Master Project Planning and Construction Overview Schedule detailing phasing and tasks and sub-tasks for each phase. Include all potential work items from contractor, SANBAG, 3rd parties and CMC work items.

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- g) Support Bid/Award Process – Assist SANBAG and MDC in responding to bid addenda, and bid analysis, pre-qualification of contractors, and recommend award of the construction contracts to the Board.
- h) Prior to construction and during the constructability reviews, coordinate with MDC in conducting an existing conditions surveys identifying potential adverse impacts to schedule and costs and report theses to SANBAG.
- i) Assist SANBAG with coordination of the pre-bid meeting. Assist in responses to contractor’s questions during the bid period.
- j) Attend Pre-construction meetings as requested.
- k) Document existing conditions through digital still photography and submit all photos in digital format to SANBAG prior to start of construction.
- l) Perform site reconnaissance and review contract document provisions for site access, staging, parking, utilities, etc. and make recommendations for items to be included in the construction contract documents.
- m) Review utility relocation requirements and provide recommendations for structuring the relocation scope of work that will be included in the construction contract documents.
- n) Monitor implementation of all Construction Environmental Control Plan requirements (address all NEPA/CEQA mitigation and permit requirements as listed in the specifications) with the MDC. Coordinate with HDR for the monitoring of environmental items including biological and noise monitoring.
- o) Prior to construction, assist MDC with environmental surveys (prior to start of construction).
- p) Prepare a CM Quality Assurance/Quality Control (QA/QC) Plan, including review and audits of construction contractor QA/QC plan. The CMC’s QA/QC Plan shall be developed in accordance with “FTA-MA-06-0189-92-1 Quality Assurance and Quality Control Guidelines” and shall be consistent with SANBAG’s Program Management Plan (PMP) and Quality Assurance Program. See Section C.01.2.7 Quality Assurance/Quality Control (QA/QC) Requirements for additional requirements.
- q) Review contract requirements for Contractor Safety Plan used to govern job-site safety during the construction process.
- r) Provide a utility coordinator with assisting with utility relocation and conducting job site review, hold coordination meetings to identify and plan for utilities that will be relocated during construction.
- s) Review RPRP specific testing requirements to be included in the construction contract documents. These will be utilized to determine that all job materials and construction activities are being reviewed and tested.
- t) Review contract specific and overall RPRP start-up and test procedures that will be included in the construction contract documents. These procedures shall comply with all state and federal agency requirements necessary to make the completed RPRP ready for revenue service.
- u) Review systems verification, testing and start-up plan.
- v) Review hazardous material identification, notification and remediation policy referenced in the construction contract documents and used to facilitate prompt and legal disposal of job-site hazardous materials during the construction process.
- w) Review the draft Storm Water Pollution Prevention Plan (SWPPP), in accordance with the State Water Resource Control Board requirements.
- x) Review all required permits, easements, utility relocation agreements, cooperative agreements, and memorandums of understanding (MOU’s) for completeness and the associated requirements are incorporated into the construction plans and special provisions.
- y) Review PMP to assist in understanding federal requirements for construction management procedures and reporting.

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- z) Assist SANBAG in preparing general conditions and special provisions and review for consistency with San Bernardino Downtown Passenger Rail Project and other recent passenger rail projects.
- aa) Verify the MDC has identified all hazardous material removal prior to demolition and identified all conditions required by permitting agencies have been incorporated into the final contract documents.
- bb) Facilitate an RE File Transfer meeting with MDC and SANBAG to provide all relevant project documents and agreements to CM team.
- cc) Included in construction contract a specification regarding public protection.
- dd) Safety and Security Certification Program Plan – CM team shall support the preparation of the SSCPP and review draft, final draft and final plans. Update as required during PROJECT duration.
- ee) Preliminary Hazard Analysis (PHA) Report – CM team shall support the preparation of a PHA and review the draft and final reports. Verify compliance with final design.
- ff) Threat and Vulnerability Analysis (TVA) Report – CM team shall support the preparation of a TVA and review the draft and final analysis. Verify compliance with final design and as constructed improvements.
- gg) Operating Hazard Analysis (OHA) – CM team shall support the preparation of a OHA and submit for approval and verify compliance with final design.
- hh) Develop Design Criteria Conformance Checklists – CM team shall lead the preparation of Safety and Security Certification Checklists. Prepare draft, final draft and final checklist applicable to PROJECT scope. Resolve comments in meetings as required.
- ii) Verify Design Criteria Conformance Checklists - Coordinate and facilitate verification, audits and certification of completed checklists, including presentation at SSCRT for final acceptance.
- jj) Safety and Security Certification Review Team (SSCRT) - Provide key technical lead for the SSCRT meetings, prepare minutes, prepare, organize and present materials for 12 meetings, including informal pre-meetings.
- kk) Fire/Life Safety Committee - Schedule meetings, prepare draft and final meeting minutes and facilitate resolution of F/LS issues for 12 quarterly meetings, including informal pre-meetings.
- ll) Provide reviews of in-progress design plans and specifications. Develop language for the contractor safety/security requirements.

C.2 Phase 2 – Construction Services

C.2.1 General Requirements

- a) Progress Management:
 - 1. Submittals, Nonconformance Reports, (NCR) and RFIs: Review for quality and completeness, process and track. The MDC has a supporting role in responding to RFIs and reviewing non-conformance reports and also reviewing contractor submittals and shop drawings for adherence to design and specifications. Coordinate and transmit RFIs and submittals to the MDC as directed by SANBAG. Facilitate timely review of these.

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2. Progress Payments: Review/approve/reject contractor's monthly progress payment requests. Measure and track quantities installed for all unit rate items and maintain Schedule of Values progress payment in FTA format.
 3. Monitor permits, submittals, shop drawings, material procurement, RFIs, bulletins, change requests, change orders, schedules, and recovery plans, coordination with agencies, jurisdictions, utilities, and Engineer of Record.
 4. Changes/Claims: Recommend and implement change orders and claim avoidance practices. Analyze, negotiate, facilitate settlement of claims, and process change orders in a timely manner in accordance with the approved PMP procedures. The MDC will revise design documents as required.
 5. Track/analyze/report on contractor/subcontractor lien releases.
 6. Railroad Force Account: Record any SCRRA and possibly BNSF force account work and review invoice documents within the specified contract duration.
 7. Document Control: Adhere to SANBAG procedures and maintain hard copies. All documents are to be scanned and saved electronically in the field with weekly backups maintained off site.
 8. Contractor Insurance: Track policies and renewals including subcontractors.
 9. Labor Compliance and Disadvantaged Business Enterprise (DBE) Monitoring: Support SANBAG by obtaining certified payrolls; determine that DBEs and UDBEs are performing designated work. Obtain contractor's DBE compliance reports. Track and document contractor compliance with prevailing wages and Equal Employment Opportunity (EEO) including performing field interviews of contractor personnel. See Section C.01.2.11 Prevailing Wage Monitoring for additional requirements.
 10. Maintain Warranty Matrix and include as part of monthly status report.
 11. Provided status and confirmation contractor's submittals and materials incorporated into RPRP is in compliance with Buy America.
- b) Documents:
1. Construction Safety and Security: Review contractor's site-specific Safety and Security Plans. Monitor, document, and prepare accident reports. Observe and document in an incident log contractor's compliance with the RPRP safety plan.
 2. Storm Water Pollution Prevention (SWPPP): Track compliance with the RPRP SWPPP (and/or Water Quality Control Plan (WQCP)). Perform site inspections to determine Best Management Practices (BMPs) have been implemented as outlined in the SWPPP/WPQP. Perform weekly or daily inspections during the rainy season. Perform run-on/run-off sampling and testing if required by the SWPPP/WQCP.
 3. Review of Traffic Plans (Detours and Lane Closures): Review construction contractor plans, assist with resolution of issues, and assist with coordination of the traffic plans with the roadway agencies (City of San Bernardino, City of Redlands, City of Loma Linda, and CALTRANS) and adjacent property owners.
- c) Systems Inspection, Testing, Commissioning, and Start-up: perform factory visits, complete manufacturers quality audits, test reports, safety certifications. The CMC shall also coordinate with SANBAG and SCRRA in implementing both construction phase and start-up phase testing in achieving acceptance and approval by appropriate agencies and authorities. The CMC shall submit timely reports on problems, progress, and completion

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- of the start-up testing shall be submitted to SANBAG. The CMC shall also provide technical assistance to SANBAG and coordinate the interface between construction and operations personnel for the start of revenue services, and assist SANBAG with obtaining the Project System Safety Certification from the FRA.
- d) Survey Support (QA/QC) Services: Monitor construction contractor general compliance with surveying requirements; verify layout and controls, perform independent survey checks of line and grade, spot check contractor reference points and verify location and preservation of the critical baseline survey points prior to and after construction (SANBAG provides construction control surveys). The CMC shall include a California licensed surveyor on the CMC team to provide these services and additional 1 baseline surveys in the event that the contractor's survey cannot be relied upon. CMC will provide one set of construction staking for all aspects of the construction. Additional staking will be at the contractor's expense.

C.2.2 Communication

- a) CMC is responsible for interfacing, coordination, and communication of all activities during construction, and to keep SANBAG well informed at all times. This effort of interfacing, coordination, and communication includes but is not limited to: utility companies; community relations (SANBAG and CMC); labor organizations; cities and the County; SCRRA, BNSF operations and maintenance, and Omnitrans; Esri and the University of Redlands; Army Corps of Engineers; U.S. Fish and Wildlife; Engineer of Record; architects, artist and other agencies; CMCs; and other entities associated with the PROJECT.
- b) Coordinate with MDC to facilitate prompt resolution to design and construction related issues.
- c) Utility Coordination: Assist construction contractor and coordinate RPRPutility requirements with MDC. Assist SANBAG with coordination of utility owners for required utility relocation work. Provide knowledgeable utility field inspectors to support utility design, and integration of required changes to resolve utility conflicts. These inspectors will be required to coordinate interface milestones, work windows, and monitor the overall efforts of construction contractors.
- d) Coordinate Flagging: Schedule SCRRA flagging, coordinate assignment of watch persons for protection of workers and equipment not required by SCRRA and under CMC purview, assure that all CMC and observe that Contractor field personnel complete and stay current with railroad safety training requirements. Coordination may be required with BNSF for their customers.
1. Coordinate instruction classes in FRA Railroad Worker Safety Protection, Safety Rules and Regulations. In addition, coordinate SCRRA General Safety Regulations for Third Party Contractors and Utilities Workers for contractors, and other third parties performing work within SANBAG right-of-way. Maintain an updated log of all on-track safety certified staff and contractors for the purpose of supporting that only certified people on railroad job site.
- e) Prepare weekly progress reports to include daily dairies, PROJECT/contract status, deficiency logs, field change notices, new and outstanding issues, actions to be taken, schedule update, calendar days spent and remaining, claims evaluation, and status of all logs including submittals, RFIs, contract change order documents, drawing registers/control logs, etc.

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- f) Prepare Monthly Progress Summary Reports indicating CMC and Contractor's contract status, job site conditions, specific conditions encountered, corrective measure taken, progress and record photos, manpower reports, construction schedule update (including narrative), current RPRP cost, and projection of cost including potential change orders, issues and resolutions, itemize all to-date RPRP costs and forecast RPRP costs by totaling base contract payments. It should also include any critical issues requiring action by discussing and prioritizing issues and setting action responsibilities identifying any significant problems with the budget or staffing. Submit the reports to SANBAG.
- g) The CMC Resident Engineer shall immediately notify SANBAG of any significant construction problem that may impact cost, schedules, relations with other entities, or accidents. This notification shall, as soon as practicable, include written recommendations on options to resolve the problem.
- h) Engage the facility operator Omnitrans and SCRRA early to establish expectations and obtain the operators input throughout construction.
- i) Conferences/Meetings:
 1. Conduct weekly progress, pre-work, weekly safety, and third party coordination meetings.
 2. Conduct and produce meeting minutes and action item lists for weekly contractor progress review meetings for submittal to SANBAG. Provide agendas to include the weekly progress report elements.
 3. Prepare, coordinate, facilitate and participate in Partnering Program and conferences at the onset of construction and throughout the duration of construction activities with SANBAG, MDC, all construction contractors, and other key RPRP stakeholders. This Program shall promote teamwork and open lines of communication to facilitate the successful completion of the RPRP. In addition, as part of the partnering process establish a dispute resolution plan.
 4. Participate as part of the Rail Activation Committee and conduct periodic meetings
 5. Establish Safety and Security Certification Committee and conduct periodic meetings.
 6. Public Affairs: Assist SANBAG in providing community meetings to educate the public on the impact of construction work in their local area. Provide support for preparing presentations to cities, agencies, municipalities, SANBAG Board, the public and others as directed. Prepare all agendas, record meeting minutes, and distribute copies to attendees and interested parties.

C.2.3 Scheduling Control

- a. Review and monitor contractor's schedule for accuracy, compliance, completed work, and forecast reasonableness.
- b. Coordinate with the PMC to expand and maintain the Primavera CPM Master Project Planning and Construction Overview Schedule to include individual construction contracts with milestones and start-up activities.
- c. Review and approve baseline construction schedules, monthly schedule updates, and 3-week look-ahead schedules submitted by contractors for compliance with the construction contract specifications.
- d. Provide assistance to develop work-around schedules or recommend other measures required to mitigate delays or expedite the schedule.
- e. Review and approve delay analyses submitted by contractors for change order work.

- f. Prepare monthly report summarizing contractor progress, critical path analysis, and contractual milestone comparisons of baseline versus current schedule, and resource and cash flow projections.

C.2.4 Cost Control/Estimating

- a. Cost Engineering/Estimating: Maintain an up-to-date trend system which identifies all potential cost (and cost of schedule) impacts and forecast to complete.
- b. The CMC is responsible for construction contract administration activities, field review and verification of work in place, review and recommendation for approval of contractor' payment requests, and the negotiation and recommended approval of certain change orders in accordance with approved guidelines. Develop and maintain logs at the field office sites of all-active contract change orders, claims, trends, bid item adjustments, and incurred cost. At the end of each reporting period, CMC will provide a summary of these logs. The summary will show the cumulative totals of the above logs for each contract.
- c. Prepare monthly, a three-month look ahead PROJECT Staffing Projections to effectively monitor and compare the CMC costs to the original proposed Work Plan and Budget.
- d. The CMC will assist in, or participate in negotiations for contract change orders, including but not limited to preparing an independent cost estimate to help establish a price for extra work and delays. The fair and reasonable cost estimate will be used as a basis for the change order negotiations, and as backup documentation.
- e. In preparing cost estimates, the CMC will prepare and maintain complete documentation establishing the basis of the estimates. This documentation prepared in accordance with FTA requirements shall include the basis for all labor, material and equipment costs. Costs shall include all applicable direct and indirect costs, including negotiated profit margins. Any cost necessary to reflect the unique or unusual characteristic of the change order shall be included.

C.2.5 Inspection Control

Provide on-site daily inspections and thorough documentation to check the quality and quantity of the work performed by all trades and endeavor to guard SANBAG against defects and deficiencies in the work of the contractors. Inspect workmanship, quality, construction means, methods, techniques, and sequences to evaluate the contractor's general compliance with the requirements of the construction documents and recommend necessary remedial action to SANBAG and the Contractor.

Prepare daily field reports detailing weather conditions, status of work, and the location and type of work performed by the Contractor. For each daily work activity, document the number and classification of craft labor, supervision, equipment and materials used.

Any construction work not properly inspected and tested shall be grounds for removal of the CMC or specified personnel.

Routine responsibilities associated with providing inspection during construction include, but are not limited to, the following:

- a. Provide daily inspection and documentation of job related activities.
- b. Prepare and maintain thorough daily inspection reports.
- c. Provide continual review of plans and specifications to identify discrepancies, and ambiguities, omissions, or conflicts in plans, specifications, and bid schedules that may generate misinterpretations and/or lead to disagreements.
- d. Provide inspection observation for utility relocations performed by non-SANBAG contractors.
- e. Coordinate work schedule with contractor for testing and surveying.
- f. Document information related to manpower, equipment, and time for extra or force account work or claim monitoring.
- g. Attend and document contractor tailgate safety meetings.
- h. Observe and support safety attire compliance requirements and on-track safety certification.
- i. Confirm accurate measured quantities and review pay estimates submitted by the contractor.
- j. Provide electronic pictorial and video logbook of construction activities.
- k. Report all discrepancies requiring corrective actions to SANBAG.
- l. Meet with contractor to review proposed work and schedule required inspection.
- m. Provide monthly inspection of contractor's As-Built drawings.
- n. Maintain separate As-Built drawings.
- o. Develop "Punch List" items and follow-up with corrective measures.

C.2.6 Material Sampling and Testing

CMC will provide QC, obtain laboratory testing services, and provide independent verification of contractor compliance with specifications.

The CMC shall maintain primary responsibility for verification testing for contract compliance of rail welding, and the final trackwork inspection, fare collection systems including communications and train control signaling systems (including wayside Centralized Traffic Control/CTC and Positive Train Control/PTC). The Construction Contractors have the primary responsibility for materials sampling and testing. The CMC shall satisfy themselves that the Construction Contractor's test, frequency of test, re-tests, and results comply with contract specifications. All materials sampling and testing documentation shall be reviewed by the CMC. A copy of all tests shall be maintained in the RPRP file.

CMC shall provide verification tests as deemed necessary. The Testing Laboratory personnel shall be qualified and certified as applicable (ASTM, Caltrans, ACI, AWS, etc.) with field testing capabilities for soil, concrete, asphalt, welding, NDE procedures for metal including rail welding, and materials testing to complement the CMC's field inspection staff. The scope of testing shall include, but not be limited to on-site inspections and sampling, laboratory materials testing, and off-site source testing and inspection as needed. All test results shall be timely and accurate, so that the contractors work is not impacted.

The following represents the minimum anticipated Field Materials sampling and Testing Requirements:

- a. Soil – Compaction/Density/Moisture/Resistivity
- b. Fill Material – Gradation/AD/Ballast/Backfill
- c. Concrete – Materials/Cylinders/Slump/Air Entrainment
- d. Asphalt Concrete – Yield
- e. Rail Welding – Ultrasonic/Plant & Field
- f. Rail End Hardening – Brinell Hardness (@Insulated Joints)
- g. Masonry – Grout/Mortar Test/Reinforcing Steel
- h. Coring – Asphalt/Concrete

The Trackwork including communication and train control signaling systems inspector shall have detailed knowledge of applicable SCRRRA, American Railway Engineering and Maintenance-of-Way Association (AREMA), CPUC General Orders, and Federal Railroad Administration track and signal requirements, including but not limited to, 49CFR Parts 213, 236 and 237 requirements. Trackwork inspectors shall coordinate all field rail welding testing.

C.2.7 Quality Assurance/Quality Control (QA/QC) Requirements

- a. The CMC will submit to SANBAG for approval a QA/QC Plan within 45 calendar days after NTP. The CMC’s QA/QC Plan shall identify the individual(s) responsible for QA/QC activities for this contract. The representative shall be responsible for monitoring all construction quality activities for the PROJECT and have the authority to act in all issues relating to quality. The representative shall be fully qualified by certification and/or experience and technical training to perform the necessary quality review and monitoring activities and fully implement the QA/QC Plan. The CMC’s QA/QC Plan shall be developed in accordance with “FTA-MA-06-0189-92-1 Quality Assurance and Quality Control Guidelines” and shall be consistent with SANBAG’s Program Management Plan (PMP) and Quality Assurance Program.
- b. Review and recommend acceptance of construction contractors’ QA/QC plan. Audit the contractor’s compliance with the accepted QA/QC Plan.
- c. The QA section of the CMC’s program will identify all planned and systematic actions necessary so that the scopes of work requirements are met to determine quality throughout all phases of construction. The QA Plan shall identify actions confirming that equipment and staffing are capable of performing tasks related to the Contract, and documenting the quality efforts.
- d. The QC section of the CMC’s program shall identify the operational techniques and activities, inspections, tests, documentation and other processes that will be used to fulfill requirements specified in the QA section. Provide Resident Engineers, QC inspection, and materials compliance with QA/QC plan and specifications.

C.2.8 Project Liaison and Coordination

The CMC will support SANBAG staff in coordinating program activities and maintaining good working relationships with the following:

- a. The general public
- b. FTA
- c. FRA
- d. Caltrans
- e. Other state agencies
- f. CPUC
- g. Policy Advisory Boards
- h. Cities and special districts along the RPRP route
- i. University of Redlands
- j. Esri
- k. Utility companies
- l. Private companies and entities that might be affected by RPRP construction or implementation
- m. Maintenance facility design, construction and CM contractors
- n. Passenger vehicle vendor

C.2.9 Environmental Mitigation Compliance Inspection and Reporting

- a. Follow construction environmental control plan requirements, determine contractor general compliance with environmental permits such as discharge permits and erosion and sedimentation control requirements, mitigations, monitoring and sound management practices. Provide other environmental compliance support services requested by SANBAG
- b. The MDC will be responsible for Environmental Mitigation Compliance per the previously prepared and submitted Mitigation Monitoring and Reporting Program. The MDC shall have available on an on-call basis, all resources necessary including but not limited to environmentalist, biologist, archaeologist, paleontologist, arborists, and others to provide prompt attention to mitigating matters as they develop.
- c. MDC shall provide Worker Environmental Awareness Program (WEAP) training information to all field personnel as part of their ongoing field responsibilities. For construction workers (or visitors) new to the RPRP, the MDC will provide video and/or other materials to introduce construction personnel (or visitors) to the environmental issues on the RPRP and to establish the environmental ground rules for working on the RPRP.
- d. MDC shall also conduct tailgate briefings on select environmental topics, prior to construction in sensitive areas or in response to ongoing compliance issues. These tailgate briefings should generally be held in coordination with construction tailgate briefings and should simply serve as reminders of key environmental concerns or requirements

The CMC will coordinate and monitor the need for tailgate briefings based on the construction schedule. The CMC will schedule the briefings between the Contractor and the MDC. Additionally, the CMC will notify SANBAG of the need for a briefing and include SANBAG in the briefing.

C.2.10 Prevailing Wage Monitoring

- a. All contracts are subject to Federal and State prevailing wage laws. The CMC shall be responsible for the day-to-day facilitation of all Prevailing wage requirements on all construction contracts for the RPRP.
- b. The CMC shall have procedures and processes to verify that the weekly certified payrolls are received for all covered construction workers, including all prime and sub-contractors.
- c. The CMC shall notify SANBAG of any irregularities in the construction contractors' adherence to prevailing wage requirements. In the event of contractor noncompliance with payroll submittal and any other prevailing wage requirements, the CMC shall prepare written notifications to the Prime Contractors itemizing any deficiencies, defining the remedies and noticing of applicable progress payment withholdings and penalties associated with the noncompliance.

C.2.11 System Safety and Security Certification

- a) Develop Construction (Contract Specification) Conformance Checklists - Prepare Checklists applicable to RPRP scope.
- b) Verify Construction (Contract Specification) Conformance Checklists - Coordinate and facilitate verification, audits and certification of completed checklists, including presentation at SSCRT meetings for final acceptance. Create and maintain verification document file.
- c) Preliminary Hazard Analysis (PHA) Report – Verify mitigations in construction and testing.
- d) Threat and Vulnerability Analysis (TVA) Report – Verify mitigations in construction and testing.
- e) Operating Hazard Analysis (OHA) – Verify mitigations in construction and testing.
- f) Verification Checklist for Testing Activities - Develop checklist, and coordinate and facilitate verification, audits and certification of completed checklists.
- g) Safety and Security Certification Verification Report (SSCVR) - Develop and prepare draft, final draft and final report acceptable to SANBAG, SCRRA, Omnitrans, FTA and FRA.
- h) Safety and Security Certification Review Team (SSCRT) Support - Provide key technical lead for the contractor team at the SSCRT meetings, prepare minutes, prepare, organize and present materials for 36 meetings, including informal pre-meetings.
- i) Fire/Life Safety Committee Support - Schedule meetings, prepare draft and final meeting minutes and facilitate resolution of F/LS issues for 8 meetings, including informal pre-meetings.
- j) Emergency Preparedness Exercises – Facilitate and coordinate the required emergency response agency training and preparedness exercises.

C.2.12 Signal System, Communications and System Startup

CM will provide inspection, and full system support items requiring start-up, including railroad signal elements. Services will include reviewing submittals for signal equipment and systems, monitoring the contractor's signal equipment and systems, and monitoring the contractor's signal record drawings. Duties will include:

- a. Review of site-specific work plans involving system modifications and cutovers
- b. Conduct inspection of control houses and signal equipment at fabrication plants

- c. Inspection and support for signal system installations and commissioning
- d. Implement the system startup plan in collaboration SANBAG, MDC, Contractor, PMC and operator.
- e. Inspect communications equipment, to include wayside ATCS radios & MCM, PTC 220 Wayside Radio, PTC WMS

C.3.13 Document Control System (DCS)

The Document Control System (DCS) will be administered primarily by the CM's document control staff located at the PROJECT site office, and will also be supported by the Authority from its main office. These responsibilities are described later in these procedures. The paper PROJECT files and Document Control Library (DCL) will be located at the PROJECT site office. This system is intended to allow for the easy recording and retrieval of all PROJECT documents by PROJECT staff. The system will follow the Local Assistance Procedure Manual for construction uniform filing system in compliance with federally funded projects and include the following:

- Document Control System
 - Software – Prolog Database
 - Paper Documents
 - Controlling Documents
 - Backup Procedures
- Responsibilities
- File Naming Protocols
- File Breakdown System
- Incoming/Outgoing Documents
- Submittals
- Reporting Logs

C.3 – Phase 3 – Post-Construction Services

Contract Closeout:

The CMC shall:

1. Perform final inspection and testing.
2. Prepare comprehensive punch list, resolve outstanding issues, address changes and deficiencies and monitor corrections to completion. Punch list to include picture of each punch list item; note of what needs to be corrected as part of information provided to contractor.
3. Coordinate and schedule final inspections.
4. Balance Change Orders and prepare proposed final estimate. Review and process final payment request.
5. Receive, review, approve, and transmit O&M Manuals from contractor to SANBAG.
6. Produce and issue relief of maintenance and responsibility letter to contractor when authorized.
7. Receive, review, correct, and transmit As-Built Drawings from contractor to SANBAG.
8. Coordinate completion of final reproducible record set of drawings.

9. Receive, review and transmit Warranty/Guarantee documents from contractor to SANBAG.
10. Request final acceptance from SCRRA, BNSF, Cities of San Bernardino and Redlands, Esri, University of Redlands, OmniTrans, utility companies, and any other relevant RPRP stakeholders.
11. Produce and issue Final Acceptance to contractor when authorized by SANBAG.
12. Continue claims support in the event that issues are not resolved prior to construction completion.
13. Assess liquidated damages in the event that the contractor exceeds his allowable number of working days.
14. Expedite closeout process and prepare final closeout report.
15. As-Built Drawings: Determine that construction contractor maintains as-builts and coordinate with MDC. Document and track all design changes. Review final as-built drawings prepared by MDC to determine all changes have been incorporated. Verify that all work was completed in general conformance with the plans and specifications and provide a letter to SANBAG to this effect.

Warranties: CMC shall monitor and track warranties.

D. DELIVERABLES

CMC shall provide the following:

1. Inspector daily reports, extra work daily diaries and Resident Engineers' daily diaries.
2. Monthly PROJECT Activity Summary Reports.
3. Monthly Contractor progress payments, back-up documentation, and Contractor payment records.
4. Contractor final payment documents, delivered to SANBAG no later than ten (10) working days after acceptance by SANBAG of the completed construction PROJECT.
5. All PROJECT files, PROJECT reports, correspondence, memoranda, shop drawings, PROJECT logs, PROJECT photo and logs, change order data, claims and claim reports, and Contractor payment records.
6. Certified payrolls and fringe benefit statements for all employees, CMC and Contractor, who are subject to the State and/or Federal prevailing wage rates.
7. All material test results will be provided in accordance with the applicable Standard Specifications and Special Provisions, and test methods. Failing tests will be immediately reported to the Resident Engineer or Structures Representative. All test results will be recorded on the appropriate forms. The test documents will be legible and show the identity

of the tester where appropriate. A notebook containing all test results and reports will be maintained by CMC throughout the duration of the RPRP and delivered to SANBAG with the PROJECT files.

E. EQUIPMENT AND MATERIALS TO BE PROVIDED BY CMC

1. CMC shall provide all necessary equipment including software, materials, supplies, miscellaneous tools, phones, vehicles, and safety equipment required for its personnel to perform the services accurately, efficiently, and safely. The above noted items shall be considered part of the CMCs overhead.
2. CMC personnel shall be provided with vehicles suitable for the location and nature of the work involved as other direct cost.
3. CMC personnel shall be provided with a mobile radio, cellular phone, or other means for full-time communication.
4. CMC personnel shall be provided with all applicable standard plans, specifications, and other standards as appropriate.
5. For Materials Testing, CMC and its staff will be fully equipped at all times to perform the services required, including but not limited to the following:
 - a. An on-site mobile laboratory or laboratory in close proximity to the RPRP will be required. The type and location of the lab should be such that it can meet the needs of the PROJECT in an efficient, time effective manner. The laboratory is to be fully staffed, equipped, and supplied to conduct all required soils, materials, and concrete breaking tests in a timely manner.
 - b. Field personnel will be provided with all necessary safety equipment to permit work to be performed safely and efficiently within operating rail, highway and construction zone environments.
 - c. All equipment to be calibrated as per Section 3-10 and 3-11 of Caltrans' Quality Assurance Program Manual.
 - d. Provide construction field office as an ODC. The field office will include 4 offices, 1 meeting room of sufficient size to hold weekly contractors meeting and provide sufficient space for the construction management inspection and administrative staff. Field Office will include all furniture, equipment and utilities required to support PROJECT.

F. MATERIALS TO BE FURNISHED BY SANBAG

1. SANBAG will provide three (3) copies of all RPRP construction documents including plans, and special provisions, and one (1) copy of all other reports, designer prepared resident engineer files, and contracts. In addition, SANBAG will provide one (1) full size (24" x 36") sets of plans for use in the construction field office as record documents.

2. SANBAG will provide copies of all previously secured permits and PROJECT authorizations.

G. AVAILABILITY AND WORK HOURS

The typical workday includes all hours worked by SANBAG's construction Contractor including nights and weekends. The construction Contractor's operations may be restricted to specific hours during the week, which will become the normal workday for CMC's personnel. On days when work is not performed by the construction contractor, such as rainy or unsuitable weather days, CMC services will not be provided unless authorized by the SANBAG Project Manager. Unless otherwise directed by SANBAG, the normal work week will consist of 40 hours. From time to time, overtime may be required. However, overtime will be worked only when approved in writing by SANBAG.

H. LIMITATIONS TO AUTHORITY

CMC does not have the authority to:

1. Authorize deviations from the contract documents.
2. Approve substitute materials or equipment; except as authorized in writing by SANBAG.
3. Conduct or participate in tests or third party inspections; except as authorized in writing by SANBAG.
4. Assume any of the responsibilities of the Contractors, Contractors' Superintendent, or subcontractors, or any other third party
5. Exercise control over or be responsible for construction means, methods, techniques, sequences, procedures, or safety precautions and programs including site safety
6. Communicate directly with subcontractors or material suppliers without the prior consent of the Contractor.
7. Verbally authorize or approve change orders or extra work for the RPRP.
8. Offer or receive incentives, inducements; or other forms of enumeration to or from the Contractor to perform services or work outside the terms of any executed contracts for this PROJECT.

I. THIRD PARTY RELATIONSHIPS

This Contract is intended to provide unique services for a specific project. In the development of the RPRP, SANBAG has worked closely with various professional CMCs, agencies, and others in the preparation of the construction documents and other PROJECT related materials. SANBAG, however, is solely responsible for and will be the sole point of contact for all contractual matters related to the RPRP. CMC shall take direction only from SANBAG and shall regularly inform only SANBAG of PROJECT progress, outstanding issues, and all PROJECT related matters. During the course of the RPRP, CMC may find occasion to meet with Stakeholders, City or County representatives, the design engineer, CMCs, or other third parties who have assisted with the RPRP. These entities may, from time to time, offer suggestions and/or recommendations regarding the RPRP or elements of the RPRP. While SANBAG enjoys a close relationship with and has considerable confidence in the capabilities of these other parties, CMC shall not act on any suggestions, solicited or unsolicited, without obtaining specific direction from SANBAG. All oral and written communication with outside agencies or CMCs related to the RPRP shall be directed only to SANBAG. Distribution of RPRP related communication and information shall be at the sole discretion of SANBAG representatives.

J. CONSTRUCTION SITE SAFETY

In addition to the requirements specified elsewhere in this contract, the following also will apply.

1. CMC will conform to the safety provisions of the SCRRRA Manuals, Rules, and Requirements.
2. CMC's field personnel will wear hard hats with proper suspension, orange vests with reflective tape, sleeved shirt, long pants, and leather boots with ankle support and rubber soled shoes (with steel toes within the railroad right of way) at all times while working in the field.
3. CMC will provide appropriate safety training for all CMC's personnel, including work on and near highways and railroad right-of-way.
4. All safety equipment will be provided by CMC.

Minute Action

AGENDA ITEM: 24

Date: *September 7, 2016*

Subject:

Changes to the Commercial HERO Program Administered by SAMAS Capital, LLC

Recommendation:

Approve Resolution No. 17-004 authorizing changes to the Commercial HERO Program administered for San Bernardino Associated Governments (SANBAG) by SAMAS Capital, LLC (SAMAS), including: amending the HERO Program Report and the Master Indenture for issuance of bonds secured by assessments on commercial parcels participating in SAMAS Commercial program; and second amendments to the Master Bond Purchase Agreement with SAMAS (C14055) and the Administrative Services Agreement with SAMAS (C14052).

Background:

In October 2013, the Board of Directors approved a Property Assessed Clean Energy (PACE) program for both residential and commercial properties throughout San Bernardino County. That program is known as the HERO Program. At that time the residential program was administered by Renovate America and the commercial program was administered by SAMAS Capital, LLC.

Now Renovate America desires to initiate a commercial PACE program to be marketed under the HERO name. Both SAMAS Capital and Renovate America have agreed that SAMAS will establish a new name for the commercial program that they will administer. The new name for the commercial program administered by SAMAS Capital, LLC will be “Samas Commercial”.

In order to proceed with these changes, the Board of Directors will need to approve Resolution No. 17-004 to modify certain documents to reflect this name change. This resolution will accomplish the following:

- Approve modifications to the Program Report and the Commercial Handbook to reflect the name change (under separate cover).
- Approve the form of the Amended and Restated Master Indenture related to the issuance of bonds to finance the commercial PACE program (on file with clerk).
- Approve the forms of the second amendment to the Administrative Services Agreement with SAMAS Capital, LLC (C14052) and the second amendment to the Master Bond Purchase Agreement (C14055) with SAMAS Capital, LLC to provide for the change in the program name.

The approval of this resolution and the related documents simply change the name of the commercial program administered by SAMAS Capital, LLC. All other functions, policies and procedures of this commercial program will remain the same.

Entity: *COG*

Board of Directors Agenda Item
September 7, 2016
Page 2

Financial Impact:

This item will have no impact on the adopted SANBAG budget.

Reviewed By:

This item was reviewed and unanimously recommended for approval by the General Policy Committee on August 10, 2016. This item, the draft resolution, draft amendments, and draft amended and restated Master Indenture, have been reviewed by SANBAG's General Counsel.

Responsible Staff:

Duane Baker, Deputy Executive Director

Approved
Board of Directors
Date: September 7, 2016

Witnessed By:

RESOLUTION No. 17-004

RESOLUTION OF THE SAN BERNARDINO ASSOCIATED GOVERNMENTS AUTHORIZING THE EXECUTIVE DIRECTOR TO AMEND THE SANBAG HERO PROGRAM REPORT TO DESIGNATE THE COMMERCIAL COMPONENT OF EACH SUCH PROGRAM TO BE ADMINISTERED BY AND FINANCED THOROUGH SAMAS CAPITAL, LLC, AS “SAMAS COMMERCIAL”, TO APPROVE AN AMENDED AND RESTATED MASTER INDENTURE FOR THE ISSUANCE OF BONDS SECURED BY ASSESSMENTS LEVIED ON COMMERCIAL PARCELS PARTICIPATING IN SAMAS COMMERCIAL, APPROVE AND EXECUTE AN AMENDMENT TO THE MASTER BOND PURCHASE AGREEMENT AND TO THE ADMINISTRATIVE SERVICES AGREEMENT WITH SAMAS CAPITAL, LLC, TO REFLECT SUCH DESIGNATION AND APPROVING OTHER ACTIONS IN CONNECTION THERETO.

WHEREAS, since the establishment of the SANBAG HERO Program (the “Program”), the commercial program administered by and financed through Samas Capital, LLC (“Samas”) as a part of the Program has been referred to and known as the Commercial HERO Program; and

WHEREAS, Renovate America, Inc. (“Renovate”), now desires to initiate a commercial program and to use the HERO name to identify its commercial program; and

WHEREAS, Renovate and Samas have consequently agreed that Samas shall establish a new name for the commercial program to be administered by and financed through Samas; and

WHEREAS, Samas Capital now desires that the commercial portion of the Programs to be administered by and financed through Samas (the “Samas Commercial Program”) under the name “Samas Commercial;” and

WHEREAS, in order to implement such revision it will be necessary to modify the Program Report (the “Program Report”) and the commercial handbook, to approve the form of an amended and restated Master Indenture providing for the issuance of limited obligation improvement bonds issued by SANBAG to finance the installation of eligible improvements on commercial properties participating in the Commercial HERO Program (the “Bonds”) and amendments to Contract No. C14055 between SANBAG and Samas providing that Samas purchase such Bonds (the “Master Bond Purchase Agreement”) and Contract No. C14052 between SANBAG and Samas providing for Samas to provide certain administrative services pertaining to the Commercial HERO Program (the “Samas Administrative Services Agreement”) that will incorporate provisions to implement such revision; and

WHEREAS, the forms of the modified Program Report and commercial handbook , the Amended and Restated Master Indenture and the amendments to Administrative Services Agreement and the Master Bond Purchase Agreement have been presented to the Board of Directors for its review and approval.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the San Bernardino Associated Governments as follows:

Section 1. Approval of Modification of the Program Report and Commercial Handbook. The Board of Directors hereby approves the modification of the Program Report, the Samas Commercial Application and the Samas Commercial Assessment Contract, the final forms of which shall be incorporated in the Program Report, and the Commercial Handbook, each presented to the Board of Directors at this meeting and any other amendments that the Executive Director deems necessary to implement such name change for the commercial program to be

administered and financed by Samas from the Commercial HERO Program to the Samas Commercial Program.

Section 2. Approval of Form of Amended and Restated Master Indenture. The Board of Directors hereby approves the form of Amended and Restated Master Indenture (which may also be in the form of an amendment to the existing Master Indenture) in substantially the form on file with the Secretary of the Board of Directors, together with any changes therein or additions thereto approved by the Executive Director of SANBAG, or any designee of the Executive Director (each, an "Authorized Representative") and reviewed and concurred in by Best Best & Krieger LLP, in its capacity as bond counsel to SANBAG for the Program, and the execution thereof by an Authorized Representative shall be conclusive evidence of the approval of any such changes or additions. The Board of Directors hereby authorizes and directs an Authorized Representative to execute the final form of the Amended and Restated Master Indenture for and in the name of SANBAG.

Section 3. Approval of Forms of the Amendment to the Administrative Services Agreement and to the Master Bond Purchase Agreement. The Board of Directors hereby approves the forms of amendment to the Administrative Services Agreement and to the Master Bond Purchase Agreement in substantially the forms on file with the Secretary of the Board of Directors, together with any changes therein or additions thereto approved by the Executive Director, or any Authorized Representative and reviewed and concurred in by General Counsel of SANBAG and Best Best & Krieger LLP, and the execution thereof by an Authorized Representative shall be conclusive evidence of the approval of any such changes or additions. The Board of Directors hereby authorizes and directs an Authorized Representative to execute the final form of the amendments to the Administrative Services Agreement and the Master Bond Purchase Agreement for and in the name of SANBAG.

Section 4. Additional Action. The Executive Director or his designee is hereby authorized and directed to approve any other documents related to the Program necessary in the judgment of the Executive Director or his designee to conform such documents to the actions taken by the adoption of this Resolution.

Section 5. Effective Date. This resolution shall take effect from and after its adoption.

PASSED AND ADOPTED at a Meeting of the Board of Directors of the San Bernardino Associated Governments held on _____, 2016.

Contract Summary Sheet

General Contract Information

Contract No: C14052 Amendment No.: 2 Vendor No.: 03022
Vendor/Customer Name: SAMAS Capital LLC Sole Source? Yes X No
Description: Service agreement with SAMAS Capital, LLC to assist in the administration of the commercial PACE Program
Start Date: 10/02/2013 Expiration Date: 06/30/2017 Revised Expiration Date:
Has Contract Term Been Amended? No X Yes - Please Explain Adjusted closing fee
List Any Related Contracts Nos.: C14055

Table with columns for Dollar Amount, Original Contract, Revised Contract, Current Amendment, and TOTAL CONTRACT VALUE. Includes rows for Original Contingency, Revised Contingency, Contingency Amendment, and TOTAL DOLLAR AUTHORITY.

Contract Authorization

Executive Director Date:
Executive Director Action:
Board of Directors Date:
Board of Directors Action:

Contract Management: Payable/Miscellaneous

Invoice Warning: 20% Renewals: Type: Capital PAA Other
Retention: % Maximum Retention: \$ -
Services: Construction Intrgrnt/MOU/COOP A & E Services Other Professional Services
Disadvantaged Business Enterprise (DBE) Goal %

Contract Management: Receivable

E-76 and/or CTC Date (Attach Copy) Program Supplement No.:
Finance Letter Reversion Date: EA No.:

All of the above MUST be submitted to FINANCE including originals, amendments and miscellaneous transaction changes

Additional Information

Project Manager: Duane Baker

Attachment: C14052-css (3044 : Changes to the Commercial HERO Program Administered by SAMAS Capital, LLC)

CONTRACT NO. C 14052-02

**BY AND BETWEEN
SAN BERNARDINO ASSOCIATED GOVERNMENTS
AND
SAMAS CAPITAL, LLC
FOR**

**SERVICES TO ASSIST IN THE IMPLEMENTATION AND ADMINISTRATION OF
FINANCING MECHANISMS FOR THE SANBAG HERO PROGRAM, A PROPERTY
ASSESSED CLEAN ENERGY (PACE) PROGRAM, FOR COMMERCIAL
PROPERTIES IN PARTICIPATING CITIES AND SAN BERNARDINO COUNTY**

**Second Amendment to
Contract No. C14052**

THIS SECOND AMENDMENT TO CONTRACT NO. C14052, dated as of _____, 2016 (the "Second Amendment"), is entered into by and between SAN BERNARDINO ASSOCIATED GOVERNMENTS ("SANBAG") and SAMAS CAPITAL, LLC ("SAMAS CAPITAL") to amend that Contract No. C14052 by and between SANBAG and SAMAS CAPITAL for Services to Assist in the Implementation and Administration of Financing Mechanisms for the SANBAG HERO Program, a Property Assessed Clean Energy (PACE) Program, for Commercial Properties in Participating Cities and San Bernardino County (the "Administration Agreement"). Capitalized terms not otherwise defined herein shall have the meanings given such terms in the Administration Agreement.

RECITALS:

- A. SANBAG and SAMAS CAPITAL entered into the Administration Agreement for the purpose of establishing the terms and conditions pursuant to which SAMAS CAPITAL agreed to provide services related to the implementation and administration of financing for the SANBAG HERO Program.
- B. Since SANBAG and SAMAS CAPITAL entered into the Administration Agreement, the commercial program administered by SAMAS CAPITAL as a part of the SANBAG HERO Program pursuant to Contract No. C14052 has been referred to and known as the Commercial HERO Program.
- C. On May 4, 2016, SANBAG and SAMAS CAPITAL entered into Amendment No. 1 to the Administration Agreement increasing the rate of compensation to SAMAS CAPITAL to better reflect the actual cost of providing certain services.
- D. Renovate America, Inc., ("RENOVATE") administers and finances the residential program as a part of the SANBAG HERO Program which is referred to and known as the Residential HERO Program.

E. RENOVATE now desires to initiate a commercial program and to use the HERO name to identify its commercial program.

F. RENOVATE and SAMAS CAPITAL consequently agreed that SAMAS CAPITAL shall establish a new name for the commercial program to be administered by and financed through SAMAS CAPITAL.

G. SAMAS CAPITAL desires that the commercial program to be administered and financed through SAMAS CAPITAL under the name of “Samas Commercial.”

H. SANBAG and SAMAS CAPITAL desire to amend the Administration Agreement to reflect this change in commercial program name.

NOW, THEREFORE, in consideration of the promises and mutual covenants herein contained and for other valuable consideration, the receipt of which is hereby acknowledged, SANBAG and SAMAS CAPITAL do hereby covenant and agree as follows:

1. Amendment of Capitalized Terms. The following capitalized terms used in the Administration Agreement shall be revised as follows:

a. “Commercial HERO Program” shall be amended to read “Samas Commercial Program.”

b. “Commercial HERO Program Administration Services” shall be amended to read “Samas Commercial Program Administration Services.”

c. “Commercial HERO Program Administration Services Fee” shall be changed to read “Samas Commercial Program Administration Services Fee.”

d. “Commercial HERO Program Funding” shall be amended to read “Samas Commercial Program Funding”

2. Effect on Remaining Terms and Conditions of the Administration Agreement. Except as expressly provided in Section 1 above, the terms and conditions of the Administration Agreement shall remain in full force and effect.

3. Authority to Enter Second Amendment. SANBAG and SAMAS CAPITAL have all requisite power and authority to execute, deliver, and perform the Second Amendment. Each Party warrants that the individuals who have signed this Second Amendment have the legal power, right, and authority to make this Second Amendment and bind each respective Party.

4. Invalidity. If any provision of this Second Amendment shall be held invalid or unenforceable by a court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision of this Second Amendment unless elimination of such provision materially alters the rights and obligations set forth herein.

7. Effective Date. This Second Amendment shall become effective and binding upon the respective parties hereto upon the execution or acceptance hereof by SANBAG and shall be valid and enforceable as of the time of such acceptance.

8. Counterparts. This Second Amendment may be executed simultaneously in several counterparts, each of which shall be an original and all of which shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties hereto have made and executed this Second Amendment to Administration Agreement as of the date first written above.

SAN BERNARDINO ASSOCIATED
GOVERNMENTS

SAMAS CAPITAL, LLC

By: _____
Title: Robert A. Lovingood, President

By: _____
Title: Mark Allan Aarvig,
Managing Director

APPROVED AS TO FORM:

By: _____
Eileen Monaghan Teichert
General Counsel

CONCURRENCE:

By: _____
Jeffery Hill
Procurement Manager

Attachment: C14052-02 Amendment No 2 to Administration Agreement-c1 (3044 : Changes to the Commercial HERO Program Administered by

Contract Summary Sheet

General Contract Information

Contract No: C14055 Amendment No.: 2 Vendor No.: 03022
 Vendor/Customer Name: SAMAS Capital, LLC Sole Source? Yes No
 Description: For the sale by SANBAG and the purchase by vendor of Improvement Bonds for the Commercial PACE Program
 Start Date: 10/02/2013 Expiration Date: 06/30/2017 Revised Expiration Date: _____
 Has Contract Term Been Amended? No Yes - Please Explain _____
 List Any Related Contracts Nos.: C14052

Dollar Amount			
Original Contract	\$ 3,990,000.00	Original Contingency	\$ -
Revised Contract (Inclusive of Prior Amendments)	\$ 5,295,000.00	Revised Contingency (Inclusive of Prior Amendments)	\$ -
Current Amendment	\$ -	Contingency Amendment	\$ -
TOTAL CONTRACT VALUE	\$ 5,295,000.00	TOTAL CONTINGENCY VALUE	\$ -
		TOTAL DOLLAR AUTHORITY (Contract Value and Contingency)	\$ 5,295,000.00

Contract Authorization

Executive Director Date: _____
 Executive Director Action: _____
 Board of Directors Date: _____
 Board of Directors Action: _____

Contract Management: Payable/Miscellaneous

Invoice Warning: 20% Renewals: _____ Type: Capital PAA Other
 Retention: % Maximum Retention: \$ -
 Services: Construction Intrgrnt/MOU/COOP A & E Services Other Professional Services
 Disadvantaged Business Enterprise (DBE) Goal %

Contract Management: Receivable

E-76 and/or CTC Date _____ (Attach Copy) Program Supplement No.: _____
 Finance Letter Reversion Date: _____ EA No.: _____

All of the above MUST be submitted to FINANCE including originals, amendments and miscellaneous transaction changes

Additional Information

Project Manager: Duane Baker

CONTRACT NO. C 14055-02

**SAN BERNARDINO ASSOCIATED GOVERNMENTS
LIMITED OBLIGATION IMPROVEMENT BONDS
SANBAG HERO PROGRAM
Samas Commercial Program
(First Commercial Property Tranche)**

**Second Amendment to
Master Bond Purchase Agreement**

THIS SECOND AMENDMENT TO MASTER BOND PURCHASE AGREEMENT, dated as of _____, 2016 (the "Second Amendment"), is entered into by and between the SAN BERNARDINO ASSOCIATED GOVERNMENTS ("SANBAG") and SAMAS CAPITAL, LLC. ("Purchaser") to amend that certain Master Bond Purchase Agreement, dated as of October 2, 2013 (the "Master BPA"), entered into by and between SANBAG and Purchaser, as amended by Contract No. 14055-01 First Amendment to Master Bond Purchase Agreement (as amended, the "Master BPA"). Capitalized terms not otherwise defined herein shall have the meanings given such terms in the Master BPA.

RECITALS:

- A. SANBAG and Purchaser entered into the Master BPA for the purpose of establishing the terms and conditions pursuant to which Purchaser agreed to purchase, or cause its designee to purchase, all (but not less than all) of the Improvement Bonds (as originally defined in the Master BPA), from SANBAG and SANBAG agreed to sell to Purchaser, when as and if issued, all (but not less than all) of the Improvement Bonds in an aggregate principal amount not to exceed \$300,000,000.
- B. Since SANBAG and Purchaser entered into the Master BPA, the commercial program administered by Purchaser as a part of the SANBAG HERO Program pursuant to Contract No. C14052 by and between SANBAG and Purchaser and financed from the proceeds of Improvement Bonds purchased by Purchaser pursuant to the Master BPA has been referred to and known as the Commercial HERO Program.
- C. Renovate America, Inc., ("Renovate") administers and finances the residential program as a part of the SANBAG HERO Program which is referred to and known as the Residential HERO Program.
- D. Renovate now desires to initiate a commercial program and to use the HERO name to identify its commercial program.
- E. Renovate and Purchaser have consequently agreed that Purchaser shall establish a new name for the commercial program to be administered by and financed through Purchaser.

F. Purchaser desires that the commercial program to be administered and financed through Purchaser under the name of “Samas Commercial.”

G. SANBAG and Purchaser desire to amend the Master BPA to reflect this change in commercial program name.

NOW, THEREFORE, in consideration of the promises and mutual covenants herein contained and for other valuable consideration, the receipt of which is hereby acknowledged, SANBAG and Purchaser do hereby covenant and agree as follows:

1. Amendment to Title of the Improvement Bonds. The title of the Improvement Bonds found in the fourth paragraph to the recitals to the Master BPA shall be revised to read “San Bernardino Associated Governments Limited Obligation Improvement Bonds (SANBAG HERO Program – Samas Commercial) (_____ Commercial Property Tranche).”

2. Amendment to Section 5 Conditions of SANBAG’s Obligations. The following capitalized terms used in Section 5 of the Master BPA shall be revised as follows:

a. “Commercial HERO Program Administrative Services” shall be amended to read “Samas Commercial Program Administrative Services.”

b. “Commercial HERO Program Funding” shall be amended to read “Samas Commercial Program Funding”

3. Amendment to Exhibits A through F. Exhibits A through F to the Master BPA are hereby deleted in their entirety and replaced with Exhibits A through F attached to this Second Amendment.

4. Effect on Remaining Terms and Conditions of the Master BPA. Except as expressly provided for in 1 and 2 above, the terms and conditions of the Master BPA shall remain in full force and effect.

5. Authority to Enter Second Amendment. SANBAG and Purchaser have all requisite power and authority to execute, deliver, and perform the Second Amendment. Each Party warrants that the individuals who have signed this Second Amendment have the legal power, right, and authority to make this Second Amendment and bind each respective Party.

6. Invalidity. If any provision of this Amendment No. 2 shall be held invalid or unenforceable by a court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision of this Amendment No. 2 unless elimination of such provision materially alters the rights and obligations set forth herein.

7. Effective Date. This Second Amendment shall become effective and binding upon the respective parties hereto upon the execution or acceptance hereof by SANBAG and shall be valid and enforceable as of the time of such acceptance.

8. Counterparts. This Second Amendment may be executed simultaneously in several counterparts, each of which shall be an original and all of which shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties hereto have made and executed this Second Amendment to Master BPA as of the date first written above.

SAN BERNARDINO ASSOCIATED
GOVERNMENTS

SAMAS CAPITAL, LLC

By: _____
Title: Robert A. Lovingood, President

By: _____
Title: Mark Allan Aarvig,
Managing Director

APPROVED AS TO FORM:

By: _____
Eileen Monaghan Teichert
General Counsel

CONCURRENCE:

By: _____
Jeffery Hill
Procurement Manager

Attachment: C14055-02 Amendment No 2 to Master Bond Purchase Agreement-c1 (3044 : Changes to the Commercial HERO Program

EXHIBIT A
FORM OF BOND COUNSEL OPINION

[Closing Date]

Board of Directors
San Bernardino Associated Governments
1170 W. 3rd Street, 2nd Floor
San Bernardino, California 92410-1715

Re: \$ _____
 San Bernardino Associated Governments
 Limited Obligation Improvement Bonds
 (SANBAG HERO Program - Samas Commercial)
 (First Commercial Property Tranche)
 Series No. _____

Bond Counsel Opinion

Ladies and Gentlemen:

We have acted as bond counsel to the San Bernardino Associated Governments (“SANBAG”) in connection with the issuance by SANBAG of the above-referenced limited obligation improvement bond in the amount of \$ _____ (the “Bond”). In such capacity we have examined the proceedings taken by SANBAG for the levy of assessments and the authorization and issuance of bonds, including the Bond, with respect to the SANBAG HERO Program (the “Program Proceedings”). Additionally, we have examined such law, certifications, and other documents as we have deemed necessary to render this opinion.

The Program Proceedings were taken pursuant to the provisions of Chapter 29 of Part 3, Division 7 of the Streets and Highways Code of the State of California (“Chapter 29”). The Bond has been issued pursuant to Chapter 29, the Municipal Improvement Act of 1915 (Division 10 of the Streets and Highways Code of the State of California), Resolution No. 13-45 adopted by the Board of Directors of SANBAG (the “Board of Directors”) on March 6, 2013 (the “Resolution of Issuance”) and Resolution No. 14-003 adopted by the Board of Directors on October 2, 2013 (the “Supplemental Resolution of Issuance”), the Amended and Restated Master Indenture, dated as of _____ 1, 2016 (the “Master Indenture”), by and between SANBAG and Deutsche Bank National Trust Company, as Trustee (the “Trustee”) and the Supplemental Indenture Series No. _____, dated as of _____, 20__ (the “Supplemental Indenture”), by and between SANBAG and the Trustee, pertaining to the Bond. Capitalized

terms used herein and not defined herein shall have the meanings given such terms in the Master Indenture or the Supplemental Indenture, as appropriate.

As to questions of fact material to our opinion, we have relied upon representations of SANBAG, the certified proceedings and other certifications furnished to the SANBAG or to us, without undertaking to verify the same by independent investigation.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions, including the default judgment rendered on August 26, 2013, by the Superior Court of the County of San Bernardino in the validation action entitled Superior Court of the County of San Bernardino as *San Bernardino Associated Governments v. All Persons Interested, etc.*, Case No. CIVDS 1305664, and cover certain matters not directly addressed by such authorities. We call attention to the fact that the opinions contained herein may be affected by actions taken (or not taken) or events occurring (or not occurring) after the date hereof. This opinion is given as of the date hereof and we assume no obligation to revise and supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may thereafter occur.

Based upon the foregoing, we are of the opinion that the Program Proceedings have been undertaken in accordance with the law and the Constitution of the State of California and that the Bond, having been duly issued, executed and delivered in the manner provided by law, and the Master Indenture and the Supplemental Indenture having been duly authorized and executed by the proper official, constitute the legally valid and binding limited obligations of SANBAG enforceable in accordance with their terms subject to the qualifications specified below. The Bond is secured by a first pledge of the Assessment, securing such Bond levied upon the Participating Parcel (except amounts deposited into the Administrative Expense Fund established pursuant to the Master Indenture) and all moneys deposited in the Redemption Fund (including the Capitalized Interest Account and the Prepayment Account therein) established pursuant to the Master Indenture derived from the installments of such Assessment, or from the prepayment of such Assessment, received by SANBAG.

We are further of the opinion that interest on the Bond is exempt from personal income taxes imposed by the State of California, however, we observe that interest on the Bond is not excludable from gross income for federal income tax under Section 103 of the Internal Revenue Code of 1986 (the "Code"). We express no opinion regarding other federal tax consequences with respect to the Bond.

Any federal tax advice contained herein with respect to the Bond is not intended or written to be used, and it cannot be used, for the purpose of avoiding penalties under the Code. The federal tax advice contained herein with respect to the Bond was written to support the promoting and marketing of the Bond. Before purchasing the Bond, all potential purchasers

should consult their independent tax advisors with respect to the tax consequences relating to the Bond and the taxpayer's particular circumstances.

We are admitted to the practice of law only in the State of California and our opinion is limited to matters governed by the laws of the State of California and federal law. We assume no responsibility with respect to the applicability or the effect of the laws of any other jurisdiction and express no opinion as to the enforceability of the choice of law provisions contained in the Indenture.

The rights of the owner of the Bond and the enforceability of the Bond, the Master Indenture and the Supplemental Indenture may be subject to bankruptcy, insolvency, moratorium and other similar laws affecting creditors' rights heretofore and hereafter enacted, and their enforcement may be subject to the exercise of judicial discretion in accordance with general principals of equity.

Respectfully submitted,

BEST BEST & KRIEGER LLP

EXHIBIT B
FORM OF RELIANCE LETTER OF BOND COUNSEL

[Closing Date]

Board of Directors
San Bernardino Associated Governments
1170 W. 3rd Street, 2nd Floor
San Bernardino, CA 92410-1715

Assignee, if applicable

Deutsche Bank National Trust Company
1761 East Saint Andrew Place
Santa Ana, CA 92705

Re: \$162,783.19
San Bernardino Associated Governments Limited Obligation Improvement
Bonds (SANBAG HERO Program – Samas Commercial)
(First Commercial Property Tranche)
Series No. _____

RELIANCE LETTER

Ladies and Gentlemen:

We are delivering to you on the date of this letter a copy of our opinion dated _____, 2016 that is attached hereto, and addressed to the Board of Directors of the San Bernardino Associated Governments with respect to the above referenced bond. This is to confirm that you may rely on that opinion as though it were addressed to you.

Respectfully submitted,

BEST BEST & KRIEGER LLP

B - 1

EXHIBIT C

FORM OF SUPPLEMENTAL OPINION OF BOND COUNSEL

[Closing Date]

Board of Directors Assignee, if applicable
 San Bernardino Associated Governments
 1170 W. 3rd Street, 2nd Floor
 San Bernardino, CA 92410-1715

Deutsche Bank National Trust Company
 1761 East Saint Andrew Place
 Santa Ana, CA 92705

Re: \$ _____
 San Bernardino Associated Governments
 Limited Obligation Improvement Bonds
 (SANBAG HERO Program – Samas Commercial)
 (First Commercial Property Tranche)

Supplemental Opinion of Bond Counsel

Ladies and Gentlemen :

This opinion is rendered in our capacity as bond counsel for San Bernardino Associated Governments (“SANBAG”) and in conjunction with and pertaining to the proceedings conducted by SANBAG for the levy of assessments and the authorization and in connection with the issuance of the above-identified San Bernardino Associated Governments Limited Obligation Improvement Bonds (SANBAG HERO Program – Samas Commercial) (First Commercial Property Tranche) (the “Bond”), with respect to the SANBAG HERO Program (the “Program”) taken pursuant to the provisions of Chapter 29 of Part 3, Division 7 of the Streets and Highways Code of the State of California (“Chapter 29”) and the sale and delivery of the Bond by SANBAG pursuant to the provisions of Chapter 29, the Improvement Bond Act of 1915 (Division 10 of the Streets and Highways Code of the State of California) (the “Bond Act”), Resolution No. 13-045 adopted by the Board of Directors of SANBAG (the “Board of Directors”) on March 6, 2013 (the “Resolution of Issuance”) and Resolution No. 14-003 adopted by the Board of Directors on October 2, 2013 (the “Supplemental Resolution of Issuance”), the Master Indenture, dated as of _____, 20__ (the “Master Indenture”), by and between SANBAG and Deutsche Bank National Trust Company, as trustee (the “Trustee”) and the Supplemental Indenture, dated as of _____, 20__ (the “Supplemental Indenture”), by and between SANBAG and the Trustee, pertaining to the Bond.

On May 28, 2013 SANBAG filed a judicial validation proceeding pursuant to the provisions of Section 860 *et seq.* of the California Code of Civil Procedure (the “Validation Statute”) in the Superior Court of the County of San Bernardino (the “Superior Court”) entitled *San Bernardino Associated Governments v. All Persons Interested, et al.*, Case No. CIVDS 1305664 (the “Validation Action”) to validate the Program and all proceedings relating to or leading up to the Program, the contractual assessments to be levied by SANBAG and the issuance and sale of limited obligation improvement bonds related thereto. On August 26, 2013, a default judgment was entered in the Validation Action (the “Default Judgment”) in which the Superior Court ordered, judged and decreed, in part, that all proceedings by and for SANBAG in connection with the Program, the contractual assessment agreements, and all proceedings related to or leading up to the issuance of such limited obligation improvement bonds, and all matters related thereto, and the execution and delivery of such limited obligation improvement bonds were and are, legal and binding obligations in accordance with their terms and were and are in conformity with all applicable provisions of all laws and enactments at any time in force or controlling upon such proceedings, whether imposed by law, constitution, statute or ordinance, and whether federal, state or local.

Capitalized terms used herein and not defined herein shall have the meanings given such terms in the Master Indenture or the Supplemental Indenture, as applicable.

As to questions of fact material to our opinion, we have relied upon representations of SANBAG, the certified proceedings and other certifications furnished to the SANBAG or to us, without undertaking to verify the same by independent investigation.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions, including the Default Judgment, and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions are taken or omitted or events do occur or any other matters come to our attention after the date hereof.

As used in this opinion, the phrase “current actual knowledge” means knowledge of facts or other information that is in the conscious awareness of lawyers currently in our firm who have performed legal services for SANBAG.

Based upon the foregoing and subject to the qualifications set forth herein, we are of the opinion that:

1. SANBAG is duly created and validly existing as a joint exercise of powers authority organized and existing under the Constitution and laws of the State of California.
2. SANBAG has full legal power and lawful authority to adopt the Resolution of Issuance and the Supplemental Resolution of Issuance and approve and enter into the Master Indenture and the Supplemental Indenture, and the Resolution of Issuance, the Supplemental Resolution of Issuance, the Master Indenture, the Supplemental Indenture and the Bond was duly approved by the Board of Directors of SANBAG.

3. The execution of the Supplemental Indenture relating to the Bond is authorized and permitted by the terms of the Master Indenture and that all conditions precedent to the execution of the Supplemental Indenture have been met.

4. The Bond has been duly authorized, issued, executed and delivered by SANBAG and constitutes the legal, valid and binding agreement of SANBAG, enforceable in accordance with its terms, subject to bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or transfer and other laws affecting the enforcement of creditors' rights in general and except as such enforceability may be limited by the application of equitable principles and the exercise of judicial discretion in appropriate cases. The Master Indenture and the Supplemental Indenture have been duly authorized, executed and delivered by SANBAG, and, assuming due authorization, execution and delivery where applicable by the other parties thereto, constitute the legal, valid and binding agreements of SANBAG, enforceable in accordance with their respective terms, subject to bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or transfer and other laws affecting the enforcement of creditors' rights in general and except as such enforceability may be limited by the application of equitable principles and the exercise of judicial discretion in appropriate cases.

5. The Validation Action was duly filed and the Default Judgment duly entered in accordance with all applicable, laws, rules and regulations of the State of California.

6. Notice of the Validation Action was duly made in accordance with the Validation Statute and the order of the Superior Court.

7. The Default Judgment is final and in full force and effect.

8. Pursuant to its terms and the Validation Statute, the Default Judgment is, notwithstanding any other provisions of law, forever binding and conclusive, as to all matters adjudicated or which could have been adjudicated, against all persons interested, and such Default Judgment shall permanently enjoin the institution by any person of any proceeding raising any issue as to which the judgment is binding and conclusive.

9. Each Assessment, as specified in the Supplemental Indenture, has been duly and validly authorized in accordance with the laws of the State of California and a lien to secure payment of such Assessment has been imposed on the Participating Parcel.

10. The lien of Assessment is coequal to and independent of the lien for general taxes, and, except as provided in Government Code Section 53936, not subject to extinguishment by the sale of the property on account of the nonpayment of any taxes, and prior and superior to all liens, claims and encumbrances except: (a) the lien for general taxes or *ad valorem* assessments in the nature of and collected as taxes levied by the State of California, the County of San Bernardino or the city, special district or other local agency, if any, within which the Participating Parcel is located; (b) the lien of any special assessment or assessments the lien date of which is prior in time to the lien date of such Assessment; (c) easements constituting servitudes upon or burdens to the applicable Participating Parcel; (d) water rights, the record title to which is held separately from the title to the applicable Participating Parcel; and (e) restrictions of record. The lien of Assessment has the same priority as the lien for general taxes

or *ad valorem* assessments in the nature of and collected as taxes levied by the State of California, the County of San Bernardino or the city, special district or other local agency, if any, within which the Participating Parcel is located.

11. To our actual knowledge, no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, or public board or body (except for the Validation Actions) is pending or threatened, in any way affecting the existence of SANBAG or the titles of its officers to their respective offices, or seeking to restrain or to enjoin the issuance, sale or delivery of the Bond, the application of the proceeds thereof in accordance with the Master Indenture and the Supplemental Indenture, the collection or application of the Assessments pledged or to be pledged to pay the principal of and interest on the Bond, or the pledge thereof, or in any way contesting or affecting the validity or enforceability of the Assessments, the Bond, the Master Indenture, the Supplemental Indenture, any other applicable agreements, or any action of the SANBAG contemplated by any of those documents, or in any way contesting the powers of the SANBAG or its authority with respect to the Bond, the Master Indenture, the Supplemental Indenture, any other applicable agreements, or any action of the SANBAG contemplated by any of those documents, or which would adversely affect the exemption of interest on the Bond from California personal income taxation; nor to our actual knowledge, is there any basis for any of the foregoing actions.

12. The Program, the Assessment Contracts, the levy of the Assessments and the issuance of the Bond do not violate the prohibition against “impairing the obligation of contracts” as provided in the United States Constitution, Article I, Section 10, clause 1, or the California Constitution, Article I, Section 9, do not constitute a taking of a pre-existing lender’s property and do not constitute a taking of private property without due process of law in violation of the Fifth and Fourteenth Amendments to the United States Constitution or the California Constitution, Article I, Section 19.

13. The Bond is exempt from registration pursuant to the Securities Act of 1933, as amended, and the Master Indenture and the Supplemental Indenture are exempt from qualification under the Trust Indenture of 1939, as amended.

The opinions expressed above do not constitute a guarantee of the outcome of any particular litigation, and there can be no assurance that no action may be taken in federal or state court challenging the constitutionality of Chapter 29 and/or the Bond Act relating to the Bond. Furthermore, given the lack of judicial precedent directly on point, and the novelty of the transactions pertaining to Chapter 29, the Program and/or the Bond, the outcome of any such litigation cannot be predicted with certainty. In the event of any claim and/or action which adversely impacts the rights of the holder of the Bond, costly and time-consuming litigation could ensue, adversely affecting, at least temporarily, the price and liquidity of the Bond.

The opinions set forth herein is intended for the information solely of the addressees hereof and is not to be relied upon by any other person or entity, or for any other purpose, or quoted as a whole or in part, or otherwise referred to, in any document, or to be filed with any governmental or other administrative agency or other person or entity for any purpose without our prior express written consent. We do not undertake to advise you of matters that may come to our attention subsequent to the date hereof that may affect the opinions expressed herein.

Respectfully submitted,

BEST BEST & KRIEGER LLP

EXHIBIT D

OMNIBUS CERTIFICATE OF SANBAG

Purchaser or Assignee, if applicable

Deutsche Bank National Trust Company
 1761 East Saint Andrew Place
 Santa Ana, CA, 92705

Re: \$ _____
 San Bernardino Associated Governments
 Limited Obligation Improvement Bond
 (SANBAG HERO Program – Samas Commercial)
 (First Commercial Property Tranche)
 Series No. _____

The undersigned hereby certifies that he is an Authorized Representative of the San Bernardino Associated Governments (“SANBAG”) and that the undersigned is authorized to execute this Omnibus Certificate of SANBAG on behalf of SANBAG in connection with the issuance of the above-referenced San Bernardino Associated Governments Limited Obligation Improvement Bond (SANBAG HERO Program) (First Commercial Property Tranche – Phase One) (the “Bond”). All capitalized terms used herein and not otherwise defined shall have the meanings given such terms in the Master Indenture, dated as of _____ 1, 20__ (the “Master Indenture”), by and between SANBAG and Deutsche Bank National Trust Company, as trustee (the “Trustee”).

1. SANBAG is a joint exercise of powers authority duly organized and existing under the Constitution of the State of California (the “Constitution”) and laws of the State of California (the “State”), and has, and at the Closing Date will have, full legal right, power and authority, for and on behalf of the Member Agencies:

- (a) to adopt the Resolutions of Issuance;
- (b) to enter into the Master Bond Purchase Agreement, dated as of October 2, 2013 (the “Bond Purchase Agreement”), as amended to date, by and between SANBAG and Samas Capital, LLC (“Samas Capital”);
- (c) to enter into the Master Indenture and the Supplemental Indenture, dated as of _____, 20__, (the “Supplemental Indenture”), by and between SANBAG and the Trustee with respect to the Bonds;
- (d) to issue, sell and deliver the Bond to _____, organized and existing under the laws of the State of _____ (“_____”), as provided herein;

(e) to enter into the Assessment Contract for the Participating Parcel as identified in the Supplemental Indenture; and

(f) to carry out and consummate the transactions on its part contemplated by the Bond Purchase Agreement, the Master Indenture, the Supplemental Indenture, the Bond and the Assessment Contract.

The Bond Purchase Agreement, the Master Indenture, the Supplemental Indenture and the Assessment Contract are collectively referred to herein as the “SANBAG Documents.”

2. By all necessary official action of SANBAG, SANBAG has duly authorized and approved the adoption or execution and delivery by SANBAG of, and the performance by the SANBAG of the obligations on its contained in, the Bond, the SANBAG Documents and the Resolutions of Issuance and, as of the date hereof, such authorizations and approvals are in full force and effect and have not been amended, modified or rescinded. The Bond and, when executed and delivered by the parties thereto, the SANBAG Documents will constitute the legally valid and binding obligations of SANBAG enforceable against SANBAG in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or affecting creditors’ rights generally. SANBAG has complied, and will at the Closing (as such term is defined in the Bond Purchase Agreement be in compliance in all respects, with the obligations on its part to be performed on or prior to the Closing Date under the Bond and the SANBAG Documents.

3. The Board of Directors has duly established the Program pursuant to the Resolution of Formation and Chapter 29. The Board of Directors has duly authorized the issuance and sale of the Bond pursuant to Resolutions of Issuance, adopted by the Board of Directors, the Master Indenture and the Supplemental Indenture.

4. As of the Closing Date, SANBAG is not or will not be in breach of or in default under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States of America, or any applicable judgment or decree or any trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which SANBAG is a party or is otherwise subject, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument which breach, default or event could have an adverse effect on SANBAG’s ability to perform its obligations under the Bond or the SANBAG Documents; and, as of such times, the authorization, execution and delivery of the Bond and the SANBAG Documents and compliance by SANBAG with the obligations on its part to be performed in each of such agreements or instruments does not and will not conflict with or constitute a breach of or default under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States of America, or any applicable judgment, decree, license, permit, trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which SANBAG (or any of its officers in their respective capacities as such) is subject, or by which it or any of its properties is bound, nor will any such authorization, execution, delivery or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of

its assets or properties or under the terms of any such law, regulation or instrument, except as may be provided by the SANBAG Documents.

5. As of the Closing Date there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body (collectively and individually, an “Action”) pending with respect to which SANBAG has been served with process or to the best knowledge of SANBAG threatened, in which any such Action: (i) in any way questions the corporate existence of SANBAG or the titles of the officers of SANBAG to their respective offices; (ii) in any way questions the establishment of the Program or the titles of the Board of Directors of SANBAG; (iii) affects, contests or seeks to prohibit, restrain or enjoin the issuance or delivery of the Bond, or the payment or collection of any amounts pledged or to be pledged to pay the principal of and interest on the Bond, or in any way contests or affects the validity of the SANBAG Documents or the consummation of the transactions on the part of SANBAG contemplated thereby, or contests the exclusion of the interest on the Bond from state income taxation or contests the powers of SANBAG, or its authority, to levy and collect the Assessments; and (iv) may result in any material adverse change relating to the financial condition of SANBAG; and as of the time of acceptance hereof and as of the Closing Date, to the knowledge of SANBAG, there is no basis for any action, suit, proceeding, inquiry or investigation of the nature described in clauses (i) through (iv) of this sentence.

6. The Bond, when issued, executed and delivered in accordance with the Indenture and sold to _____, will be validly issued and an outstanding limited obligation of SANBAG, entitled to the benefits of the Master Indenture and the Supplemental Indenture and the security of the pledge of the proceeds of the levy of the applicable Assessments identified in the Supplemental Indenture. The Indenture creates a valid pledge of the moneys in certain funds and accounts established pursuant to such Indenture, including the investments thereof subject in all cases to the provisions of such Indenture permitting the application thereof for the purposes and on the terms and conditions set forth therein.

7. The Assessment constituting security for the Bond has been duly and lawfully authorized and levied under Chapter 29 and the Constitution and the applicable laws of the State, and pursuant to Chapter 29 such Assessment, when levied, will constitute a valid and legally binding lien on the Participating Parcel upon which it has been levied.

8. All authorizations, approvals, licenses, permits, consents, elections, and orders of or filings with any governmental authority, legislative body, board, agency or commission having jurisdiction in the matters which are required by the Closing Date for the due authorization of, or which would constitute a condition precedent to or the absence of which would adversely affect the due performance by SANBAG of its obligations in connection with the SANBAG Documents have been duly obtained or made and are in full force and effect.

9. SANBAG will apply the proceeds of the Bond in accordance with the Master Indenture and the Supplemental Indenture.

Respectfully submitted,

Authorized Representative

EXHIBIT E
CERTIFICATE OF TRUSTEE

I, an authorized signer of Deutsche Bank National Trust Company (“Deutsche Bank”), the Trustee under the Master Indenture, dated as of _____ 1, 20__ (the “Master Indenture”), by and between San Bernardino Associated Governments (the “Issuer”) and Deutsche Bank, and the Supplemental Indenture, dated as of _____ 1, 20__ (the “Supplemental Indenture”), by and between the Deutsche Bank, as Trustee and Issuer related to the above-captioned bond (the “Bond”), hereby certify the following information. Capitalized terms used but not defined herein shall have the meanings set forth in the Master Indenture.

(a) Deutsche Bank is a national banking association duly organized, validly existing and in good standing under the laws of the United States and is authorized to execute the Master Indenture and Supplemental Indenture (collectively, the “Transaction Documents”), and accept the trust and perform its obligations under the Transaction Documents.

(b) The individuals listed on the attached Exhibit A are duly authorized to execute the Transaction Documents and are the duly elected and qualified incumbents of the office set forth opposite his or her name.

(c) The Bond is dated the date hereof and provided for by the Transaction Documents have been authenticated by Authorized Officers of Deutsche Bank.

(d) The Bond has, on or before this date, been delivered by Deutsche Bank to or upon the Issuer Order.

IN WITNESS WHEREOF, Deutsche Bank National Trust Company has caused this certificate to be executed in its name by a duly authorized officer, as of _____, 20__.

Deutsche Bank National Trust Company

By _____
Title:

EXHIBIT F
INVESTOR LETTER

[Closing Date]

San Bernardino Associated Governments
1170 W. 3rd Street, 2nd Floor
San Bernardino, California 92410-1715
Attention: Executive Director

Deutsche Bank National Trust Company
c/o DB Services Americas, Inc.
5022 Gate Parkway, Suite 200
Jacksonville, Florida 32256
Attention: Transfer Unit

Re: \$ _____
San Bernardino Associated Governments
Limited Obligation Improvement Bond
(SANBAG HERO Program – Samas Commercial)
(First Commercial Property Tranche)

Ladies and Gentlemen:

The undersigned (the “Investor”) proposes to purchase the above-identified limited obligation improvement bond (the “Bond”) from the San Bernardino Associated Governments (“SANBAG”). Capitalized terms used in this letter and not otherwise defined herein shall have the meanings ascribed to such terms in the Master Indenture, dated as of _____, 20__ (the “Master Indenture”), by and between SANBAG and Deutsche Bank National Trust Company, as trustee (the “Trustee”)

In connection with the sale of the Bond to the Investor, the Investor hereby makes the following representations upon which you may rely:

1. The Investor has authority to purchase the Bond and to execute this letter and any other instruments and documents required to be executed by the Investor in connection with the purchase of the Bond.

2. The Investor is an “accredited investor” under Regulation D of the Securities Act of 1933 and therefore, has sufficient knowledge and experience in financial and business matters, including purchase and ownership of municipal and other tax-exempt obligations, to be able to evaluate the risks and merits of the investment represented by the Bond.

3. The Bond is being acquired by the Investor for investment and not for more than one account or with a view for distribution of the Bond, except as provided for in paragraph 8 below. The Investor understands that it may need to bear the risks of this investment for an indefinite time, since any sale prior to maturity may not be possible.

4. The Investor understands that the Bond is not registered under the 1933 Act and that such registration is not legally required as of the date hereof; and further understands that the Bond: (a) is not being registered or otherwise qualified for sale under the “Blue Sky” laws and regulations of any state; (b) will not be listed on any stock or other securities exchange; (c) will not carry a rating from any rating service; and (d) will be delivered in a form which may not be readily marketable.

5. The Investor understands that: (a) the Bond is not secured by any pledge of any moneys received or to be received from taxation by the State of California or any political subdivision thereof and that SANBAG has no taxing power; (b) the Bond does not and will not represent or constitute a general obligation or a pledge of the faith and credit of SANBAG, the State of California or any political subdivision thereof; and (c) the liability of SANBAG with respect to the Bond is limited to first priority perfected security interest granted in the applicable Assessment and all other Collateral securing the Bond and all moneys deposited in the Redemption Fund (including the Capitalized Interest Account, the Assessment Collection Account and the Prepayment Account therein) are derived from the issuance of the Bond, the installments of such Assessment or from the prepayment of such Assessment received by SANBAG as set forth in the Indenture.

6. The Investor acknowledges that it has either been supplied with or been given access to such information, to which a reasonable investor would attach significance in making investment decisions, and the Investor has had the opportunity to ask questions and receive answers from knowledgeable individuals concerning SANBAG, the Program, the Assessment Contract, the Assessment, the Participating Parcel, the Master Indenture, the Supplemental Indenture, the Bond and the security therefor and the Side Letter Agreement so that, as a reasonable investor, the Investor has been able to make its decision to purchase the Bond.

7. The Investor has made its own inquiry and analysis with respect to the Bond and the security therefor, and other material factors affecting the security and payment of the Bond. The Investor, with assistance of counsel, has reviewed the Bond, the Master Indenture and the Supplemental Indenture. The Investor acknowledges, consents and agrees to all terms of such documents.

8. The Investor acknowledges that it has the right to sell and transfer the Bond, in accordance with the terms of the Master Indenture and the Supplemental Indenture, subject to the delivery to the Trustee of a letter from the transferee in the form attached to the Master Indenture as Exhibit C, with no material revisions except as may be approved in writing by SANBAG, provided however, the Investor and any successor of the Investor may elect at its own expense to securitize its interest in the Bond, sell the Bond to any entity in connection with such securitization and sell such securities to the investment community without the delivery of an investor letter substantially in the form hereof, provided that (i) any such sale of the Bond is to a Qualified Institutional Buyer, as defined in Rule 144A under the Securities Act of 1933 as amended, or an Accredited Investor, and (ii) the purchaser of the Bond delivers a letter to SANBAG to the effect that it is a Qualified Institutional Buyer or an Accredited Investor and that acknowledges the transfer restrictions set forth in this paragraph 8; no further action or acknowledgment by SANBAG will be required to authorize such securitization or sale of the

Bond by the Investor or a successor to the Investor. Failure to deliver such letter shall cause the purported transfer to be null and void..

9. The Investor acknowledges that it has received a copy of the Side Letter Agreement and agrees and obligates itself to provide a copy of the Side Letter Agreement to any subsequent purchaser or assignee of the Bond.

10. The Investor understands that neither the members, directors, officers, employees or agents of SANBAG, nor any person executing the Bond, the Master Indenture or the Supplemental Indenture, shall be subject to any personal liability or accountability by reason of or in connection with the issuance, offering, execution and delivery of the Bond.

11. The Investor has obtained what it considers adequate information regarding SANBAG, the Program, the Assessment Contract, the Assessment, the Participating Parcel, the Master Indenture, the Supplemental Indenture and the Bond to make an informed investment decision to purchase the Bond. Except as set forth in the Indenture, the Investor acknowledges that SANBAG and its agents, representatives and attorneys are under no duty to provide, and the Investor acknowledges that it is not entitled to receive, (i) any additional information regarding SANBAG, the Program, the Assessment Contract, the Assessment, the Participating Parcel, the Master Indenture, the Supplemental Indenture or the Bond or (ii) an update to the information previously provided by such persons to the Investor; provided, however, that such acknowledgement does not extend to information provided by SANBAG, its agents, representatives and/or attorneys that would have the effect of correcting (a) any untrue statement of a material fact made in the Bond, the Master Indenture or the Supplemental Indenture or in any of the other information provided to the Investor by SANBAG or its agents, representatives or attorneys or (b) any omission of a material fact necessary to make a statement made in such documents not misleading in light of the circumstances under which it was made.

Very truly yours,

By: _____
Authorized Representative

Attachment: C14055-02 Amendment No 2 to Master Bond Purchase Agreement-c1 (3044 : Changes to the Commercial HERO Program

Minute Action

AGENDA ITEM: 25

Date: *September 7, 2016*

Subject:

Changes to the Commercial HERO Program Adding Renovate America, Inc.

Recommendation:

Approve Resolution No. 17-003 authorizing changes to the Commercial HERO Program administered for San Bernardino Associated Governments (SANBAG) by adding Renovate America, Inc.

Background:

In October 2013, the Board of Directors approved a Property Assessed Clean Energy (PACE) program for both residential and commercial properties throughout San Bernardino County. That program is known as the HERO Program. At that time the residential program was administered by Renovate America, Inc. and the commercial program was administered by SAMAS Capital, LLC.

Now Renovate America desires to initiate a commercial PACE program to be marketed under the HERO name. Both SAMAS Capital and Renovate America have agreed that SAMAS will establish a new name for the commercial program that they will administer. The new name for the commercial program administered by SAMAS Capital, LLC will be "Samas Commercial". Renovate America, Inc. will use the name HERO Commercial Program for the program that they will administer.

It is in SANBAG's and commercial property owners' interests to have Renovate America, Inc. provide commercial PACE services. This will provide for two options for commercial property owners within the already established procedures SANBAG uses for its current PACE operations so there will not be any additional administrative burden.

In order to proceed with these changes, the Board of Directors will need to approve Resolution No. 17-003 to approve and modify certain documents to reflect Renovate America, Inc. providing commercial PACE services. This resolution will accomplish the following:

- Approve modifications to the Program Report and the Commercial Handbook (under separate cover).
- Approve the forms of the Administrative Services Agreement (16-1001558) and the Master Bond Purchase Agreement (16-1001559) with Renovate America, Inc. to provide for the administration of a commercial PACE program and the purchase of bonds to fund that program and authorize the Executive Director or designee to execute the final forms of those agreements with concurrence of Bond Counsel.

Entity: COG

Board of Directors Agenda Item

September 7, 2016

Page 2

- Authorize the issuance of Limited Obligation Improvement Bonds in an amount not to exceed \$250 million to finance the installation of Eligible Improvements on commercial properties.
- Approve the form of the Master and Supplemental Indenture related to the issuance of bonds to finance the commercial PACE program and authorize the Executive Director or designee to execute the final forms of those agreements with concurrence of Bond Counsel (on file with the Clerk).
- Authorize the Executive Director or designee to approve future Master Indentures and order the closure of such Master Indentures for each tranche of Limited Obligation Improvement Bonds provided that such future Master Indentures have no substantive revisions. Any such substantive revisions will require approval of the Board of Directors.
- Authorize the negotiated sale of the Limited Obligation Improvement Bonds to Renovate America, Inc. or their assignee under the terms of Master and Supplemental Indentures.
- Appoint Deutsche Bank National Trust Company as the Trustee.
- Approve the form of the Limited Obligation Improvement Bonds.
- Specifies, pursuant to Streets and Highways Code Section 8769, that SANBAG and its member agencies are not obligated to cure any deficiency related to the Limited Obligation Improvement Bonds.

The approval of this resolution and the related documents will authorize Renovate America, Inc. to begin providing commercial PACE services in addition to the current commercial PACE provider SAMAS Capital, LLC. The underwriting guidelines and underlying documents concerning the operation of the commercial program will remain essentially the same. These actions will provide more options for commercial property owners. Finally, the additional commercial PACE services can be supported by our existing consultant team and using existing staff resources.

Financial Impact:

This item has the potential to increase revenues to SANBAG through fees remitted by Renovate America, Inc. for commercial projects that they oversee. SANBAG receives 1.15% as an administrative fee. The total amount received by SANBAG will depend on the number and value of commercial projects. Staff is anticipating no more than \$75,000 in fiscal year 2016/2017 being credited to revenue fund 48007000 (PACE fees).

Reviewed By:

This item was reviewed and unanimously recommended for approval by the General Policy Committee on August 10, 2016. SANBAG General Counsel has reviewed this item, the draft agreements, and draft master indenture.

Responsible Staff:

Duane Baker, Deputy Executive Director

Approved
Board of Directors
Date: September 7, 2016

Witnessed By:

RESOLUTION NO. 17-003

RESOLUTION OF THE SAN BERNARDINO ASSOCIATED GOVERNMENTS AUTHORIZING RENOVATE AMERICA, INC., TO ADMINISTER AND FINANCE AUTHORIZED IMPROVEMENTS TO BE INSTALLED ON COMMERCIAL PROPERTIES, AND IN CONNECTION WITH SUCH AUTHORIZATION, APPROVING AMENDMENTS TO THE PROGRAM REPORT FOR THE SANBAG HERO PROGRAM AND THE FORMS OF A COMMERCIAL HANDBOOK, COMMERCIAL APPLICATION, ASSESSMENT CONTRACT, MASTER BOND PURCHASE AGREEMENT, ADMINISTRATION AGREEMENT AND MASTER INDENTURE AND AUTHORIZING THE ISSUANCE OF BONDS PURSUANT TO SUCH MASTER INDENTURE SECURED BY ASSESSMENTS LEVIED ON COMMERCIAL PROPERTIES TO FINANCE THE INSTALLATION OF AUTHORIZED IMPROVEMENTS ON SUCH COMMERCIAL PROPERTIES AND APPROVING OTHER ACTIONS IN CONNECTION THERETO

WHEREAS, the Board of Directors of the San Bernardino Associated Governments (“SANBAG”) undertook proceedings pursuant to Chapter 29 of Part 3 of Division 7 of the California Streets and Highways Code (the “Chapter 29”), the Joint Powers Agreement of the San Bernardino Associated Governments (“SANBAG”) originally made and entered into October 17, 1975 (the “Joint Powers Agreement”), as further amended to date, and each separate Memorandum of Understanding (each, a “PACE Memorandum of Understanding”) by and between SANBAG and those parties (each, a “Participating Party”) to the Joint Powers Agreement identified in Exhibit A of Resolution No. 13-038 entered into as of the effective date of such Resolution, to establish and did establish, by the adoption of Resolution No. 13-044 (the “Resolution Establishing the Program”), a voluntary contractual assessment program, to be known as the SANBAG HERO Program (the “Program”), to assist property owners within the jurisdictional boundaries of each Participating Party with the cost of installing distributed generation renewable energy sources, energy or water efficient improvements or electric vehicle charging infrastructure (the “Eligible Improvements”) that are permanently fixed to their property; and

WHEREAS, by the adoption of the Resolution Establishing the Program, the Board of Directors approved a report (the “Program Report”) addressing all of the matters set forth in Sections 5898.22 and Section 5898.23 of Chapter 29, including establishment of the boundaries of the territory of the Participating Parties within which voluntary contractual assessments may be offered (the “Program Area”) to provide for financing of the installation of Eligible Improvements on properties within the Program Area; and

WHEREAS, since the establishment of the Program the administration and financing of the installation of Eligible Improvements (“Eligible Improvements”) on commercial properties (“Commercial Properties”) located within the program area of the Program (the “Program Area”) as authorized under and defined by the Program has been exclusively undertaken by Samas Capital, LLC (“Samas Commercial Program); and

WHEREAS, during this same time, the administration and financing of the installation of Eligible Improvements on residential properties (“Residential Properties”) located within the Program Area as authorized under and defined by the Program has been exclusively undertaken by Renovate America, Inc. (“Renovate America”); and

WHEREAS, Renovate America has now created the infrastructure and developed the resources to administer and finance the installation of Eligible Improvements on Commercial Properties and has offered and requested to be able to also provide such administration and financing for Commercial Properties for the Program; and

WHEREAS, the Board of Directors has determined that it would be in the best interests of the Program and the owners of Commercial Properties within the Program Area to enable Renovate America to administer and finance a commercial program as a part of the Program (the "HERO Commercial Program"), separate and apart from the Samas Commercial Program, to finance the installation of Eligible Improvements on Commercial Properties in the Program Area; and

WHEREAS, in order to provide for and implement such authorization for the establishment of a HERO Commercial Program as a part of the Program, it will be necessary to modify the Program Report and to approve the form of an application (the "HERO Commercial Program Application"), a handbook (the "Commercial Handbook") and an assessment contract (the "HERO Commercial Program Assessment Contract") for the HERO Commercial Program to be incorporated into the Program Report; and

WHEREAS, SANBAG and Renovate America desire to enter into an Administration Agreement to establish the terms and conditions pursuant to which Renovate America will administer the HERO Commercial Program and a Master Bond Purchase Agreement to establish the terms and conditions pursuant to which SANBAG will issue and Renovate America will purchase the limited obligation improvement bonds to finance the installation of Eligible Improvements on Commercial Properties the owners of which elect to participate in the HERO Commercial Program; and

WHEREAS, the Board of Directors desires to authorize the issuance of limited obligation improvement bonds to finance the installation of Eligible Improvements on Commercial Properties the owners of which elect to participate in the HERO Commercial Program such bonds to be secured by the voluntary contractual assessments levied on such Commercial Properties and to approve the form of a master indenture to establish the terms and conditions pursuant to which such bonds shall be issued and administered; and

WHEREAS, forms of the amended Program Report, the Commercial Application, the Commercial Handbook, the Assessment Contract, the Administration Agreement and the Master Bond Purchase Agreement have been presented to the Board of Directors for its review and approval; and

WHEREAS, this Board of Directors, with the aid of its staff and counsel, has reviewed the documents identified in the preceding recital and found them to be in proper order.

WHEREAS, there has been submitted to the Board of Directors forms of a master Indenture, including a supplemental indenture thereto contained in such master indenture, providing for the issuance of limited obligation improvement bonds to be designated substantially as the "San Bernardino Associated Governments Limited Subordinate Obligation Improvement Bonds (HERO Commercial Program) (_____ Commercial Property Tranche) (the "Limited Obligation Improvement Bonds" or "LOI Bonds") in one or more series (each such series of bonds referred to as a "Series") pursuant to Chapter 29, the 1915 Act and this resolution and the use of the proceeds of such Bonds to finance the installation of Eligible Improvements on Commercial Parcels that are participating in the HERO Commercial Program; and

WHEREAS, the SANBAG staff and the SANBAG HERO financing team have advised the Board of Directors that the projected volume of the Limited Obligation Improvement Bonds to be issued for the HERO Commercial Program will be such that the owners of such bonds will desire to undertake securitization of such bonds thereby necessitating the approval of multiple master indentures on a regular basis as such securitizations occur and have recommended that the Board of Directors delegate to the Executive Director the authority to approve, subject to the review of and concurrence by Best Best & Krieger LLP, as bond counsel to SANBAG for the

Program (“Bond Counsel”), a new master indenture for each new tranche of such bonds substantially in the form of the master indenture presented to and approved by the Board of Directors by adoption of this Resolution in order to facilitate the ongoing issuance of such bonds and administration thereof and the subsequent securitization thereof; and

WHEREAS, all conditions, things and acts required to exist, to have happened and to have been performed precedent to and in the issuance of the Limited Obligation Improvement Bonds exist, have happened and have been performed in due time, form and manner as required by the laws of the State of California, including Chapter 29 and the 1915 Act;

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the San Bernardino Associated Governments as follows:

Section 1. Approval of the Amended Program Report, the Commercial Application, the Commercial Assessment Contract and the Commercial Handbook. The Board of Directors hereby approves the forms of the amended Program Report, the Commercial Application and the Commercial Assessment Contract, the final forms of which shall be incorporated in the Program Reports, and the Commercial Handbook, presented to the Board of Directors at this meeting together with any changes therein and additions thereto approved by the Executive Director, or any designee of the Executive Director (each, an “Authorized Representative”) and reviewed and concurred in by Bond Counsel.

Section 2. Approval of Forms of the Administration Agreement and the Master Bond Purchase Agreement. The Board of Directors hereby approves the forms of the Administration Agreement and the Master Bond Purchase Agreement presented to the Board of Directors at this meeting, together with any changes therein or additions thereto approved by the Executive Director or another Authorized Representative and reviewed and concurred in by Bond Counsel, and the execution thereof by an Authorized Representative shall be conclusive evidence of the approval of any such changes or additions. The Board of Directors hereby authorizes and directs an Authorized Representative to execute the final forms of the Administration Agreement and the Master Bond Purchase Agreement for and in the name of SANBAG.

Section 3. Authorization of Issuance of Limited Obligation Improvement Bonds. The Board of Directors hereby authorizes the issuance of one or more Series of the Limited Obligation Improvement Bonds under and pursuant to Chapter 29, the 1915 Act and this Resolution in the maximum aggregate principal amount not to exceed \$250,000,000 to finance the installation of Eligible Improvements to be installed or caused to be installed on Commercial Properties that are participating in the HERO Commercial Program and are located in the Program Area.

Section 4. Approval of Master Indenture and Supplemental Indenture. With respect to the Limited Obligation Improvement Bonds to be issued on or after the effective date of this Resolution, the Board of Directors hereby approves the form of the master indenture (the “Initial Master Indenture”) substantially in the form on file with the Secretary, together with any changes therein and additions thereto approved by the Executive Director or any Authorized Representative and reviewed and concurred in by Bond Counsel, and the execution thereof by an Authorized Representative shall be conclusive evidence of the approval of any such changes or additions. The Board of Directors hereby authorizes and directs an Authorized Representative to execute the final form of the Initial Master Indenture for and in the name of SANBAG for each Series (as defined in the Initial Master Indenture) of the Limited Obligation Improvement Bonds. The Board of Directors hereby authorizes the delivery and performance of the Initial Master Indenture for each Series of the Limited Obligation Improvement Bonds.

The Board of Directors hereby approves the form of the supplemental indenture substantially in the form contained in the Initial Master Indenture (the "Supplemental Indenture"), together with any changes therein or additions thereto approved by an Authorized Representative and reviewed and concurred in by Bond Counsel, required for the issuance of each LOI Bond, and the execution thereof by an Authorized Representative shall be conclusive evidence of the approval of any such changes or additions. The Board of Directors hereby authorizes and directs an Authorized Representative to execute the final form of each Supplemental Indenture for and in the name of SANBAG for each Series of Limited Obligation Improvement Bonds. The Board of Directors hereby authorizes the delivery and performance of each Supplemental Indenture for each Series of Limited Obligation Improvement Bonds.

Section 5. Closure of the Initial Limited Obligation Improvement Bonds. The Executive Director or another Authorized Representative is hereby authorized to order the closure of the Initial Master Indenture and direct that no further bonds be issued pursuant to such master indenture by delivering an Officer's Certificate (as defined in the Initial Master Indenture) to the Trustee to such effect.

Section 6. Delegation of Authority to Approve Additional Master Indentures and Order the Closure of such Master Indentures. With respect to additional future Limited Obligation Improvement Bonds to be issued following the closure of the Initial Master Indenture (each, "Future Limited Obligation Improvement Bonds") to be issued on or after the effective date of this Resolution, the Board of Directors hereby delegates to the Executive Director or another Authorized Representative the authority to approve the master indenture for each such tranche of bonds (each, a "Future Master Indenture") so long as such master indenture is substantially in the form of the Initial Master Indenture, together with any changes therein and additions thereto approved by the Executive Director, or another Authorized Representative, and reviewed and concurred in by Bond Counsel, and the execution thereof by an Authorized Representative shall be conclusive evidence of the approval of any such changes or additions. The Board of Directors hereby authorizes and directs an Authorized Representative to execute the final form of each such Future Master Indenture for and in the name of SANBAG for each series of the Future Limited Obligation Improvement Bonds authorized to be issued pursuant to such Future Master Indenture. The Board of Directors hereby authorizes the delivery and performance of such Future Master Indenture for each series of such Future Limited Obligation Improvement Bonds.

The Board of Directors hereby delegates to the Executive Director or another Authorized Representative the authority to approve each supplemental indenture required for the issuance of each series of such Future Limited Obligation Improvement Bonds (each, a "Future Supplemental Indenture") pursuant to the applicable Future Master Indenture, together with any changes therein and additions thereto approved by the Executive Director, or another Authorized Representative, and reviewed and concurred in by Bond Counsel, and the execution thereof by an Authorized Representative shall be conclusive evidence of the approval of any such changes or additions. The Board of Directors hereby authorizes and directs an Authorized Representative to execute the final form of each Future Supplemental Indenture for and in the name of SANBAG for each series of Future Limited Obligation Improvement Bonds. The Board of Directors hereby authorizes the delivery and performance of each such Future Supplemental Indenture for each series of Future Limited Obligation Improvement Bonds.

Proposed provisions of any Future Master Indenture that constitute substantive revisions to the Initial Master Indenture shall be subject to the approval of the Board of Directors.

The Executive Director or another Authorized Representative is hereby authorized to order the closure of any Future Master Indenture and direct that no further bonds be issued

pursuant to such master indenture by delivering a certificate of SANBAG to such effect to the Trustee under such Future Master Indenture.

Section 7. Sale of the Limited Obligation Improvement Bonds. SANBAG hereby authorizes the negotiated sale of the Limited Obligation Improvement Bonds to Renovate America, Inc. or an assignee thereof approved by Executive Director (the "Purchaser") provided that the conditions for issuance of each such Limited Obligation Improvement Bond set forth in the applicable Master Indenture and the applicable Supplemental Indenture have been satisfied. Each Limited Obligation Improvement Bond shall be sold to the Purchaser pursuant to the applicable Master Indenture and the Supplemental Indenture applicable to such bond or Series thereof. The Board of Directors hereby delegates to the Executive Director or another Authorized Representative the authority to establish and agree with the Purchaser to the final terms for each Limited Obligation Improvement Bond or Series thereof including, but not limited to, the principal amount thereof, the interest rate on such Limited Obligation Improvement Bond or Series thereof and the redemption provisions.

Section 8. Appointment of Trustee. Deutsche Bank National Trust Company is appointed as Trustee pursuant to each Master Indenture and each Supplemental Indenture, to take any and all actions provided for therein to be taken by the Trustee.

Section 9. Form of Limited Obligation Improvement Bonds. The form of Limited Obligation Improvement Bonds as set forth in the form of each Supplemental Indenture is approved. The Treasurer of SANBAG and the Secretary of the Board of Directors are authorized and directed to execute by manual or facsimile signature, in the name and on behalf of SANBAG, the Limited Obligation Improvement Bonds in either temporary or definitive form and to deliver or cause the delivery of each Limited Obligation Improvement Bond to the applicable Limited Obligation Improvement Bonds Purchaser pursuant to the applicable Master Indenture.

Section 10. No Obligation of SANBAG and its Members. Pursuant to Streets and Highways Code Section 8769, this Board of Directors does hereby determine that SANBAG will not obligate itself to advance funds from the SANBAG treasury to cure any deficiency in the Redemption Fund (as such term is defined in the applicable Master Indenture) for the Limited Obligation Improvement Bonds established pursuant to such Master Indenture. The Board of Directors further declares and determines that no Member shall be obligated to advance funds from the treasury of such Regular Member to cure any such deficiency in such Redemption Fund.

Section 11. Conditions of Approval. The approvals, authorization and direction given by this Resolution are conditioned upon the satisfaction of the requirements hereof and of each Master Indenture with respect to the issuance and sale of the Limited Obligation Improvement Bonds. The Authorized Officers and shall not take any action with respect to the execution and delivery of a Supplemental Indenture or the issuance, sale or delivery of any Limited Obligation Improvement Bond unless and until such conditions are satisfied; provided, however, that upon satisfaction of such conditions as to any Limited Obligation Improvement Bond, this Resolution shall be fully effective and shall be carried out as to such Limited Obligation Improvement Bonds without the further approval or action of the Board of Directors.

Section 12. Official Actions. Each officer of SANBAG or Authorized Representative is hereby authorized and directed, for and in the name and on behalf of SANBAG, to do any and all things and take any and all actions, including execution and delivery of any and all assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants and other documents, which they, or any of them, may deem necessary or advisable in order to consummate the issuance and sale of the Limited Obligation Improvement Bonds and any of the

other transactions contemplated by the documents approved pursuant to this Resolution. All actions heretofore taken by the officers and agents of SANBAG with respect to the establishment of the Program and the sale and issuance of the Limited Obligation Improvement Bonds are hereby approved, confirmed and ratified.

Section 13. Additional Action. The Executive Director or any Authorized Representative is hereby authorized and directed to approve any other documents related to the HERO Commercial Program necessary in the judgment of the Executive Director or such Authorized Representative to conform such documents to the actions taken by the adoption of this Resolution.

Section 14. Effective Date. This Resolution shall take effect upon the date of its adoption.

PASSED AND ADOPTED at a Meeting of the Board of Directors of the San Bernardino Associated Governments held on _____, 2016.

Contract Summary Sheet

General Contract Information

Contract No: 16-1001558 Amendment No.: Vendor No.: 03010
Vendor/Customer Name: Renovate America, Inc. Sole Source? Yes No
Description: Services to assist in implementing a Commercial PACE Program
Start Date: 09/07/2016 Expiration Date: 06/30/2018 Revised Expiration Date:
Has Contract Term Been Amended? No Yes - Please Explain
List Any Related Contracts Nos.: 16-1001559

Table with 4 columns: Dollar Amount, Original Contract, Revised Contract, Current Amendment, TOTAL CONTRACT VALUE, Original Contingency, Revised Contingency, Contingency Amendment, TOTAL CONTINGENCY VALUE, TOTAL DOLLAR AUTHORITY.

Contract Authorization

Executive Director Date:
Executive Director Action:
Board of Directors Date:
Board of Directors Action:

Contract Management: Payable/Miscellaneous

Invoice Warning: 20% Renewals: Type: Capital PAA Other
Retention: % Maximum Retention: \$ -
Services: Construction Intragnt/MOU/COOP A & E Services Other Professional Services
Disadvantaged Business Enterprise (DBE) Goal %

Contract Management: Receivable

E-76 and/or CTC Date (Attach Copy) Program Supplement No.:
Finance Letter Reversion Date: EA No.:

All of the above MUST be submitted to FINANCE including originals, amendments and miscellaneous transaction changes

Additional Information

Project Manager: Duane Baker

CONTRACT No. C16-1001558**BY AND BETWEEN****SAN BERNARDINO ASSOCIATED GOVERNMENTS****AND****RENOVATE AMERICA, INC.****FOR****SERVICES TO ASSIST IN THE IMPLEMENTATION AND ADMINISTRATION OF
FINANCING MECHANISMS FOR THE SANBAG HERO PROGRAM,
A PROPERTY ASSESSED CLEAN ENERGY (PACE) PROGRAM,
FOR COMMERCIAL PROPERTIES
IN PARTICIPATING CITIES AND SAN BERNARDINO COUNTY**

This Contract No. C16-1001558 (the “Contract”), is made and entered into and effective on the Effective Date by and between San Bernardino Associated Governments (hereinafter referred to as “SANBAG”) whose address is 1170 W. 3rd Street, 2nd Floor, San Bernardino, California 92410-1715; and the firm of Renovate America, Inc., a Delaware corporation, whose address is 16620 W. Bernardo Drive, San Diego, California 92127 (hereinafter referred to as “RENOVATE AMERICA”). SANBAG and RENOVATE AMERICA are each a “Party” and collectively “Parties” herein.

RECITALS

WHEREAS, SANBAG established a voluntary contractual assessment program, commonly referred to as a property assessed clean energy program (the “PACE Program”), pursuant to the provisions of Chapter 29 of Part 3, Division 7 of the California Streets and Highways Code (commencing at Section 5898.12) (“Chapter 29”), as such provisions may currently exist or may be amended hereinafter from time to time, to finance the cost of installation of distributed generation renewable energy sources, energy efficiency and water efficiency improvements and electric vehicle charging infrastructure (collectively, the “Eligible Improvements”) that are permanently fixed to commercial properties (the “Commercial Properties”) or residential properties (the “Residential Properties”) located within jurisdictions within San Bernardino County which jurisdictions are parties to the Amended Agreement for the Joint Exercise of Powers Relative to the San Bernardino Associated Governments and elect to

participate in the PACE Program (the PACE Program as applied to Commercial Properties shall be referred to herein as the “Program”); and

WHEREAS, SANBAG and RENOVATE AMERICA entered into Contract No. C14053 to provide that RENOVATE AMERICA, as part of the PACE Program, would administer and finance a program to finance the installation of Eligible Improvements on Residential Properties (the “Residential Program”) within San Bernardino County (the “Program Area”); and

WHEREAS, SANBAG also entered into an agreement with SAMAS CAPITAL, LLC (“SAMAS CAPITAL”) to provide that SAMAS CAPITAL would, as part of the PACE Program, administer and finance a separate program to finance the installation of Eligible Improvements on Commercial Properties (the “SAMAS Commercial Program”) within the Program Area; and

WHEREAS, the services described in the preceding recital shall be referred to as the “Commercial Program Administration Services”; and

WHEREAS, RENOVATE AMERICA has created the infrastructure and developed the resources to administer and finance the installation of Eligible Improvements on Commercial Properties; and

WHEREAS, the Board of Directors has determined that it would be in the best interests of the owners of Commercial Properties within the Program Area to enable RENOVATE AMERICA to provide Commercial Program Administration Services (the “HERO Commercial Program”) separate and apart from the Residential Program and the SAMAS Commercial Program to finance the installation of Eligible Improvements on Commercial Properties in the Program Area; and

WHEREAS, the Board of Directors has, concurrently with approval of this Contract, amended the program report adopted in connection with the implementation of the PACE Program (the “Program Report”) to enable Renovate America to implement the HERO Commercial Program within the Program Area; and

WHEREAS, RENOVATE AMERICA has confirmed that it has the experience and is capable and qualified to provide the Commercial Program Administration Services and the HERO Commercial Program Funding as described herein and desires to do so for the compensation and in accordance with the terms and conditions set forth herein.

NOW, THEREFORE, the Parties hereto agree as follows:

ARTICLE 1. DESCRIPTION OF SERVICES

RENOVATE AMERICA agrees to perform the Commercial Program Administration Services for the HERO Commercial Program as set forth in Attachment “A”, Scope of Services, hereinafter referred to collectively as “Services”, which is incorporated herein by reference, and to provide the HERO Commercial Program Funding consistent with the Scope of Program Funding as set forth in Attachment “B” and the terms and conditions of the Master Bond

Purchase Agreement to be entered into by SANBAG and RENOVATE AMERICA concurrently with this Contract, which is incorporated herein by this reference, in accordance with standards which are generally accepted in the State of California, in accordance with the terms and conditions expressed herein and in the sequence, time, and manner defined therein. The Services performed or provided hereunder and the HERO Commercial Program Funding provided hereunder shall be completed in accordance with the prevailing standards in the industry.

ARTICLE 2. PERIOD OF PERFORMANCE

The Period of Performance by RENOVATE AMERICA under this Contract shall commence upon issuance of a written Notice To Proceed issued by SANBAG to RENOVATE AMERICA, unless agreed otherwise, and shall continue in full force and until June 30, 2018, or until otherwise terminated or extended as provided herein.

SANBAG, at its sole discretion, may extend the original term of the Contract for up to four (4) additional one (1) year Periods (each, an "Option Term") upon written notice to RENOVATE AMERICA delivered not later than thirty (30) days prior to the end of the then-current term or Option Term, as applicable. The maximum term of this Contract, including the Option Term(s), if exercised will not exceed eight (8) years from the date of the Notice to Proceed.

ARTICLE 3. SANBAG'S PROJECT MANAGER.

SANBAG hereby designates Duane Baker, or his designee, to act as its representative for the performance of this Contract ("SANBAG's Project Manager"). SANBAG's Project Manager shall have the power to act on behalf of SANBAG for all purposes under this Contract. RENOVATE AMERICA shall not accept direction or orders from any person on behalf of SANBAG other than SANBAG's Project Manager or his or her designee. SANBAG's Project Manager shall provide written notice to RENOVATE AMERICA of the appointment or the rescission of the appointment of any designee of SANBAG's Project Manager hereunder.

ARTICLE 4. RENOVATE AMERICA'S REPRESENTATIVES

RENOVATE AMERICA hereby designates John Paul McNeill, or his designee, to act as its representative for the performance of this Contract ("RENOVATE AMERICA's Representative"). RENOVATE AMERICA's Representative shall have full authority to represent and act on behalf of RENOVATE AMERICA for all purposes under this Contract. RENOVATE AMERICA's Representative shall supervise and direct all Services, using his or her best skill and attention, and shall be responsible for all means, methods, techniques, sequences and procedures and for the satisfactory coordination of all portions of RENOVATE AMERICA's responsibilities under this Contract. RENOVATE AMERICA's Representative shall provide written notice to SANBAG's Project Manager of the appointment or the rescission of the appointment of any designee of RENOVATE AMERICA's Representative hereunder.

ARTICLE 5. COMPENSATION

5.1 Contingency of Funding - RENOVATE AMERICA understands and acknowledges that SANBAG has no available moneys or current source of moneys to fund the HERO Commercial Program, including payment of compensation to RENOVATE AMERICA for Services or Program Funding provided hereunder. SANBAG intends to fund the HERO Commercial Program, including the funding of all Contractual Assessments and such compensation payable to RENOVATE AMERICA and RENOVATE AMERICA'S subcontractors, solely from the proceeds of Bonds (defined in Section 6.1 below). Based upon the foregoing, in establishing the terms and conditions pursuant to which RENOVATE AMERICA shall be compensated for all Services rendered under this Contract, SANBAG and RENOVATE AMERICA assume and agree that all such compensation shall be paid solely from the proceeds of Bonds ("Bond Proceeds") and that the availability of such revenues will be contingent upon the issuance of Bonds.

5.2 Fees and Payment - SANBAG has no responsibility to directly pay RENOVATE AMERICA for its Services provided or performed hereunder or the HERO Commercial Program Fund provided hereunder and the only payment to RENOVATE AMERICA for the provision or the performance of such Services or provision of such Program Funding shall be from Bond Proceeds of the Bond(s) issued to finance the Eligible Improvements for Commercial Properties participating in the HERO Commercial Program. RENOVATE AMERICA will be compensated for such Services provided or performed as provided in this Section 5.2.

At the time of the issuance of each Bond or series of Bonds to fund Eligible Improvements for a Commercial Property or Commercial Properties participating in the HERO Commercial Program, RENOVATE AMERICA will receive:

(a) a one-time fee for its Services AS SET FORTH IN Exhibit "H" of the Master Bond Purchase Agreement, Contract # C 16-1001559 by and between SANBAG and RENOVATE AMERICA.

The foregoing rate of compensation is subject to revision by mutual written agreement of SANBAG and RENOVATE AMERICA in the event that the Services set forth in Attachment "A" are revised following the Effective Date.

ARTICLE 6. FINANCING OF ELIGIBLE IMPROVEMENTS THROUGH THE HERO COMMERCIAL PROGRAM FUNDING

6.1 Issuance of Bonds - Program Funding for the installation of Eligible Improvements on any eligible Commercial Property for which the owner thereof has entered into an Assessment Contract substantially in the form to be set forth in a program report approved by SANBAG pursuant to Chapter 29 ("Program Report") shall be provided through the issuance by SANBAG of one or more bonds (the "Bonds") pursuant to (i) the provisions of Chapter 29, the Improvement Bond Act of 1915 (Streets and Highways Code Section 8500 and following) or such other legislation as may be applicable to the issuance of Bonds and specified in the Program Report for the purposes described herein, (ii) an indenture of trust, trust agreement, bond

indenture or similar instrument by and between SANBAG and a trustee or fiscal agent thereunder (each, a “Trustee”) establishing certain terms and conditions applicable to all Bonds issued pursuant to such instrument, and in a form approved by RENOVATE AMERICA (each, a “Master Indenture”), (iii) as may be necessary, a supplemental indenture by and between SANBAG and the Trustee establishing the terms and conditions specifically applicable to such Bond (and in a form approved by RENOVATE AMERICA, each, a “Supplemental Indenture”) and (iv) a separate Bond Purchase Agreement by and between SANBAG, as the issuer of such Bonds, and RENOVATE AMERICA, as the purchaser of such Bonds (the “Purchase Agreement”). Each Bond shall be secured by and payable from an Assessment Contract or Contractual Assessments (including any installments thereof) that are levied by SANBAG on such Commercial Property or Commercial Properties pursuant to the Assessment Contract or Assessment Contracts applicable to such Commercial Property or Commercial Properties. For the avoidance of doubt, the terms, application of proceeds of any Bond, redemption provisions and payment schedule applicable to each such Bond shall be set forth in the Master Indenture or the Supplemental Indenture applicable to such Bond and such terms and conditions shall be approved by RENOVATE AMERICA and SANBAG.

ARTICLE 7. COMMENCEMENT OF PERFORMANCE OF SERVICES

No Services shall be performed prior to approval of this Contract by SANBAG’s Board of Directors and by RENOVATE AMERICA.

ARTICLE 8. INDEPENDENT CONTRACTOR

RENOVATE AMERICA is and shall be at all times an independent contractor. Accordingly, all Services and Program Funding provided by RENOVATE AMERICA shall be done and performed by RENOVATE AMERICA under the sole supervision, direction and control of RENOVATE AMERICA. SANBAG shall rely on RENOVATE AMERICA for results only, and shall have no right at any time to direct or supervise RENOVATE AMERICA or RENOVATE AMERICA’s employees in the performance of Services or as to the manner, means and methods by which Services are performed. All personnel used by RENOVATE AMERICA in the performance of Services and provision of Program Funding pursuant to this Contract, and all representatives of RENOVATE AMERICA, shall be and remain the employees, contractors or agents of RENOVATE AMERICA or of RENOVATE AMERICA’s subcontractor(s) at all times, and shall not at any time or for any purpose whatsoever be considered employees or agents of SANBAG. Because RENOVATE AMERICA is an independent contractor, SANBAG will not withhold or make payments for social security, make unemployment insurance or disability insurance contributions, obtain worker’s compensation insurance or pay any other taxes or fees on RENOVATE AMERICA’s behalf. RENOVATE AMERICA accepts exclusive liability for any and all taxes or contributions incurred in connection with the receipt by RENOVATE AMERICA of the compensation set forth in Article 5 hereof, including penalties and interest.

ARTICLE 9. RESPONSIBILITY OF RENOVATE AMERICA

9.1 RENOVATE AMERICA agrees to work closely with SANBAG staff in the performance of Services and provision of Program Funding and shall be reasonably available to SANBAG's staff.

9.2 RENOVATE AMERICA shall, prior to undertaking any discussions with SANBAG jurisdictions electing to participate in the HERO Commercial Program (each, a "SANBAG Participant") regarding the provision of Services or initiating any material marketing activities within the jurisdictional boundaries of any such SANBAG Participant, coordinate all such discussions and/or marketing efforts with SANBAG's Project Manager. RENOVATE AMERICA shall also provide SANBAG's Project Manager with all material marketing documentation for review and approval prior to distribution thereof either to SANBAG Participants, property owners or contractors. Approval of such information shall be deemed to be received by RENOVATE AMERICA within five business days of receipt of such materials by SANBAG's Project Manager unless SANBAG's Project Manager provides notice otherwise.

9.3 RENOVATE AMERICA shall perform all Services and provide Program Funding under this Contract and, as to the HERO Commercial Program Funding, the Purchase Agreement in a skillful and competent manner, consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California. RENOVATE AMERICA represents and maintains that it is skilled in the professional calling and has the financial resources necessary to perform Services and provide the HERO Commercial Program Funding. RENOVATE AMERICA warrants that all employees and/or agents of RENOVATE AMERICA shall have sufficient skill and experience to perform Services assigned to them. Finally, RENOVATE AMERICA represents that it, its employees and agents have, or will have prior to the performance of Services or the provision of Program Funding, all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform Services or to provide Program Funding, and that such licenses and approvals shall be maintained throughout the term of this Contract. RENOVATE AMERICA shall perform, at its own cost and expense and without reimbursement from SANBAG, any services necessary to correct errors or omissions which are caused by RENOVATE AMERICA's failure to comply with the standard of care provided for herein.

9.4 RENOVATE AMERICA shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of the Services or the provision of Program Funding, including without limitation, all Cal/OSHA requirements, safety and health laws, orders and regulations and all applicable federal and state securities laws and regulations, and shall give all notices required by law. RENOVATE AMERICA shall be liable for all violations of such laws, rules and regulations in connection with Services and the provision of Program Funding and, if RENOVATE AMERICA performs or fails to perform any work knowing it to be contrary to such laws, rules and

regulations and without giving written notice to SANBAG, RENOVATE AMERICA shall be solely responsible for all costs arising therefrom.

ARTICLE 10. REPORTING AND DELIVERABLES

All reports and deliverables shall be submitted in accordance with Attachment “A”, Scope of Services.

ARTICLE 11. EQUAL EMPLOYMENT OPPORTUNITY/DRUG FREE WORKPLACE

During the term of this Contract, RENOVATE AMERICA shall not willfully discriminate against any employee or applicant for employment because of race, religion, color, national origin, ancestry, physical handicap, medical condition, gender, marital status, sexual orientation, age, political affiliation or disability. RENOVATE AMERICA agrees to comply with the provisions of Executive Orders 11246, 11375, 11625, 12138, 12432, 12250, Title VII of the Civil Rights Act of 1964, the California Fair Employment Practice Act and other applicable Federal, State and County laws and regulations and policies relating to equal employment and contracting opportunities, including laws and regulations hereafter enacted.

11.1 RENOVATE AMERICA agrees to comply with the Drug Free Workplace Act of 1990 per Government Code section 8350 et seq.

ARTICLE 12. CONFLICT OF INTEREST

RENOVATE AMERICA agrees that it presently has no interest financial or otherwise and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required under this Contract. RENOVATE AMERICA further agrees that in the performance of this Contract, no person having any such interest shall be employed. RENOVATE AMERICA is obligated to fully disclose to SANBAG, in writing, of any conflict of interest issues as soon as they are known to RENOVATE AMERICA and to comply with SANBAG’s Policy 10102 regarding disclosure, attached hereto as Attachment “C” and incorporated herein by this reference.

ARTICLE 13. KEY PERSONNEL

The personnel specified below (the “Key Personnel”) are considered to be essential to Services being performed under this Contract. Prior to reallocation of tasks and hours of Services, which are the responsibility of Key Personnel to other personnel, RENOVATE AMERICA shall notify SANBAG reasonably in advance. Key Personnel are:

<u>Name</u>	<u>Function</u>
John Paul McNeill	Chief Executive Officer
Nick Fergis	Chief Operating Officer
Tom Hemmings	Chief Financial Officer

Notwithstanding the foregoing, the parties hereby acknowledge and agree that this Contract is not exclusive and that none of the Key Personnel set forth above currently allocate, or anticipate allocating in the future, 100% of their business time to the performance of the Services.

ARTICLE 14. PROPRIETARY RIGHTS/CONFIDENTIALITY

14.1 Proprietary Information – During the term of this Contract and for a period of three (3) years thereafter, each party agrees that it will take all steps reasonably necessary to hold the Proprietary Information (as defined below) of the other party (the “Disclosing Party”) in trust and confidence, will not use such Proprietary Information in any manner or for any purpose not expressly set forth in this Contract, and will not disclose any such Proprietary Information to any third party without first obtaining the Disclosing Party’s express written consent. By way of illustration but not limitation, “Proprietary Information” includes (a) trade secrets, inventions, mask works, ideas, processes, formulas, source and object codes, data, programs, other works of authorship, know-how, improvements, discoveries, developments, designs and techniques (hereinafter collectively referred to as “Inventions”); and (b) information regarding plans for research, development, new products, marketing and selling, business plans, budgets and unpublished financial statements, licenses, prices and costs, suppliers and customers; and (c) information regarding the skills and compensation of employees of the Disclosing Party.

14.2 Third Party Information – In addition, each party understands that the parties hereto have received and in the future will receive from third parties confidential or proprietary information (“Third Party Information”) subject to a duty to maintain the confidentiality of such information and to use it only for certain limited purposes. During the term of this Contract and thereafter, each party will hold Third Party Information of the other party in the strictest confidence and will not disclose or use Third Party Information, except in connection with its performance under this Contract, or as expressly authorized in writing by an officer of the Disclosing Party.

14.3 Press Releases - All press releases, or press inquiries relating to this Contract, including graphic display information to be published in newspapers, magazines, and other publications, are to be made only as agreed to by RENOVATE AMERICA and SANBAG.

ARTICLE 15. TERMINATION

15.1 Termination by SANBAG without Cause - SANBAG shall have the right at any time, without cause, to terminate further performance of Services by written notice to

RENOVATE AMERICA specifying the date of termination (which date shall be no earlier than fourteen (14) calendar days from the date of such written notice. On the date of such termination stated in said notice, RENOVATE AMERICA shall discontinue performance of Services and shall preserve work in progress and completed work (“Work”), pending SANBAG’s instruction, and shall turn over such Work in accordance with SANBAG’s instructions.

15.1.1 RENOVATE AMERICA shall deliver to SANBAG, all deliverables prepared by RENOVATE AMERICA or its subcontractors or furnished to RENOVATE AMERICA by SANBAG. Upon such delivery, RENOVATE AMERICA may then invoice SANBAG for payment in accordance with the terms hereof.

15.1.2 Upon any such termination by SANBAG, RENOVATE AMERICA shall be entitled to receive any compensation due under Article 5 of this Contract. In addition, RENOVATE AMERICA shall be entitled to an hourly fee of \$400 per hour for any work required to preserve work in progress pursuant to Section 15.1 above and shall be entitled to receive the actual cost incurred by RENOVATE AMERICA to return RENOVATE AMERICA’s field tools and equipment, if any, to it or its suppliers’ premises, or to make the required deliveries in accordance with Section 15.1.1 above plus any additional and actual costs necessarily incurred in effecting the termination (cumulatively, “Termination Costs”). The source of payment of any such Termination Costs shall be limited to the Bond Proceeds.

15.2 Termination by SANBAG for Cause - In the event RENOVATE AMERICA shall file a petition in bankruptcy court, or shall make a general assignment for the benefit of its creditors, or if a petition in bankruptcy court shall be filed against RENOVATE AMERICA or a receiver shall be appointed on account of its solvency, or if RENOVATE AMERICA shall default in the performance of any express obligation to be performed by it under this Contract and shall fail to immediately correct (or if immediate correction is not possible, shall fail to commence and diligently continue action to correct) such default within fourteen (14) calendar days following written notice thereof, SANBAG may, without prejudice to any other rights or remedies SANBAG may have, and in compliance with applicable Bankruptcy Laws; (a) hold in abeyance further payments to RENOVATE AMERICA; (b) stop any Services of RENOVATE AMERICA or its subcontractors related to such failure until such failure is remedied; and/or (c) terminate this Contract by written notice to RENOVATE AMERICA specifying the date of termination. In the event of such termination by SANBAG, SANBAG may take possession of the deliverables and finish Services by whatever method SANBAG may deem expedient. A waiver by SANBAG of one default of RENOVATE AMERICA shall not be considered to be a waiver of any subsequent default of RENOVATE AMERICA, nor be deemed to waive, amend, or modify any term of this Contract.

15.2.1 Unless otherwise advised by the Disclosing Party, and upon written request from the Disclosing Party, any party in possession of Proprietary Information of the other party, shall promptly deliver to the Disclosing Party all documents and other materials of any nature pertaining to the Services, together with all documents and other items containing or pertaining to any of the Disclosing Party’s Proprietary Information.

15.3 Termination by RENOVATE AMERICA without Cause - RENOVATE AMERICA shall have the right at any time, without cause, to terminate further performance of Services by written notice to SANBAG specifying the date of termination (which date shall be no earlier than fourteen (14) calendar days from the date of such written notice. On the date of such termination stated in said notice, RENOVATE AMERICA shall discontinue performance of Services and shall preserve work in progress and completed work (“Work”), pending SANBAG’s instruction, and shall turn over such Work in accordance with SANBAG’s instructions.

15.3.1 RENOVATE AMERICA shall deliver to SANBAG, all deliverables prepared by RENOVATE AMERICA or its subcontractors or furnished to RENOVATE AMERICA by SANBAG. Upon such delivery, RENOVATE AMERICA may then be entitled to receive any compensation due under Article 5 of this Contract, net of SANBAG’s Termination Costs.

15.3.2 Upon any such termination by RENOVATE AMERICA, RENOVATE AMERICA shall pay SANBAG for SANBAG’s staff time, consultant and other costs associated with retaining and for higher compensation payable to a replacement contractor to provide the Services, provided that no entity shall be entitled to an hourly fee in excess of \$500 per hour, plus any and all other expenses SANBAG incurs as a result of RENOVATE AMERICA’s early termination of the Contract (cumulatively, “SANBAG’s Termination Costs”). SANBAG may invoice RENOVATE AMERICA and RENOVATE AMERICA shall pay SANBAG upon receipt of such invoice SANBAG’s Termination Costs. In SANBAG’s sole discretion, SANBAG may elect to deduct SANBAG’s Termination Costs from any compensation due RENOVATE AMERICA under Article 5 of this Contract.

15.4 Termination by RENOVATE AMERICA for Cause - In the event SANBAG shall file a petition in bankruptcy court, or shall make a general assignment for the benefit of its creditors, or if a petition in bankruptcy court shall be filed against SANBAG or a receiver shall be appointed on account of its solvency, or if SANBAG shall default in the performance of any express obligation to be performed by it under this Contract and shall fail to immediately correct (or if immediate correction is not possible, shall fail to commence and diligently continue action to correct) such default within fourteen (14) calendar days following written notice thereof, RENOVATE AMERICA may, without prejudice to any other rights or remedies RENOVATE AMERICA may have, and in compliance with applicable Bankruptcy Laws, stop any Services related to such failure until such failure is remedied and/or terminate this Contract by written notice to SANBAG specifying the date of termination. In the event of such termination by RENOVATE AMERICA, SANBAG may take possession of the deliverables and finish Services by whatever method SANBAG may deem expedient. A waiver by RENOVATE AMERICA of one default of SANBAG shall not be considered to be a waiver of any subsequent default of SANBAG, nor be deemed to waive, amend, or modify any term of this Contract.

15.4.1 In the event of such termination, RENOVATE AMERICA shall deliver to SANBAG all finished and unfinished products prepared under this Contract by RENOVATE AMERICA or its subcontractors or furnished to RENOVATE AMERICA by SANBAG.

15.5 Support for Claims for Compensation - All claims for compensation or reimbursement of costs under any of the foregoing provisions shall be supported by documentation submitted to the party against which the claims are made satisfactory in form and content to and verified by the party against which the claims are made.

ARTICLE 16. INSURANCE

Without any way affecting the indemnity provision identified in this Contract, RENOVATE AMERICA shall, at RENOVATE AMERICA's sole expense, and prior to the commencement of any Services, procure and maintain in full force, insurance through the entire term of this Contract. The policies shall be written by a California admitted carrier with an A.M. Best rating of A-VII or better, and shall be written with a least the following limits of liability:

16.1 Professional Liability - Professional Liability insurance shall be provided in an amount not less than \$1,000,000 per claim.

16.2 Workers' Compensation - Worker's Compensation insurance shall be provided in an amount and form to meet all applicable requirements of the Labor Code of the State of California, including Employers Liability in an amount not less than \$1,000,000 limits covering all persons providing services on behalf of RENOVATE AMERICA and all risks to such persons under this Contract.

16.3 Residential General Liability - To include coverage for Premises and Operations, Contractual Liability, Products/Completed Operations Liability, Personal Injury Liability, Broad-Form Property Damage and Independent Contractors' Liability, in an amount of not less than \$1,000,000 per occurrence, combined single limit, and \$2,000,000 in the aggregate written on an occurrence form. For products and completed operations a \$2,000,000 aggregate shall be provided.

16.4 Crime Coverage - To include Employee Dishonesty/Theft, Money & Securities, Computer Fraud, Funds Transfer Fraud, Money Orders with limits of \$1,000,000.

16.5 Automobile Liability - To include owned, non-owned and hired automobiles, in an amount of not less than \$1,000,000 combined single limit.

16.6 Proof of Coverage - RENOVATE AMERICA shall furnish certificates of insurance to SANBAG evidencing the insurance coverage required above, prior to the commencement of performance of Services hereunder, and such certificates shall include San Bernardino Associated Governments and its officers, employees, agents and volunteers, as additional insured on Comprehensive General Liability Insurance or Residential General Liability Insurance and auto insurance. Prior to commencing any work, RENOVATE AMERICA shall furnish SANBAG with a certificate(s) of insurance, executed by a duly authorized representative of each insurer, showing compliance with the insurance requirements set forth in this Article. If the insurance company elects to cancel or non-renew coverage for any reason, RENOVATE AMERICA will provide SANBAG thirty (30) days written notice of cancellation or nonrenewal. If the policy is cancelled for nonpayment of premium RENOVATE

AMERICA will provide SANBAG ten (10) days written notice. RENOVATE AMERICA shall maintain such insurance for the entire term of this Contract.

16.7 Additional Insured - All policies, except for Worker's Compensation and Professional Liability policies, shall contain endorsements naming SANBAG and its officers, employees, agents, and volunteers as additional insureds with respect to liabilities arising out of the performance of Services hereunder. The additional insured endorsements shall not limit the scope of coverage for SANBAG to vicarious liability but shall allow coverage for SANBAG to the full extent provided by the policy.

16.8 Waiver of Subrogation Rights - RENOVATE AMERICA shall require the carriers of Residential General Liability, Automobile Liability and Workers Compensation to waive all rights of subrogation against SANBAG, its officers, employees, agents, volunteers, contractors, and subcontractors. Such insurance coverage provided shall not prohibit RENOVATE AMERICA or RENOVATE AMERICA'S employees or agents from waiving the right of subrogation prior to a loss or claim. RENOVATE AMERICA hereby waives all rights of subrogation against SANBAG.

16.9 Residential General Liability insurance required herein is to be primary and non-contributory with any insurance carried or administered by SANBAG.

ARTICLE 17. INDEMNITY

Except as provided below for those Services falling within the scope of Civil Code section 2782.8, RENOVATE AMERICA agrees to indemnify, defend (with counsel reasonably approved by SANBAG) and hold harmless SANBAG and its authorized officers, employees, agents and volunteers, from any and all claims, actions, losses, damages and/or liability arising out of this Contract including acts, errors, or omissions of RENOVATE AMERICA, its officers, employees, agents and subcontractors in the performance of Services hereunder, and for any costs or expenses incurred by SANBAG on account of any such claim except where such indemnification is prohibited by law; provided that, RENOVATE AMERICA's indemnification obligation applies to SANBAG "active" as well as "passive" negligence but does not apply to the gross negligence or willful misconduct on the part of SANBAG, or any of its officers, employees, agents or volunteers.

ARTICLE 18. OWNERSHIP OF DOCUMENTS/INTELLECTUAL PROPERTY

18.1 SANBAG expressly acknowledges and agrees that any and all computer software and all source code thereof, used or developed by RENOVATE AMERICA ("Proprietary Software") in performing the Services is proprietary and RENOVATE AMERICA, or its licensors, shall at all times exclusively own all rights, title, and interest in such software and proprietary software, including all intellectual property rights contained therein.

18.2 During the term of this Contract, RENOVATE AMERICA grants SANBAG a non-exclusive, non-transferable license for SANBAG to use RENOVATE AMERICA's trademarks or trade names including, without limitation, "RENOVATE AMERICA," "Financing

The Home Energy Revolution,” “Home Energy Renovation Opportunity,” “HERO Financing,” or new trademarks developed by RENOVATE AMERICA (collectively, the “RENOVATE AMERICA Marks”). RENOVATE AMERICA hereby reserves all right, title and interest in and to the RENOVATE AMERICA marks. SANBAG agrees it will not use the RENOVATE AMERICA Marks upon termination of this Contract and shall not contest, oppose or challenge RENOVATE AMERICA’s ownership of any RENOVATE AMERICA Mark.

18.3 SANBAG acknowledges and agrees that RENOVATE AMERICA, or its licensors, will have spent substantial time and effort in collection and compiling data and information (the “Data Compilations”) in connection with the Services and that such Data Compilations may be used by RENOVATE AMERICA (or such licensors) for their own purposes, including, without limitation, sale or distribution to third parties; provided, however, that RENOVATE AMERICA will not, and shall ensure that its licensors will not, sell or distribute any of SANBAG’s confidential information that may be contained in such Data Compilations, unless such confidential information is used only on an aggregated and anonymous basis.

18.4 RENOVATE AMERICA shall not use SANBAG’s name or photographs of the Program in any professional publication, magazine, trade paper, newspaper, seminar or other medium without first receiving the express written consent of SANBAG’s Project Manager.

ARTICLE 19. SUBCONTRACTS

19.1 RENOVATE AMERICA shall not subcontract performance of all or any portion of Services under this Contract, except those subcontractors listed in RENOVATE AMERICA’s proposal, without first notifying SANBAG of the intended subcontracting and obtaining SANBAG’s written approval of the subcontracting and the subcontractor. The definition of subcontractor and the requirements for subcontractors hereunder shall include all subcontracts at any tier.

19.2 RENOVATE AMERICA agrees that any and all subcontractors of RENOVATE AMERICA will comply with the terms of this Contract applicable to the portion of Services performed by them. If requested by SANBAG, RENOVATE AMERICA shall furnish SANBAG a copy of the proposed subcontract for SANBAG’S approval of the terms and conditions thereof and shall not execute such subcontract until the earlier of (a) SANBAG’s approval of such terms and conditions or (b) five (5) calendar days after RENOVATE AMERICA provides such subcontract to SANBAG, if SANBAG has not communicated disapproval by such day. SANBAG approval shall not be unreasonably withheld.

19.3 Approval by SANBAG of any Services to be subcontracted and the subcontractor to perform said Services will not relieve RENOVATE AMERICA of any responsibility or liability in regard to the acceptable and complete performance of said Services. Any substitution of subcontractors must be approved in writing by SANBAG’s Project Manager.

ARTICLE 20. ATTORNEY'S FEES

If any legal action is instituted to enforce or declare any Party's rights hereunder, each Party, including the prevailing party, must bear its own costs and attorneys' fees. This Article shall not apply to those costs and attorneys' fees directly arising from any third party legal action against a Party hereto and payable under Article 17 of this Contract.

ARTICLE 21. GOVERNING LAW AND VENUE

This Contract shall be subject to the law and jurisdiction of the State of California. The Parties acknowledge and agree that this Contract was entered into and intended to be performed in whole or substantial part in San Bernardino County, California. The Parties agree that the venue for any action or claim brought by any Party to this Contract will be the Superior Court of California, San Bernardino County, District Civil Division. Each Party hereby waives any law or rule of court, which would allow them to request or demand a change of venue. If any action or claim concerning this Contract is brought by any third party, the Parties hereto agree to use their best efforts to obtain a change of venue to the Superior Court of California, San Bernardino County, District Civil Division.

ARTICLE 22. COMMUNICATIONS AND NOTICES

Any and all notices permitted or required to be given hereunder shall be deemed duly given (a) upon actual delivery, if delivery is personally made; or (b) upon delivery into the United States Mail if delivery is by postage paid certified mail (return receipt requested), fax or private courier including overnight delivery services. Each such notice shall be sent to the respective Party at the address indicated below or to any other address as the respective parties may designate from time to time by a notice given in accordance with this Article. A change in address may be made by notifying the other Party in writing.

To RENOVATE AMERICA
16620 W. Bernardo Drive
San Diego, CA 92127
Attn: J.P. McNeill
Phone: (877) 747-4889

To SANBAG
San Bernardino Associated Governments
1170 W. 3rd I Street, 2nd Floor
San Bernardino, CA 92410-1715
Attn: Duane Baker

Phone: (909) 884-8276

ARTICLE 23. DISPUTES

In the event a dispute relating to this Contract arises between the parties, the parties will use all reasonable efforts to resolve the dispute through direct discussions for a period of thirty (30) business days. The senior management of each party is committed to respond to any such dispute. Subsequent to such thirty-day period, the parties may, but will not be required to, resort to non-binding arbitration procedures.

Notwithstanding anything to the contrary herein, a breach of any of the promises or

agreements contained in this Contract may result in irreparable and continuing damage to RENOVATE AMERICA or SANBAG for which there may be no adequate remedy at law, and RENOVATE AMERICA or SANBAG is therefore entitled to seek injunctive relief as well as such other and further relief as may be appropriate.

ARTICLE 24. GRATUITIES

RENOVATE AMERICA, its employees, agents, or representatives shall not offer or give to an officer, official, or employee of SANBAG, gifts, entertainment, payments, loans, or other gratuities to influence the award of a contract or obtain favorable treatment under a contract.

ARTICLE 25. REVIEW AND ACCEPTANCE

All Services performed by RENOVATE AMERICA shall be subject to periodic inspection, audit review and approval by SANBAG at any and all places where such performance may be carried on. Failure of SANBAG to make such review, or to discover defective work, shall not prejudice the rights of SANBAG.

ARTICLE 26. ASSIGNMENT

Neither party shall not assign this Contract in whole or in part, voluntarily, by operation of law, or otherwise without first obtaining the written consent of the other party, within its sole discretion. Subject to the foregoing, the provisions of this Contract shall extend to the benefit of and be binding upon the successors and permitted assigns of the Parties hereto.

ARTICLE 27. AMENDMENTS

This Contract, including Attachment A may only be changed by a written amendment duly executed by RENOVATE AMERICA and SANBAG except, that changes to the Contract to implement administrative changes such as approved changes in key personnel as provided in Article 14, "KEY PERSONNEL" above, may be made by administrative amendment signed by RENOVATE AMERICA's Representative and SANBAG's Project Manager.

ARTICLE 28. CONTINGENT FEE

RENOVATE AMERICA warrants, by execution of this Contract, that no person or selling agency has been employed or retained to solicit or secure this Contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established Residential or selling agencies maintained by RENOVATE AMERICA for the purpose of securing business.

ARTICLE 29. FORCE MAJEURE

RENOVATE AMERICA shall not be in default under this Contract in the event that the Services provided/work performed by RENOVATE AMERICA are temporarily interrupted or discontinued for any of the following reasons: riots, wars, sabotage, acts of terrorism, civil

disturbances, insurrection, explosion, pandemics, quarantines, acts of God, acts of government or governmental restraint, and natural disasters such as floods, earthquakes, landslides, and fires, severe weather or other catastrophic events which are beyond the reasonable control of RENOVATE AMERICA and which RENOVATE AMERICA could not reasonably be expected to have prevented or controlled. Other catastrophic events do not include the financial inability of the RENOVATE AMERICA to perform or failure of the RENOVATE AMERICA to obtain any necessary permits or licenses from other governmental agencies or the right to use the facilities of any public utility where such failure is due solely to the acts or omissions of RENOVATE AMERICA.

ARTICLE 30. ENTIRE DOCUMENT

30.1 This Contract and its attachments constitute the sole and only agreement governing Services and supersedes any prior understandings, written or oral, between the Parties respecting the subject matter herein. All previous proposals, offers, and other communications, written or oral, relative to this Contract, are superseded except to the extent that they have been incorporated into this Contract.

30.2 No agent, employee or representative of SANBAG has any SANBAG to bind SANBAG to any affirmation, representation or warranty outside of, or in conflict with, the stated terms of this Contract, and RENOVATE AMERICA hereby stipulates that it has not relied, and will not rely, on same.

30.3 As this Contract was jointly prepared by both Parties, the language in all parts of this Contract will be construed, in all cases, according to its fair meaning, and not for or against either Party.

30.4 The Recitals to this Contract are incorporated into and made a part of this Contract.

ARTICLE 31. EFFECTIVE DATE

The date that this Contract is executed by SANBAG shall be the Effective Date of the Contract.

(Signature page follows)

IN WITNESS WHEREOF, the Parties hereto have executed this Contract on the day and year below written, but effective as of the Effective Date.

SAN BERNARDINO ASSOCIATED GOVERNMENTS

RENOVATE AMERICA, INC.

By: _____

By: _____

Title: Robert A. Lovingood, President

Title: J.P. McNeill, Chief Executive Officer

APPROVED AS TO FORM:

By: _____

Eileen Monaghan Teichert
General Counsel

CONCURRENCE:

By: _____

Jeffery Hill
Procurement Manager

ATTACHMENT A

SCOPE OF HERO COMMERCIAL PROGRAM ADMINISTRATION SERVICES

RENOVATE AMERICA shall provide the following Services:

HERO Commercial Program Design

As part of the Services, RENOVATE AMERICA shall provide program design services which include: (1) review and edit all policies relating to commercial projects; (2) provide documentation, processes and procedures required for registering contractors, accepting, processing and approving commercial property owner applications, reviewing eligibility of and approving proposed improvements, providing and tracking all financing disclosures, accepting, processing and approving funding requests, issuing and executing contractual assessment agreements (property owner and issuer), recording lien documents, issuing and executing micro-bond documents, and issuing payment for funding requests, including the Program Report and Commercial Handbook, Eligible Improvements, contractor registration/approval forms, commercial applications, all financing disclosure forms, all forms required to approve improvements, funding request form(s), and contractual assessment agreement and lien recordation documents (unless provided by municipality); (3) design and build the Program website; (4) integration of RENOVATE AMERICA's origination systems with the Program website.

HERO Commercial Program Origination

As part of the Services, RENOVATE AMERICA shall provide origination services which include: (1) process all commercial applications, including accepting applications (online and hard copy), entering hard copy applications into online system, pulling all credit, title, valuation and other reports, reviewing eligibility of proposed property, applicants, equipment and contractors, tracking all financing disclosures, application and authorization forms, contacting applicants, contractors and other parties as needed, providing notifications of approval, denial or incomplete status; (2) process all funding requests for Commercial Properties participating in the Program, including accepting funding request forms, reviewing submitted forms and attachments, providing notification of funding request approval, denial or incomplete status; (4) process and finalize all contractual assessment documentation, including issuance of contractual assessment and financing disclosures; (5) provide telephone and email customer service support; (6) track and report to SANBAG key Program statistics, including applications received, approved, assessment contracts issued and signed; (7) periodically assess and/or adjust policies and procedures of Program as needed to resolve any recurring issues.

HERO Commercial Program Marketing

As part of the Services, RENOVATE AMERICA shall work with SANBAG and its member jurisdictions to promote the Program including notices on appropriate governmental

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web sites, press interviews and public meetings and announcements. RENOVATE AMERICA shall also publicize the Program on its web site as well as through direct contact with property owners. RENOVATE AMERICA shall maintain sufficient resources to answer any questions by potential participants in the Program. RENOVATE AMERICA shall also work with SANBAG and other municipalities within the Program Area in order to utilize the Program to help bring industry and developments to the areas governed by SANBAG.

HERO Commercial Program Documentation

As part of the Services, RENOVATE AMERICA shall work with SANBAG to develop a standard set of documents suitable to the parties that shall document the legal obligations associated with the contractual assessment, and any other legal requirements of the transaction.

HERO Commercial Program Assessment Servicing

As part of the Services, RENOVATE AMERICA shall work with the Program Assessment Administrator, and the County of San Bernardino to ensure that the proper contractual assessment installments are placed on the appropriate property owner's property tax bill and that the contractual assessment installments shall be collected promptly for the properties subject to such contractual assessments.

**ATTACHMENT B
“SCOPE OF PROGRAM FUNDING**

Obligation to Purchase Bonds and Maintenance of Minimum Financing Amounts:

RENOVATE AMERICA shall purchase Bonds from SANBAG: (a) for which the property, the Eligible Improvements and the property owner meet the eligibility requirements and underwriting criteria as specified in the Program Report and the Commercial Handbook, as such documents may be modified from time-to-time by mutual agreement of SANBAG and RENOVATE AMERICA, and for which all necessary supporting documents as required pursuant to the Assessment Contract have been received by SANBAG and accepted by SANBAG and RENOVATE AMERICA and (b) all conditions precedent to the sale of such Bonds as specified in the Purchase Agreement have been satisfied.

RENOVATE AMERICA shall, at all times during the term of the Agreement, maintain sufficient funding to purchase all Bonds to be issued by SANBAG in order to fund Eligible Improvements to be installed on Commercial Properties for which SANBAG and RENOVATE AMERICA have approved the Assessment Contracts.

Types of Properties:

All types of Commercial Properties as may be eligible pursuant to the Program Report and the Commercial Handbook, as such documents may be modified from time-to-time by mutual agreement of SANBAG and RENOVATE AMERICA

Types of Improvements Financed:

All Eligible Improvements as specified in the Program Report and Commercial Handbook, as such documents may be modified from time-to-time by mutual agreement of SANBAG and RENOVATE AMERICA.

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Contract Residential HERO Program Services & Funding

Attachment: 16-1001558 SANBAG - Renovate America Inc HERO Commercial Services Agreement-c1 (3045 : Changes to the Commercial

Federal and State of California tax credits and other incentives for the installation of energy efficiency, water conservation and renewable energy:

Real Estate/Assessment Credit Underwriting Criteria:

All Federal and State of California tax credits and other incentives provided to encourage the installation of Eligible Improvements, including all solar renewable energy credits, shall be for the account and benefit of the Commercial Property owners participating in the Program.

RENOVATE AMERICA will utilize the contractual assessment underwriting criteria as set forth in the Program Report and the Commercial Handbook, as documents may be modified from time-to-time by the mutual agreement of SANBAG and RENOVATE AMERICA

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Contract Residential HERO Program
Services & Funding

ATTACHMENT C

“SANBAG’S POLICY 10102”

San Bernardino Associated Governments	Policy	10102
Adopted by the Board of Directors Sept. 2, 1992	Revised	01/06/16
Conflict of Interest Code	Revision No.	8

Important Notice: A hardcopy of this document may not be the document currently in effect. The current version is always the version on the SANBAG Intranet.

Table of Contents

| [Purpose](#) | [Policy](#) | [Revision History](#) | [Appendix A](#) |

I. PURPOSE

The Political Reform Act, Government Code Sections 81000, et seq., requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission adopted a regulation, Title 2 Calif. Code of Regulations (CCR) Section 18730, which contains terms of a standard conflict of interest code, which can be incorporated by reference into a local agency’s conflict of interest code, and which may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act after public notice and hearings.

II. POLICY

The terms of Title 2 CCR Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference and, along with the attached [Appendix A](#) in which officials and employees are designated and disclosure categories are set forth, constitute the Conflict of Interest Code of SANBAG.

Designated employees shall file statements of economic interests with SANBAG’s Clerk of the Board who will make the statements available for public inspection and reproduction (Government Code Section 81008). Statements for all designated employees will be retained by the Clerk of the Board.

SANBAG will review this policy every even-numbered year, and if change in the policy is required, will revise the policy. SANBAG will file a statement of review with the San Bernardino County Board of Supervisors, SANBAG’s code reviewing body, every even-numbered year.

III. REVISION HISTORY

Revision No.	Revisions	Adopted
0	Amended Conflict of Interest Code for SANBAG approved.	09/02/92
1	Modifications to Appendix A and Appendix B approved.	02/05/97
2	Amendment to Appendix A approved by SANBAG Board of Directors.	04/05/00

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Contract: HERO Commercial Program
Services & Funding

3	Appendix A: Removed Advanced Transportation Development Manager	01/10/07
4	Par. I: Added paragraph heading PURPOSE. Par. II: Added paragraph heading POLICY; amended the first paragraph and added two new paragraphs that replace the existing text. Appendix A: Added Construction Manager, Contracts/Controls Manager, and Project Delivery Manager; changed category designation for Board of Directors (City designees, Executive Director, and Chief Financial Officer from Category 2 to Category 1; added clarification that Form 700s filed by the Board of Directors (County designees) are filed with the Clerk of the Board of Supervisors, not SANBAG; and revised the descriptions for Category 1 and Category 2.	06/03/09
5	Appendix A: Added Director of Programming, Chief of Planning, Chief of Programming, Chief of Transit & Rail Programs, Human Resources & Information Services Administrator, and Procurement/Risk Management/Contracts Administrator. Changed the following titles: Director of Freeway Construction to Director of Project Delivery, Director on Intergovernmental & Legislative Affairs to Director of Legislative Affairs, Director of Planning/Programming to Director of Planning, and Director of Air Quality/Mobility Programs to Chief of Air Quality/Mobility Programs. Removed the Contracts/Controls Manager.	06/30/12
6	Appendix A: Added General Counsel – missed in Rev. 5. Corrected titles for Director and Chief of Fund Administration and Programming.	08/06/12
7	Amended Purpose, Policy, and Appendix A per BOD 12/3/14 (Agenda item 10)	12/03/14
8	Amended Purpose, Policy, and Appendix A per BOD 1/6/16 (Agenda item 7)	01/06/16

Conflict of Interest Code – Designated Employees	Policy	10102 Appendix A
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Designated Employees	Categories
1. Board of Directors (County designees)	1
2. Board of Directors (City designees)	1
3. Board of Directors Alternates (City designees)	1
4. Executive Director	1
5. Deputy Executive Director	1
6. General Counsel	1
7. Chief Financial Officer	1
8. Director of Transit/Rail Programs	1
9. Director of Planning	1
10. Director of Fund Administration and Programming	1
11. Director of Project Delivery	1
12. Director of Legislative and Public Affairs	1
13. Chief of Fiscal Resources	2
14. Chief of Legislative and Public Affairs	2
15. Chief of Air Quality/Mobility Programs	2
16. Chief of Planning	2
17. Chief of Fund Administration and Programming	2
18. Chief of Transit/Rail Programs	2
19. Construction Manager	2
20. Project Delivery Manager	2

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 Contract: HERO Commercial Program
 Services & Funding

Attachment: 16-1001558 SANBAG - Renovate America Inc HERO Commercial Services Agreement-c1 (3045 : Changes to the Commercial

21. Human Resources/Information Services Administrator	2
22. Procurement Manager	2
23. Procurement Analyst	2
24. Management Analyst II*	1
25. Management Analyst III*	1
26. Senior Planner	2
27. Clerk of the Board/Administrative Supervisor	2
28. Consultant **	2

*** Only Management Analysts who perform Right of Way activities must file.**

** Consultants shall be included in the list of designated employees and shall disclose pursuant to the broadest disclosure category in the code subject to the following limitation:

The Executive Director may determine in writing that a particular consultant, although a "designated employee," is hired to perform a range of duties that is limited in scope and, thus, is not required to fully comply with the disclosure requirements in this Code. Such written determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent of disclosure requirements. The Executive Director's determination is a public record and shall be retained for public inspection in the same manner and location as this Conflict of Interest Code.

Form 700s filed by the Board of Directors (County designees) are filed with the Clerk of the County Board of Supervisors, not with SANBAG.

Disclosure Categories

CATEGORY I

Designated employees in this category shall disclose all sources of income, interests in real property, investments and business positions in business entities. Designated employees in this category shall complete all schedules of Form 700, if applicable.

CATEGORY 2

Designated employees in this category shall disclose sources of income, investments, and business positions in business entities which provide services, supplies, materials, machinery or equipment of the type purchased or utilized by the department in which the designated employee is employed. Designated employees in this category shall complete all schedules of Form 700 except schedule B, if applicable.

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C-3

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Contract: HERO Commercial Program
Services & Funding

Contract Summary Sheet

General Contract Information

Contract No: 16-1001559 Amendment No.: _____ Vendor No.: 03010
 Vendor/Customer Name: Renovate America, Inc. Sole Source? Yes No
 Description: Master Bond Purchase Agreement for Commercial HERO Program with Renovate America
 Start Date: 09/07/2016 Expiration Date: 06/30/2018 Revised Expiration Date: _____
 Has Contract Term Been Amended? No Yes - Please Explain _____
 List Any Related Contracts Nos.: 16-1001558

Dollar Amount			
Original Contract	\$ 150,000.00	Original Contingency	\$ -
Revised Contract (Inclusive of Prior Amendments)	\$ -	Revised Contingency (Inclusive of Prior Amendments)	\$ -
Current Amendment	\$ -	Contingency Amendment	\$ -
TOTAL CONTRACT VALUE	\$ 150,000.00	TOTAL CONTINGENCY VALUE	\$ -
		TOTAL DOLLAR AUTHORITY (Contract Value and Contingency)	\$ 150,000.00

Contract Authorization

Executive Director Date: _____
 Executive Director Action: _____
 Board of Directors Date: _____
 Board of Directors Action: _____

Contract Management: Payable/Miscellaneous

Invoice Warning: 20% Renewals: _____ Type: Capital PAA Other
 Retention: % Maximum Retention: \$ -
 Services: Construction Intrgrnt/MOU/COOP A & E Services Other Professional Services
 Disadvantaged Business Enterprise (DBE) Goal _____ %

Contract Management: Receivable

E-76 and/or CTC Date _____ (Attach Copy) Program Supplement No.: _____
 Finance Letter Reversion Date: _____ EA No.: _____

All of the above MUST be submitted to FINANCE including originals, amendments and miscellaneous transaction changes

Additional Information

Project Manager: Duane Baker

Attachment: 16-1001559 CSS (3045 : Changes to the Commercial HERO Program Adding Renovate America, Inc.)

CONTRACT # 16-1001559**SAN BERNARDINO ASSOCIATED GOVERNMENTS
LIMITED OBLIGATION IMPROVEMENT BONDS
(HERO Commercial Program)****Master Bond Purchase Agreement**

THIS MASTER BOND PURCHASE AGREEMENT, dated as of _____, 20__ (the “Master BPA”), is entered into by and between the SAN BERNARDINO ASSOCIATED GOVERNMENTS, a California public agency (“SANBAG”) and RENOVATE AMERICA, INC., a Delaware corporation (“Renovate America”) to arrange for the sale by SANBAG and the purchase by Renovate America or its designee of all of the Improvement Bonds described below, which are being issued by SANBAG.

RECITALS:

The Board of Directors of SANBAG (the “Board of Directors”) established a property assessed clean energy (“PACE”) program designated as the SANBAG HERO Program (the “Program”) pursuant to the provisions of Chapter 29 of Part 3, Division 7 of the California Streets and Highways Code (commencing at Section 5898.12) (“Chapter 29”) to assist property owners of commercial properties (the “Commercial Properties”) and residential properties (the “Residential Properties”) within the jurisdictional boundaries of SANBAG, to finance the cost of installation of distributed generation renewable energy sources or energy efficiency or water conservation improvements or electric vehicle charging infrastructure (the “Eligible Improvements”).

The Board of Directors approved and subsequently amended a report prepared pursuant to and addressing all of the matters set forth in Streets and Highways Code Section 5898.22 and 5898.23 (as amended, the “Program Report”), including a map showing the boundaries of the territory within which the voluntary contractual assessments may be offered (the “Program Area”), a draft contract specifying the terms and conditions that would be agreed to by an owner of property within such boundaries and SANBAG (each, an “Assessment Contract”), a statement of policies of SANBAG concerning such voluntary contractual assessments and a plan for raising a capital amount required to pay for the work performed pursuant to the voluntary contractual assessments.

As a further part of such proceedings, the Board of Directors provided that one or more series of limited obligation improvement bonds would be issued under the Bond Act of 1915, being Division 10 of the Streets & Highways Code of the State of California (the “1915 Bond Act”) or other financing relationship would be entered for the purpose of financing the installation of Eligible Improvements.

Subsequently, SANBAG and Renovate America entered into an agreement to provide that Renovate America would, as a part of the Program, administer and finance a program (the

“SANBAG HERO Residential Program”) to finance the installation of Eligible Improvements on Residential Properties within the Program Area.

SANBAG also entered into an agreement with Samas Capital, LLC (“Samas Capital”) to provide that Samas Capital would, as a part of the Program, administer and finance a separate program (the “Samas Commercial Program”) to finance the installation of Eligible Improvements on Commercial Properties within the Program.

Renovate America has created the infrastructure and developed the resources to administer and finance the installation of Eligible Improvements on Commercial Properties.

The Board of Directors has determined that it would be in the best interests of the owners of Commercial Properties to enable Renovate America to administer and finance a program as part of the Program (the “HERO Commercial Program”), separate and apart from the HERO Residential Program and the Samas Commercial Program, to finance the installation of Eligible Improvements on Commercial Properties in the Program Area.

The Board of Directors has amended, concurrently with the approval of this Master BPA, the Program Report to enable Renovate America to implement a HERO Commercial Program within the Program Area.

SANBAG and Renovate America now desire and intend to concurrently enter into an agreement pursuant to which Renovate America shall provide administrative services for the HERO Commercial Programs (the “Administration Agreement”) and this Master BPA to provide for and establish the terms and conditions pursuant to which SANBAG will sell to Renovate America and Renovate America shall purchase from SANBAG the limited obligation improvement bonds issued by SANBAG to finance the installation of Eligible Improvements on Commercial Properties the owners of which elect to participate in the HERO Commercial Program.

The Parties hereto desire that the Administration Agreement and this Master BPA taken together represent the operating relationship between the parties pertaining to the HERO Commercial Program.

1. Definitions. Capitalized terms that are used in this Master BPA and not otherwise defined herein shall have the respective meanings ascribed to them in the Master Indenture.
2. Purchase and Sale and Delivery of the Improvement Bonds.

(a) Subject to the terms and conditions set forth in this Master BPA and any supplement to this Master BPA entered into by and between the parties hereto (each, a “Supplement to Master BPA”), and in reliance upon the representations, warranties and agreements set forth herein and in any Supplement to Master BPA, Renovate America hereby agrees to purchase, or cause its designee to purchase (as used herein the term “Renovate America” shall include any designee thereof), all (but not less than all) of the limited obligation improvement bonds associated with the HERO Commercial Program (the “Improvement Bonds”

or an “Improvement Series of Bonds”), from SANBAG and SANBAG hereby agrees to sell to Renovate America, when as and if issued, all (but not less than all) of the Improvement Bonds.

(b) Pursuant to the applicable Master Indenture (defined below), SANBAG shall issue the Bonds or each Series of Bonds pursuant to a master indenture (each, a “Master Indenture”) by and between SANBAG and the trustee thereunder (the “Trustee”) and a supplemental indenture (each, a “Supplemental Indenture”), the terms and conditions of each such agreement having been agreed to by SANBAG and the Renovate America. SANBAG and the Trustee shall enter into a Supplemental Indenture pertaining to each Improvement Bond or Series of Improvement Bonds or Series of Improvement Bonds which Supplemental Indenture shall set forth and establish the Closing Date for such Improvement Bond or Series of Improvement Bonds, the date from which such Improvement Bond or Series of Improvement Bonds shall bear interest and the dates on which the principal of and interest on such Improvement Bond or Series of Improvement Bonds shall be payable, the rate of interest per annum payable on such Improvement Bond or Series of Improvement Bonds, the maturity date of such Improvement Bond or Series of Improvement Bonds, the redemption provisions pertaining to such Improvement Bond or Series of Improvement Bonds and the Purchase Price (defined below) for such Improvement Bond or Series of Improvement Bonds. Each such Supplemental Indenture shall be subject to the approval of Renovate America and SANBAG.

(c) Each Improvement Bond or Series of Improvement Bonds or Series of Improvement Bonds shall be substantially in the form described in, shall be issued and secured under the provisions of, and shall be payable and be subject to redemption as provided in, the Master Indenture and the Supplemental Indenture pertaining to such Improvement Bond or Series of Improvement Bonds.

(d) The “Purchase Price” of an Improvement Bond or Series of Improvement Bonds shall be a sum equal to the principal amount of such Improvement Bond or Series of Improvement Bonds.

(e) At 10:00 A.M., Pacific Daylight Time, on the Closing Date for each Improvement Bond or Series of Improvement Bonds or Series of Improvement Bonds, or at such other time as shall be agreed upon by SANBAG and Renovate America, (i) SANBAG will deliver or cause to be delivered the Improvement Bond or Series of Improvement Bonds to Renovate America, duly executed by SANBAG and authenticated by the Trustee as provided in the applicable Master Indenture, (ii) SANBAG will deliver the SANBAG Closing Documents (as defined below) to Best Best & Krieger LLP, as bond counsel to SANBAG for the HERO Commercial Program (“Bond Counsel”) at the offices of Bond Counsel or another place to be mutually agreed upon by SANBAG and Renovate America (the “Closing Location”) and Renovate America shall accept such delivery and pay the Purchase Price of the Improvement Bond or Series of Improvement Bonds in federal funds payable to the order of SANBAG or its designee and deliver Renovate America’s Closing Documents (as defined below) to Bond Counsel at the Closing Location. This payment and these deliveries, together with the delivery of the Closing Documents, are herein called the “Closing.” Each Improvement Bond or Series of Improvement Bonds or Series

of Improvement Bonds shall be made available to Renovate America for inspection not later than the second last business day before the Closing Date.

3. Representations, Warranties and Agreements of SANBAG. SANBAG represents, warrants and covenants to and agrees with Renovate America as to each Improvement Bond or Series of Improvement Bonds that:

(a) SANBAG is a joint exercise of powers authority duly organized and existing under the Constitution of the State of California (the “Constitution”) and laws of the State of California (the “State”), and has, and at each Closing Date will have, full legal right, power and authority,

(i) to adopt the resolution authorizing the issuance of each Bond or Series of Bonds, (each a “Resolutions of Issuance”),

(ii) to enter into this Master BPA and the Supplement to Master BPA, if any, pertaining to each Improvement Bond or Series of Improvement Bonds or Series of Improvement Bonds,

(iii) to enter into the applicable Master Indenture and the Supplemental Indenture with respect to each Improvement Bond or Series of Improvement Bonds or Series of Improvement Bonds,

(iv) to issue, sell and deliver each Improvement Bond or Series of Improvement Bonds or Series of Improvement Bonds to Renovate America as provided herein,

(v) to enter into each Assessment Contract as such term is defined in the Supplemental Indenture,

(vi) to carry out and consummate the transactions as to each Improvement Bond or Series of Improvement Bonds or Series of Improvement Bonds on its part contemplated by the Master BPA and the Supplement to Master BPA, the applicable Master Indenture, the Supplemental Indenture and such Improvement Bond or Series of Improvement Bonds.

As to each Improvement Bond or Series of Improvement Bonds or Series of Improvement Bonds, the Master BPA, the applicable Supplement to Master BPA, if any, the applicable Master Indenture, the applicable Supplemental Indenture and such Improvement Bond or Series of Improvement Bonds are collectively referred to herein as the “SANBAG Documents.”

(b) By all necessary official action of SANBAG, SANBAG has duly authorized and approved the adoption or execution and delivery by SANBAG of, and the performance by SANBAG of the obligations contained in, the SANBAG Documents and the Resolutions of Issuance and such authorizations and approvals are and shall, as of each Closing Date, be in full force and effect and have not been amended, modified or rescinded. When executed and delivered by the parties thereto, each Improvement Bond or Series of Improvement Bonds or

Series of Improvement Bonds and the SANBAG Documents will constitute the legally valid and binding obligations of SANBAG enforceable against SANBAG in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or affecting creditors' rights generally. SANBAG has complied, and as of each Closing Date, shall be in compliance in all respects, with the obligations on its part to be performed on or prior to each Closing Date under the SANBAG Documents.

(c) The Board of Directors has duly established the Program pursuant to Chapter 29. The Board of Directors has duly authorized the issuance and sale of each Improvement Bond or Series of Improvement Bonds or Series of Improvement Bonds pursuant to the applicable Resolutions of Issuance, adopted by the Board of Directors, the applicable Master Indenture and the applicable Supplemental Indenture.

(d) SANBAG is not and, as of each Closing Date, will not be in breach of or in default under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States of America, or any applicable judgment or decree or any trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which SANBAG is a party or is otherwise subject, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument which breach, default or event could have a material adverse effect on SANBAG's ability to perform its obligations under each Improvement Bond or Series of Improvement Bonds or the SANBAG Documents; and, as of such times, the authorization, execution and delivery of each Improvement Bond or Series of Improvement Bonds and the SANBAG Documents and compliance by SANBAG with the obligations on its part to be performed in each of such agreements or instruments does not and will not conflict with or constitute a breach of or default under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States of America, or any applicable judgment, decree, license, permit, trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which SANBAG (or any of its officers in their respective capacities as such) is subject, or by which it or any of its properties is bound, nor will any such authorization, execution, delivery or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of its assets or properties or under the terms of any such law, regulation or instrument, except as may be provided by the SANBAG Documents.

(e) There is, and as of each Closing Date, there shall be no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body (collectively and individually, an "Action") pending with respect to which SANBAG has been served with process or to the best knowledge of SANBAG threatened, in which any such Action (i) in any way questions the corporate existence of SANBAG or the titles of the officers of SANBAG to their respective offices, (ii) in any way questions the establishment of the Program or the titles of the Board of Directors of SANBAG, (iii) affects, contests or seeks to prohibit, restrain or enjoin the issuance or delivery of each Improvement Bond or Series of Improvement Bonds, or the payment or collection of any amounts pledged or

to be pledged to pay the principal of and interest on each Improvement Bond or Series of Improvement Bonds, or in any way contests or affects the validity of the SANBAG Documents or the consummation of the transactions on the part of SANBAG contemplated thereby, or contests the exclusion of the interest on any Improvement Bond from state income taxation or contests the powers of SANBAG, or its authority, to levy and collect the applicable Assessments, (iv) may result in any material adverse change relating to the financial condition of SANBAG; and as of the time of acceptance hereof and as of each Closing Date, to the knowledge of SANBAG, there is no basis for any action, suit, proceeding, inquiry or investigation of the nature described in clauses (i) through (iv) of this sentence.

(f) Each Improvement Bond or Series of Improvement Bonds, when issued, executed and delivered in accordance with the applicable Master Indenture and the applicable Supplemental Indenture and sold to Renovate America, will be validly issued and an outstanding limited obligation of SANBAG, entitled to the benefits of the applicable Master Indenture and the applicable Supplemental Indenture and the security of the pledge of the proceeds of the levy of the applicable Assessment or Assessments. The Master Indenture and the applicable Supplemental Indenture create a valid pledge of the moneys in certain funds and accounts established pursuant to such Master Indenture, including the investments thereof subject in all cases to the provisions of such Master Indenture permitting the application thereof for the purposes and on the terms and conditions set forth therein.

(g) Each Assessment constituting the security for an Improvement Bond has been duly and lawfully authorized and levied under Chapter 29 and the Constitution and the applicable laws of the State, and pursuant to Chapter 29 such Assessment, when levied, will constitute a valid and legally binding lien on the Participating Parcel upon which it has been levied.

(h) All authorizations, approvals, licenses, permits, consents, elections, and orders of or filings with any governmental authority, legislative body, board, agency or commission having jurisdiction in the matters which are required by each Closing Date for the due authorization of, or which would constitute a condition precedent to or the absence of which would adversely affect the due performance by SANBAG of its obligations in connection with the SANBAG Documents have been duly obtained or made and are in full force and effect.

(i) SANBAG will apply the proceeds of each Improvement Bond or Series of Improvement Bonds in accordance with the applicable Master Indenture and the applicable Supplemental Indenture.

4. Conditions to the Obligations of Renovate America. The obligations of Renovate America to accept delivery of and pay for each Improvement Bond or Series of Improvement Bonds on the Closing Date thereof shall be subject, at the option of Renovate America, to the accuracy in all material respects of the representations and warranties on the part of SANBAG contained herein, as of the date hereof and as of the Closing Date, to the accuracy in all material respects of the statements of the officers and other officials of SANBAG made in any certificates or other documents furnished pursuant to the provisions hereof, to the performance by SANBAG

of its obligations to be performed hereunder at or prior to the Closing Date and to the following additional conditions:

(a) At each such Closing Date, the SANBAG Documents shall be in full force and effect, and shall not have been amended, modified or supplemented, except as may have been agreed to in writing by Renovate America, and there shall have been taken in connection therewith, with the issuance of each Improvement Bond or Series of Improvement Bonds and with the transactions contemplated thereby and by this Master BPA, all such actions as, in the opinion of Bond Counsel, shall be necessary and appropriate;

(b) Between the date hereof and the Closing Date applicable to each Improvement Bond or Series of Improvement Bonds, the market price or marketability of such Improvement Bond at the prices set forth in the Supplemental Indenture applicable thereto shall not have been materially adversely affected, in the judgment of Renovate America (evidenced by a written notice to SANBAG terminating the obligation of Renovate America to accept delivery of and pay for the Improvement Bonds), which judgment shall be formed (to the maximum extent reasonably practicable under the circumstances) only after consultation with SANBAG's financial advisor, by reason of any of the following:

(i) legislation introduced in or enacted (or resolution passed) by the Congress of the United States of America, or an order, decree or injunction issued by any court of competent jurisdiction, or an order, ruling, regulation (final, temporary or proposed), press release or other form of notice issued or made by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction of the subject matter, to the effect that obligations of the general character of the Improvement Bonds, or such Improvement Bond, including any or all underlying arrangements, are not exempt from registration under or other requirements of the Securities Act of 1933, as amended, or that the applicable Master Indenture is not exempt from qualification under or other requirements of the Trust Indenture Act of 1939, as amended, or that the issuance, offering or sale of obligations of the general character of the Improvement Bonds, or of the Improvement Bonds as contemplated hereby or otherwise is or would be in violation of the federal securities laws, rules or regulations as amended and then in effect;

(ii) any amendment to the federal or State Constitution or action by any federal or State court, legislative body, regulatory body or other authority materially adversely affecting the validity or enforceability of the Assessments or the ability of SANBAG to construct or acquire the improvements as contemplated by SANBAG Documents.

(c) On each Closing Date, Renovate America shall have received counterpart originals or certified copies of the following documents, in each case satisfactory in form and substance to Renovate America:

(i) SANBAG Documents, together with a certificate dated as of the Closing Date of SANBAG Secretary to the effect that each such document is a true, correct and complete copy of the one duly approved by the Board of Directors; provided, however, the Master BPA

and the applicable Master Indenture need not be provided so long as such certificate specifies that such document or documents have not be amended since such document or documents were previously received by the Renovate America;

(ii) Unqualified approving opinion for each Improvement Bond or Series of Improvement Bonds delivered on such Closing Date, dated such Closing Date and addressed to SANBAG, of Best Best & Krieger LLP, Bond Counsel for SANBAG, substantially in the form attached as Exhibit A hereto and a reliance letter dated such Closing Date and addressed to Renovate America, in the form attached as Exhibit B hereto, to the effect that such approving opinion addressed to SANBAG may be relied upon by Renovate America to the same extent as if such opinion was addressed to them;

(iii) Supplemental opinion, dated the Closing Date and addressed to SANBAG, the Renovate America and the Trustee, of Best Best & Krieger LLP, Bond Counsel for SANBAG, in the form attached as Exhibit C hereto;

(iv) A certificate, dated such Closing Date and signed by an authorized representative of SANBAG, in substantially the form attached hereto as Exhibit D;

(v) (5) A certificate of the Trustee dated such Closing Date in substantially the form attached hereto as Exhibit E;

(vi) An executed copy of each Assessment Contract pertaining to the Commercial Property(ies) upon which the Assessment securing such Improvement Bond has been levied (each such Commercial Property, a “Participating Parcel”).

(vii) A conformed copy of the Notice of Assessments pertaining to the Assessment levied against each Participating Parcel as recorded in the office of the Auditor-County Clerk-Recorder of the County of San Bernardino (the “County Recorder”).

5. Conditions of SANBAG’s Obligations. SANBAG’s obligations hereunder as to the sale of any Improvement Bond are subject to Renovate America’s performance of their obligations hereunder, and are also subject to the following conditions:

(a) As of the Closing Date, no litigation shall be pending or, to the knowledge of the duly authorized officer of SANBAG executing the certificate referred to in Section 4(c)(iv) hereof, threatened, to restrain or enjoin the issuance or sale of such Improvement Bond or in any way affecting any authority for or the validity of such Improvement Bond or SANBAG Documents or the existence or powers of SANBAG;

(b) As of the Closing Date, SANBAG shall receive the approving opinions of Bond Counsel referred to in Section 4(c)(ii) and (iii) hereof, dated as of the Closing Date;

(c) Receipt by SANBAG of a duly executed letter of Renovate America and/or the assignee of Renovate America purchasing such Improvement Bond or Series of Bonds dated as of the Closing Date and in substantially the form attached hereto as Exhibit F;

(d) Receipt by SANBAG of a duly executed certificate of Renovate America regarding the receipt of the Improvement Bond in substantially the form attached as Exhibit G hereto.

6. Expenses. Whether or not the Improvement Bonds are delivered to Renovate America as set forth herein:

(a) Renovate America shall be under no obligation to pay, and SANBAG shall pay or cause to be paid (out of the proceeds of each Improvement Bond or Series of Improvement Bonds all expenses incidental to the performance of SANBAG's obligations hereunder in such amounts as set forth in Exhibit "H" to the following parties:

- (i) SANBAG as issuer of the Improvement Bonds;
- (ii) Public Financial Management, LLC, as Program manager;
- (iii) David Taussig & Associates as assessment administrator;
- (iv) Best Best & Krieger LLP as bond counsel;
- (v) the Trustee;

(vi) Renovate America, Inc., in payment for the provision by Renovate America, Inc. of its HERO Commercial Program Administrative Services as defined in and payable pursuant to Contract # 16-1001558 by and between SANBAG and Renovate America, Inc. for Services to assist in the Implementation and Administration of Financing Mechanisms for the SANBAG HERO Program, a Property Assessed Clean Energy (PACE) Program for Commercial Properties in Participating Cities and San Bernardino County; and in payment for the provision by Renovate America, Inc. of its HERO Commercial Program Funding pertaining to such Improvement Bond.

(vii) Any such other Party in such amounts that may be mutually agreed upon in writing by the Parties will be paid in accordance with such agreement.

(b) SANBAG shall be under no obligation to pay, and Renovate America shall pay any and all expenses incurred by Renovate America, including but not limited to, the fees and disbursements of its counsel pertaining to the issuance of any Improvement Bond.

(c) SANBAG shall not be under any obligation to pay any fees of the California Debt and Investment Advisory Commission pertaining to any Improvement Bond. Renovate America shall pay any fees of the California Debt and Investment Advisory Commission pertaining to any Improvement Bond.

7. Authority of Renovate America to Issue Asset Backed Securities and Sell Improvement Bonds. Renovate America will purchase the Improvement Bonds by utilizing source of funds as Renovate America may in its discretion elect to utilize. From time to time Renovate America

may elect at its own expense to securitize its interest in Improvement Bonds and sell such securities to the investment community or sell any Improvement Bond, provided that any such sale is to an Accredited Investor (as such term is defined in Regulation D – Rules Governing the Limited Offer and sale of Securities Without Registration under the Securities Act of 1933, being 17 CFR 230.501 through 230.508) and that all subsequent buyers of such Improvement Bond agree to be bound by this provision. No further action or acknowledgment by SANBAG will be required to authorize such securitization or sale by Renovate America. All fees, costs and liabilities arising directly or indirectly from or associated with Renovate America’s issuance of asset-backed securities or selling the Improvement Bonds, including without limitation costs of issuance and annual disclosure costs, will be borne by Renovate America.

SANBAG will provide any reasonable assistance requested by Renovate America, including without limitation, the provision of relevant Program data and reports as may be deemed reasonably necessary by the Renovate America for the securitization or other sale of Improvement Bonds by Renovate America. Nothing contained in this paragraph shall, however, require SANBAG to prepare any disclosure documents pertaining to such securitization or other sale of Improvement Bonds as may be required pursuant to securities laws and regulations of the federal government or the State of California or any agency, department or office of either such government. Renovate America shall pay all reasonable expenses incurred by or on behalf of SANBAG in providing such data and reports.

8. General Provisions.

(a) Termination of Agreement. Should (a) Renovate America (i) breach one or more of its material obligations as outlined herein or in the Contract #16-1001558 by and between SANBAG and RENOVATE AMERICA, INC for Services to Assist in the Formation, Implementation and Administration of the HERO Commercial Program (the “Services Contract”) or (ii) fail during any calendar year to purchase Improvement Bonds which have met the underwriting guidelines identified in the Program Report applicable to Commercial Properties participating in the Program with an aggregate principal amount of \$1 million or more or (b) SANBAG terminate the Services Contract pursuant to the provisions thereof, SANBAG may, by written notice to Renovate America, terminate the whole or any part of this Master BPA by giving written notice to Renovate America of such termination, and specifying the effective date thereof, at least thirty (30) days before the effective date of such termination. Renovate America may, by written notice to SANBAG, terminate this Master BPA for cause which shall include, but not be limited to, the determination by Renovate America, in the exercise of its reasonable professional judgment after consultation with the SANBAG Representative, that SANBAG cannot reasonably be expected to be able to issue Improvement Bonds pursuant to this Master BPA.

(b) Delivery of Notices. All notices permitted or required under this Master BPA shall be given to the respective Parties at the following address, or at such other address as the respective parties may provide in writing for this purpose:

Renovate America: Renovate America, Inc.

15073 Avenue of Science, Suite 200
 San Diego, CA 92127
 Attn: J.P. McNeill, Chief Executive Officer

With copy to:

SANBAG: San Bernardino Associated Governments
 1170 W. 3rd St., 2nd Floor
 San Bernardino, CA 92410
 Attn: Duane Baker, Deputy Executive Director

With copy to: San Bernardino Associated Governments
 1170 W. 3rd St., 2nd Floor
 San Bernardino, CA 92410
 Attn: Eileen Monaghan Teichert, General Counsel

and

Best Best & Krieger LLP
 655 West Broadway, 15th Floor
 San Diego, CA 92101
 Attn: Warren Diven

Such notice shall be deemed made when personally delivered or when mailed, forty-eight (48) hours after deposit in the U.S. Mail, first class postage prepaid and addressed to the Party at its applicable address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

(c) Cooperation; Further Acts. The Parties shall fully cooperate with one another, and shall take any additional acts or sign any additional documents as may be necessary, appropriate or convenient to attain the purposes of this Master BPA.

(d) Availability of Injunctive Relief. Renovate America and SANBAG agree that either Renovate America or SANBAG may petition a court for provisional relief, including injunctive relief, as permitted by the Rules, including, but not limited to, where either Renovate America or SANBAG alleges or claims a violation of this Master BPA between SANBAG and Renovate America. Renovate America and SANBAG understand that any breach or threatened breach of such an agreement (including this Master BPA) will cause irreparable injury and that money damages will not provide an adequate remedy therefor and both SANBAG and Renovate America hereby consent to the issuance of an injunction.

(e) Indemnification and Hold Harmless. Renovate America shall defend, indemnify and hold SANBAG, its officials, officers, employees, volunteers and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or

injury, in law or equity, to property or persons, including wrongful death, in any manner arising out of or incident to any alleged negligent or wrongful acts, omissions or willful misconduct of Renovate America, its officials, officers, employees, agents, consultants, contractors and subcontractors, arising out of or in connection with the performance of the Program Administration Services, the Program or this Agreement, including without limitation the payment of all consequential damages and attorneys' fees and other related costs and expenses. Renovate America shall defend, at Renovate America's own cost, expense and risk, any and all such aforesaid suits, actions or other legal proceedings of every kind that may be brought or instituted against SANBAG, its directors, officials, officers, employees, agents or volunteers. Renovate America shall pay and satisfy any judgment, award or decree that may be rendered against SANBAG or its directors, officials, officers, employees, agents or volunteers, in any such suit, action or other legal proceeding. Renovate America shall reimburse SANBAG and its directors, officials, officers, employees, agents and/or volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided. Renovate America's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the SANBAG, its directors, officials, officers, employees, agents or volunteers. No third party shall be a direct beneficiary of this Section 8(e).

(f) Entire Agreement. This Master BPA contains the entire agreement of the Parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements. This Master BPA may only be modified by a writing signed by both Parties.

(g) Governing Law. This Master BPA shall be governed by the laws of the State of California. Venue shall be in San Bernardino County.

(h) Time of Essence. Time is of the essence for each and every provision of this Master BPA.

(i) Successors and Assigns. This Master BPA shall be binding on the successors and assigns of the Parties.

(j) Assignment or Transfer. Renovate America shall not assign, hypothecate, or transfer, either directly or by operation of law, this Master BPA or any interest herein without the prior written consent of SANBAG; provided, however, Renovate America may assign this Master BPA in connection with the merger or the sale of all or substantially all of its assets provided that the successor entity expressly assumes all of the obligations and confirms all of the representations and warranties of Renovate America hereunder. Any attempt to do so shall be null and void, and any assignees, hypothecates or transferees shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer.

(k) Construction; References; Captions. Since the Parties or their agents have participated fully in the preparation of this Master BPA, the language of this Master BPA shall be construed simply, according to its fair meaning, and not strictly for or against any Party. Any term referencing time, days or period for performance shall be deemed calendar days and not workdays. All references to Renovate America include all personnel, employees, agents, and

subcontractors of Renovate America, except as otherwise specified in this Master BPA. All references to SANBAG include its elected officials, officers, employees, agents, and volunteers except as otherwise specified in this Master BPA. The captions of the various articles and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content, or intent of this Master BPA.

(l) Amendment; Modification. No supplement, modification, or amendment of this Master BPA shall be binding unless executed in writing and signed by both Parties.

(m) Waiver. No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual rights by custom, estoppel, or otherwise.

(n) No Third Party Beneficiaries. There are no intended third party beneficiaries of any right or obligation assumed by the Parties.

(o) Invalidity; Severability. If any portion of this Master BPA is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

(p) Prohibited Interests. Renovate America warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Renovate America, or independent contractors and consultants engaged by Renovate America to perform Renovate America's obligations and duties under this Master BPA to solicit or secure this Master BPA. Further, other than its outside counsel, Renovate America warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Renovate America, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Master BPA. For breach or violation of this warranty, SANBAG shall have the right to rescind this Master BPA without liability. For the term of this Master BPA, no member, officer or employee of SANBAG, during the term of his or her service with SANBAG, shall have any direct interest in this Master BPA, or obtain any present or anticipated material benefit arising therefrom.

(q) Survival of Representations, Warranties and Agreements. The representations, warranties and agreements of SANBAG set forth in or made pursuant to this Master BPA shall not be deemed to have been discharged, satisfied or otherwise rendered void by reason of the Closing and regardless of any investigations made by or on behalf of Renovate America (or statements as to the results of such investigations) concerning such representations and statements of SANBAG and regardless of delivery of and payment for the Improvement Bonds.

(r) Equal Opportunity Employment. Renovate America represents that it is an equal opportunity employer and it shall not discriminate against any subcontractor, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex or age. Such non-discrimination shall include, but not be limited to, all activities related to

initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination.

(s) Authority to Enter Master BPA. Renovate America has all requisite power and authority to conduct its business and to execute, deliver, and perform the Master BPA. Each Party warrants that the individuals who have signed this Master BPA have the legal power, right, and authority to make this Master BPA and bind each respective Party.

9. Effective. This Master BPA shall become effective and binding upon the respective parties hereto upon the execution of the acceptance hereof by SANBAG and shall be valid and enforceable as of the time of such acceptance.

10. Counterparts. This Master BPA may be executed simultaneously in several counterparts, each of which shall be an original and all of which shall constitute one and the same instrument.

(Signature page follows)

IN WITNESS WHEREOF, the Parties hereto have made and executed this Master BPA as of the date first written above.

SAN BERNARDINO ASSOCIATED GOVERNMENTS

RENOVATE AMERICA, INC.

By: _____
Title: Robert A. Lovingood, President

By: _____
Title: J.P. McNeill, Chief Executive Officer

APPROVED AS TO FORM:

By: _____
Eileen Monaghan Teichert
General Counsel

CONCURRENCE:

By: _____
Jeffery Hill
Procurement Manager

EXHIBIT A
FORM OF BOND COUNSEL OPINION

[Closing Date]

Board of Directors
San Bernardino Associated Governments
1170 W. 3rd Street, 2nd Floor
San Bernardino, California

Re: San Bernardino Associated Governments
Limited Obligation Improvement Bond
(HERO Commercial Program)
(_____ Commercial Property Tranche)

Bond Counsel Opinion

Ladies and Gentlemen:

We have acted as bond counsel to the San Bernardino Associated Governments (“SANBAG”) in connection with the issuance by SANBAG of those San Bernardino Associated Governments Limited Obligation Improvement Bonds (HERO Commercial Program) (_____ Commercial Property Tranche) listed in the attached Schedule I (the “Bonds” and each series individually, a “Bond”). In such capacity we have examined the proceedings taken by SANBAG for the levy of assessments and the authorization and issuance of the Bonds with respect to the SANBAG HERO Program (the “Program Proceedings”). Additionally, we have examined such law, certifications, and other documents as we have deemed necessary to render this opinion.

The Program Proceedings were taken pursuant to the provisions of Chapter 29 of Part 3, Division 7 of the Streets and Highways Code of the State of California (“Chapter 29”). The Bond has been issued pursuant to Chapter 29, the Municipal Improvement Act of 1915 (Division 10 of the Streets and Highways Code of the State of California), Resolution No. _____ adopted by the Board of Directors of SANBAG (the “Board of Directors”) on June __, 20__ (the “Original Resolution of Issuance”) and the Master Indenture, dated as of _____, 20__ (the “Master Indenture”), by and between SANBAG and Deutsche Bank National Trust Company, as trustee (the “Trustee”) and a separate Supplemental Indenture, dated as of _____, 20__ (each, a “Supplemental Indenture”), by and between SANBAG and the Trustee, pertaining to each Bond. Capitalized terms used herein and not defined herein shall have the meanings given such terms in the Master Indenture or the applicable Supplemental Indenture, as appropriate.

As to questions of fact material to our opinion, we have relied upon representations of SANBAG, the certified proceedings and other certifications furnished to the SANBAG or to us, without undertaking to verify the same by independent investigation.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions, including the default judgment rendered on August 26, 2013, by the Superior Court of the County of San Bernardino in the validation action entitled Superior Court of the County of Riverside as *San Bernardino Associated Governments v. All Persons Interested, etc.*, Case No. CIVDS 1305664, and cover certain matters not directly addressed by such authorities. We call attention to the fact that the opinions contained herein may be affected by actions taken (or not taken) or events occurring (or not occurring) after the date hereof. This opinion is given as of the date hereof and we assume no obligation to revise and supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may thereafter occur.

Based upon the foregoing, we are of the opinion that the Program Proceedings have been undertaken in accordance with the law and the Constitution of the State of California and that the Bonds, having been duly issued, executed and delivered in the manner provided by law, and the Master Indenture and the applicable Supplemental Indenture having been duly authorized and executed by the proper official, constitute the legally valid and binding limited obligations of SANBAG enforceable in accordance with their terms subject to the qualifications specified below. Each Bond is secured by a first pledge of the Assessment or Assessments, as applicable, securing such Bond levied upon the Participating Parcel or Participating Parcels (except amounts deposited into the Administrative Expense Fund established pursuant to the Master Indenture) and all moneys deposited in the Redemption Fund (including the Capitalized Interest Account and the Prepayment Account therein) and the Reserve Fund established pursuant to the Master Indenture derived from the installments of such Assessment or Assessments, as applicable, or from the prepayment of such Assessment or Assessments, as applicable, received by SANBAG.

We are further of the opinion that interest on the Bonds is exempt from personal income taxes imposed by the State of California, however, we observe that interest on the Bonds is not excludable from gross income for federal income tax under Section 103 of the Internal Revenue Code of 1986 (the "Code"). We express no opinion regarding other federal tax consequences with respect to the Bonds.

Any federal tax advice contained herein with respect to the Bonds is not intended or written to be used, and it cannot be used, for the purpose of avoiding penalties under the Code. The federal tax advice contained herein with respect to the Bonds was written to support the promoting and marketing of the Bonds. Before purchasing the Bonds, all potential purchasers should consult their independent tax advisors with respect to the tax consequences relating to the Bonds and the taxpayer's particular circumstances.

We are admitted to the practice of law only in the State of California and our opinion is limited to matters governed by the laws of the State of California and federal law. We assume no responsibility with respect to the applicability or the effect of the laws of any other jurisdiction and express no opinion as to the enforceability of the choice of law provisions contained in the Indenture.

The rights of the owner of the Bonds and the enforceability of the Bonds, the Master Indenture and the Supplemental Indentures may be subject to bankruptcy, insolvency,

moratorium and other similar laws affecting creditors' rights heretofore and hereafter enacted, and their enforcement may be subject to the exercise of judicial discretion in accordance with general principals of equity.

Respectfully submitted,

Best Best & Krieger LLP

EXHIBIT B
FORM OF RELIANCE LETTER OF BOND COUNSEL

[Closing Date]

[Renovate America of the Bond]

Deutsche Bank National Trust Company
1761 E Street Andrew Place
Santa Ana, California

Re: San Bernardino Associated Governments
Limited Obligation Improvement Bond
(HERO Commercial Program)
(_____ Commercial Property Tranche)

Reliance Letter

Ladies and Gentlemen:

We are delivering to you on the date of this letter a copy of our opinion dated [Closing Date] that is attached hereto, and addressed to the Board of Directors of the San Bernardino Associated Governments with respect to the bonds listed on the attached Schedule I. This is to confirm that you may rely on that opinion as though it were addressed to you.

Respectfully submitted,

Best Best & Krieger LLP

EXHIBIT C

FORM OF SUPPLEMENTAL OPINION OF BOND COUNSEL

[Closing Date]

Board of Directors
 San Bernardino Associated Governments
 1170 W. 3rd Street, 2nd Floor
 San Bernardino, California

[Renovate America of the Bond]

Deutsche Bank National Trust Company
 1761 E Street Andrew Place
 Santa Ana, California

Re: San Bernardino Associated Governments
 Limited Obligation Improvement Bond
 (HERO Commercial Program)
 (_____ Commercial Property Tranche)

Supplemental Opinion of Bond Counsel

Ladies and Gentlemen:

This opinion is rendered in our capacity as bond counsel for San Bernardino Associated Governments (“SANBAG”) and in conjunction with and pertaining to the proceedings conducted by SANBAG for the levy of assessments and the authorization and issuance of San Bernardino Associated Governments Limited Obligation Improvement Bonds (HERO Commercial Program) (_____ Commercial Property Tranche) listed on the attached Schedule I (the “Bonds” or each series individually, a “Bond”), with respect to the SANBAG HERO Program (the “Program”) taken pursuant to the provisions of Chapter 29 of Part 3, Division 7 of the Streets and Highways Code of the State of California (“Chapter 29”) and the sale and delivery of the Bond by SANBAG pursuant to the provisions of Chapter 29, the Improvement Bond Act of 1915 (Division 10 of the Streets and Highways Code of the State of California) (the “Bond Act”), Resolution No. _____ adopted by the Board of Directors of SANBAG (the “Board of Directors”) on June __, 20__ (the “Original Resolution of Issuance”) and the Master Indenture, dated as of _____, 20__ (the “Master Indenture”), by and between SANBAG and Deutsche Bank National Trust Company, as trustee (the “Trustee”) and a separate Supplemental Indenture, dated as of _____, 20__ (each, a “Supplemental Indenture”), by and between SANBAG and the Trustee, pertaining to each Bond. Capitalized terms used herein and not defined herein shall have the meanings given such terms in the Master Indenture or the applicable Supplemental Indenture, as appropriate.

On May 24, 2013 SANBAG filed a judicial validation proceeding pursuant to the provisions of Section 860 *et seq.* of the California Code of Civil Procedure (the “Validation Statute”) in the Superior Court of the County of San Bernardino (the “Superior Court”) entitled *San Bernardino Associated Governments v. All Persons Interested, et al.*, Case No. CIVDS 1305664 (the “Validation Action”) to validate the Program and all proceedings relating to or leading up to the Program, the contractual assessments to be levied by SANBAG and the issuance and sale of limited obligation improvement bonds related thereto. On August 26, 2013, a default judgment was entered in the Validation Action (the “Default Judgment”) in which the Superior Court ordered, judged and decreed, in part, that all proceedings by and for SANBAG in connection with the Program, the contractual assessment agreements, and all proceedings related to or leading up to the issuance of such limited obligation improvement bonds, and all matters related thereto, and the execution and delivery of such limited obligation improvement bonds were and are, legal and binding obligations in accordance with their terms and were and are in conformity with all applicable provisions of all laws and enactments at any time in force or controlling upon such proceedings, whether imposed by law, constitution, statute or ordinance, and whether federal, state or local.

As to questions of fact material to our opinion, we have relied upon representations of SANBAG, the certified proceedings and other certifications furnished to the SANBAG or to us, without undertaking to verify the same by independent investigation.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions, including the Default Judgment, and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions are taken or omitted or events do occur or any other matters come to our attention after the date hereof.

As used in this opinion, the phrase “current actual knowledge” means knowledge of facts or other information that is in the conscious awareness of lawyers currently in our firm who have performed legal services for SANBAG.

Based upon the foregoing and subject to the qualifications set forth herein, we are of the opinion that:

1. SANBAG is duly created and validly existing as a joint exercise of powers authority organized and existing under the Constitution and laws of the State of California.
2. SANBAG has full legal power and lawful authority to adopt the Original Resolution of Issuance and approve and enter into the Master Indenture and the Supplemental Indenture, and the Resolution of Issuance, the Master Indenture, the Supplemental Indentures and the Bonds were duly approved by the Board of Directors of SANBAG.
3. [The/Each Bond] has been duly authorized, issued, executed and delivered by SANBAG and constitutes the legal, valid and binding agreement of SANBAG, enforceable in accordance with its terms, subject to bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or transfer and other laws affecting the enforcement of creditors’ rights in

general and except as such enforceability may be limited by the application of equitable principles and the exercise of judicial discretion in appropriate cases. The Master Indenture and the Supplemental Indentures have been duly authorized, executed and delivered by SANBAG, and, assuming due authorization, execution and delivery where applicable by the other parties thereto, constitute the legal, valid and binding agreement of SANBAG, enforceable in accordance with their respective terms, subject to bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or transfer and other laws affecting the enforcement of creditors' rights in general and except as such enforceability may be limited by the application of equitable principles and the exercise of judicial discretion in appropriate cases.

4. The Validation Action was duly filed and the Default Judgment duly entered in accordance with all applicable, laws, rules and regulations of the State of California.

5. Notice of the Validation Action was duly made in accordance with the Validation Statute and the order of the Superior Court.

6. The Default Judgment is final and in full force and effect.

7. Pursuant to its terms and the Validation Statute, the Default Judgment is, notwithstanding any other provisions of law, forever binding and conclusive, as to all matters adjudicated or which could have been adjudicated, against all persons interested, and such Default Judgment shall permanently enjoin the institution by any person of any proceeding raising any issue as to which the judgment is binding and conclusive.

8. Each Assessment has been duly and validly authorized in accordance with the laws of the State of California and a lien to secure payment of the Assessment has been imposed on the Participating Parcel.

9. The lien of each Assessment is coequal to and independent of the lien for general taxes, and, except as provided in Government Code Section 53936, not subject to extinguishment by the sale of the property on account of the nonpayment of any taxes, and prior and superior to all liens, claims and encumbrances except (a) the lien for general taxes or *ad valorem* assessments in the nature of and collected as taxes levied by the State of California, the County of San Bernardino or the city, special district or other local agency, if any, within which each Participating Parcel is located, (b) the lien of any special assessment or assessments the lien date of which is prior in time to the lien date of each Assessment, (c) easements constituting servitudes upon or burdens to each Participating Parcel, (d) water rights, the record title to which is held separately from the title to each Participating Parcel, and (e) restrictions of record. The lien of each Assessment has the same priority as the lien for general taxes or *ad valorem* assessments in the nature of and collected as taxes levied by the State of California, the County of San Bernardino or the city, special district or other local agency, if any, within which each Participating Parcel is located.

10. To our actual knowledge, no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, or public board or body (except for the Validation Actions) is pending or threatened, in any way affecting the existence of SANBAG or the titles of its officers to their respective offices, or seeking to restrain

or to enjoin the issuance, sale or delivery of the Bonds, the application of the proceeds thereof in accordance with the Master Indenture and the Supplemental Indentures, the collection or application of the Assessments pledged or to be pledged to pay the principal of and interest on the Bonds, or the pledge thereof, or in any way contesting or affecting the validity or enforceability of the Assessments, the Bonds, the Master Indenture, the Supplemental Indentures, any other applicable agreements, or any action of the SANBAG contemplated by any of those documents, or in any way contesting the powers of the SANBAG or its authority with respect to the Bonds, the Master Indenture, the Supplemental Indentures, any other applicable agreements, or any action of the SANBAG contemplated by any of those documents, or which would adversely affect the exemption of interest on the Bonds from California personal income taxation; nor to our actual knowledge, is there any basis for any of the foregoing actions.

11. The Program, the Assessment Contracts, the levy of the Assessments and the issuance of the Bonds do not violate the prohibition against “impairing the obligation of contracts” as provided in the United States Constitution, Article I, Section 10, clause 1, or the California Constitution, Article I, Section 9, do not constitute a taking of a pre-existing lender’s property and do not constitute a taking of private property without due process of law in violation of the Fifth and Fourteenth Amendments to the United States Constitution or the California Constitution, Article I, Section 19.

12. Each Bond is exempt from registration pursuant to the Securities Act of 1933, as amended, and the Master Indenture and the Supplemental Indentures are exempt from qualification under the Trust Indenture of 1939, as amended.

The opinions expressed above do not constitute a guarantee of the outcome of any particular litigation, and there can be no assurance that no action may be taken in federal or state court challenging the constitutionality of Chapter 29 and/or the Bond Act relating to the Bonds. Furthermore, given the lack of judicial precedent directly on point, and the novelty of the transactions pertaining to Chapter 29, the Program and/or the Bonds, the outcome of any such litigation cannot be predicted with certainty. In the event of any claim and/or action which adversely impacts the rights of the holder of the Bonds, costly and time-consuming litigation could ensue, adversely affecting, at least temporarily, the price and liquidity of the Bonds.

The opinions set forth herein is intended for the information solely of the addressees hereof and is not to be relied upon by any other person or entity, or for any other purpose, or quoted as a whole or in part, or otherwise referred to, in any document, or to be filed with any governmental or other administrative agency or other person or entity for any purpose without our prior express written consent. We do not undertake to advise you of matters that may come to our attention subsequent to the date hereof that may affect the opinions expressed herein.

Respectfully submitted,

EXHIBIT D

OMNIBUS CERTIFICATE OF SANBAG

[Name and address of purchaser of Bond] Deutsche Bank National Trust Company
1761 E Street Andrew Place
Santa Ana, California 92705

Re: \$ _____
San Bernardino Associated Governments
Limited Obligation Improvement Bonds
(HERO Commercial Program)
(_____ Commercial Property Tranche)

The undersigned hereby certifies that [he/she] is an Authorized Representative of the San Bernardino Associated Governments (“SANBAG”) and that the undersigned is authorized to execute this Omnibus Certificate of SANBAG on behalf of SANBAG in connection with the issuance of the San Bernardino Associated Governments Limited Obligation Improvement Bonds (HERO Commercial Program) (_____ Commercial Property Tranche) listed on the attached Schedule I (the “Bonds” or each series individually, a “Bond”). All capitalized terms used herein and not otherwise defined shall have the meanings given such terms in the Master Indenture, dated as of _____ 1, 20__ (the “Master Indenture”), by and between SANBAG and Deutsche Bank National Trust Company, as trustee (the “Trustee”).

1. The San Bernardino Associated Governments (“SANBAG”) is a joint exercise of powers authority duly organized and existing under the Constitution of the State of California (the “Constitution”) and laws of the State of California (the “State”), and has, and at the Closing Date will have, full legal right, power and authority, for and on behalf of the Participating Agencies,

- (a) to adopt the Resolution of Issuance,
- (b) to enter into the Master Bond Purchase Agreement, dated as of _____, 20__ (the “Master BPA”), by and between SANBAG and Renovate America, Inc. (“Renovate America”),
- (c) to enter into the Master Indenture and each Supplemental Indenture, dated as of _____, 20__ (each, a “Supplemental Indenture” and collectively, the “Supplemental Indentures”), by and between SANBAG and the Trustee with respect to the Bonds,
- (d) to issue, sell and deliver the Bonds to _____ as provided in the Master BPA,

(e) to enter into the Assessment Contract for each Participating Parcel as identified in the applicable Supplemental Indenture,

(f) to carry out and consummate the transactions on its part contemplated by the Master BPA, the Master Indenture, the Supplemental Indentures and the Bonds and the Assessment Contracts.

The Master BPA, the Master Indenture, the Supplemental Indentures and the Assessment Contracts are collectively referred to herein as the “SANBAG Documents.”

2. By all necessary official action of SANBAG, SANBAG has duly authorized and approved the adoption or execution and delivery by SANBAG of, and the performance by the SANBAG of the obligations on its contained in, the Bonds, the SANBAG Documents and the Resolution of Issuance and, as of the date hereof, such authorizations and approvals are in full force and effect and have not been amended, modified or rescinded. The Bonds and, when executed and delivered by the parties thereto, the SANBAG Documents will constitute the legally valid and binding obligations of SANBAG enforceable against SANBAG in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or affecting creditors’ rights generally. SANBAG has complied, and will at the Closing (as such term is defined in the Master BPA, be in compliance in all respects, with the obligations on its part to be performed on or prior to the Closing Date under the Bonds and the SANBAG Documents.

3. The Board of Directors has duly established the Program pursuant to the applicable Resolution of Formation and Chapter 29. The Board of Directors has duly authorized the issuance and sale of the Bond pursuant to Resolution of Issuance, adopted by the Board of Directors, the Master Indenture and the applicable Supplemental Indenture.

4. As of the Closing Date, SANBAG is not or will not be in breach of or in default under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States of America, or any applicable judgment or decree or any trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which SANBAG is a party or is otherwise subject, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument which breach, default or event could have an adverse effect on SANBAG’s ability to perform its obligations under the Bonds or the SANBAG Documents; and, as of such times, the authorization, execution and delivery of the Bond and the SANBAG Documents and compliance by SANBAG with the obligations on its part to be performed in each of such agreements or instruments does not and will not conflict with or constitute a breach of or default under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States of America, or any applicable judgment, decree, license, permit, trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which SANBAG (or any of its officers in their respective capacities as such) is subject, or by which it or any of its properties is bound, nor will any such authorization, execution, delivery or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of

its assets or properties or under the terms of any such law, regulation or instrument, except as may be provided by the SANBAG Documents.

5. As of the Closing Date there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body (collectively and individually, an “Action”) pending with respect to which SANBAG has been served with process or to the best knowledge of SANBAG threatened, in which any such Action (i) in any way questions the corporate existence of SANBAG or the titles of the officers of SANBAG to their respective offices, (ii) in any way questions the establishment of the Program or the titles of the Board of Directors of SANBAG, (iii) affects, contests or seeks to prohibit, restrain or enjoin the issuance or delivery of the Bonds, or the payment or collection of any amounts pledged or to be pledged to pay the principal of and interest on the Bonds, or in any way contests or affects the validity of the SANBAG Documents or the consummation of the transactions on the part of SANBAG contemplated thereby, or contests the exclusion of the interest on the Bonds from state income taxation or contests the powers of SANBAG, or its authority, to levy and collect the applicable Assessment, (iv) may result in any material adverse change relating to the financial condition of SANBAG; and as of the time of acceptance hereof and as of the Closing Date, to the knowledge of SANBAG, there is no basis for any action, suit, proceeding, inquiry or investigation of the nature described in clauses (i) through (iv) of this sentence.

6. Each Bond, when issued, executed and delivered in accordance with the Indenture and sold to _____, will be validly issued and an outstanding limited obligation of SANBAG, entitled to the benefits of the Master Indenture and the applicable Supplemental Indenture and the security of the pledge of the proceeds of the levy of the applicable Assessments identified in the applicable Supplemental Indentures. The Indenture creates a valid pledge of the moneys in certain funds and accounts established pursuant to such Indenture, including the investments thereof subject in all cases to the provisions of such Indenture permitting the application thereof for the purposes and on the terms and conditions set forth therein.

7. Each Assessment constituting the security for the applicable Bond has been duly and lawfully authorized and levied under Chapter 29 and the Constitution and the applicable laws of the State, and pursuant to Chapter 29 such Assessment, when levied, will constitute a valid and legally binding lien on the Participating Parcel upon which it has been levied.

8. All authorizations, approvals, licenses, permits, consents, elections, and orders of or filings with any governmental authority, legislative body, board, agency or commission having jurisdiction in the matters which are required by the Closing Date for the due authorization of, or which would constitute a condition precedent to or the absence of which would adversely affect the due performance by SANBAG of its obligations in connection with the SANBAG Documents have been duly obtained or made and are in full force and effect.

9. SANBAG will apply the proceeds of the Bonds in accordance with the applicable Supplemental Indenture.

Respectfully submitted

Attachment: 16-1001559 SANBAG Master Bond Purchase Agreement (HERO Commercial Program) (First Commercial Property Tranche)-c1

EXHIBIT E

CERTIFICATE OF TRUSTEE

SAN BERNARDINO ASSOCIATED GOVERNMENTS
 LIMITED OBLIGATION IMPROVEMENT BONDS
 (HERO Commercial Program)
 (_____ Commercial Property Tranche)

CERTIFICATE OF TRUSTEE

The undersigned hereby states and certifies:

1. The undersigned is an authorized officer of Deutsche Bank National Trust Company, a national banking association organized under the laws of the United States of America, acting as trustee (the "Trustee") under the Master Indenture, dated as of _____ 1, 20__ (the "Master Indenture"), by and between the Trustee and the San Bernardino Associated Governments ("SANBAG") and each Supplemental Indenture, dated as of _____, 20__ (the "Supplemental Indentures"), by and between the Trustee and SANBAG related to the applicable San Bernardino Associated Governments Limited Obligation Improvement Bond (HERO Commercial Program) (_____ Commercial Property Tranche), listed in the attached Schedule I;

2. the Trustee is duly organized and existing as a national banking association in good standing under the laws of the United States of America having the full power and authority to enter into and perform its duties under the Master Indenture and the Supplemental Indentures and to authenticate and deliver the Bonds to _____ (the "Original Purchaser"), as the purchaser thereof, pursuant to the Master Indenture, the Supplemental Indentures and the Master Bond Purchase Agreement made and entered on _____ 1, 20__, by and between SANBAG and Renovate America, Inc.;

3. the Trustee is duly authorized to enter into the Master Indenture and the applicable Supplemental Indenture and to authenticate and deliver each Bond to the Original Purchaser pursuant to the terms of the Master Indenture and the applicable Supplemental Indenture, and has duly executed and delivered the Master Indenture and each of the Supplemental Indentures;

4. the Trustee is duly authorized to accept the obligations created by the Master Indenture and the Supplemental Indentures and to authenticate each Bond pursuant to the terms of the Master Indenture and the applicable Supplemental Indenture;

5. pursuant to the Master Indenture and the applicable Supplemental Indenture, the Trustee will apply the proceeds from each Bond to the purposes specified in the Master Indenture and such Supplemental Indenture;

6. no consent, approval, authorization or other action by any governmental or regulatory agency having jurisdiction over the Trustee known to the Trustee that has not been

obtained by the Trustee is or will be required for the authentication and delivery of each Bond or the consummation by the Trustee of the other transactions contemplated by the Master Indenture and the applicable Supplemental Indenture;

7. to the best knowledge of the Trustee, the execution and delivery by the Trustee of the Master Indenture and the Supplemental Indentures and compliance with the terms thereof by the Trustee, and authentication and delivery of the Bonds will not conflict with, or result in a violation or breach of, or constitute a default under, any loan agreement, indenture, bond, note, resolution or any other agreement or instrument to which the Trustee is a party or by which it is bound, or any law or any rule, regulation, order or decree of any court or governmental agency or body having jurisdiction over the Trustee or any of its activities or properties (except that no representation, warranty or agreement is made by the Trustee with respect to any Federal or state securities or blue sky laws or regulations), or (except with respect to the lien of the Master Indenture and the Supplemental Indentures) result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the Trustee;

8. there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, public board or body pending or, to the best knowledge of the Trustee, threatened in any way affecting the existence of the Trustee, or seeking to restrain or to enjoin the execution and delivery of the Master Indenture or the Supplemental Indentures, or the authentication of the Bonds by the Trustee, or in any way contesting or affecting the validity or enforceability, as against the Trustee, of the Master Indenture or the Supplemental Indentures or any action of the Trustee contemplated by any of said documents, or in which an adverse outcome would materially and adversely affect the ability of the Trustee to perform its obligations under the Master Indenture or the Supplemental Indentures; and

9. the Trustee has duly authenticated each Bond pursuant to the Master Indenture and the applicable Supplemental Indentures and delivered the Bonds to or upon the order of the Original Purchaser.

DATED:

DEUTSCHE BANK NATIONAL TRUST COMPANY,
as Trustee

By: _____
Authorized Officer

EXHIBIT F
LETTER OF PURCHASER

INVESTOR LETTER
_____, 20__

San Bernardino Associated Governments
1170 W. 3rd Street, 2nd Floor
San Bernardino, California 92410
Attention: Executive Director

Deutsche Bank National Trust Company
c/o DB Services Americas, Inc.
5022 Gate Parkway, Suite 200
Jacksonville, Florida 32256
Attention: Transfer Unit

Re: San Bernardino Associated Governments
Limited Obligation Improvement Bonds
(HERO Commercial Program)
(_____ Commercial Property Tranche)

Ladies and Gentlemen:

The undersigned (the “Investor”) proposes to purchase the limited obligation improvement bonds as listed on the attached Schedule I (the “Bonds”) from the San Bernardino Associated Governments (“SANBAG”). Capitalized terms used in this Investor Letter and not otherwise defined herein shall have the meanings ascribed to such terms in the Master Indenture, dated as of _____ 1, 20__ (the “Master Indenture”), by and between SANBAG and Deutsche Bank National Trust Company, as trustee (the “Trustee”)

In connection with the sale of the Bonds to the Investor, the Investor hereby makes the following representations upon which you may rely:

1. The Investor has authority to purchase the Bonds and to execute this letter and any other instruments and documents required to be executed by the Investor in connection with the purchase of the Bonds.

2. The Investor is an “accredited investor” under Regulation D of the Securities Act of 1933 and therefore, has sufficient knowledge and experience in financial and business matters, including purchase and ownership of municipal and other tax-exempt obligations, to be able to evaluate the risks and merits of the investment represented by the Bonds.

3. The Bonds are being acquired by the Investor for investment and not for more than one account or with a view to distribution of the Bonds except as provided for in paragraph 8 below. The Investor understands that it may need to bear the risks of this investment for an indefinite time, since any sale prior to maturity may not be possible.

4. The Investor understands that the Bonds are not registered under the 1933 Act and that such registration is not legally required as of the date hereof; and further understands that the Bonds (a) are not being registered or otherwise qualified for sale under the “Blue Sky” laws and regulations of any state, (b) will not be listed on any stock or other securities exchange, (c) will not carry a rating from any rating service and (d) will be delivered in a form which may not be readily marketable.

5. The Investor understands that (a) the Bonds are not secured by any pledge of any moneys received or to be received from taxation by the State of California or any political subdivision thereof and that SANBAG has no taxing power, (b) the Bonds do not and will not represent or constitute a general obligation or a pledge of the faith and credit of SANBAG, the State of California or any political subdivision thereof; and (c) the liability of SANBAG with respect to each Bond is limited to first priority perfected security interest granted in the applicable Assessment and all other Collateral securing such Bond and all moneys deposited in the Redemption Fund (including the Capitalized Interest Account, the Assessment Collection Account and the Prepayment Account therein) are derived from the issuance of the Bonds, the installments of such Assessments or from the prepayment of such Assessment received by SANBAG as set forth in the Indenture.

6. The Investor acknowledges that its has either been supplied with or been given access to such information, to which a reasonable investor would attach significance in making investment decisions, and the Investor has had the opportunity to ask questions and receive answers from knowledgeable individuals concerning SANBAG, the Program, the Assessment Contract, the Assessments, the Participating Parcels, the Master Indenture, the Supplemental Indentures, the Bonds and the security therefor and the Side Letter Agreement so that, as a reasonable investor, the Investor has been able to make its decision to purchase the Bonds.

7. The Investor has made its own inquiry and analysis with respect to the Bonds and the security therefor, and other material factors affecting the security and payment of the Bonds. The Investor, with assistance of counsel, has reviewed the Bonds, the Master Indenture and the Supplemental Indentures. The Investor acknowledges, consents and agrees to all terms of such documents.

8. The Investor acknowledges that it has the right to sell and transfer the Bonds, in accordance with the terms of the Master Indenture and the Supplemental Indentures, subject to the delivery to the Trustee of a letter from the transferee in the form attached to the Master Indenture as Exhibit C, with no material revisions except as may be approved in writing by SANBAG. Failure to deliver such letter shall cause the purported transfer to be null and void.

9. The Investor understands that neither the members, directors, officers, employees or agents of the SANBAG, nor any person executing the Bonds, the Master Indenture or the

Supplemental Indentures, shall be subject to any personal liability or accountability by reason of or in connection with the issuance, offering, execution and delivery of the Bonds.

10. The Investor has obtained what it considers adequate information regarding SANBAG, the Program, the Assessment Contracts, the Assessments, the Participating Parcels, the Master Indenture, the Supplemental Indentures and the Bonds to make an informed investment decision to purchase the Bonds. Except as set forth in the Indenture, the Investor acknowledges that SANBAG and its agents, representatives and attorneys are under no duty to provide, and the Investor acknowledges that it is not entitled to receive, (i) any additional information regarding SANBAG, the Program, the Assessment Contract, the Assessments, the Participating Parcels, the Master Indenture, the Supplemental Indentures or the Bonds or (ii) an update to the information previously provided by such persons to the Investor; provided, however, that such acknowledgement does not extend to information provided by SANBAG, its agents, representatives and/or attorneys that would have the effect of correcting (a) any untrue statement of a material fact made in the Bonds, the Master Indenture or the Supplemental Indentures or in any of the other information provided to the Investor by SANBAG or its agents, representatives or attorneys or (b) any omission of a material fact necessary to make a statement made in such documents not misleading in light of the circumstances under which it was made.

Very truly yours,

[Insert] _____

By: _____
Name:
Title:

EXHIBIT G

RECEIPT FOR BONDS

SAN BERNARDINO ASSOCIATED GOVERNMENTS
LIMITED OBLIGATION IMPROVEMENT BOND
(HERO Commercial Program)
(_____ Commercial Property Tranche)

RECEIPT FOR BONDS

Receipt is hereby acknowledged of the San Bernardino Associated Governments Limited Obligation Improvement Bonds (HERO Commercial Program) (_____ Commercial Property Tranche) listed on the attached Schedule I (the "Bonds") by _____ (the "Renovate America"), as the original purchaser of the Bonds.

The undersigned hereby states and certifies on behalf of the Renovate America that the Renovate America has received on this date from Deutsche Bank National Trust Company, as Trustee (the "Trustee"), under the Master Indenture, dated as of _____ 1, 20__ (the "Master Indenture"), by and between the Trustee and the San Bernardino Associated Governments ("SANBAG"), as supplemented by each Supplemental Indenture, dated as of _____, 20__ (the "Supplemental Indenture" and, together with the Master Indenture, the "Indenture"), pertaining to the applicable Bond by and between the Trustee and SANBAG, such Bonds, as authenticated and delivered by the Fiscal Agent pursuant to the Indenture.

The undersigned further states and certifies that all certificates, opinions and agreements requested by the Renovate America [as the assignee of Renovate America, Inc.] under the Master Bond Purchase Agreement, dated _____ 1, 20__ (the "Purchase Agreement"), between Renovate America, Inc. and SANBAG, have been delivered and that all conditions precedent for the Renovate America to accept delivery of such Bonds under the Purchase Agreement have been met or waived.

Dated:

By: _____
Authorized Signatory

EXHIBIT H

HERO PACE PROGRAM COMMERCIAL FEES

Commercial		Current 4/1/16
Distribution	Team Member	
Financing Partner Admin & Verification	RA	3.19%
Program Sponsor	SANBAG	1.15%
Program Manager/FA(1)	PFM	See PFM Table
Trustee	DB	\$750/Bond From RA
Assessment Admin	DTA	0.52%
Bond / Issuer Counsel	BBK	0.965%
Total Cost%		5.825%
plus per assessment fees		
	Recording	\$ 95
	Annual admin (2)	\$ 390
	Annual Admin Reserve	\$ 40

(1) Paid out of closing costs allocations of Renovate America

(2) For a single assessment that is split between two parcels, or a second assessment on a single parcel, the second parcel is charged \$100 annual admin.

Commercial PACE-SANBAG		
PFM Fees		
Assmt Min	Assmt Max	Fees
\$0.00	\$50,000.00	\$213.00
\$50,000.00	\$75,000.00	\$425.00
\$75,000.00	\$100,000.00	\$638.00
\$100,000.00	\$125,000.00	\$850.00
\$125,000.00	\$150,000.00	\$1,063.00
\$150,000.00	\$175,000.00	\$1,275.00
\$175,000.00	\$200,000.00	\$1,488.00
\$200,000.00	\$225,000.00	\$1,700.00
\$225,000.00	\$250,000.00	\$1,913.00
\$250,000.00	\$275,000.00	\$2,125.00
\$275,000.00	\$300,000.00	\$2,338.00
\$300,000.00	\$325,000.00	\$2,550.00
\$325,000.00	\$350,000.00	\$2,763.00
\$350,000.00	\$375,000.00	\$2,975.00
\$375,000.00	\$400,000.00	\$3,188.00
\$400,000.00	\$425,000.00	\$3,400.00
\$425,000.00	\$450,000.00	\$3,613.00
\$450,000.00	\$475,000.00	\$3,825.00
\$475,000.00	\$500,000.00	\$4,038.00
\$500,000.00	\$525,000.00	\$4,250.00
\$525,000.00	\$550,000.00	\$4,463.00
\$550,000.00	\$575,000.00	\$4,675.00
\$575,000.00	\$600,000.00	\$4,888.00
\$600,000.00	\$625,000.00	\$5,100.00
\$625,000.00	\$650,000.00	\$5,313.00
\$650,000.00	\$675,000.00	\$5,525.00
\$675,000.00	\$700,000.00	\$5,950.00
\$700,000.00	\$725,000.00	\$6,163.00
\$725,000.00	\$750,000.00	\$6,375.00
\$750,000.00	\$775,000.00	\$6,588.00
\$775,000.00	\$800,000.00	\$6,800.00
\$800,000.00	\$825,000.00	\$7,013.00
\$825,000.00	\$850,000.00	\$7,225.00
\$850,000.00	\$875,000.00	\$7,438.00
\$875,000.00	\$900,000.00	\$7,650.00
\$900,000.00	\$925,000.00	\$7,863.00
\$925,000.00	\$950,000.00	\$8,075.00
\$950,000.00	\$975,000.00	\$8,288.00
\$975,000.00	\$1,000,000.00	\$8,500.00
\$1,000,000.00	\$1,025,000.00	\$8,713.00
\$1,025,000.00	\$1,050,000.00	\$8,925.00
\$1,050,000.00	\$1,075,000.00	\$9,138.00
\$1,075,000.00	\$1,100,000.00	\$9,350.00
\$1,100,000.00	\$1,125,000.00	\$9,563.00
\$1,125,000.00	\$1,150,000.00	\$9,775.00
\$1,150,000.00	\$1,175,000.00	\$9,988.00
\$1,175,000.00	\$999,999,999.00	\$10,200.00

Minute Action

AGENDA ITEM: 26

Date: *September 7, 2016*

Subject:

Fiscal Year 2015/2016 Budget Amendment for LTF Pass Through Funds

Recommendation:

That the Board approve a Fiscal Year 2015/2016 Budget Amendment to increase Task No. 0550-Programming by \$6,720,000 to be funded by Local Transportation Funds previously allocated to transit operators and ratify expenditures made during the fiscal year.

Background:

The San Bernardino County Transportation Commission (SANBAG) is the designated transportation planning agency for the implementation of the Transportation Development Act (TDA) within San Bernardino County. Implementation of the TDA includes administration of Local Transportation Funds (LTF), including the apportionment, allocation and disbursement in accordance with the TDA.

Annually in March, the SANBAG Board of Directors (Board) approves the Fiscal Year LTF apportionments. The Board also approves transit operator allocations annually, including LTF for anticipated capital and operation expenditures, among other local, State and Federal sources, in accordance with the transit operators Short Range Transit Plans (SRTP). Estimated expenditures for disbursements are subsequently incorporated into SANBAG's corresponding fiscal year budget adopted by the Board in June to provide budget authority for pass through disbursements to transit operators and local agencies for public transportation and local streets and roads projects.

Throughout the course of the year, staff receives claims from eligible TDA claimants and verifies the claim amounts against the approved allocations. Following approval of a transit claim, staff issues allocation instructions to the County Auditor-Controller/Treasurer/Tax Collector, authorizing the use of the funds by the claimant for specific purposes. Staff requests disbursements of funds from the County, in accordance with disbursement requests submitted by the claimants, throughout the year; however, allocations are not always disbursed in the year allocated and are available for three fiscal years from the original allocation. Because of this ability to carryover prior year allocations, the annual budget for disbursements is merely an estimate of anticipated disbursement requests from the operators and local agencies based on the level of open allocations and past year activity.

For reference, during the four preceding fiscal years, 2011/2012 through 2014/2015, annual pass through disbursements to the transit operators averaged only \$54.6 million, with a highest disbursement of \$64.2 million in Fiscal Year 2013/2014. In Fiscal Year 2015/2016, for the first time in the recent past, staff under-estimated the level of LTF disbursements SANBAG would

Entity: CTC

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receive and the disbursements exceeded the amount budgeted. The LTF amount budgeted for pass through disbursements for operator claims was \$63.3 million, but the total claims disbursed were \$70.0 million. Consequently, staff recommends an increase of \$6.7 million to allow sufficient budget authority for the 2015/2016 disbursements.

In order to ensure the expenditure budget is not exceeded in the future, staff analyzed why disbursements exceeded budget authority and has concluded there are two primary reasons: 1) there is a delay in matching disbursements to budget, and 2) there was a \$6 million increase in Article 8c Capital expenditure disbursements in 2015/2016 over previous years, including disbursement of prior year allocations for bus and vehicle replacements, and FTA grant matches. The delay in matching disbursements is due to the fact that disbursement requests are made through the County of San Bernardino's Auditor-Controller/Treasurer/Tax Collector, and are recorded within SANBAG funds to match the actual disbursements after the fact. Disbursement requests are always verified to be within the apportionment and allocation amounts that have been made available by the SANBAG Board, but budget has never been an issue previously. Disbursing prior year allocations is normal and allowed under TDA regulations, the total amount disbursed was within prior and current year allocation amounts, and the amount was due to the claimants.

Staff has added a process that provides a continuous check against the overall budget prior to the disbursement process to ensure the expenditure budget is not exceeded in the future. This change in administration of the TDA will provide a way to continue to disburse funds when due to claimants, yet alert staff if a budget increase is necessary.

Financial Impact:

This item is not consistent with the Fiscal Year 2015/2016 SANBAG Budget. Approval of this recommendation will authorize an amendment to the Fiscal Year 2015/2016 Budget Task No. 0550.

Reviewed By:

This item was reviewed and unanimously recommended for approval by the Transit Committee on August 11, 2016.

Responsible Staff:

Andrea Zureick, Director of Fund Administration

Approved
Board of Directors
Date: September 7, 2016

Witnessed By:

Minute Action

AGENDA ITEM: 27

Date: *September 7, 2016*

Subject:

Transportation Development Act Unmet Needs Hearings

Recommendation:

That the Board, acting in its capacity as the San Bernardino County Transportation Commission:

- A. Adopt definitions of “Unmet Transit Needs” and “Reasonable to Meet” as identified in Attachment A.
- B. Set times, dates and locations for Transportation Development Act Unmet Transit Needs Public Hearings.

Background:

Each year the San Bernardino County Transportation Commission is required by Public Utilities Code Sections 99238.5 and 99401.5 to hold public hearings for obtaining testimony regarding unmet transit needs that can be reasonably met and must adopt findings prior to making an allocation of Local Transportation Funds (LTF) for street purposes. The information obtained at these hearings will be used in the planning and budget development of the affected transit operators for the subsequent fiscal year, as recommend in the transit operators’ performance audit. Written comments will also be accepted until November 30, 2016.

The California Department of Transportation has suggested that the definitions of “Unmet Transit Needs” and “Reasonable to Meet” be reviewed and adopted on a periodic basis. On May 4, 2016, the Board approved the definitions contained in Attachment A. These definitions will be used to respond to the testimony received.

Two public hearings are proposed with the locations being the Morongo Basin and Victor Valley. The Boards of Morongo Basin Transit Authority (MBTA) and the Victor Valley Transit Authority (VVTA) will serve as the hearing boards at their respective locations. In accordance with the SANBAG Board action in June 1993, a public hearing will not be held in the Valley as all LTF revenues are committed to transit. The schedules for the proposed hearings are as follows:

Upper Desert Region

Monday, September 19, 2016, at 9:30am
 Victor Valley Transit Authority
 17150 Smoketree Street
 Hesperia, California 92345

Entity: CTC

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Lower Desert Region
Thursday, September 22, 2016, at 5:00 pm
Helen Gray Center
6601 White Feather Road
Joshua Tree, California 92252

Financial Impact:

This item is consistent with the SANBAG Fiscal Year 2016/2017 Budget.

Reviewed By:

This item was reviewed and unanimously recommended for approval by the Transit Committee on August 11, 2016.

Responsible Staff:

Andrea Zureick, Director of Fund Administration

Approved
Board of Directors
Date: September 7, 2016

Witnessed By:

As approved by PASTACC
March 8, 2016

Attachment A

**San Bernardino County
Definitions of “Unmet Transit Needs” and
“Reasonable to Meet”
As recommended by the
Public and Specialized Transportation Advisory and Coordination Council (PASTACC)**

**Adopted May 4, 2016
by the San Bernardino Associated Governments Board of Directors acting as the
San Bernardino County Transportation Commission**

Unmet Transit Needs: Unmet transit needs are any deficiency in the provision of public transit services, specialized transit service or private for-profit and non-profit transportation.

Reasonable to Meet: Reasonable to meet is a determination to be made based upon the following guidelines, performance and financial standards in accordance with federal Title VI Non Discrimination regulations and recognizing the following components:

- A. Community acceptance** – The proposed service has community acceptance and support as determined by the Unmet Transit Needs public hearing record, or as a component of adopted programs and plans.
- B. Implementation -**
The proposed service shall:
 1. Be in response to an existing rather than future need.
 2. Be implemented consistent with the timing of funding availability.
 3. Be implemented safely and in accordance with local, state, and federal laws and regulations
 4. Not cause the operator to incur expenditures in excess of the maximum amount of Local Transportation Funds (LTF), State Transportation Assistance funds (STA), Federal Transit Administration (FTA) funds, fare revenues, and local support.
- C. Cost effectiveness** – the proposed service shall:
 1. Minimize duplication of existing transportation services or resources.

2. Consider opportunities for coordinating among adjoining public entities or with private transportation providers and/or funding agencies in order to maximize existing resources (including financial) as well as legal or customary responsibilities of other entities such as social service agencies, religious organizations, and schools.
3. Excluding the first three years, not adversely affect systemwide performance standards including the operator's ability to meet the required farebox recovery.
4. Show continued progress in key performance indicators over the pilot period.

Minute Action

AGENDA ITEM: 28

Date: *September 7, 2016*

Subject:

VVTA - Repeal Resolution No. 98-002

Recommendation:

That the Board, acting as the San Bernardino County Transportation Commission, adopt Resolution No. 17-002 repealing Resolution No. 98-002, which set the required ratio of fares to operating cost for Victor Valley Transit Authority at 15%.

Background:

During Fiscal Year 1997/1998 Victor Valley Transit Authority (VVTA) submitted a letter to SANBAG staff requesting a change to the Public Utilities Code Article under which they receive Local Transportation Funds (LTF) (Attachment 1). Prior to their request, VVTA had been receiving LTF under Article 4 and wanted to claim under Public Utilities Code Section 99400(c) of Article 8 (Article 8c). Public Utilities Code Section 99260 of Article 4 applies to public transportation providers, whereas Article 8c applies to counties, cities and transit districts that contract for transportation services. Claiming funds under the provisions of Article 8c allows SANBAG, as the County Transportation Commission, to set the farebox recovery ratio.

At that time, VVTA made the request because they were not meeting the farebox recovery ratio applicable to Article 4 claimants. Since VVTA provides service to both rural and urbanized areas their ratio was set at 18% under Article 4. To prevent the loss of funding that occurs when an operator is not able to meet farebox recovery ratio, VVTA requested a change that would authorize SANBAG, as the transportation planning agency and as the County Transportation Commission, to reduce the farebox recovery ratio. As stated previously, public transportation providers cannot claim under Article 8c; however, based upon the language of Public Utilities Code Section 99400(c) of Article 8, that allowed claims for "Payments to any entity which is under contract with a county, city or transit district for public transportation or for transportation service for any group as determined by the transportation planning agency, requiring special transportation assistance", SANBAG determined VVTA could claim under Article 8c because VVTA contracts out all of their services although VVTA was not a county, city or transit district.

On September 3, 1997, the SANBAG Board of Directors adopted Resolution No. 98-002 which set the required farebox recovery ratio for VVTA at 15% and allowed for VVTA to claim under Article 8c.

As a result of a recent review of the Article 8c requirements by SANBAG staff and discussions statewide that could affect the ability of Article 8c claimants to receive other sources of transit funding, staff is recommending that Resolution No. 98-002 be repealed and that VVTA return to claiming under Article 4. Because of the recent merger of VVTA and Barstow Area Transit, VVTA will have a two-year grace period before they are required to demonstrate compliance

Entity: CTC

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with the new farebox recovery ratio; however, VVTA is currently meeting the higher farebox recovery ratio. SANBAG staff will continue to work with them to ensure these goals are met.

Financial Impact:

This item is consistent with the SANBAG Fiscal Year 2016/2017 Budget.

Reviewed By:

This item was reviewed and unanimously recommended for approval by the Transit Committee on August 11, 2016. SANBAG General Counsel has reviewed this item and the Resolution.

Responsible Staff:

Andrea Zureick, Director of Fund Administration

Approved
Board of Directors
Date: September 7, 2016

Witnessed By:

RESOLUTION NO. 17-002

RESOLUTION OF THE SAN BERNARDINO COUNTY
TRANSPORTATION COMMISSION REPEALING
RESOLUTION NO. 98-002

WHEREAS, the San Bernardino County Transportation Commission is the designated transportation planning agency for San Bernardino County and is therefore responsible for the administration of funds under the Transportation Development Act; and

WHEREAS, the Victor Valley Transit Authority has been claiming Transportation Development Act funds under the provisions of Public Utilities Code Section 99400, which applies to county, city and transit districts that contract for transportation services, since the adoption of Resolution No. 98-002 on September 3, 1997, by the Board of Directors of the San Bernardino County Transportation Commission; and

WHEREAS, the Victor Valley Transit Authority, as a Joint Powers Authority, is subject to the provisions of Public Utilities Code Section 99270, which applies to public transportation providers; and

WHEREAS, recent revision to the types of services offered by the Victor Valley Transit Authority has resulted in improved service and operating ratio that would allow Victor Valley Transit Authority to meet the minimum operating ratio required by Public Utilities Code Section 99270; and

WHEREAS, Transportation Development Act funding for the Victor Valley Transit Authority during Fiscal Year 2016/2017 and beyond shall be provided under the provisions of Public Utilities Code Section 99270; now

THEREFORE BE IT RESOLVED, that the Board of Directors of the San Bernardino County Transportation Commission hereby repeals Resolution No. 98-002.

PASSED AND ADOPTED at a meeting of the San Bernardino County Transportation Commission held on September 7, 2016.

Robert A. Lovingood, Commission Chairperson

ATTEST:

Vicki Watson, Clerk of the Commission

Attachment: Resolution No. 17-002 (3047 : VVTA - Repeal Resolution No. 98-002)

RESOLUTION NO. 98-002

**RESOLUTION OF THE SAN BERNARDINO COUNTY
TRANSPORTATION COMMISSION SETTING THE RATIO
OF PASSENGER FARES TO OPERATING COST FOR THE
VICTOR VALLEY TRANSIT AUTHORITY AT FIFTEEN PERCENT**

WHEREAS, the San Bernardino County Transportation Commission (SANBAG) is the designated transportation planning agency for San Bernardino County and is, therefore responsible for the administration of funds under the Transportation Development Act, as amended; and

WHEREAS, the Victor Valley Transit Authority is subject to the provisions of Public Utilities Code Section 99270.1 which sets an intermediate operating ratio requirement of 17.8%; and

WHEREAS, recent revision to the types of services offered by the Victor Valley Transit Authority have resulted in improved service to the public, but have also resulted in the system not meeting the required operating ratio; and

WHEREAS, the Victor Valley Transit Authority services are operated under contract; and

WHEREAS, Transportation Development Act funding for the Victor Valley Transit Authority during fiscal year 1997-98 is provided under the provisions of Public Utilities Code 99400; and

WHEREAS, pursuant to Public Utilities Code 99405(c), SANBAG has the authority to set performance criteria, local match requirements, or fare recovery ratios for transit claimants receiving funding under PUC Section 99400; and

WHEREAS, the Victor Valley Transit Authority Board of Directors has requested that SANBAG set a lower ratio of fares to cost; now

THEREFORE BE IT RESOLVED, that the Board of Directors of the San Bernardino County Transportation Commission hereby sets the ratio of passenger fares to operating cost for the Victor Valley Transit Authority at fifteen percent (15%).

Approved by the Board of Directors of the San Bernardino County Transportation Commission at a regular meeting thereof held this 3rd day of September 1997.

*Approved
San Bernardino Associated Governments
Board of Directors*

Date: _____

Moved:

Second:

In Favor:

Opposed:

Abstained:

Witnessed: _____



VICTOR VALLEY TRANSIT AUTHORITY

Representing the Communities of Adelanto, Apple Valley, Hesperia,
Victorville and San Bernardino County

July 28, 1997

Mike Bair
SANBAG
472 N. Arrowhead Ave.
San Bernardino, CA 92401

Dear Mr. Bair:

The Board of Directors of the Victor Valley Transit Authority respectfully request that this agency receive funding under Article 8c for the Fiscal Year 1997-1998. We understand that under the provisions of Article 8c SANBAG can establish a fare box ratio for our agency for the fiscal year. We request that fare box ratio be 15%.

We have enclosed a copy of the Fiscal Year 97-98 Budget approved by this Board on July 28, 1997, a copy of Resolution 97-05 Authorizing the Filing of Funding Request Under Article 8c for Fiscal Year 1997-1998 and a copy of the pertinent Minutes excerpt citing that approval and resolution.

If there are any problems with this request, please contact Mr. William Gardner, Transit Coordinator, at 760-955-5219.

Sincerely,

Chairman of the Board

/JA

Enclosures

Minute Action

AGENDA ITEM: 29

Date: *September 7, 2016*

Subject:

Draft 2016 South Coast Air Quality Management Plan

Recommendation:

That the Board receive a presentation from the South Coast Air Quality Management District (SCAQMD) on the 2016 Draft Air Quality Management Plan (AQMP).

Background:

The South Coast Air Quality Management District (SCAQMD) released the draft 2016 Air Quality Management Plan (AQMP) for review on June 30, 2016. The Plan is required under the Federal Clean Air Act, which requires attainment of National Ambient Air Quality Standards (NAAQS) for criteria air pollutants, i.e. pollutants causing human health impacts due to their release from numerous sources. The AQMP is the plan for the South Coast Air Basin, which includes the San Bernardino Valley and the mountain subarea. The Basin also covers all of Orange County and most of Los Angeles and Riverside Counties, collectively representing a population of almost 17 million. The remainder of San Bernardino County falls under the Mojave Desert Air Quality Management District. Staff from the SCAQMD has been invited to provide an overview of the draft AQMP and to answer questions.

The South Coast AQMP is a regional blueprint for achieving air quality standards and healthful air. The SCAQMD's website states that "the 2016 AQMP represents a new approach, focusing on available, proven, and cost effective alternatives to traditional strategies, while seeking to achieve multiple goals in partnership with other entities promoting reductions in greenhouse gases and toxic risk, as well as efficiencies in energy use, transportation, and goods movement." The draft 2016 AQMP is available on SCAQMD's website at:

<http://www.aqmd.gov/home/library/clean-air-plans/air-quality-mgt-plan>

The SCAQMD's fact sheet summarizing the draft 2016 AQMP is attached (Attachment 1).

SANBAG works with SCAQMD on multiple fronts, including funding for projects that improve air quality as well as serving on the Air Quality Management Plan Advisory Group and other panels. SANBAG Board members Larry McCallon and Janice Rutherford serve on the 13-member SCAQMD board, which will be responsible for considering approval of the AQMP later this year.

SCAQMD invited the AQMP Advisory Group and interested parties to submit comments on the draft AQMP by mid-August, with the intent of preparing a revised draft in September. SANBAG has provided an initial comment letter on the draft AQMP (Attachment 2), attached to this agenda item as information. SANBAG will likely provide additional comments on the next draft as well. It should also be noted that SANBAG has signed on to SCAQMD's "Petition to

Entity: COG, CTC

Board of Directors Agenda Item
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Page 2

EPA for Rulemaking to Adopt Ultra-Low NOx Exhaust Emission Standards for On-Road Heavy-Duty Trucks,” as documented in our letter to EPA’s Gina McCarthy dated July 18, 2016. The SANBAG Board authorized signing on to this petition at its July 2016 Board meeting. Federal action on this issue is very much related to achieving the goals of the AQMP.

Financial Impact:

This item has no impact on the SANBAG Fiscal Year 2016-2017 budget.

Reviewed By:

This item has not had prior review by any other policy committee or technical advisory committee.

Responsible Staff:

Steve Smith, Director of Planning

Approved
Board of Directors
Date: September 7, 2016

Witnessed By:

2016 Air Quality Management Plan

The 2016 Air Quality Management Plan (2016 AQMP or Plan) is a regional blueprint for achieving air quality standards and healthful air. The 2016 AQMP represents a new approach, focusing on available, proven, and cost effective alternatives to traditional strategies, while seeking to achieve multiple goals in partnership with other entities promoting reductions in greenhouse gases and toxic risk, as well as efficiencies in energy use, transportation, and goods movement. The most effective way to reduce air pollution impacts on the health of our nearly 17 million residents, including those in disproportionately impacted and environmental justice communities that are concentrated along our transportation corridors and goods movement facilities, is to reduce emissions from mobile sources, the principal contributor to our air quality challenges. For that reason, the SCAQMD has been and will continue to be closely engaged with the California Air Resources (CARB) and the U.S. EPA who have primary responsibility for these sources. The Plan recognizes the critical importance of working with other agencies to develop funding and other incentives that encourage the accelerated transition of vehicles, buildings, and industrial facilities to cleaner technologies in a manner that benefits not only air quality, but also local businesses and the regional economy. These “win-win” scenarios are key to implementation of this Plan with broad support from a wide range of stakeholders. The upcoming 2016 AQMP includes integrated strategies and measures to meet the following national ambient air quality standards.

Standard	Concentration	Classification	Latest Attainment Year
2008 8-hour Ozone	75 ppb	Extreme	2031
2012 Annual PM2.5	12 µg/m ³	Serious*	2025
2006 24-hour PM2.5	35 µg/m ³	Serious	2019
1997 8-hour Ozone	80 ppb	Extreme	2023
1979 1-hour Ozone	120 ppb	Extreme	2022

* The 2016 AQMP requests a reclassification from moderate to serious non-attainment for this standard

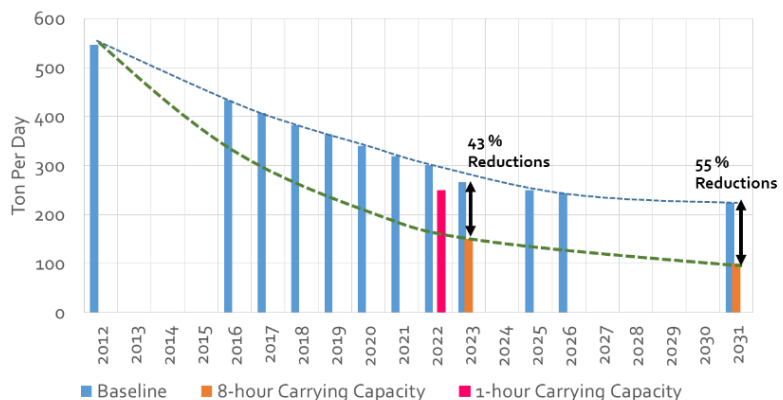
Key Elements of the 2016 AQMP

- Calculating and taking credit for co-benefits from other planning efforts (climate, energy, transportation etc.)
- A strategy with fair-share emission reductions at the federal, state, and local levels
- Investment in strategies and technologies meeting multiple air quality objectives
- Seeking new partnerships and significant funding for incentives to accelerate deployment of zero and near-zero technologies
- Enhanced socioeconomic assessment, including an expanded environmental justice analysis
- Attainment of the 24-hour PM2.5 standard in 2019 with no additional measures
- Attainment the annual PM2.5 standard by 2025 with implementation of a portion of the ozone strategy
- Attainment of the 1-hour ozone standard by 2022 with no reliance on “black box” future technology CAA §182(e)(5) measures

Key Challenges

The NOx emission reductions needed for attainment are significant (see chart). Relative to projected emissions with no additional controls, additional NOx reductions are needed for attainment.

- 17% NOx reductions in 2022
- 43% NOx reductions in 2023
- 55% NOx reductions in 2031

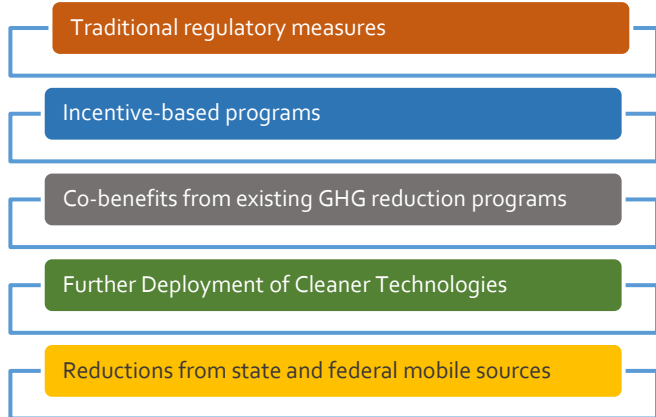


Attachment: 2016 AQMP Factsheet (Attachment 1) (2494 : Draft 2016 South Coast Air Quality Management Plan)

(over)

Control Strategy

The 2016 AQMP integrates the California Air Resources Board's State SIP Strategy, the South California Associations of Government's Regional Transportation Plan/Sustainable Communities Strategy and Transportation Control Measures, and SCAQMD's Control Strategy. The SCAQMD's Control Strategy includes stationary source measures, as well as fifteen mobile source measures that seek to assist implementation of the State SIP Strategy through incentives and other innovative approaches. Some of the control measures achieve emission reductions by continuing existing regulatory requirements and extensions of those programs, while other control measures focus on incentives, outreach, and education to bring about emission reductions through voluntary participation and behavioral changes needed to complement regulations. The heavy focus on incentives is the only feasible pathway to achieve clean air goals by the Clean Air Act deadlines. The estimated amount of incentive funding is significant: \$1 billion per year over the next fifteen years.



Public Participation

The development of the 2016 AQMP has been a regional multi-agency effort including the SCAQMD, CARB, SCAG, U.S. EPA, and other entities. A 2016 AQMP Advisory Group, representing a diverse cross section of stakeholders, including large and small businesses, government agencies, environmental and community groups, and academia, was formed to provide feedback and recommendations on the development of the plan. The Advisory Group met periodically, sometimes monthly, throughout the AQMP development process and those meetings have been open to the public. Leading up to the development of the 2016 AQMP, SCAQMD prepared 10 white papers on key topics to provide technical background, a policy framework for the AQMP, and better integration of major planning issues such as air quality, transportation, climate, energy, and business considerations.

Public workshops are scheduled for July 14th, 20th, and 21st. The following link provides information regarding the 2016 AQMP, including the full schedule and locations:

<http://www.aqmd.gov/home/library/clean-air-plans/air-quality-mgt-plan>

Schedule

- June 2016 -- release draft AQMP
- July 2016 -- conduct Public Workshops, Hearings and continue outreach
- July/August 2016 – release Draft Socioeconomic Report/CEQA Draft Environmental Impact Report
- December 2016 -- SCAQMD Governing Board considers adoption of the 2016 AQMP
- January 2017 -- CARB Approval into SIP/EPA Submittal

For more information regarding 2016 AQMP development, please contact Michael Krause at mkrause@aqmd.gov or 909.396.2706





San Bernardino Associated Governments

1170 W. 3rd Street, 2nd Floor San Bernardino, CA 92410-1715

Phone: (909) 884-8276 Fax: (909) 885-4407 Web: www.sanbag.ca.gov



- San Bernardino County Transportation Commission
- San Bernardino County Transportation Authority
- San Bernardino County Congestion Management Agency
- Service Authority for Freeway Emergencies

August 18, 2016

Mr. Wayne Nastri
Acting Executive Officer
South Coast Air Quality Management District
21865 Copley Drive
Diamond Bar, CA 91765

Subject: San Bernardino Associated Governments' (SANBAG's) comments on the draft 2016 Air Quality Management Plan (AQMP)

Dear Mr. Nastri:

This letter is in response to the opportunity being provided by the South Coast Air Quality Management District (SCAQMD) for comment on the draft 2016 AQMP released on June 30, 2016. SANBAG greatly appreciates the effort that went into the preparation of the draft AQMP by SCAQMD, the California Air Resources Board (ARB), and the Southern California Association of Governments (SCAG).

The first part of the letter provides some general comments on the objectives of the AQMP, followed by several comments on selected sections. It is our understanding that a second draft will be provided following this initial comment period and that there will be additional opportunity for comment on that draft.

As you are aware, southwestern San Bernardino County has some of the worst air quality in the United States. Like other counties in the South Coast Air Basin, we are very concerned about air quality and are committed to making further improvements together with SCAQMD, ARB, and the private sector. SCAQMD and your partners in the region have made tremendous progress in improving air quality in the last several decades, especially for the most impacted areas such as San Bernardino County. This progress needs to continue.

At the same time, air quality standards and timelines need to be achievable in ways that do not set back the San Bernardino County economy. Over 20 percent of our labor force derives its living from the logistics sector, which is often cited as a primary source of the NOx emissions that contribute to ground-level ozone concentrations. As we move forward with air quality improvements, we must pay attention to the dual objectives of cleaning the air while also promoting a vibrant economy. A vibrant economy is needed to support the technology advancements and their adoption into the marketplace in a way that will make the air quality improvements possible.

WN160818 - SS

Wayne Nastri
 August 18, 2016
 Page 2 of 5

Comments on Plan Objectives

SANBAG concurs with the Plan objectives as expressed on pages ES-4 through ES-6, and would like to emphasize the following points:

- For objective ***“Eliminate reliance on future technologies (CAA §182(e)(5)) measures to the extent feasible.”*** - We agree with the statement that “Some CAA §182(e)(5) flexibility may be needed for Plan approval by U.S. Environmental Protection Agency (EPA) given the need for continued technological and cost improvements and new funding and incentive programs.” SCAQMD rightly recognizes that there is a potential need to include some of the incentive-based measures in the “black box” (CAA §182(e)(5)) if EPA determines that the funding for these measures is too questionable.

On the broader topic of flexibility, we recognize that major technological advancements have occurred and commercialization of key technologies (e.g. ultra-low NOx truck engines) appears within reach. However, unknowns still exist in the cost and performance characteristics of some of the technologies. While we recognize that SCAQMD and ARB must prepare an approvable State Implementation Plan (SIP), it is also important that the marketplace have confidence in the performance of the cleaner technologies being made available. We trust that the federal regulators will work with us on the long term pathway to attainment and not put SCAQMD and ARB in the position of having to adopt measures in the short term that are not as cost-effective and that potentially have greater impacts on business when the most effective measures are within reach. Perhaps the need for flexibility could come into play if, for example, commercialization of some of these key technologies should lag behind the anticipated timeline.

We recognize that the attainment timelines are tight, but flexibility and a cooperative spirit at all levels will be important as we get closer to the attainment dates. All the agencies in the region are working extremely hard to improve air quality, and our success has been evident. The AQMP acknowledges the dual goals of both attaining air quality standards and supporting the economy, and the type of flexibility suggested in this objective is a good example of this balance in action.

- For objective ***“Develop a strategy with fair-share emission reductions at the federal, state, and local levels.”*** – Our reading of the draft AQMP suggests that the South Coast Air Basin cannot achieve the NOx reductions for timely attainment of federal ozone standards alone, even together with actions by ARB. This objective references the importance of federal action, including a new ultra-low NOx engine emission standard for heavy duty trucks. SANBAG has signed on to SCAQMD’s “Petition to EPA for Rulemaking to Adopt Ultra-Low NOx Exhaust Emission Standards for On-Road Heavy-Duty Trucks,” as documented in our letter to EPA’s Gina McCarthy dated July 18, 2016. The need for federal action is clearly identified in Figure ES-2 of the AQMP Executive Summary, and the graphic shows that the importance of federal action increases over time. Although ARB may adopt its own ultra-low NOx standard, it will be much better for California and the region if EPA carries out its responsibility by adopting this

Wayne Nastri
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standard, which will be key to attaining the ozone standard that EPA, itself, has set. Federal action more than doubles the NOx reduction of a state-only action. Adopting only a state standard will also put California at an even greater competitive disadvantage, which is contrary to the intent of the Governor's Executive Order B-32-15. We were glad to see that the EPA has signaled its intent to begin discussions on a lower NOx standard in its August 16, 2016 Final Rule on "Standards to Reduce Greenhouse Gas Emissions and Improve Fuel Efficiency of Medium- and Heavy-Duty Vehicles." The EPA clearly understands the importance of such an action and we are optimistic that they will move the process forward.

- For objective **"Invest in strategies and technologies meeting multiple objectives regarding air quality, climate change, air toxics exposure, energy, and transportation."** – As we stated in our comment letter on the AQMP white papers last year, we support strategies for reducing criteria pollutants that have co-benefits for Green House Gas (GHG) reduction. However, this may not always be practical if we are to meet the more pressing deadlines for attaining the 8-hour ozone standard. ARB indicated at the AQMP Advisory Group meeting on June 15 that their strategy for mobile sources involved beginning with measures for GHG reduction and then adding control measures needed to attain federal standards for criteria pollutants. This seems logical, except that it could result in an overall strategy that is suboptimal for achieving federal standards for criteria pollutants within the prescribed timelines for 2023 and 2031. It would seem that meeting federally mandated criteria pollutant attainment deadlines should take priority.

Additional clarification is needed regarding how the GHG reduction goals for mobile sources interact with the attainment of criteria pollutant standards. The extent to which the GHG goals influenced the attainment strategy is unclear, and whether/how the costs associated with GHG reduction strategies are included in the costs for attainment. The costs identified in the AQMP for attaining federal standards are extraordinary, and we would just want to make sure that the path to attainment is not unintentionally more costly than it needs to be. We would request that SCAQMD and ARB more thoroughly explain the cost and timeline implications of the way in which they approached the co-objectives of GHG and criteria pollutant reduction. If the path to attainment for criteria pollutants is less than optimal from a timing and cost perspective, this is another reason for the regulatory agencies to provide flexibility to the South Coast, per the first objective in the AQMP. In other words, the District and its partners should not incur greater costs in its path to timely attainment by virtue of also striving to help the state achieve its GHG reduction goals. It is not clear from the documentation whether this is the case, but the question needs to be raised.

- For objective **"Seek significant funding for incentives to implement early deployment and commercialization of zero and near-zero technologies."** – As the draft Plan points out, incentive funding will be critical to the rate at which auto and truck vehicle fleets can be turned over to achieve air quality standards within the prescribed timelines. We appreciate that SCAQMD has consistently made this point with ARB and EPA, and the dialogue between the agencies has been helpful with regard to how incentives may be considered in the SIP. The point is that this region will need significant financial help

Wayne Nastri
 August 18, 2016
 Page 4 of 5

from the state and federal levels, and any failure to receive the necessary help from state and federal agencies should not result in the imposition of control measures that carry with them local costs and economic disadvantages that would make it even more difficult to raise the capital necessary to comply. A robust economy is needed to generate the funding stream that will enable investment in these technological improvements. The San Bernardino County economy is particularly vulnerable to this possibility, given the extent of disadvantaged communities in our area and our dependence on the logistics sector for economic growth.

- For objective **“Enhance the socioeconomic analysis and pursue the most efficient and cost-effective path to achieve multi-pollutant and multi-deadline targets.”** – We appreciate the significant work that has gone into the economic analyses for the draft AQMP and the ARB Mobile Source Strategy and SIP Strategy, and we look forward to seeing the additional detail that AQMD and ARB have developed. The overall conclusion of the economic analysis for mobile sources is that *“the Mobile Source Strategy is estimated to have a negligible impact on the California economy resulting in an average slowing in the growth of the gross state product ... of 0.051 percent from 2023 to 2031”* (source: page A-2 of the *ARB Mobile Source Strategy Appendix A: Economic Impact Analysis*). While this may be true of the impact on the economy overall, based on the REMI modeling, we would urge ARB to highlight more of the potential sector-based and geographically-based impacts. For example, the forecast cost for conversion of truck fleets to cleaner vehicles is extraordinarily high, and we have to imagine that this will hit logistics-based economies like San Bernardino County most heavily. We recognize that our citizens will receive the important benefit of improved air quality, but the differential impact of the costs of implementation need to be more fully explained. It will be little consolation to individuals and families working in the logistics industry in San Bernardino County if we are put at a more competitive disadvantage because of the costs we will be required to bear. A viable incentives program can go a long way toward minimizing these impacts, and the case for incentives needs to be made proactively in Sacramento and Washington. We look forward to working with AQMD and ARB to see that this case is made.

Additional Comments

- Page ES-10 – SANBAG concurs with SCAQMD’s desire to reclassify the South Coast Air Basin as a “serious” nonattainment area for PM_{2.5}. This will provide the time needed to reach attainment for the annual PM_{2.5} standard in 2023, given that demonstrating attainment is impracticable for 2021, the “moderate” PM_{2.5} nonattainment area deadline.
- Page 4-9, top paragraph – SANBAG concurs with the statement “Air quality regulatory agencies have traditionally set policies and requirements that are performance-based, and thus technology- and fuel-neutral. This is a policy that the SCAQMD intends to continue. All technologies and fuels should be able to compete on an equal footing to meet environmental needs.”

Wayne Nastri
August 18, 2016
Page 5 of 5

- Pages 4-61 and 4-62 – We appreciate the efforts undertaken to estimate the cost of turning over mobile source fleets at a level that will achieve air quality standards. As indicated, the magnitude of the cost is large, and the required scale of incentives is unprecedented. Yet the pathway to attainment expressed in the AQMP has become clearer as technology has progressed. SANBAG is prepared to work with SCAQMD and ARB to help secure the needed resources at the state and federal levels. At the same time, these funds should not come at the expense of the funding streams we have traditionally relied upon for operating and maintaining our transit and transportation infrastructure and systems.
- There are a number of measures that have not been quantified in the Draft AQMP and are put into a “to be determined” category. Our understanding is that these are not needed to demonstrate attainment, so we would question why they are included alongside the quantified measures. More information is needed as to how these “TBD” measures are intended to be used, and any process for later quantifying and adopting these measures should be further explained. These should receive the same level of scrutiny, analysis, and public review as the quantified measures in the AQMP.

Again, we appreciate the opportunity to work with you on the 2016 AQMP and look forward to further discussions.

Regards,



Raymond W. Wolfe
Executive Director

Draft 2016 Air Quality Management Plan

South Coast AQMD

San Bernardino Associated Governments
September 2016

What is the South Coast AQMD?

Air pollution control agency

- Orange County and major portions of Los Angeles, Riverside and San Bernardino counties

Responsibilities

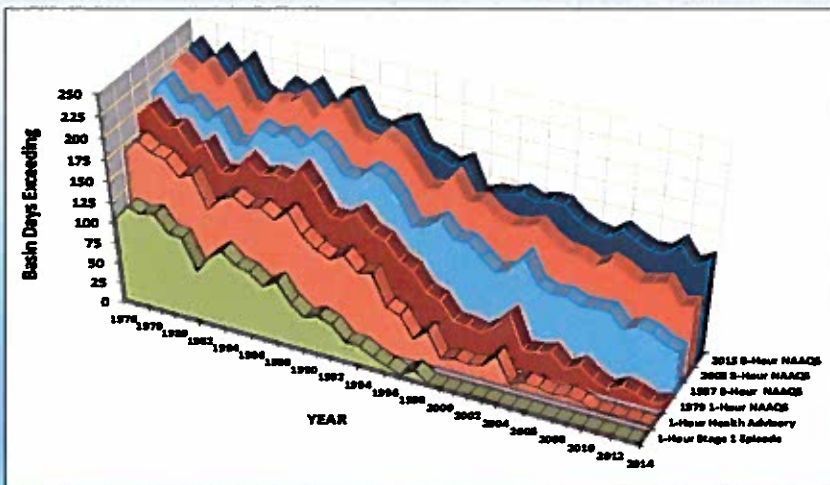
- Control emissions from stationary sources (e.g., from power plants, refineries, gas stations, painting facilities, etc.)
- Monitor air quality and meet federal and state air quality standards
- Permit and inspect 28,400 affected businesses

Background



- U.S. EPA sets National Ambient Air Quality Standards (NAAQS) for criteria pollutants
- Areas designated attainment or nonattainment
- If nonattainment, state submits State Implementation Plan (SIP) to demonstrate how and when NAAQS will be achieved, maintained and enforced
- California Health & Safety Code requires AQMP since 1979
- Blueprint for how to meet and maintain state and federal air quality standards
- AQMP serves as the SIP for South Coast and Coachella Valley
- The 2016 AQMP will be SCAQMD's 11th Plan

Air Quality Trends (ozone)



Air quality has dramatically improved; however, region still suffers from some of the worst air pollution in the nation

Number of Days Exceeding Current and Former Ozone NAAQS

Standards to be Addressed in Plan

- Clean Air Act requires attainment of standard to be achieved as **“expeditiously as practicable”** but no later than attainment year listed.
- Integrated Plan to address all standards in 2016 AQMP

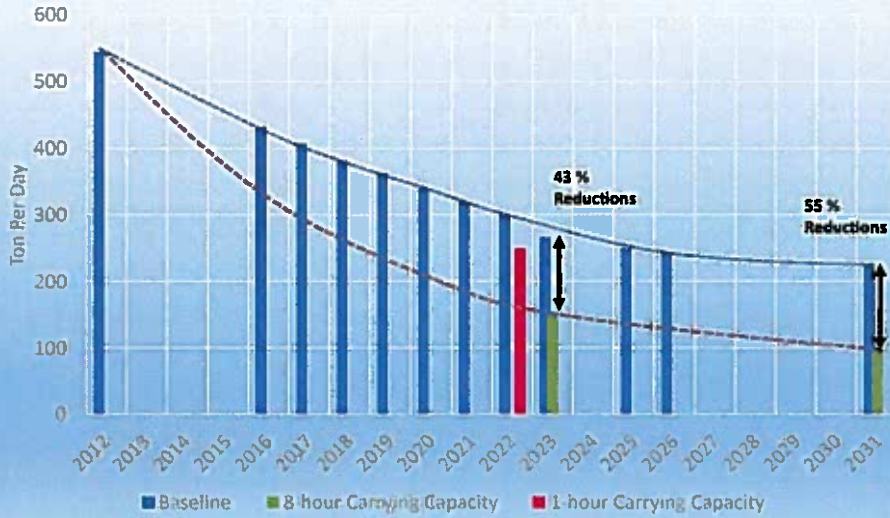
Criteria Pollutant	Standard	Classification	Latest Attainment Year	SIP Submittal Due Date
8-hour Ozone	75 ppb	Extreme	2031	July 20, 2016
Annual PM2.5	12 $\mu\text{g}/\text{m}^3$	Serious*	2025	October 15, 2016
24-hour PM2.5	35 $\mu\text{g}/\text{m}^3$	Serious	2019	August 12, 2017
8-hour Ozone	80 ppb	Extreme	2023	Update
1-hour Ozone	120 ppb	Extreme	2022	Update

*Draft 2016 AQMP requests re-classification to 'serious' from 'moderate'



Emission Reductions Needed

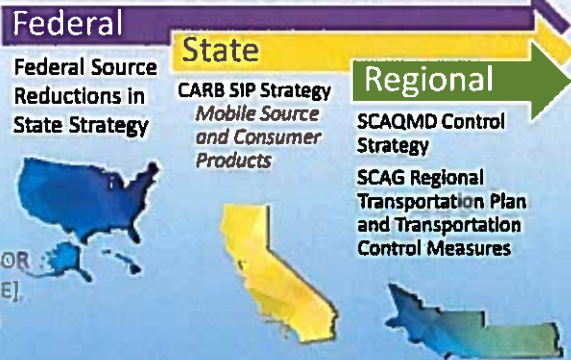
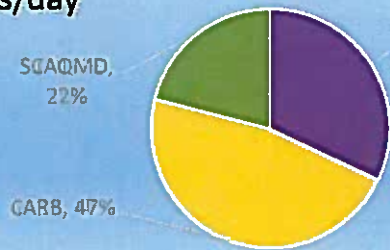
Basin Total NOx Emissions



8-hour Ozone strategy targeting 2023 will ensure 1-hour attainment for 2022

Legal Authority and Responsibility

- In 2012, 88% of NOx comes from mobile sources
- Limited local authority over mobile sources
- 2031 NOx baseline emissions: 223 tons/day





2016 AQMP vs Past Plans

SCAQMD Stationary Source Reductions from Traditional Regulatory Measures (tons per day)

Pollutant	2007 AQMP ¹	2012 AQMP ²	2016 AQMP ¹	
			2023 Std	2031 Std
NOx	9	3.2	2.2	8.1
PM	3	11.7	3	3
VOC	19	5.8	4.7	7.6

1. PM & Ozone Plan 2. PM Plan (24-hour standard)

Stationary Source Approach



Thoroughly evaluated all source categories and control options

- Detailed look at emission inventory
- Analysis of measures implemented through-out the country (RACT)
- Symposium, working groups, and advisory group

Limited feasible regulatory options remaining for NOx reductions

- Reductions in NOx from non-refinery flares
- NOx controls for cooking appliances
- Further NOx reductions from continuing RECLAIM reassessments

If all stationary sources brought to zero emissions, would still not meet goals

Incentive programs for residential/small business sources can achieve cost-effective reductions on a project-by-project basis

Facility-based Measures

- SCAQMD does not have primary regulatory authority
- Set targets, work collaboratively to achieve creditable NOx reductions
- Approach:

TRUST
VERIFY
ENFORCE

✓ New Development and Redevelopment Projects (EGM-01)

✓ Commercial Marine Ports (MOB-01)

✓ Commercial Airports (MOB-04)

✓ Rail Yards/Intermodal Facilities (MOB-02)

Warehouse Distribution Centers (MOB-03)



Bottom Line



- Accelerated early deployment of zero and near-zero technologies for mobile and stationary sources
- Significant expansion of financial incentive programs needed
- Total incentive funding needs:
 - ✓ \$11 – \$14 Billion over 15 years

~ \$1 billion/year

Incentive Funding

- Critical to achieving healthful air for our residents
- Work with CARB, U.S. EPA, and state and federal lawmakers
 - ✓ e.g., seek to establish Federal Clean Air Investment Fund
- Context:
 - ✓ Basin GDP: \$1.1 trillion/year
 - ✓ Basin Energy Costs: ~\$40 – 60 billion/year
 - ✓ Proposed Basin Transportation Infrastructure Cost:
 - ~ \$20 billion/year
- Sanctions (e.g. loss of transportation funding) more costly than incentive funding needs
- Action plan to secure funding will be developed

Weighing the Investment

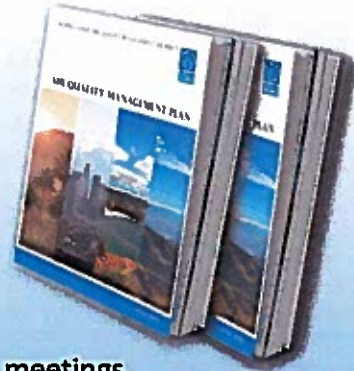


Socioeconomic Analysis



Current Status

- Draft Plan (and Appendix IV) publicly released June 30
- Technical appendices posted online when available
- Workshops conducted in four counties, Coachella Valley and nighttime at SCAQMD headquarters
- Ongoing AQMP Advisory Group and regional stakeholder meetings
- On July 8, 2016 U.S. EPA issued a final rule for the attainment of the 1997 annual PM_{2.5} (15 $\mu\text{g}/\text{m}^3$) and 24-hour PM_{2.5} (65 $\mu\text{g}/\text{m}^3$) for the South Coast Air Basin based on 2011-2013 monitoring period



Plan Development Timeline



Commenting on the Plan

- Preparing to release a Revised Draft Plan that will include comments received on the Draft Plan
- **Draft Plan:** <http://www.aqmd.gov/home/library/clean-air-plans/air-quality-mgt-plan/Draft2016AQMP>
- Email comments to: aqmp@aqmd.gov
- **Michael Krause**
Planning & Rules Manager
(909) 396-2706
mkrause@aqmd.gov

Minute Action

AGENDA ITEM: 30

Date: *September 7, 2016*

Subject:

Hearing to Consider Resolution of Necessity for Parcel for the Interstate 215 (I-215) Barton Road Interchange Improvement Project in the City of Grand Terrace

Recommendation:

That the Board, acting as the San Bernardino County Transportation Commission:

- A. Conduct a public hearing to consider condemnation of real property required for the I-215 Barton Road Interchange Improvement Project in the City of Grand Terrace; and
- B. Upon completion of a public hearing, that the Board of Directors adopt the Resolution of Necessity No. 16-031 authorizing and directing General Counsel, or her designees, to prepare, commence, and prosecute proceedings in eminent domain for the purpose of acquiring necessary right-of-way and real property interests from: Colton Joint Unified School District who is the successor agency for the Terrace Union School District, Trustees of the Terrace School District, County of San Bernardino, State of California, as to Parcel A; and Terrace Union School of San Bernardino County, as to Parcels B, C, and D; (Assessor's Parcel Number [APN] 0275-232-04; Caltrans Parcel Number [CPN] 23345). The Resolution must be approved by at least a two-thirds majority.

Background:

Steady progress has been made towards the start of construction on the I-215 Barton Road Interchange Improvement Project (Project). One of the remaining critical path items is right-of-way acquisition. The SANBAG Board, acting as the San Bernardino County Transportation Commission (Commission), has authorized the acquisition of property necessary for this interchange project. Some parcels are being acquired through negotiated sale. The purpose of this agenda item is to present information regarding the upcoming Hearing for Resolution of Necessity for a property needed for construction of the Project but which has not reached a negotiated settlement. The Commission's right-of-way agent, Overland, Pacific & Cutler, Inc. (OPC) presented offers to the Colton Joint Unified School District who is the successor agency to the entities that currently show on title, which are the Terrace Union School District, Trustees of the Terrace School District, County of San Bernardino, State of California and the Terrace Union School of San Bernardino County.

Although negotiations are ongoing, dialogue with the School District for the parcels listed has not yet resulted in settlement, and these parcels need to be acquired through eminent domain, which requires compliance with a statutorily-prescribed process. During the eminent domain process, the Commission's right-of-way agent will continue to negotiate with the School District and attempt to achieve a negotiated settlement for the necessary property interests.

Entity: *CTC*

The Commission is authorized to acquire property by eminent domain pursuant to the California Public Utilities Code Section 130220.5. Eminent domain will allow the Commission to obtain legal rights to the properties needed for the Project if a negotiated sale cannot be reached. Since the process takes several months, it is necessary to start this process now to ensure that the property interests are obtained to meet the scheduled start of construction in the summer of 2017.

In order to adopt the Resolutions of Necessity, the Commission must make the four findings discussed below for each of the parcels. The issue of the amount of just compensation for these property interests is not addressed during the Resolution of Necessity hearing. The four necessary findings are:

1. The public interest and necessity require the Project.

The Project is located in City of Grand Terrace where if no improvements are made to the interchange, the existing and future traffic congestion will not be mitigated. The proposed improvements, which are consistent with the circulation element of the City of Grand Terrace General Plan, are necessary to reduce existing and future traffic congestion. The congestion is reduced by increasing capacity and enhanced traffic operations.

The Project includes the following improvements:

- Replacement of the existing Barton Road Overcrossing (Bridge No. 54-0528)
- Reconstruction/widening of Barton Road
- Realignment of the existing entrance and exit ramps and roadway improvements on local streets
- Traffic signal modifications
- Roundabout at intersection of Barton Road/southbound ramps/La Crosse Avenue

On Barton Road, the Project construction limits extend from 0.3 miles to 0.4 miles west and east of the I-215 centerline, respectively. The Project construction limits on I-215 begin at 0.73 miles and end at 0.35 miles south and north of the Barton Road centerline, respectively.

2. The Project is planned and located in the manner that will be most compatible with the greatest public good and least private injury.

During the environmental phase of the Project three alternatives were studied. The City of Grand Terrace, SANBAG, and Caltrans selected this alternative to construct as it included the least right-of-way impacts to the community and provided the greatest improvement to circulation. The Project is being constructed in phases to maximize the traffic circulation during construction to the greatest extent possible and to minimize right-of-way impacts to adjacent properties. The proposed design minimizes the property required for the Project, but still requires full acquisitions, partial acquisitions, and temporary construction easements. During the design phase, project planners, engineers, and a construction manager/general contractor considered alternative alignments, work windows, and work area reductions that would provide access to adjacent properties where access to those properties would be affected by the Project. Each alternative was assessed based on the needs and constraints of each property owner. Staff and OPC have also had numerous communications with the property owners about their needs in order to design the Project in a manner that causes the least private injury while accomplishing the greatest public good through construction of the Project.

3. The property sought to be acquired is necessary for the Project.

While some of the Project is being constructed within existing right-of-way, some acquisition from the School District is needed to allow the construction of a new bridge, new road, existing roadbed widening, sound wall, drainage systems, and required utility relocations. For the subject property, the following right-of-way interests are required:

- Permanent Right of Way and Temporary Construction Easement (TCE) from the School District property, (APN 0275-232-04; CPN 23345) is needed to accommodate the improvement of Barton Road and the realignment of the northbound entrance ramp.

4. Offers required by Section 7267.2 of the Government Code have been made to the owner or owners of record.

The subject property was appraised and offer for the full amount of the appraisal were made to the owner or owners of record in accordance with Section 7267.2 of the Government Code.

- The offer for the School District property, (APN 0275-232-04; CPN 23345) was presented on February 15, 2016.

Upon completion of the Project, the Commission will transfer properties acquired for this Project to Caltrans or to the City of Grand Terrace for those real property interests that will be incorporated into the State Highway System or the City facility, respectively.

Financial Impact:

This item has no financial impact to the Fiscal Year 2016/2017 Budget.

Reviewed By:

This item was reviewed and recommended (20-0-0) to proceed to Hearings of Resolutions of Necessity by the Board of Directors with a quorum of the Board present at the Board of Directors Metro Valley Study Session on June 9, 2016. SANBAG General Counsel has reviewed this item and draft resolution.

Responsible Staff:

Paula Beauchamp, Project Delivery Manager

Approved
 Board of Directors
 Date: September 7, 2016

Witnessed By:

COLTON JOINT UNIFIED
SCHOOL DISTRICT
RESOLUTION OF
NECESSITY

RESOLUTION NO. 16-031

A RESOLUTION OF THE SAN BERNARDINO COUNTY TRANSPORTATION COMMISSION FINDING AND DETERMINING THAT THE PUBLIC INTEREST AND NECESSITY REQUIRE THE ACQUISITION BY EMINENT DOMAIN OF INTERESTS IN REAL PROPERTY FOR PUBLIC USE AND AUTHORIZING AND DIRECTING CONDEMNATION OF A PORTION OF ASSESSOR PARCEL NUMBER 0275-232-04.

WHEREAS, the San Bernardino County Transportation Commission (the "Commission") is undertaking the I-215 and Barton Road Interchange Project (the "Project") that necessitates the Commission to acquire by eminent domain interests in the property located at 12066 Vivienda Avenue in the City of Grand Terrace, California; and

WHEREAS, the Project is intended to lengthen and widen the Barton Road Bridge over the I-215 and to widen and reconfigure ramps, modify traffic signals and construct a roundabout at the intersection of Barton Road/southbound ramps/La Crosse Avenue to improve public safety and alleviate traffic congestion; and

WHEREAS, the Project requires the acquisition of property interests; and

WHEREAS, the Project will be a transportation improvement project serving the public interest; and

WHEREAS, subsection (a) of the California Public Utilities Code section 130220.5, authorizes the Commission to exercise the power of eminent domain to acquire these property interests for public use by condemnation; and

WHEREAS, the real property required for the Project includes a 5,228 square foot fee interest as legally described in Exhibit "A" and depicted in Exhibit "C" and located at 12066 Vivienda Avenue in the City of Grand Terrace, California; and

WHEREAS, the real property required for the Project includes a 3,919 square foot temporary construction easement as legally described in Exhibit "B" and depicted in Exhibit "C" and located at 12066 Vivienda Avenue in the City of Grand Terrace, California; and

WHEREAS, utility connections and reasonable pedestrian and vehicular access to the remainder property will be maintained; and

WHEREAS, the property located at 12066 Vivienda Avenue in the City of Grand Terrace, California, is appropriated to a public use as a school; and

WHEREAS, in accordance with section 1245.235 of the California Code of Civil Procedure, on May 19, 2016 there was mailed a Notice of Hearing on the Intent of the Commission to consider adoption of a Resolution of Necessity for acquisition by eminent domain of the real property described and depicted in Exhibits "A" through "C" herein (collectively the "Property"). Thereafter, on July 20, 2016, there was mailed an Amended Notice of Hearing on the Intent of the Commission to consider adoption of a Resolution of Necessity for acquisition by eminent domain of the Property stating that the hearing was being continued to September 7, 2016 at 10:00 a.m.; and

WHEREAS, the Commission provided written notice to the City of Grand Terrace as required by subsection (c) of California Public Utilities Code section 130220.5; and

WHEREAS, the Project, including all amendments thereto, together with the staff reports, environmental documents and all other evidence presented to the Commission at the times the Project and the amendments thereto were adopted, are incorporated herein by this reference and made a part hereof as though fully set forth herein; and

WHEREAS, pursuant to section 1245.235 of the California Code of Civil Procedure, the Commission scheduled a hearing for September 7, 2016 at 10:00 a.m. at Santa Fe Depot---SANBAG Lobby 1st Floor, 1170 W. 3rd Street, San Bernardino, California and gave to each person whose property is to be acquired notice and a reasonable opportunity to appear at said hearing and to be heard on the matters referred to in section 1240.030 of the California Code of Civil Procedure; and

WHEREAS, said hearing has been held by the Commission and each person whose property is to be acquired by eminent domain was afforded an opportunity to be heard on those matters specified in the Commission's notice of intention to conduct a hearing on whether to adopt a Resolution of Necessity as referred to in section 1240.030 of the California Code of Civil Procedure; and

WHEREAS, the Commission may adopt a Resolution of Necessity pursuant to section 1240.040 of the California Code of Civil Procedure.

NOW, THEREFORE, by a vote of two-thirds or more of its members, the San Bernardino County Transportation Commission does hereby find, determine, resolve and order as follows:

Section 1. Incorporation of Findings and Recitals. The above findings and recitals are true and correct and are incorporated herein in full by this reference.

Section 2. Compliance with California Code of Civil Procedure. The Commission has complied with the requirements of section 1245.235 of the California Code of Civil Procedure regarding notice and hearing.

Section 3. Public Use. The public use for which the Property is to be acquired is for the construction and future maintenance of the Project, a public transportation improvement, as

more fully described hereinabove. Subsection (a) of California Public Utilities Code section 130220.5 authorizes the Commission to acquire by eminent domain property and interests in property necessary for such purpose and for all uses incidental or convenient thereto.

Section 4. Necessity.

(a) The Project is necessary to improve public safety and alleviate traffic congestion; and

(b) The public interest and necessity require the acquisition by eminent domain proceedings of real property as legally described in Exhibits "A" and "B" and depicted in Exhibit "C" attached to this Resolution of Necessity.

Section 5. Description of Property Interests. The property interests to be acquired are more particularly described and depicted in Exhibits "A" through "C" attached hereto and incorporated herein by reference.

Section 6. Findings. The Commission hereby finds, determines and declares each of the following:

(a) The public interest and necessity require the proposed Project;

(b) The Project is planned or located in the manner that will be most compatible with the greatest public good and least private injury;

(c) The above-described property interests, as described and depicted in Exhibits "A" through "C", are necessary for the proposed Project; and

(d) The offer required by section 7267.2 of the California Government Code has been made to the owner or owners of record.

Section 7. Existing Public Use(s). Although the real property to be acquired is already devoted to a public use as a school, the use proposed by this Project is a more necessary public use than the use to which the real property, or any portion thereof, is already devoted pursuant to section 1240.610 of the Code of Civil Procedure, or, in the alternative, is a compatible public use which will not unreasonably interfere with or impair the continuance of the public use to which the real property, or any portion thereof, is already devoted pursuant to section 1240.510 of the Code of Civil Procedure.

Section 8. Authority to Exercise Eminent Domain. The Commission is hereby authorized and empowered to acquire the real property as legally described in Exhibits "A" and "B" and depicted in Exhibit "C", including the improvements thereon, if any, by eminent domain for the Project.

Section 9. Further Activities. Legal Counsel for the Commission ("Counsel") is hereby authorized and empowered to acquire the hereinabove described interests in real property

in the name of and on behalf of the Commission by eminent domain, and is authorized to institute and prosecute such legal proceedings as may be required in connection therewith. Counsel is further authorized to take such steps as may be authorized and required by law, and to make such security deposits as may be required by order of court and to permit the Commission to take possession of and use real property at the earliest possible time. Counsel is further authorized to correct any errors in this Resolution of Necessity or to make or agree to non-material changes in the legal descriptions of the real property that are deemed necessary for the conduct of the eminent domain action or other proceedings or transactions required to acquire the interests in the subject real property.

Section 10. Effective Date. This Resolution shall take effect upon adoption.

Adopted by the San Bernardino County Transportation Commission on September 7, 2016 by the following vote:

AYES:

NOES:

ABSENT:

Robert A. Lovingood, Board President
San Bernardino County Transportation Commission

ATTEST:

Vicki Watson, Clerk
San Bernardino County Transportation Commission

EXHIBIT "A"

PARCEL 22345-1

That portion of Lot 1, Block F, in the City of Grand Terrace, County of San Bernardino, State of California, as shown on the "Map of Resubdivision of Grand Terrace Tract" on file in Book 1, page 33 of Records of Survey, Official Records of said County described as follows:

BEGINNING at the Southeasterly corner of that certain parcel of land as described in a grant deed to the State of California, recorded March 12, 1957 in Book 4177, page 156 of said Official Records, said corner being on the North right of way line of Barton Road (formerly Palm Avenue - 33.00 feet half width); thence along said right of way line, North 89°21'38" East, 412.29 feet; thence continuing along said right of way line, North 89°25'31" East, 269.25 feet to the westerly line of Vivienda Avenue (30.00 feet half width) as described in a deed to the County of San Bernadino, recorded October 5, 1899 in Book 277, page 58 of Deeds per said Official Records; thence along said westerly line, North 11°21'06" East, 49.07 feet; thence North 78°38'54" West, 7.00 feet; thence South 11°21'06" West, 18.37 feet; thence South 36°03'42" West, 29.89 feet to a line being parallel with and northerly 7.50 feet measured at right angles from said North right of way; thence along said parallel line, South 89°25'31" West, 56.78 feet; thence South 46°18'27" West, 7.32 feet to a line parallel with and northerly 2.50 feet measured at right angles from said North right of way; thence along said parallel line, South 89°25'31" West, 188.79 feet; thence continuing along said parallel line, South 89°21'38" West, 185.58 feet; thence South 87°05'42" East, 13.16 feet to the beginning of a curve, concave northeasterly, having a radius of 242.50 feet; thence northwesterly along said curve, through a central angle of 11°06'56", an arc length of 47.05 feet to the beginning of a reversing curve, concave southwesterly, having a radius of 207.50 feet to which a radial line bears North 14°10'14" East; thence northwesterly along said curve, through a central angle of 14°39'36", an arc length of 53.09 feet to a line parallel with and northerly 17.50 feet measured at right angles from said North right of way; thence along said parallel line, South 89°21'38" West, 127.33 feet to the southeasterly right of way line of said certain parcel as described in said grant deed to the State of California; thence along said southeasterly right of way line, South 36°29'13" East, 21.59 feet to said North right of way line of Barton Road and the **POINT OF BEGINNING**.

Also the underlying fee interest if any, appurtenant to the above-described portion of said Lot 1 in and to the adjoining Public Ways (Barton Road and Vivienda Avenue).

The bearings and distances used in the above description are based on the California Coordinate System of 1983, Zone 5. Divide distances shown by 0.9999594 to obtain ground level distances.

Containing 5,228 square feet, more or less.

This real property description has been prepared by me, or under my direction, in conformance with the Professional Land Surveyors Act.

Signature: *Kyle G. Esgate*
Professional Land Surveyor
Date: March 28, 2016



EXHIBIT "B"

**TEMPORARY CONSTRUCTION EASEMENT
ATTACHMENT TO LEGAL DESCRIPTION
APN: 0275-232-04**

The land identified in the attached legal description and map is to be used for temporary construction purposes in connection with the construction of the Interstate 215 (I-215) Barton Road Interchange Improvement Project. The right of usage acquired for the temporary construction easement described in the attached legal description and depicted in the attached map shall be for a period of thirty (30) months.

Utility connections and reasonable pedestrian and vehicular access to the remainder property will be maintained. With the exception of the trees, the improvements within the temporary construction easement area will be protected in place or replaced in kind.

The San Bernardino County Transportation Commission is expressly granted the right to convey, transfer or assign the easement rights described above.

PARCEL No. 22345-2

A temporary EASEMENT for construction purposes upon, over and across that portion of Lot 1, Block F, in the City of Grand Terrace, County of San Bernardino, State of California, as shown on the "Map of Resubdivision of Grand Terrace Tract" on file in Book 1, page 33 of Records of Survey, Official Records of said County described as follows:

*COMMENCING at the Southeasterly corner of that certain parcel of land as described in a grant deed to the State of California, recorded March 12, 1957 in Book 4177, page 156 of said Official Records, said corner being on the North right of way line of Barton Road (formerly Palm Avenue - 33.00 feet half width); thence along the southeasterly right of way line of said certain parcel, North 36°29'13" West, 27.76 feet to a point on a line parallel with and northerly 22.50 feet measured at right angles from said North right of way, said point also being the **POINT OF BEGINNING**; thence along said parallel line, North 89°21'38" East, 251.55 feet; thence South 1° 21'39" East, 17.00 feet to a point on a line parallel with and northerly 5.50 feet measured at right angles from said North right of way; thence along said parallel line, North 89°21'38" East, 176.79 feet; thence continuing along said parallel line, North 89°25'31" East, 171.76 feet; thence North 0°34'29" West, 5.00 feet to a point on a line parallel with and northerly 10.50 feet measured at right angles from said North right of way, thence along said parallel line North 89°25'31" East, 80.84 feet; thence North 13°40'49" East, 42.69 feet; thence South 78°38'54" East, 16.73 feet to the Westerly line of Vivienda Avenue (30.00 feet half width) as described in a deed to the County of San Bernadino, recorded October 5, 1899 in Book 277, page 58 of Deeds per said Official Records; thence along said Westerly line, South 11°21'06" East, 0.42 feet; thence North 78°38'54" West, 7.00 feet to a point on a line parallel with and westerly 7.00 feet measured at right angles from said Westerly line; thence along said parallel line South 11°21'06" West, 18.37 feet; thence South 36°03'42" West, 29.89 feet to a point on a line parallel with and northerly 7.50 feet measured at right angles from said North right of way; thence along said parallel line, South 89°25'31" West, 56.78 feet; thence South 46°18'27" West, 7.32 feet to a line parallel with and northerly 2.50 feet measured at right angles from said North right of way; thence along said parallel line, South 89°25'31" West, 188.79 feet; thence continuing along said parallel line, South 89°21'38" West, 185.58 feet; thence North 87°05'42" West, 13.16 feet to the beginning of a curve, concave northeasterly, having a radius of 242.50 feet; thence northwesterly along said curve, through a central angle of 11°06'56", an arc length of 47.05 feet to the beginning of a*

PARCEL No. 22345-2 (continued)

reversing curve, concave southwesterly, having a radius of 207.50 feet to which a radial line bears North 14°10'14" East; thence northwesterly along said curve, through a central angle of 14°39'36", an arc length of 53.09 feet to a line being parallel with and northerly 17.50 feet measured at right angles from said North right of way; thence along said parallel line, South 89°21'38" West, 127.33 feet to the southeasterly right of way line of said certain parcel as described in said grant deed to the State of California; thence along said southeasterly right of way line, North 36°29'13" West, 6.17 feet to the **POINT OF BEGINNING.**

The bearings and distances used in the above description are based on the California Coordinate System of 1983, Zone 5. Divide distances shown by 0.9999594 to obtain ground level distances.

Containing 3,919 square feet, more or less.

This real property description has been prepared by me, or under my direction, in conformance with the Professional Land Surveyors Act.

Signature: *Kyle G. Esqate*
Professional Land Surveyor

Date: March 29, 2016



08-SBd-215-PM 1.40-23345 (23345-2)

EXHIBIT "C"

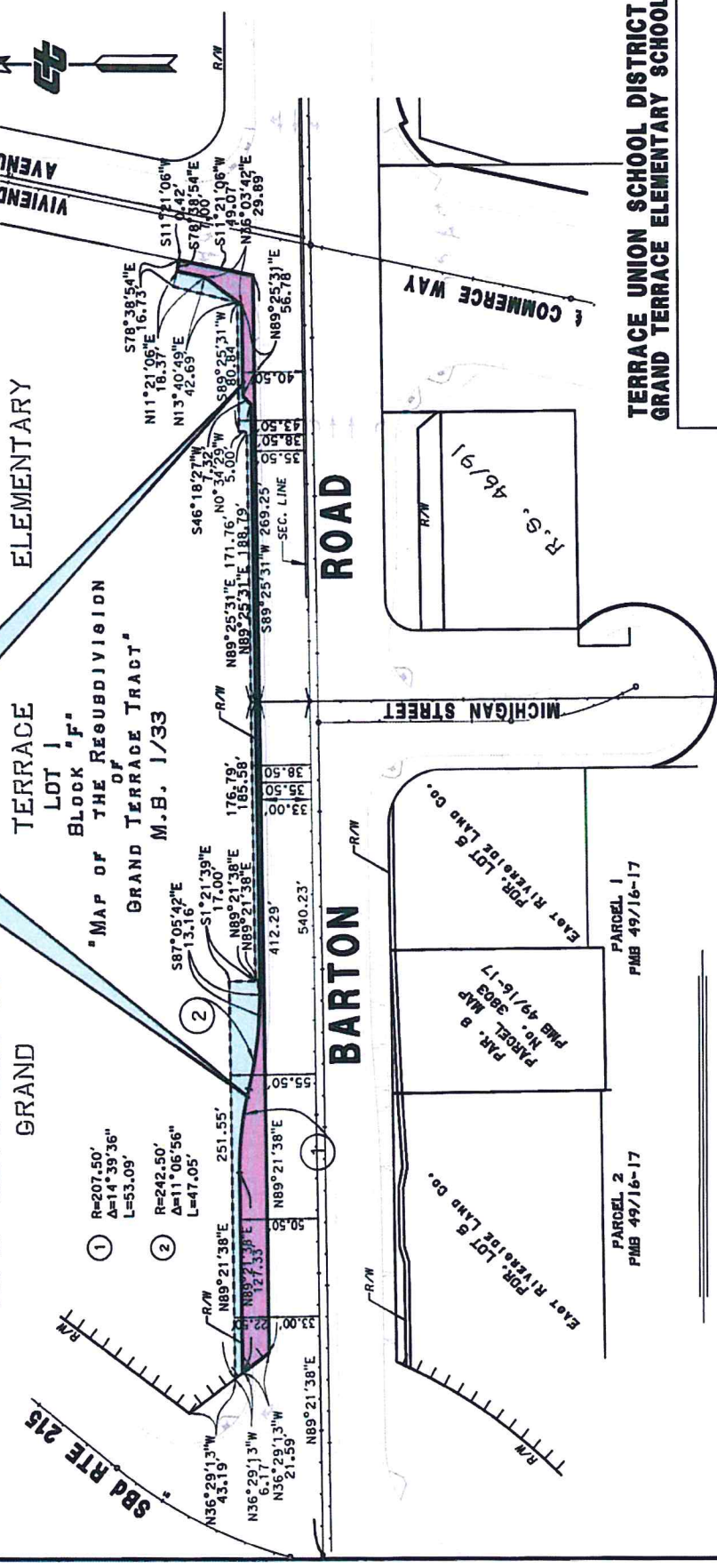
NOTE: The State of California or its officers or agents shall not be responsible for the accuracy or completeness or digital images of this map.

SECTION 32
T.1 S. R.4 W. S.B.M.

PARCEL No. 23345-1 FEE
PARCEL No. 23345-2 TCE

TERRACE UNION SCHOOL DISTRICT OF SAN BERNARDINO CO.
12066 VIVIENDA AVENUE
GRAND TERRACE, CA 92313
APN: 0275-232-04

PARCEL NO. 23345
23345-1 FEE
5228 SQ. FT.
23345-2 TCE
3919 SQ. FT.



RESOLUTION OF NECESSITY DETAIL MAP
STATE ROUTE 215 AT BARTON ROAD
CITY OF GRAND TERRACE
CITY OF COLTON
COUNTY OF SAN BERNARDINO

SECTION 5
T.2 S. R.4 W. S.B.M.

PLAT MAP SHOWING
RESOLUTION OF NECESSITY
FOR
PARCEL No. 23345

AREAS FOR TERRACE UNION SCHOOL DISTRICT	
23345-TOTAL AREA	23345-1 FEE
376,543 sq. ft.	5,228 sq. ft.
23345-REMAINDER	23345-2 TCE
371,356 sq. ft.	3,919 sq. ft.

DISTRICT	COUNTY	ROUTE	SHEET	PM	SHEET NO.	TOTAL SHEETS
8	SBD	215	1,40	2	2	2

REF. INFO.: DISTRICT 08 R/W MAP NO. RW000216-3, 4

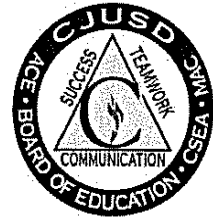
3/20/16 KGE

Colton Joint Unified School District

Jerry Almendarez, Superintendent

Dr. Frank Miranda, Acting Assistant Superintendent, Business Services Division

Owen Chang, Director, Facilities, Planning & Construction



BOARD OF EDUCATION

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Mr. Frank A. Ibarra

Mr. Pilar Tabera

Mr. Kent Taylor

Mrs. Joanne E. Thoring-Ojeda

August 2, 2016

VIA FACSIMILE AND OVERNIGHT MAIL

Clerk of the Board
 SAN BERNARDINO ASSOCIATED GOVERNMENTS
 1170 W. 3rd Street, 2nd Floor
 San Bernardino, CA 92410
 Fax: (909) 885-4407

Re: Amended Resolution of Necessity; Property Located at 12066 Vivienda Avenue, Grand Terrace, California

Dear Clerk of the Board:

Please accept this as notice that the Colton Joint Unified School District and/or its representative request to be heard at the hearing on September 7, 2016, concerning the proposed adoption of a resolution of necessity for acquisition of a portion of the District's property via eminent domain. The District's prior correspondence regarding the proposed acquisition is enclosed for your review and reference.

If you have any questions, please do not hesitate to contact the undersigned.

Very truly yours,

COLTON JOINT UNIFIED SCHOOL DISTRICT

Owen Chang

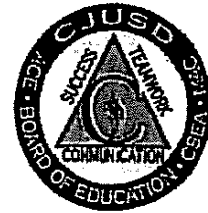
Director of Facilities, Planning and Construction

ENCLOSURE

Attachment: CJUSD Response to Aug 2016 RON Notice (3010 : September RON Presentation - Terrace Union School District)

Colton Joint Unified School District

Jerry Almendarez, Superintendent
 Dr. Frank Miranda, Acting Assistant Superintendent, Business Services Division
 Owen Chang, Director, Facilities, Planning & Construction



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July 1, 2016

Mike Romo SR/WA
 Senior Project Manager
 OVERLAND PACIFIC & CUTLER, INC.
 2280 Market St., Suite 200
 Riverside, CA 92501

Re: Mitigation Measures; Interstate 215 (I-215) Barton Road Interchange Improvement Project

Dear Mr. Romo:

On June 21, 2016, representatives of the Colton Joint Unified School District ("District") met with representatives of SANBAG, Caltrans, and Overland, Pacific & Cutler, Inc. ("SANBAG Parties"). The purpose of the meeting was to discuss the potential taking of a portion of the District's Grand Terrace Elementary School property ("Campus") for the Interstate 215 (I-215) Barton Road Interchange Improvement Project ("Project") including the design of the Project and the necessary mitigation measures needed to address both the construction and the loss of the property by the District. The District anticipated that the SANBAG Parties would be fully prepared to discuss the final Project; however, there were still significant elements of the Project that could not be explained. For this reason, although various mitigation measures and concerns were discussed, we were not able to resolve the District's concerns or develop any meaningful mitigation measures. We are in receipt of your letter dated June 29, 2016. While we appreciate that some additional information was provided, the concerns of the District have not adequately been addressed.

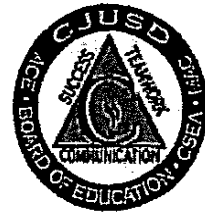
As you are aware, the District has significant concerns about the Project, regarding both the long-term effect of reducing the size of the Campus and the more pressing issue of how the construction of the Project will effect operations at the Campus. It is of paramount importance to the District that this Project does not negatively affect the educational program of students attending school at the Campus and that impacts to parents and staff of the school are minimized to the greatest extent possible. Although not an exhaustive list, we have set forth below the various mitigation measures that will be necessary to reduce disruption to the Campus and make the District whole with regard to the additional costs and time necessary to address the Project. We note that SANBAG Parties' precondemnation offer of compensation provides no compensation for such expenses and the appraisal provides no analysis or valuation concerning the proposed Project's impacts on the Campus or the District's operations. The District expects that it will be fully compensated for any costs it incurs addressing the effects and impacts of the Project on the Campus and the District's operations.

Colton Joint Unified School District

Jerry Almendarez, Superintendent

Dr. Frank Miranda, Acting Assistant Superintendent, Business Services Division

Owen Chang, Director, Facilities, Planning & Construction



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A. Transportation and Traffic Impacts

We understand that the Project will result in lane closures on Barton Road, as well as periods where the intersection of Barton Road and Vivienda Avenue will be inaccessible. Additionally, there may be other disruptions to the flow of traffic on the roads surrounding the Campus. The District will be required to re-route its busses, change bussing schedules and/or arrange for alternative bus pick-up and drop-off locations. Additionally, parents that drop off students will need to be re-routed or provided alternative pick-up and drop-off locations. Bus and parent pick-up and drop-off locations will need to be separate. Students who walk or bike to school will also need to be provided safe routes to access the Campus. To the extent any parking spaces are blocked or inaccessible, alternative parking will need to be made available.

Both permanent alterations to the Campus (such as creating new pick-up/drop-off locations to account for the modified Campus) as well as temporary solutions (such as re-routing, securing an alternative location for pick-up/drop-off) will need to be provided.

As you are aware, traffic congestion is currently a serious problem surrounding the Campus. The addition of the construction work to an already impacted area will only worsen this problem. In addition to addressing the measures noted above, the District will also require that you establish detour routes that are safe and clearly marked, schedule work for hours that will have the least impact on traffic near Campus, and confirm that the proposed right turn lane onto Vivienda Avenue will accommodate bus traffic.

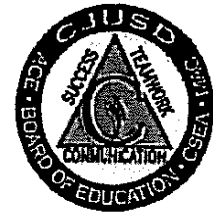
The extent to which these various measures will be necessary and the estimated cost cannot be determined at this time, since we do not know the proposed schedule or duration of each of the phases of construction. The District needs work to occur on weekends, after school hours and during school breaks. The measures mentioned above will need to either be performed by the SANBAG Parties and/or the District will need to be compensated for addressing these issues itself.

B. Safety

A key component of the Project must be safety and security for District students, staff and families at all times. All necessary measures to ensure safe passage to and from school each day, and a secure Campus must be instituted. This, at a minimum, must include scheduling work outside of school hours, availability of adequate crossing guards, signage that warns of dangerous conditions and re-routes vehicular and pedestrian traffic as necessary, and planned safe routes to Campus. Additionally, whenever work is being performed on or around Campus, SANBAG Parties must ensure any workers comply with all applicable fingerprinting and criminal background investigation requirements described in Education Code section 45125.1. In certain circumstances, to be determined once we have a better understanding of the location and timing of each phase of the Project, physical barriers will need to be installed between the work and areas where students will be present.

Colton Joint Unified School District

Jerry Almendarez, Superintendent
 Dr. Frank Miranda, Acting Assistant Superintendent, Business Services Division
 Owen Chang, Director, Facilities, Planning & Construction



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As discussed at our June 21st meeting, we understand that a portion of the block wall along Barton Road will be removed to install a turn-out lane. If construction occurs during periods when students are on the Campus, a wall that both (1) sufficiently, in the District's determination, separates students from workers and (2) offers an adequate physical barrier between the street and the Campus to prevent vehicles from entering the Campus (for example, due to a collision) must be installed. It will be unacceptable to have only temporary fencing in place if work will be done while students are using the adjacent ball field. It may also be necessary to hire security guards or use additional security measures based on the nature of the work and its timing.

Although the District cannot determine most costs at this time, it estimates that the cost of hiring the necessary crossing guards will be approximately eighteen dollars (\$18.00) per hour, per guard. Again, these measures must be provided, or paid for, by SANBAG Parties.

C. Community Outreach

The District values its relationship with the community and a critical component of the Project must be extensive community outreach by SANBAG Parties. The District will require a contact person that can be available at all times to the District and that will serve as a community liaison. Outreach must include meetings with District parents and staff both from the Campus and also from Grand Terrace High School. SANBAG Parties must be available for Board meetings and other community events where disseminating Project information will be needed, such as back-to-school night or PTA meetings. Written materials should also be distributed and accessible to all District community members, meaning such information needs to be translated or expressed in a way that is inclusive of all community members. The District will want to review SANBAG Parties' outreach plan and provide input and direction regarding the plan. To the extent the District must expend its own resources to convey information to the community, it must be compensated by SANBAG Parties. This may include printing costs, venue rental, security costs, etc.

D. Scheduling

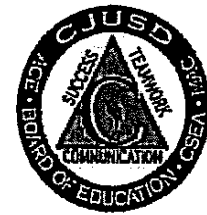
The work cannot interfere with ongoing District operations at the Campus. The District will work with you to provide the dates and times that work cannot occur. All work which may affect the Campus needs to be scheduled at times when school is not in session, which will include Saturday school and State testing periods (typically April-May), and during any other District activities at the Campus. The District must be notified in advance of any work that must occur when the Campus is active, and the effect of that work (noise, dust, disruption of traffic flow, etc.) on Campus operations will need to be mitigated, at SANBAG Parties' cost, through one of the measures discussed above or other means if necessary.

Colton Joint Unified School District

Jerry Almendarez, Superintendent

Dr. Frank Miranda, Acting Assistant Superintendent, Business Services Division

Owen Chang, Director, Facilities, Planning & Construction



BOARD OF EDUCATION

Mrs. Patt Haro, *President*

Mr. Dan Flores, *Vice-President*

Mr. Randall Cenicerros, *Clerk*

Mr. Frank A. Ibarra

Mr. Pilar Tabera

Mr. Kent Taylor

Mrs. Joanne E. Thoring-Ojeda

E. Enforcement and Remedies

The District will not agree to the taking of a portion of the Campus until all of the issues above are adequately addressed, as determined by the District. A detailed description of the mitigation measures that will be performed by SANBAG Parties, and the associated costs, must be included in the Purchase and Sale Agreement, or other documentation approved by the parties. SANBAG Parties will be required to indemnify the District for any claims, costs or liabilities that arise from the Project, and SANBAG Parties must agree to a process for addressing any deficiencies in SANBAG Parties' mitigation, which process may include the ability of the District to halt construction and/or receive additional monetary compensation.

F. Conclusion

As we have stated, the District is open to further discussion and negotiation of the terms of a Purchase and Sale Agreement and desires to work cooperatively with the SANBAG Parties. We encourage SANBAG Parties to postpone the July 6th hearing regarding a Resolution of Necessity until the parties have had some time to work through these terms. As initially noted, the District expected a more formalized Project by this time, so that we could come to agreement on concrete mitigation measures. For now, given the incomplete information we have, we can only provide this outline of the nature of the measures we will require. As was also touched upon at our June 20th meeting, the District remains concerned about the compensation included in the appraisal, as it does not address the impact to the remainder parcel and costs related to the construction. The District is in the process of analyzing the compensation offer and will address that separately.

Please let us know when we can expect additional information, so that we can move forward with developing an acceptable mitigation plan.

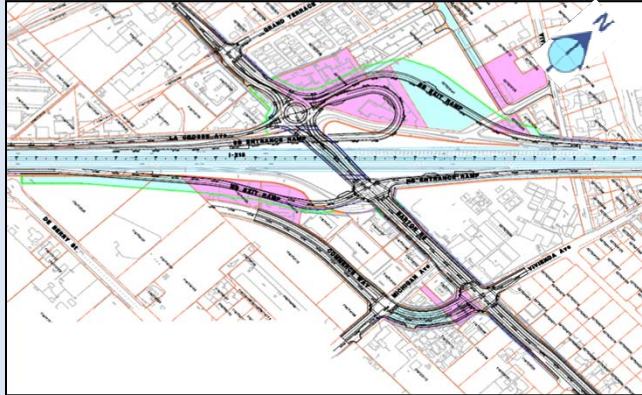
Very truly yours,

Owen Chang

Director of Facilities Planning & Construction

cc: Dr. Frank Miranda, Acting Assistant Superintendent of Business Services
Craig Farrington, Counsel for SANBAG

Project Improvements

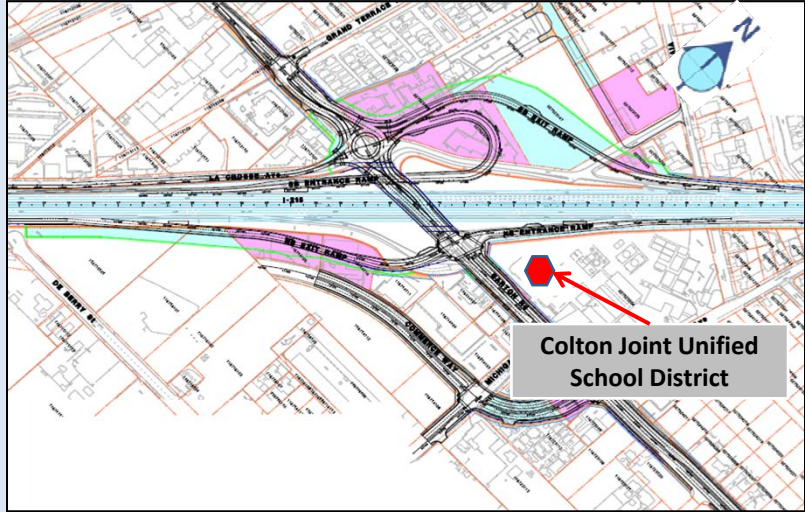


- A wider and longer bridge.
- New ramps.
- Realignment of local streets.

Parcel List

No.	CPN	Ownership
1	23345	Colton Joint Unified School District, Successor Agency for the Terrace Union School District, Trustees of the Terrace School District, County of San Bernardino, State of California and Terrace Union School of San Bernardino County

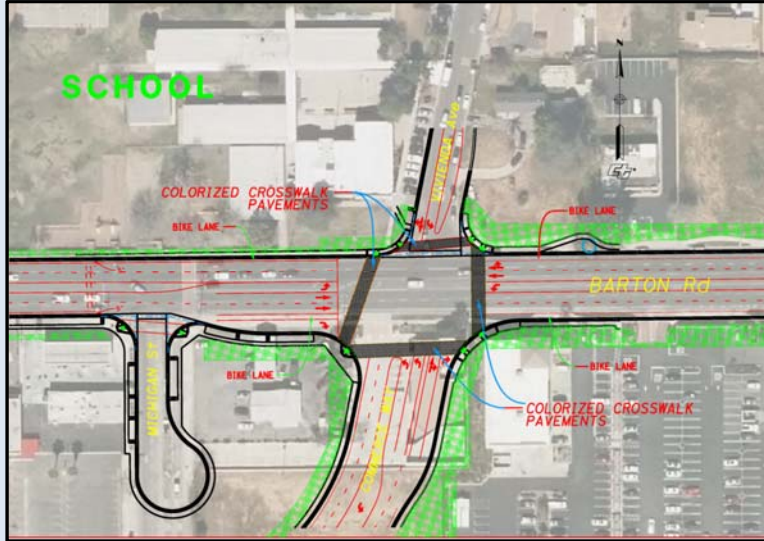
Location



Colton Joint Unified School District APN 0275-232-04/CPN 23345



Colton Joint Unified School District



Offer of Just Compensation

No.	Ownership	Offer Date
1	Colton Joint Unified School District	February 15, 2016

Contact Summary

As of August 15, 2016

No.	Ownership	In Person Meetings	Mailings	Phone Contacts	E-Mails	Total
1	Colton Joint Unified School District	10	1	8	64	83



Staff Recommendation

THE COMMISSION ADOPT A RESOLUTION OF NECESSITY BASED ON THE FOLLOWING FINDINGS:

1. The public interest and necessity require the proposed project;
2. The project is planned or located in a manner that will be most compatible with the greatest public good and the least private injury;
3. The real property to be acquired is necessary for the project; and
4. The offer of just compensation has been made to the property owner.

Minute Action

AGENDA ITEM: 31

Date: *September 7, 2016*

Subject:

Inland Southern California Economic Strategy and Plan Development with the Brookings Institution

Recommendation:

Receive presentation by UCR Director Ronald Loveridge.

Background:

The University of California Riverside (UCR) Center for Sustainable Suburban Development and its Director Ronald Loveridge have convened a number of meetings with civic and business leaders from throughout Riverside and San Bernardino counties to discuss the economic future of our region. These discussions have included representatives of the Brookings Institution (BI) who have offered their expertise to help a local coalition study our local economy and develop a strategy of how our regional advantages can be better leveraged to increase economic opportunity for the many individuals and families in the region struggling to get ahead.

From these meetings, a consensus was reached that our region should apply to the Brookings Institution for its assistance and expertise in helping our region develop a plan for inclusive growth and opportunity. A coalition of local universities, led by UCR, have agreed to prepare an application to the Brookings Institution and to help coordinate a coalition of stakeholders to review, comment, challenge and provide feedback on the data, research and draft plan as it is being developed. These stakeholders will also serve as champions for the plan in the broader community.

This effort will consist of three phases:

1. Data Profile – Targeted research on the economic and demographic dynamics of Inland Southern California will focus on how population and industry growth have influenced labor market outcomes.
2. Market Assessment and Strategy Development – This is a broader and deeper analysis of the region’s economic strengths, weaknesses, and opportunities.
3. Plan Writing – The analysis and insights generated in the first two phases are brought together to support the conception, design, and implementation of a new economic strategy.

Dr. Loveridge will discuss the context surrounding this effort and actions that will be occurring in the near future as this effort moves forward.

Financial Impact:

This item is consistent with the adopted SANBAG budget.

Entity: COG

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Reviewed By:

This item has not been reviewed by any policy committee or technical advisory committee.

Responsible Staff:

Duane Baker, Deputy Executive Director

Approved
Board of Directors
Date: September 7, 2016
Witnessed By:

Minute Action

AGENDA ITEM: 32

Date: *September 7, 2016*

Subject:

Contract Amendment C14021-02 for the I-40 Needles Connector Project

Recommendation:

That the Board, acting in its capacity as the San Bernardino County Transportation Authority:

- A. Allocate \$218,000 in Colorado River Subarea Major Local Highway Program funds to the City of Needles for the Needles Connector Project.
- B. Approve Contract Amendment C14021-02 for the I-40 Needles Connector Project increasing the amount to \$408,290.
- C. Approve a Fiscal Year 2016/2017 budget amendment to increase Sub-task 0516 MSI Mt/Desert Apportionment and Allocation Fund in the amount of \$175,000 from Measure I Colorado River Fund-Major Local Highway.

Background:

On October 2, 2013, Funding Agreement C14021 was approved by the Board of Directors to provide \$140,290 in Measure I Major Local Highway Program (MLHP) funding for the Interstate 40 (I-40)/ Needles Connector Project (Project).

On November 4, 2015, Funding Agreement Amendment C14021-01 was approved by the Board of Directors to provide an additional \$50,000 in Measure I MLHP funding for the Project.

The City is requesting the additional \$218,000 for the construction phase as the construction estimate has increased since originally prepared due to an extended delay in completion of the right of way phase and modifications to the project scope and design. Concurrence with this request for additional Measure I MLHP funds was given by the other agency in the Colorado River subarea, San Bernardino County, on June 15, 2016.

The City plans to award a contract for construction on September 27, 2016. Construction is anticipated to begin shortly thereafter and must be completed by June 30, 2017, per the terms of a Cooperative Work Agreement executed by the City and Caltrans in 2014 for the Transportation Equity Act for the 21st Century (TEA-21) Corridors and Borders Grant received for the project.

The project will provide street improvements along an approximately 1.07-mile corridor in the City. The Project limits include J Street, West Broadway Street, Needles Highway, and North K Street (Figure 1-1 Project Vicinity). The proposed project includes intersection improvements at J Street and West Broadway Street, West Broadway Street and Needles Highway, and Needles Highway and North K Street. Improvements would include traffic signals, turn lanes, and Americans with Disabilities Act (ADA) pedestrian access, removing and replacing existing roadbed and asphalt pavement, striping, improved signage, reconstruction or adding sidewalks and ADA access ramps, replacing existing retaining walls, and addressing localized flooding.

Entity: CTA

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Financial Impact:

This item is not consistent with the Fiscal Year 2016-2017 Budget and requires a budget amendment (see Recommendation C).

Reviewed By:

This item has not had prior review by any other policy committee or technical advisory committee. This item and the draft amendment have been reviewed by General Counsel.

Responsible Staff:

Andrea Zureick, Director of Fund Administration

Approved
Board of Directors
Date: September 7, 2016

Witnessed By:

FIGURE 1-1
PROJECT VICINITY



Attachment: Figure 1-1 NeedlesConnectorMap (3033 : Contract Amendment C14021-02 for the I-40 Needles Connector Project)

Contract Summary Sheet

General Contract Information

Contract No: C14021 Amendment No.: 02 Vendor No.: 01507
 Vendor/Customer Name: City of Needles Sole Source? Yes No
 Description: Amendment #2 to the Project Funding Agreement for I-40 Needles Connector Project
 Start Date: 10/02/2013 Expiration Date: 07/01/2018 Revised Expiration Date: _____
 Has Contract Term Been Amended? No Yes - Please Explain _____
 List Any Related Contracts Nos.: _____

Dollar Amount			
Original Contract	\$ 140,290.00	Original Contingency	\$ -
Revised Contract (Inclusive of Prior Amendments)	\$ 190,290.00	Revised Contingency (Inclusive of Prior Amendments)	\$ -
Current Amendment	\$ 218,000.00	Contingency Amendment	\$ -
TOTAL CONTRACT VALUE	\$ 408,290.00	TOTAL CONTINGENCY VALUE	\$ -
		TOTAL DOLLAR AUTHORITY (Contract Value and Contingency)	\$ 408,290.00

Contract Authorization

Executive Director Date: _____
 Executive Director Action: _____
 Board of Directors Date: 09/07/2016
 Board of Directors Action: Approve Amendment 2 to C14021

Contract Management: Payable/Miscellaneous

Invoice Warning: 20% Renewals: _____ Type: Capital PAA Other
 Retention: _____ % Maximum Retention: \$ _____
 Services: Construction Intrgrnt/MOU/COOP A & E Services Other Professional Services
 Disadvantaged Business Enterprise (DBE) Goal _____ %

Contract Management: Receivable

E-76 and/or CTC Date _____ (Attach Copy) Program Supplement No.: _____
 Finance Letter Reversion Date: _____ EA No.: _____

All of the above MUST be submitted to FINANCE including originals, amendments and miscellaneous transaction changes

Additional Information

Project Manager: Ellen Pollema

Attachment: C14021-02 CSS (3033 : Contract Amendment C14021-02 for the I-40 Needles Connector Project)

AMENDMENT C14021-02 TO
PROJECT FUNDING AGREEMENT C14021
BETWEEN
SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
AND
CITY OF NEEDLES
FOR
I-40 NEEDLES CONNECTOR PROJECT
CITY OF NEEDLES

THIS AMENDMENT C14021-02 (“Amendment”) to Project Funding Agreement C14021 (“Agreement C14021”) is made and entered into by and between the CITY OF NEEDLES (hereinafter referred to as “CITY”) and the SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY, a public entity, referred to herein as “AUTHORITY.” AUTHORITY and CITY are each a “Party” and collectively “Parties.

RECITALS

- A. WHEREAS, the Parties entered into Agreement C14021 on November 5, 2013, to allocate \$140,290 from AUTHORITY to CITY to construct the I-40 Needles Connector Project in the City of Needles (“PROJECT”) as described in Attachment A to this Amendment; and
- B. WHEREAS, the Parties entered into Amendment C14021-01 on November 19, 2015 to increase the funding available from AUTHORITY to CITY from \$140,290 to \$190,290 to construct the I-40 Needles Connector Project in the City of Needles as described in Attachment A to this Amendment; and
- C. WHEREAS, the PROJECT is identified in the Colorado River Subarea Major Local Highway Program Project List and the PROJECT will be carried out in accordance with the policies of the Measure I 2010-2040 Strategic Plan; and
- D. WHEREAS, Agreement C14021 identifies CITY as the lead agency for this PROJECT, to undertake and lead the PROJECT; and

- E. WHEREAS, pursuant to Agreement C14021-01, AUTHORITY is obligated to reimburse CITY for the actual cost of the PROJECT up to a maximum of \$190,290 in MLHP Funds; and
- F. NOW, THEREFORE, the Parties desire and agree to increase AUTHORITY's obligation to reimburse CITY for CITY's actual allowable PROJECT expenditures from a maximum \$190,290 to a maximum of \$408,290 as set forth in Attachment B to this Amendment.

AGREEMENT

In consideration of the mutual promises contained herein and other good and sufficient consideration, the receipt and adequacy of which is hereby acknowledged, and the above Recitals which are incorporated into this Amendment, the Parties agree as follows:

1. Agreement C14021 is amended as follows:
 - a. Paragraph 1 of Section I, following "AUTHORITY AGREES", is deleted and replaced with the following:

"To reimburse CITY for the actual cost of the PROJECT up to a maximum of \$408,290 in MLHP Funds. A revised estimate of costs for the PROJECT is provided in Attachment B to the Amendment. AUTHORITY shall have no further responsibilities to provide MLHP funds for the PROJECT exceeding this amount."
 - b. Paragraph 2 of Section I, following "AUTHORITY AGREES", is deleted and replaced with the following:

"To reimburse CITY within 30 days after CITY submits an original and two copies of the signed invoices in the proper form covering those actual allowable PROJECT expenditures that were incurred by CITY up to a maximum of \$408,290, consistent with the invoicing requirements of the Measure I 2010-2040 Strategic Plan, including backup information. Invoices may be submitted to AUTHORITY as frequently as monthly."
 - c. Paragraph 2 of Section II, following "CITY AGREES", is deleted and replaced with the following:

"To be responsible for expending that portion of the eligible PROJECT expenses that are incurred by CITY, subject to reimbursement by AUTHORITY hereunder, for an amount not to exceed \$408,290 in MLHP Funds, and are reimbursable by AUTHORITY in accordance with Section I, Paragraph 2. Expenses relative to time spent on the PROJECT by CITY are considered eligible expenses and may be charged to the PROJECT funds subject to AUTHORITY's guidelines."

- d. Attachment A to Agreement C14021 is deleted and replaced with Attachment A (Project Description) attached to and incorporated into the Amendment.
 - e. Attachment B to Agreement C14021 is deleted and replaced with Attachment B (Revised Funding Plan) attached to and incorporated into the Amendment.
2. All other terms and conditions of Agreement C14021 shall remain in full force and effect.
 3. This Amendment is incorporated into and made a part of Agreement C14021.
 4. This Amendment shall be effective on the date executed by AUTHORITY.

-----SIGNATURES ON FOLLOWING PAGE-----

Attachment: C14021-02 (3033 : Contract Amendment C14021-02 for the I-40 Needles Connector Project)

In witness whereof, the Parties have executed this Amendment by their authorized signatories below.

**SAN BERNARDINO COUNTY
TRANSPORTATION AUTHORITY**

CITY OF NEEDLES

By: _____
Robert A. Lovingood, President
Board of Directors

By: _____
Dr. Edward Paget
Mayor

Date: _____

Date: _____

APPROVED AS TO FORM

APPROVED AS TO FORM AND
PROCEDURE:

By: _____
Eileen Monaghan Teichert
AUTHORITY General Counsel

By: _____
John Pinkney
CITY Counsel

Date: _____

CONCURRENCE:

By: _____
Jeffery Hill
Contract Administrator

Date: _____

Attachment: C14021-02 (3033 : Contract Amendment C14021-02 for the I-40 Needles Connector Project)

Attachment A

Project Description I-40 NEEDLES CONNECTOR PROJECT CITY of NEEDLES

Project Manager/Contact	Phone	E-mail Address
Tammy Elmore	760-326-2113 X5	ndlsgis@citlink.net
Project Title		
The Interstate 40 (I-40)/NEEDLES CONNECTOR PROJECT		
Location, Project Limits, Description, Scope of Work		<input type="checkbox"/> See page 2
I-40 NEEDLES CONNECTOR; RDWAY/SIDEWALK IMPRVMENTS ALONG 6,300FT; J ST FROM I-40 OFF/RMPS TO W BROADWAY; W BROADWAY FROM J ST TO NEEDLES HWY; NEEDLES HWY FROM W BROADWAY TO N K ST; N K ST TO S/ABUTMENT OF CO RIVR BRDGE INTRSTCT IMPRVMTS AT J ST/W BROADWAY, W		
<input checked="" type="checkbox"/> Includes ADA Improvements <input type="checkbox"/> Includes Bike/Ped Improvements		
Component	Implementing Agency	
PA&ED	City of Needles	
PS&E	City of Needles	
Right of Way	City of Needles	
Construction	City of Needles	
Purpose and Need		<input type="checkbox"/> See page 2
The City of Needles is proposing street improvements along an approximately 1.07-mile corridor in the City of Needles, San Bernardino county, California. The Interstate 40 (I-40)/Needles Connector Project limits include J Street, West Broadway Street, Ne		
Project Benefits		<input type="checkbox"/> See page 2
Improvements would include traffic signals, turn lanes, and Americans with Disabilities Act (ADA) pedestrian access, removing and replacing existing roadbed and asphalt pavement, striping, improved signage, reconstruction or adding sidewalks and ADA acces		
<input type="checkbox"/> <input type="checkbox"/>		
Project Milestone		Proposed
Project Study Report Approved		NA
Begin Environmental (PA&ED) Phase		01/01/08
Circulate Draft Environmental Document	Document Type	CE/CE
Draft Project Report		02/01/13
End Environmental Phase (PA&ED Milestone)		NA
Begin Design (PS&E) Phase		03/07/13
End Design Phase (Ready to List for Advertisement Milestone)		01/01/08
Begin Right of Way Phase		11/01/12
End Right of Way Phase (Right of Way Certification Milestone)		01/01/14
Begin Construction Phase (Contract Award Milestone)		01/01/16
End Construction Phase (Construction Contract Acceptance Milestone)		10/01/16
Begin Closeout Phase		02/28/17
End Closeout Phase (Closeout Report)		04/01/17
		06/30/17

Attachment: C14021-02 (3033 : Contract Amendment C14021-02 for the I-40 Needles Connector Project)

Attachment B

Revised Funding Plan

I-40 NEEDLES CONNECTOR PROJECT CITY OF NEEDLES

PHASE	TOTAL COST	MAJOR LOCAL HIGHWAY PROGRAM FUNDS ⁽¹⁾	FEDERAL FUNDS ⁽²⁾	STP-L ⁽³⁾	CITY SHARE	SAN BERNARDINO COUNTY SHARE
Engineering	\$1,956,840	\$ 25,000	\$1,505,000	\$0	\$ 350,000	\$76,840
Right of Way	\$ 626,290	\$165,290	\$461,000	\$0	\$0	\$0
Construction	\$3,145,000	\$218,000	\$947,000	\$1,980,000	\$0	\$0
Total	\$5,728,130	\$408,290	2,913,000	\$1,980,000	\$350,000	\$76,840

(1) AUTHORITY's Share can be from sources under control of AUTHORITY including, but not limited to, Measure I Major Local Highway Program (MLHP), State Transportation Improvement Program (STIP), Surface Transportation Program (STP), or State/Local Partnership Program (SLPP) funds without necessitating an amendment of this AGREEMENT.

(2) FY01-02 National Corridor Planning & Development (NCPD) and Coordinated Border Infrastructure Grant in the amount of \$2,913,000. (Q640/H640 Funds)

(3) Federal earmark in this amount was swapped with the I-215/Barton Road Project for Surface Transportation Program – Local funds to avoid rescission.

Minute Action

AGENDA ITEM: 33

Date: *September 7, 2016*

Subject:

Process to Fill Upcoming Vacancies on the Independent Taxpayer Oversight Committee

Recommendation:

Approve the process for the selection of two members of the Independent Taxpayer Oversight Committee (ITOC) to fill vacancies that will be created on December 31, 2016, due to term limits.

Background:

When Measure I was renewed by the voters, it included a requirement that an ITOC be formed. The ITOC provides citizen review to ensure that all Measure I funds are spent by SANBAG in accordance with provisions of the Measure I Expenditure Plan.

Measure I states that there will be an open process to select the committee members. Measure I also states: “In no case shall any voting committee member serve more than eight years on the ITOC.” Mr. Rod Johnson and Mr. Richard Haller both have terms expiring on December 31, 2016, and both will be concluding six years of service on the ITOC. This makes them ineligible to serve another full term of four years. For this reason, a process must be started to select new ITOC members to serve beginning January 1, 2017.

There is no specific selection process defined in the Measure I ordinance beyond stating that, “...the Authority shall have an open process...” Additionally, the ordinance specifies that each member of ITOC have certain credentials or experience as follows:

- A. One member who is a professional in the field of municipal audit, finance and/or budgeting with a minimum of five years in a relevant and senior decision-making position in the public or private sector.
- B. One member who is a licensed civil engineer or trained transportation planner with at least five years of demonstrated experience in the fields of transportation and/or urban design in government and/or the private sector. No member shall be a recipient or sub-recipient of Measure “I” funding.
- C. One member who is a current or retired manager of a major publicly financed development or construction project, who by training and experience would understand the complexity, costs and implementation issues in building large scale transportation improvements.
- D. One member who is a current or retired manager of a major privately financed development or construction project, who by training and experience would understand the complexity, costs and implementation issues in building large scale transportation improvements.
- E. One public member, who possesses the knowledge and skills which will be helpful to the work of the ITOC.

Entity: *CTA*

Mr. Johnson was the member with experience in the field of municipal audit, finance and/or budgeting (Category A above). Mr. Haller was the member who was a licensed civil engineer or trained transportation planner (Category B above). So when the selection process starts, potential candidates must possess the qualifications listed in Category A or B above.

When the ITOC members were originally selected, the Board had an ad hoc committee of the Administrative Committee (now the General Policy Committee) consisting of five members including:

SANBAG Board President
 SANBAG Board Vice President
 Representative of the Mountain/Desert Subregion
 Representative of the East Valley Subregion
 Representative of the West Valley Subregion

All members of the Board were encouraged to identify potential ITOC candidates and encourage them to complete an application (attached) and the vacancies were publicized by SANBAG. The applications were then reviewed by the ad hoc committee and applicants were selected to be interviewed by the committee. After the interviews, the committee made a recommendation to the Board of Directors.

In evaluating potential candidates for the ITOC, the following requirements must be kept in mind:

- In no case shall any voting committee member serve more than eight years on the ITOC.
- Committee members shall serve without compensation, except they shall be reimbursed for authorized travel and other expenses directly related to the work of the ITOC.
- Committee members cannot be a current local elected official in the county or a full time staff member of any city, the county government, local transit operator, or state transportation agency.
- ITOC voting members shall have no legal action pending against SANBAG and are prohibited from acting in any commercial activity directly or indirectly involving SANBAG, such as being a consultant during their tenure on the ITOC.
- ITOC voting members shall not have direct commercial interest or employment with any public or private entity, which receives Measure I funds.

It is recommended that the same process be used for filling these upcoming vacancies.

Financial Impact:

This item is consistent with the adopted SANBAG budget.

Reviewed By:

This item was reviewed and unanimously recommended for approval by the General Policy Committee on August 10, 2016.

Responsible Staff:

Duane Baker, Deputy Executive Director

Approved
Board of Directors
Date: September 7, 2016
Witnessed By:



Application for the Independent Taxpayer Oversight Committee (ITOC)

Name: _____

Address: _____

Email: _____ Phone No.: _____

1. Are you currently employed by the County of San Bernardino, by a city or transit operator in San Bernardino County or by a state transportation agency? **Yes** **No**

2. Are you currently employed or have a direct commercial interest in an entity that receives Measure I money? **Yes** **No**

3. Why are you interested in serving on the Independent Taxpayer Oversight Committee (ITOC)? *(attach additional pages if necessary)*

4. Check the position for which you are you applying.

- A professional in the field of municipal audit, finance and/or budgeting with a minimum of five years in a relevant and senior decision-making position in the public or private sector.
- A licensed civil engineer or trained transportation planner with at least five years of demonstrated experience in the fields of transportation and/or urban design in government and/or the private sector. No member shall be a recipient or sub- recipient of Measure "I" funding.

5. Are you currently employed? **Yes** **No**

If so who is your employer and what is your current occupation?

6. Describe the nature of your professional experience as it relates to the position you are applying for, including the number of years of experience you have in that area. *(attach additional pages if necessary)*

Attachment: FR092ITOC_Application (3043 : Process to Fill Upcoming Vacancies on the Independent Taxpayer Oversight Committee)



Independent Taxpayer Oversight Committee (ITOC)

Overview

About the Committee

The ITOC is an independent committee created with the passage in 2004 of the ½ cent Transportation Sales Tax known as Measure I. The Committee ensures that funds raised by Measure I are spent according to the approved Measure I Expenditure Plan. The responsibilities of the five-member Committee include:

1. Review the annual audits of the County Transportation Authority (Authority).
2. Report findings based on the audits to the Authority.
3. Recommend any additional audits for consideration which the ITOC believes may improve the financial operation and integrity of program implementation.

Who May Apply

Measure I requires that members of the Committee have specific skills or experience. Anyone 18 years or older with the necessary skill or experience, as listed below, are welcome to apply:

- A professional in the field of municipal audit, finance and/or budgeting with a minimum of five years in a relevant and senior decision-making position in the public or private sector.
- A licensed civil engineer or trained transportation planner with at least five years of demonstrated experience in the fields of transportation and/or urban design in government and/or the private sector. No member shall be a recipient or sub-recipient of Measure “I” funding.

Who May Not Apply

Measure I specifically prohibits current local elected officials in the county or a full time staff member of any city, the county government, local transit operator, or state transportation agency from being on the committee. ITOC voting members shall have no legal action pending against the Authority or San Bernardino Associated Governments and are prohibited from acting in any commercial activity directly or indirectly involving the Authority or San Bernardino Associated Governments, such as being a consultant during their tenure on the ITOC. ITOC voting members shall not have a direct commercial interest or employment with any public or private entity, which receives the transportation tax funds authorized by the voters.

Committee Term of Office

Committee members shall serve staggered four-year terms. In no case shall any voting committee member serve more than eight years on the ITOC.

Time Commitment

It is anticipated that the committee will meet up to four times a year, including a public meeting, to reports its findings.

Compensation

Per the terms of the Measure I approved by the voters, ITOC members will serve without compensation. ITOC members will be reimbursed for authorized travel and mileage related to the work of the ITOC.



Independent Taxpayer Oversight Committee (ITOC)

Overview

How Committee Members Are Selected

If interested, complete an application and submit it before 5:00pm, October 21, 2016 to:

SANBAG
1170 W. 3rd Street, 2nd Floor
San Bernardino, CA 92410-1715
ATTN: ITOC Selection

Applications meeting the minimum qualifications will be submitted to the ITOC Selection Committee of the SANBAG Board of Directors. The ITOC Selection Committee will select the most qualified applicants to participate in an interview with them. The ITOC Selection Committee will recommend applicants to be appointed to the ITOC. The recommended appointments will then be submitted for approval to the SANBAG Board of Directors.

Contact for Questions/Information

Duane Baker, Deputy Executive Director
Phone: 909-884-8276
Email: dbaker@sanbag.ca.gov.

Also, please refer to the SANBAG website www.sanbag.ca.gov.

Minute Action

AGENDA ITEM: 34

Date: September 7, 2016

Subject:

Southern California Regional Rail Authority Budget Amendment Allocation for Fiscal Year 2016/2017 for Los Angeles Rams Pilot Program

Recommendation:

That the Board, acting in its capacity as the San Bernardino County Transportation Commission:

A. Approve an increase in the Southern California Regional Rail Authority Fiscal Year 2016/2017 Operating Assistance allocation in the amount of \$20,000 for a new total of \$14,860,000, to be funded with Valley Local Transportation Fund;

B. Authorize a budget amendment to the SANBAG Fiscal Year 2016/2017 Budget in the amount of \$20,000 to Task 0314 Transit Operations, Sub Task 0377 Metrolink Operating & Maintenance Subsidy, funded with Local Transportation Funds for a new task total of \$16,513,816.

Background:

With the return of the Los Angeles Rams football team to the Los Angeles Memorial Coliseum for the 2016 season, the Southern California Regional Rail Authority (SCRRA) in coordination with the Los Angeles County Metropolitan Transportation Agency (Metro), Orange County Transportation Authority (OCTA), and SANBAG have been discussing a pilot program to provide additional Metrolink commuter rail service to the seven (7) Rams home games. Due to strong ticket sales for Rams games, limited parking spaces, and high parking rates around the Coliseum, staff believes additional Metrolink trains providing service to the Los Angeles Union Station (LAUS), facilitating connections to Metro's light-rail system with service directly to the Coliseum has an opportunity to not only serve fans but also expose potential daily riders to the Metrolink service. The Rams organization has provided season ticket holder distributions by zip code, which indicates a large number of season ticket holders near some stations along the Metrolink Antelope Valley, San Bernardino, and Orange County Lines.

The potential for use of this service was shown via a significant increase in ridership on the Metrolink San Bernardino Line on the two inbound trains and one outbound train before and after the two Saturday preseason home games held on August 13th and August 20th. This pilot program proposes to add one additional round trip special Metrolink service train along the Orange County, Antelope Valley and San Bernardino Lines to the Rams home games beginning on Sunday, September 18, 2016.

The total cost to add this pilot program along the San Bernardino Line for seven (7) games is estimated at \$47,166. The San Bernardino Line service would be funded 60% by Metro and 40% by SANBAG per the existing operating shares, resulting in an estimated cost of \$18,866 to SANBAG. Service would consist of one round trip between the Metrolink San Bernardino

Entity: CTA, CTC

Station and LAUS. Staff is recommending participation in this pilot program with a contribution to Metrolink's Fiscal Year 2016/2017 Operating Budget in the amount of \$20,000.

The current Metrolink San Bernardino Line Sunday schedule has seven round trips throughout the day. The existing Metrolink train #357, on the San Bernardino Line arrives at LAUS at 11:30 a.m. This train is in a good slot for riders to transfer to Metro's light-rail system to arrive at the Rams games prior to kickoff; however, there is no Metrolink service in the 6:00 p.m. – 6:30 p.m. timeframe to take riders back to their origin, with the only remaining return train departing at 9 p.m. The addition of a round trip would provide the needed return trip service at a reasonable time so that riders can get home. This pilot program would also provide an additional inbound service option and seating capacity for riders to have more trains to choose from to get to the Rams games. The specific schedules for these two trains are still being finalized.

In addition, the requested budget allocation includes funding for outreach and advertising for the pilot project to ensure Rams fans and other potential customers would be aware of this service. Conversations and coordination with the Rams organization are currently ongoing regarding the possibility of the Rams notifying their season ticket holders of this pilot program service.

This item has not been reviewed by the Transit Committee due to the need for a special service for this pilot program to begin on the first game which is September 18, 2016.

Financial Impact:

This item is not consistent with the SANBAG adopted budget and a budget amendment is requested in Recommendation B.

Reviewed By:

This item has not received prior policy committee or technical advisory committee review. This item is being taken directly to the SANBAG Board due to time constraints.

Responsible Staff:

Carrie Schindler, Director of Transit and Rail

Approved
 Board of Directors
 Date: September 7, 2016

Witnessed By:

**LA Rams Special
METROLINK COST ESTIMATE - Revised 8/25/16**

Operating Date: FY17
 Service: One RT between San Bernardino and LAUS
 Prepared for: Metrolink

Cost Element	Cost	Comment
Train Crew Labor	\$ 1,731	One crew @ 8 hr OT and 4 hr HT
Mechanical	\$ 753	Mechanic and Cleaning, water/dump
LASD	\$ 1,833	2 deputies, 12 hr
Customer Engagement Reps.	\$ 551	1 CER, 12 hr OT
TVM Programming	\$ -	N/A
Fuel (2.7 gal/mi @ \$2.63/gal)	\$ 803	113 miles
Freight RR Track Chrgs.	\$ -	N/A
Contingency	\$ 567	10% (ie security guards at Union Station, staff support at stations)
Marketing	\$ 500	Social media sponsored ads
Total Cost:	\$ 6,738	1 Game
Total Cost for 7-Games	\$ 47,164.22	9/18, 10/9, 11/6, 11/20, 12/11, 12/24 and 1/1

ADDITIONAL INFORMATION

BOARD OF DIRECTORS ATTENDANCE RECORD – 2016

Name	Jan	Feb	March	April	May	June	July	Aug DARK	Sept	Oct	Nov	Dec
Robert A. Lovingood Board of Supervisors	X	X	X	X	X	X	X					
Janice Rutherford Board of Supervisors	X	X	X	X	X	X	X					
James Ramos Board of Supervisors		X	X		X							
Curt Hagman Board of Supervisors	X	X		X	X	X						
Josie Gonzales Board of Supervisors		X		X	X	X	X					
Rich Kerr City of Adelanto	X			X	X							
Curt Emick Town of Apple Valley	X	X	X	X	X	*						
Julie McIntyre City of Barstow	X	X	X		X	X	X					
Bill Jahn City of Big Bear Lake	X	X	X		X	X	X					
Dennis Yates City of Chino	X	X	X	X	X	X	X					
Ed Graham City of Chino Hills	X		X	X		X	X					
Frank Navarro City of Colton	X	X	X	X	X	X	X					
Michael Tahan City of Fontana	X	X	X	X	X	X	X					
Darcy McNaboe City of Grand Terrace	X	X	X	X	X	X	X					
Eric Schmidt City of Hesperia	X	X	X	X	X	X						
Larry McCallon City of Highland	X	X	X	X	X	X	X					

X = member attended meeting. * = alternate member attended meeting. Empty box = Did not attend meeting. Crossed out box = not a Board Member at the time.

BOARD OF DIRECTORS ATTENDANCE RECORD – 2016

Name	Jan	Feb	March	April	May	June	July	Aug DARK	Sept	Oct	Nov	Dec
Rhodes ‘Dusty’ Rigsby City of Loma Linda	X	X	X	X	X	X	X					
Paul Eaton City of Montclair	X	X	X	X	X	X	X					
Edward Paget City of Needles	X	X	X	X		X	X					
Alan Wapner City of Ontario	X	X	X	X	X	X	X					
L. Dennis Michael City of Rancho Cucamonga	X	X	*	X	X	X	X					
Jon Harrison City of Redlands	X	X	X	X	*	*	X					
Deborah Robertson City of Rialto	X	X	X	X	X		X					
R. Carey Davis City of San Bernardino		X	X	X	X	X	X					
Joel Klink City of Twentynine Palms	X	*	X	X	*	X	X					
Ray Musser City of Upland	*	X	X	X	X	X	X					
Ryan McEachron City of Victorville	X	X	X	X	X	X	X					
Dick Riddell City of Yucaipa	X	X	X	X	X	X	X					
George Huntington Town of Yucca Valley	X	X	X	X	X	X	X					
John Bulinski Ex-Official Member	X	X	X	Christy Connors	Christy Connors	X	X					

Communication: Attendance (Additional Information)

X = member attended meeting. * = alternate member attended meeting. Empty box = Did not attend meeting. Crossed out box = not a Board Member at the time.

San Bernardino Associated Governments (SANBAG) is a council of governments formed in 1973 by joint powers agreement of the cities and the County of San Bernardino. SANBAG is governed by a Board of Directors consisting of a mayor or designated council member from each of the twenty-four cities in San Bernardino County and the five members of the San Bernardino County Board of Supervisors.

In addition to SANBAG, the composition of the SANBAG Board of Directors also serves as the governing board for several separate legal entities listed below:

***The San Bernardino County Transportation Commission**, which is responsible for short and long range transportation planning within San Bernardino County, including coordination and approval of all public mass transit service, approval of all capital development projects for public transit and highway projects, and determination of staging and scheduling of construction relative to all transportation improvement projects in the Transportation Improvement Program.*

***The San Bernardino County Transportation Authority**, which is responsible for administration of the voter-approved half-cent transportation transactions and use tax levied in the County of San Bernardino.*

***The Service Authority for Freeway Emergencies**, which is responsible for the administration and operation of a motorist aid system of call boxes on State freeways and highways within San Bernardino County.*

***The Congestion Management Agency**, which analyzes the performance level of the regional transportation system in a manner which ensures consideration of the impacts from new development and promotes air quality through implementation of strategies in the adopted air quality plans.*

*As a **Subregional Planning Agency**, SANBAG represents the San Bernardino County subregion and assists the Southern California Association of Governments in carrying out its functions as the metropolitan planning organization. SANBAG performs studies and develops consensus relative to regional growth forecasts, regional transportation plans, and mobile source components of the air quality plans.*

Items which appear on the monthly Board of Directors agenda are subjects of one or more of the listed legal authorities. For ease of understanding and timeliness, the agenda items for all of these entities are consolidated on one agenda. Documents contained in the agenda package are clearly marked with the appropriate legal entity.

This list provides information on acronyms commonly used by transportation planning professionals. This information is provided in an effort to assist SANBAG Board Members and partners as they participate in deliberations at SANBAG Board meetings. While a complete list of all acronyms which may arise at any given time is not possible, this list attempts to provide the most commonly-used terms. SANBAG staff makes every effort to minimize use of acronyms to ensure good communication and understanding of complex transportation processes.

AB	Assembly Bill
ACE	Alameda Corridor East
ACT	Association for Commuter Transportation
ADA	Americans with Disabilities Act
ADT	Average Daily Traffic
APTA	American Public Transportation Association
AQMP	Air Quality Management Plan
ARRA	American Recovery and Reinvestment Act
ATMIS	Advanced Transportation Management Information Systems
BAT	Barstow Area Transit
CALACT	California Association for Coordination Transportation
CALCOG	California Association of Councils of Governments
CALSAFE	California Committee for Service Authorities for Freeway Emergencies
CARB	California Air Resources Board
CEQA	California Environmental Quality Act
CMAQ	Congestion Mitigation and Air Quality
CMIA	Corridor Mobility Improvement Account
CMP	Congestion Management Program
CNG	Compressed Natural Gas
COG	Council of Governments
CPUC	California Public Utilities Commission
CSAC	California State Association of Counties
CTA	California Transit Association
CTC	California Transportation Commission
CTC	County Transportation Commission
CTP	Comprehensive Transportation Plan
DBE	Disadvantaged Business Enterprise
DEMO	Federal Demonstration Funds
DOT	Department of Transportation
EA	Environmental Assessment
E&D	Elderly and Disabled
E&H	Elderly and Handicapped
EIR	Environmental Impact Report (California)
EIS	Environmental Impact Statement (Federal)
EPA	Environmental Protection Agency
FHWA	Federal Highway Administration
FSP	Freeway Service Patrol
FRA	Federal Railroad Administration
FTA	Federal Transit Administration
FTIP	Federal Transportation Improvement Program
GFOA	Government Finance Officers Association
GIS	Geographic Information Systems
HOV	High-Occupancy Vehicle
ICTC	Interstate Clean Transportation Corridor
IEEP	Inland Empire Economic Partnership
ISTEA	Intermodal Surface Transportation Efficiency Act of 1991
IIP/ITIP	Interregional Transportation Improvement Program
ITS	Intelligent Transportation Systems
IVDA	Inland Valley Development Agency
JARC	Job Access Reverse Commute
LACMTA	Los Angeles County Metropolitan Transportation Authority
LNG	Liquefied Natural Gas
LTF	Local Transportation Funds

MAGLEV	Magnetic Levitation
MARTA	Mountain Area Regional Transportation Authority
MBTA	Morongo Basin Transit Authority
MDAB	Mojave Desert Air Basin
MDAQMD	Mojave Desert Air Quality Management District
MOU	Memorandum of Understanding
MPO	Metropolitan Planning Organization
MSRC	Mobile Source Air Pollution Reduction Review Committee
NAT	Needles Area Transit
NEPA	National Environmental Policy Act
OA	Obligation Authority
OCTA	Orange County Transportation Authority
PA&ED	Project Approval and Environmental Document
PASTACC	Public and Specialized Transportation Advisory and Coordinating Council
PDT	Project Development Team
PNRS	Projects of National and Regional Significance
PPM	Planning, Programming and Monitoring Funds
PSE	Plans, Specifications and Estimates
PSR	Project Study Report
PTA	Public Transportation Account
PTC	Positive Train Control
PTMISEA	Public Transportation Modernization, Improvement and Service Enhancement Account
RCTC	Riverside County Transportation Commission
RDA	Redevelopment Agency
RFP	Request for Proposal
RIP	Regional Improvement Program
RSTIS	Regionally Significant Transportation Investment Study
RTIP	Regional Transportation Improvement Program
RTP	Regional Transportation Plan
RTPA	Regional Transportation Planning Agencies
SB	Senate Bill
SAFE	Service Authority for Freeway Emergencies
SAFETEA-LU	Safe Accountable Flexible Efficient Transportation Equity Act – A Legacy for Users
SCAB	South Coast Air Basin
SCAG	Southern California Association of Governments
SCAQMD	South Coast Air Quality Management District
SCRRA	Southern California Regional Rail Authority
SHA	State Highway Account
SHOPP	State Highway Operations and Protection Program
SOV	Single-Occupant Vehicle
S RTP	Short Range Transit Plan
STAF	State Transit Assistance Funds
STIP	State Transportation Improvement Program
STP	Surface Transportation Program
TAC	Technical Advisory Committee
TCIF	Trade Corridor Improvement Fund
TCM	Transportation Control Measure
TCRP	Traffic Congestion Relief Program
TDA	Transportation Development Act
TEA	Transportation Enhancement Activities
TEA-21	Transportation Equity Act for the 21 st Century
TMC	Transportation Management Center
TMEE	Traffic Management and Environmental Enhancement
TSM	Transportation Systems Management
TSSDRA	Transit System Safety, Security and Disaster Response Account
USFWS	United States Fish and Wildlife Service
VCTC	Ventura County Transportation Commission
VVTA	Victor Valley Transit Authority
WRCOG	Western Riverside Council of Governments

AGENCY REPORTS



REPORT: Mobile Source Air Pollution Reduction Review Committee

FROM: Larry McCallon, SANBAG Representative to the MSRC

SYNOPSIS: Below is a summary of key issues addressed at the MSRC's meeting on June 16, 2016. The next meeting is scheduled for Thursday, August 18, 2016, at 2:00 p.m., in Conference Room CC8.

Meeting Minutes Approved

The MSRC unanimously approved the minutes of its March 17, 2016 meeting. Those approved minutes are attached for your information.

Major Event Center Transportation Program

As part of the FYs 2014-16 Work Program, the MSRC allocated \$4.5 million for event center transportation programs and released a Program Announcement to solicit projects for traffic-impacted centers. Applications may be submitted through July 29, 2016. The MSRC subsequently allocated an additional \$411,011 to the Program, and to date, the MSRC has awarded a total of \$4,739,077. The MSRC considered recommendations concerning an additional application. Los Angeles County Metropolitan Transportation Authority (Metro) requested the MSRC to consider an award of \$807,945 to provide special express bus service, as well as special Metrolink service for select games, for the 2017 Dodgers baseball season. Service would be provided by CNG buses between Union Station and Dodger Stadium for all Dodger home games, providing service from at least 90 minutes prior to each game until at least 45 minutes after the game ends. In addition, special Metrolink trains would be added in support of "cross-town rivalry" games versus the Los Angeles Angels of Anaheim. For these games, trains would depart from Oceanside and arrive at Union Station, enabling patrons to utilize the bus service to access Dodger Stadium. Service would promote the use of public transit, including bus and rail, in lieu of personal automobile. Elimination of traffic congestion, especially reductions in automobile stop and go driving and queuing, has a direct link to reduced vehicle exhaust emissions. Metro and the Los Angeles Dodgers would contribute at least \$896,360 in co-funding. In accordance with the Program terms, Metro would only seek reimbursement for rail trips performed using Metrolink's cleanest locomotives. The MSRC allocated an additional \$807,945 to the Program, waived the maximum funding per event center, and approved a contract award to Metro in an amount not to exceed \$807,945 as part of the FYs 2016-18 Work Program to implement the 2017 Dodger Stadium Express service. The SCAQMD Board will consider these items at its July 8, 2016 meeting.

Approval of FY 2016-17 Administrative Budget

Administrative costs for the AB 2766 Discretionary Program were previously limited by the state to 5 percent annually of the overall budget. The passage of SB 513 raised this cap to 6.25 percent. Every year, the MSRC adopts an Administrative Budget for the upcoming fiscal year to ensure costs remain within this limitation. On June 16, 2016, the MSRC adopted its FY 2016-17 Administrative Budget in the amount of \$719,131, which is more than \$268,000 below the 6.25 percent cap. As part of the adoption of the FY 2016-17 Administrative Budget, the MSRC included an allocation of \$56,000 for miscellaneous expenditures, such as postage, office supplies and equipment, advertising, travel, etc. These funds will be transferred to the Science & Technology Advancements FY 2016-17 Budget. Expenses will be tracked and any funds not expended by the end of the fiscal year will be returned to the MSRC. The SCAQMD Board will consider authorization of the fund transfer at its July 8, 2016 meeting.

Contract Modification Request

The MSRC considered a contract modification request for the City of Pasadena, Contract #MS12080, which provides \$225,000 to expand a CNG station, and approved a six month contract term extension.

Received and Approved Final Reports

The MSRC received and unanimously approved a final report summary this month for EDCO Disposal Corp., Contract #MS16081, which provided \$150,000 for expansion of existing CNG infrastructure.

Contracts Administrator's Report

The MSRC's AB 2766 Contracts Administrator provides a written status report on all open contracts from FY 2004-05 through the present.

COMMITTEE MEMBERSHIP

APPOINTING/ELECTING AUTHORITY	REGIONAL COUNCIL (12:15 p.m.)	POLICY COMMITTEES (Regional Council Members Serve on One Each) (Subregional Appointments) (County Commissions Appoint One to TC) (10:00 a.m.)		
		Community, Economic, and Human Development	Energy and Environment	Transportation
District 6 (Grand Terrace, Colton, Loma Linda, Redlands, Yucaipa) District 7 (San Bernardino, Highland) District 8 (Rialto, Fontana) District 9 (Rancho Cucamonga, Upland, Montclair) District 10 (Chino, Chino Hills, Ontario) District 11 (Barstow, Big Bear, Needles, Twentynine Palms, Yucca Valley) District 65 (Adelanto, Apple Valley, Hesperia, Victorville) San Bernardino County	F. Navarro L. McCallon D. Robertson L. Michael R. Marquez B. Jahn R. McEachron C. Hagman	L. McCallon B. Jahn	D, Robertson	F. Navarro R. Marquez R. McEachron C. Hagman
†SANBAG Acting as County Transportation Commission	A. Wapner			A. Wapner
SANBAG Subregional Appointees* *One appointee to each policy committee for a total of three appointees per subregion, plus one additional appointee for every SCAG District over three in the subregion. SANBAG has a total of seven subregional appointees to the policy committees.		Julie McIntyre Ray Musser Ed Paget	Diane Williams Ed Graham Jon Harrison	B. Stanton

Rules of Appointment

1. SANBAG policy stipulates that all SANBAG appointees be SANBAG Board Members.
2. SCAG President appoints Regional Council members to Standing and Policy Committees.

Terms of Appointment

Terms of appointment are two years, commencing on adjournment of the annual General Assembly in May of each year. Even-numbered District representatives' terms expire in even-numbered years; odd-numbered District representatives expire in odd-numbered years. †SANBAG's Regional Council Representative serves a two-year term from the date of appointment.

Stipend Summary

SCAG Regional Council members receive a \$120 stipend for attendance and travel to SCAG sponsored meetings. Regional Council members may also receive reimbursement for public transit expenses or a mileage reimbursement. Parking is validated at SCAG's downtown Los Angeles office for RC members. RC members are eligible to receive up to six (6) per diem stipends per month. Both RC members and Subregional Appointees, if eligible, may receive reimbursement (\$150 + taxes) for lodging (please review SCAG rules before making expenditure). Subregional Appointees shall receive a \$120 stipend for up to four Policy or Task Force meetings per month.

Meeting Information

The regular meetings of SCAG Regional Council and Policy Committees are on the 1st Thursday of each month at the SCAG offices located at 818 West 7th Street, 12th Floor in Los Angeles. Generally, the Policy Committee meetings start at 10 AM and Regional Council meetings start at 12:15 PM.

Policy Committees

Community, Economic, and Human Development: Provides policy recommendations to the Regional Council on subjects of housing, land use, resource, economic, community development, infrastructure, employment, and regional disaster preparedness issues. Reviews and recommends to the Planning Committee revisions to the Housing, Economy, Growth Management, Human Resources, and Finance Chapters of the Regional Comprehensive Plan and Guide.

Energy and Environment: Acts as the policy advisory committee to the Regional Council on environmental issues, including air and water, hazardous, solid waste management, natural resources conservation, and energy conservation. Reviews the Environmental Impact Report of the Regional Comprehensive Plan and Guide. Provides recommendations to the Planning Committee on state and federal legislative proposals and administrative guidelines affecting environmental quality, resource conservation.

Transportation and Communications: Acts as the policy advisory committee to the Regional Council on all regional matters pertaining to the movement of goods and people on land, water, and air. Reviews and recommends to the Regional Council all major utility development plans. Addresses the location, size, or capacity, timing, and impact of facilities.

Communication: Representatives on SCAG Committees (Committee Membership)

SANBAG Appointments to External Agencies

SANBAG works closely with not only the County and cities within the County of San Bernardino, but with a number of regional governments that relate to the multiple counties within the Southern California region. Members of the SANBAG Board of Directors frequently take active roles in representing the interests of San Bernardino County on these regional bodies. This participation provides assurance that the unique needs and characteristics of San Bernardino County are taken into consideration as policies are developed which impact this County and its individual local government units. Active participation in regional organizations further promotes the interests of San Bernardino County and secures its appropriate role in the Southern California region.

The following table lists some of the regional bodies upon which SANBAG representatives serve.

Committee	Appointee	Appointing Authority	Purpose	Term
Alameda Corridor-East Construction Authority	Paul Eaton, Montclair, Primary Ex-Officio Julie McIntyre, Barstow, Alternate Ex-Officio	SANBAG President	SANBAG representative serves as ex-officio member of the Authority that addresses issues related to the transportation corridor running from Los Angeles to San Bernardino County. This Authority meets on the fourth Monday of each month at Irwindale City Hall. Members receive a \$100 stipend from the Authority.	12/31/16 12/31/17
Inland Empire Economic Partnership (IEEP)	Dennis Michael, Rancho Cucamonga	SANBAG President	The IEEP is a partnership that includes business, government and academic leaders to develop and carry out initiatives to benefit the region.	
The Sam and Alfreda L. Maloof Foundation for Arts and Crafts	Janice Rutherford, Supervisor	SANBAG Board of Directors	A non-profit corporation that participates in the preparation of the Conservation Plan and oversees the activities and assets of the Foundation. SANBAG has not authorized payment of stipend for participation.	12/31/17
Metro Gold Line Phase II Joint Powers Authority	Paul Eaton, Montclair, Primary Curt Hagman, Supervisor, Alternate	SANBAG Board of Directors	The Gold Line Phase II Construction Authority is a joint powers agency formed by thirteen cities along the corridor, LACMTA and SANBAG. THE JPA serves as a forum for the review, consideration, study, development and recommendation of policies and plans for the extension of the Gold Line from Pasadena to Montclair. Members receive \$150 payment from Gold Line Authority for participation.	12/31/17 12/31/16
Metro Gold Line Foothill Extension Construction Authority	Alan Wapner, Ontario, Primary Deborah Robertson, Alternate	SANBAG President	The Authority is responsible for the development of a light rail project from the City of Los Angeles into San Bernardino County. The Authority board meets on the second and fourth Wednesday of the month at 7:00 p.m. at the Authority's office in Monrovia. Members receive \$150 for each day spent on Authority business, not to exceed \$600 per month.	12/31/16 12/31/16
Mobile Source Air Pollution Reduction Review Committee	Larry McCallon, Highland, Primary Ed Graham, Alternate	SANBAG Board of Directors	Develops and implements work programs which reduce mobile source emissions, funded by AB2766 (portion of the \$4 motor vehicle registration fee). County Commissions, SCAQMD, and ARB have one appointment with alternates. In April 2005, SANBAG authorized a stipend of \$100 per day. The MSRC meets once a month on Thursdays at 1:30 p.m. at South Coast Air Quality Management District in Diamond Bar.	12/31/16 12/31/16

Communication: SANBAG Appointments to External Agencies (Committee Membership)

SANBAG Appointments to External Agencies

Committee	Appointee	Appointing Authority	Purpose	Term
One Water One Watershed (OWOW) Steering Committee of the Santa Ana Watershed Project Authority	Jon Harrison, City of Redlands	SANBAG Board of Directors	<p>Responsible for developing the integrated Regional Water Management Plan for the Santa Ana River.</p> <p>The term of the appointment is for four years for a city representative from San Bernardino County.</p> <p>Officers leaving elected office after appointment are still eligible to serve. Beginning January 2016, the OWOW meets on the 4th Thursday of every other month at 11:00 a.m. at the Santa Ana Watershed Project Authority (SAWPA)</p>	12/31/2019
SCAG Policy Committees	See associated table.	The SANBAG Board has authorized the SANBAG President to make appoints to SCAG Policy Committees.	<p>SANBAG, as the CTC, appoints one elected official to serve on SCAG’s Transportation and Communications Committee.</p> <p>SANBAG, when acting as a subregional agency, also has authority to make six appointments to the three SCAG Policy Committees; i.e., Community Economic and Human Development, Energy and Environment, and Transportation and Communications. (The mayors of the six SCAG districts in SBCO elect members to the SCAG Regional Council. See attachment.)</p> <p>SCAG pays a fee for service to members for attendance at SCAG Policy Committee meetings.</p>	See associated table – SANBAG Representatives on SCAG Committees
Southern California Regional Rail Authority	Paul Eaton, Montclair, Primary Larry McCallon, Highland, Primary Alan Wapner, Ontario, Alternate James Ramos, Supervisor, Alternate	SANBAG Board of Directors (Commuter Rail & Transit Committee makes a recommendation.)	<p>SCRRA serves as the governing body for Metrolink, the regional commuter rail system serving the five Southern California Counties.</p> <p>Members receive payment of \$100 per day from SCRRA for participation.</p>	Indefinite
SR 91 Advisory Committee	Vacant, Ex-Officio Member	SANBAG Board of Directors	<p>The Committee reviews issues and makes recommendations to OCTA regarding the transportation facilities acquired, including tolls imposed, operations, maintenance, use of toll revenues, and improvements in the area of SR 91 between I-15 and SR 55, including the identification and siting of alternate highways.</p> <p>SANBAG has not authorized payment of stipend for participation.</p>	12/31/16
Valley Transportation Services (VTrans)	Ed Graham, Chino Hills Alan Wapner, Ontario John Roberts, Fontana	SANBAG Board of Directors	<p>VTrans is a non-profit organization created and designated by SANBAG as the Consolidated Transportation Service Agency (CTSA) eligible to receive 2% of Measure I Senior/Disabled transportation funds collected in the Valley.</p> <p>SANBAG has three appointments to the VTrans Board. VTrans Board members must be from the Valley region.</p>	09/30/16 09/30/16 09/30/17

Communication: SANBAG Appointments to External Agencies (Committee Membership)

SANBAG Policy Committee Membership

COMMITTEE	PURPOSE	MEMBERSHIP	TERMS
<p>General Policy Committee Membership consists of the following: SANBAG President, Vice President, and Immediate Past President 4 East Valley (3 City, 1 County) 4 West Valley (3 City, 1 County) 4 Mt/Desert (3 City, 1 County) City members shall be SANBAG Board Members elected by caucus of city SANBAG Board Members within the subarea. All Policy Committee and Board Study Session Chairs are included in this policy committee. All City members serving as Board officers, Committee chairs, or Board Study Session Chair, are counted toward their subareas City membership. Supervisors collectively select their representatives. The SANBAG Vice President shall serve as Chair of the General Policy Committee.</p>	<p>Makes recommendations to Board of Directors and: (1) Provides general policy oversight which spans the multiple program responsibilities of the organization and maintains the comprehensive organization integrity; (2) Provides policy direction with respect to administrative issues, policies, budget, finance, audit, and personnel issues for the organization; (3) Serves as policy review committee for any program area that lacks active policy committee oversight. Committee has authority to approve contracts in excess of \$25,000 with notification to the Board of Directors. (Brown Act)</p>	<p>Alan Wapner, Ontario, Vice President (Chair) Robert A. Lovingood, Supervisor, President (Vice Chair) Ryan McEachron, Victorville, Past President</p> <p><u>West Valley</u> Alan Wapner, Ontario, Vice President L. Dennis Michael, Rancho Cucamonga Dennis Yates, Chino Curt Hagman, Supervisor</p> <p><u>East Valley</u> Frank Navarro, Colton (Chair – MVSS) Darcy McNaboe, Grand Terrace Rhodes “Dusty” Rigsby, Loma Linda James Ramos, Supervisor (Chair - TC)</p> <p><u>Mountain/Desert</u> Bill Jahn, Big Bear Lake (Chair – MDC) Ryan McEachron, Victorville, Past President Joel Klink, Twentynine Palms Robert A. Lovingood, Supervisor, President</p>	<p>6/30/2017 6/30/2017 6/30/2017 6/30/2017 6/30/2017 6/30/2017 6/30/2017 6/30/2017 6/30/2017 6/30/2017 6/30/2017 6/30/2017 6/30/2017 6/30/2017 6/30/2017</p>
<p>Transit Committee Membership consists of 11 SANBAG Board Members: 9 Valley-members, two being Southern California Regional Rail Authority (SCRRA) primary (*) and two being SCRRA alternate (**) members. 2 Mountain/Desert Board Members who serve on the Board of a Mountain/Desert transit agency. SCRRA members and alternates serve concurrent with their term on the SCRRA Board of Directors as appointed by the SANBAG Board. Other members are appointed by the SANBAG President for 2-year terms.</p>	<p>Provides policy guidance and recommendations to the SANBAG Board of Directors and Southern California Regional Rail Authority (SCRRA) delegates with respect to commuter rail and transit service. * SCRRA Primary Member ** SCRRA Alternate Member (Brown Act)</p>	<p>James Ramos, Supervisor** (Chair) Bill Jahn, Big Bear Lake (Vice Chair) Paul Eaton, Montclair* Jon Harrison, Redlands Robert A. Lovingood, Supervisor Larry McCallon, Highland* L. Dennis Michael, Rancho Cucamonga Ray Musser, Upland Dick Riddell, Yucaipa Deborah Robertson, Rialto Alan Wapner, Ontario**</p>	<p>Indeterminate (6/30/2017) Indeterminate (6/30/2017) Indeterminate 12/31/2016 12/31/2017 Indeterminate 12/31/2017 12/31/2017 12/31/2016 12/31/2016 12/31/2016 Indeterminate</p>

Communication: SANBAG Committee Membership (Committee Membership)

SANBAG Policy Committee Membership

COMMITTEE	PURPOSE	MEMBERSHIP	TERMS
<p>Mountain/Desert Committee Membership consists of 12 SANBAG Board Members from each Mountain/Desert jurisdiction and County Supervisors representing the First, Second, and Third Districts.</p>	<p>Provides ongoing policy level oversight related to the full array of SANBAG responsibilities as they pertain specifically to the Mountain/Desert subregion. The Committee also meets as the Mountain/Desert Measure I Committee as it carries out responsibilities for Measure I Mountain/Desert Expenditure Plan. (Brown Act)</p>	<p>Bill Jahn, Big Bear Lake (Chair) Eric Schmidt, Hesperia (Vice Chair) Curt Emick, Apple Valley George Huntington, Yucca Valley Rich Kerr, Adelanto Joel Klink, Twentynine Palms Ryan McEachron, Victorville Julie McIntyre, Barstow Edward Paget, Needles James Ramos, Supervisor Janice Rutherford, Supervisor</p>	<p>Indeterminate (6/30/2017) Indeterminate (6/30/2017) Indeterminate Indeterminate Indeterminate Indeterminate Indeterminate Indeterminate Indeterminate Indeterminate</p>

Policy Committee Meeting Times

General Policy Committee	Second Wednesday, 9:00 a.m., SANBAG Office
Transit Committee	Second Thursday, 9:00 a.m., SANBAG Office
Mountain/Desert Committee	Third Friday, 9:30 a.m., Apple Valley

NOTE: Policy Committee meetings will not be held in July of each year (effective 9/5/12).

Board of Directors Study Sessions for Metro Valley Issues

STUDY SESSION	PURPOSE	MEMBERSHIP	TERMS
<p>Board of Directors Study Sessions for Metro Valley Issues Refer to SANBAG Policy 10007.</p>	<p>To review, discuss, and make recommendations for actions to be taken at regular meetings of the Board on issues relating to Measure I Projects in the Valley. (Brown Act)</p>	<p>Board of Directors Frank Navarro, Colton (Chair) Janice Rutherford, Supervisor (Vice Chair)</p>	<p>6/30/2017 6/30/2017</p>

Meeting Time: Second Thursday, 9:30 a.m., SANBAG Office

I-10 and I-15 Corridor Joint Sub-Committee

Joint Sub-Committee	PURPOSE	MEMBERSHIP
<p>I-10 and I-15 Corridor Joint Sub-Committee In January 2015, the Board approved the change status of Express Lanes Ad Hoc Committee to the creation of the I-10 and I-15 Corridor Joint Sub-Committee of the Board of Directors Metro Valley Study Session and the Mountain/Desert Policy Committee (I-10 and I-15 Joint Sub-Committee). Members of the committee will be members of the SANBAG Board of Directors and will be appointed by the SANBAG Board President. The President will appoint the Chair and Vice-Chair of the Sub-Committee. The Sub-Committee will include a minimum of nine and a maximum of fourteen SANBAG Board members. Membership will be composed of a minimum of three representatives from the East Valley; and a minimum of two representatives from the Victor Valley. The Sub-Committee will meet as necessary immediately following the Metro Valley Study Session.</p>	<p>The purpose is to consider and make recommendations to the Board of Directors on the development of express lanes in San Bernardino County, in particular on the I-10 and I-15 Corridors. (Brown Act)</p>	<p>Alan Wapner, Ontario – Chair Ryan McEachron, Victorville – Vice Chair Josie Gonzales, Supervisor Robert A. Lovingood, Supervisor Larry McCallon, Highland L. Dennis Michael, Rancho Cucamonga Frank Navarro, Colton Dusty Rigsby, Loma Linda Deborah Robertson, Rialto Janice Rutherford, Supervisor Michael Tahan, Fontana</p>

Public and Specialized Transportation Advisory and Coordinating Council (PASTACC)

COMMITTEE	PURPOSE	MEMBERSHIP	TERMS
<p>Public and Specialized Transportation Advisory and Coordinating Council (PASTACC)</p> <p>Membership consists of 13 members appointed by the SANBAG Executive Director.</p> <p>6 representing Public Transit Providers</p> <p>1 representing County Dept. of Public Works</p> <p>1 representing the Consolidated Transportation Services Agency</p> <p>5 representing Social Service Providers</p>	<p>Subject to the Transportation Development Act (TDA) Section 99238 – establishes PASTACC’s statutory responsibilities;</p> <p>(1)Review and make recommendations on annual Unmet Transit Needs hearing findings</p> <p>(2)Score and make recommendations for Federal Transit Administration Section 5310 Capital Grant Program applications</p> <p>(3) Assist SANBAG in developing public outreach approach on updating the Coordinated Public Transit/Human Services Transportation Plan</p> <p>(4) Review call for projects for Federal Transit Administration Section 5316, and 5317 grant applications</p> <p>(5) Monitor and make recommendations on Federal regulatory processes as they relate to transit and specialized transit</p> <p>(6) Monitor and disseminate information in reference to State level law and recommendations as they relate to transit and specialized transit</p> <p>(7) Receive annual reports on funded specialized programs funded through FTA Section 5316, 5317 and Measure I</p> <p>(8) Identify regional or county level areas of unmet needs</p> <p>(9) Address special grant or funding opportunities</p> <p>(10)Address any special issues of PASTACC voting and non-voting members</p> <p>(Brown Act)</p>	<p>Standing Membership –</p> <p>Barstow Area Transit, Manager *</p> <p>Morongo Basin Transit Authority, Manager *</p> <p>Mountain Area Regional Transit Authority, Manager *</p> <p>Needles Area Transit, Manager *</p> <p>Omnitrans, Manager *</p> <p>Victor Valley Transit Authority, Manager *</p> <p>County of San Bernardino Dept. of Public Work, Manager *</p> <p>Valley Transportation Services (VTS), Manager *</p> <p>At Large Membership –</p> <p>San Bernardino Dept. of Aging and Adult Services, Director *</p> <p>Inland Regional Center, Director *</p> <p>Inland Empire United Way 2-1-1, Director *</p> <p>Victor Valley Community Service Counsel, Director *</p> <p>Community Senior Services, Director *</p>	<p>On-going</p> <p>On-going</p> <p>On-going</p> <p>On-going</p> <p>On-going</p> <p>On-going</p> <p>On-going</p> <p>On-going</p> <p>1/31/2017</p> <p>9/30/2017</p> <p>9/30/2017</p> <p>1/31/2017</p> <p>2/28/2018</p>

Meeting Dates and Time: Bi monthly, beginning in February, 2nd Tuesday of the month, 10:00 a.m., SANBAG Office

* Manager or Director may designate alternate/s

Independent Taxpayer Oversight Committee (ITOC) Review of Measure I Expenditure Plan

COMMITTEE	PURPOSE	MEMBERSHIP	TERMS
<p>Independent Taxpayer Oversight Committee (ITOC) Review of Measure I Expenditure Plan</p> <p>The ITOC shall provide citizen review to ensure that all Measure I funds are spent by the San Bernardino County Transportation Authority (hereby referred to as the Authority) in accordance with provision of the Expenditure Plan and Ordinance No. 04-01.</p>	<p>The ITOC shall review the annual audits of the Authority; report findings based on the audits to the Authority; and recommend any additional audits for consideration which the ITOC believes may improve the financial operation and integrity of program implementation.</p> <p>The Authority shall hold a publicly noticed meeting, which may or may not be included on the agenda of a regularly scheduled Board meeting, with the participation of the ITOC to consider the findings and recommendations of the audits.</p> <p>(Brown Act)</p>	<p>Richard Haller</p> <p>Rod Johnson</p> <p>Mike Layne</p> <p>Norman Orfall</p> <p>Craig Scott</p> <p>Ray Wolfe, Ex-Officio</p> <p>In addition to the appointed members, the SANBAG Executive Director will serve as an ex officio member.</p>	<p>12/31/16</p> <p>12/31/16</p> <p>12/31/18</p> <p>12/31/18</p> <p>12/31/18</p>

Communication: SANBAG Committee Membership (Committee Membership)

SANBAG Ad Hoc Committees

COMMITTEE	PURPOSE	MEMBERSHIP
<p>Budget Process In July 2012, the SANBAG Board President appointed this ad hoc committee to review SANBAG’s budget preparation process and final budget document and make recommendations to help improve communication and transparency of SANBAG’s budget to elected officials and the general public.</p>	<p>Review SANBAG’s budget adoption process and final budget document and make recommendations on changes to improve the process and the final budget document to make them more useful and informative to Board Members and the public.</p>	<p>Ray Musser, Upland – Chair Mike Podegracz, P.E. – City Manager, City of Hesperia Sam Racadio – Council Member, City of Highland Kevin Ryan - Principal Transportation Planner, City of Fontana</p>
<p>Legislative In March 2013, the SANBAG Board President appointed this ad hoc committee. This committee will consist of the SANBAG Board Officers.</p>	<p>Review proposed legislation at the state and federal level. Provide direction to staff on positions consistent with the Board-adopted legislative platform.</p>	<p>President – Ryan McEachron, Victorville Vice President – Robert A. Lovingood, Supervisor Immediate Past President – Dennis Michael, Rancho Cucamonga</p>
<p>Transit Review Ad Hoc Committee In July 2013, the SANBAG Board President appointed this ad hoc committee.</p>	<p>Review transit agency efficiencies and maximize transit funding.</p>	<p>Janice Rutherford, Supervisor – Chair Jim Harris, Twentynine Palms Robert A. Lovingood, Supervisor Ryan McEachron, Victorville L. Dennis Michael, Rancho Cucamonga Dusty Rigsby, Loma Linda Alan Wapner, Ontario</p>
<p>Statutory Entity Ad Hoc Committee In June 2015, the SANBAG Board President appointed this ad hoc committee.</p>	<p>Study and make recommendations to full Board regarding sponsoring legislation to consolidate certain SANBAG entities and functions into a new statutory entity.</p>	<p>Bill Jahn, Big Bear Lake - Chair Jon Harrison, Redlands George Huntington, Yucca Valley Robert A. Lovingood, Supervisor Ryan McEachron, Victorville Janice Rutherford, Supervisor Alan Wapner, Ontario</p>
<p>Council of Governments Ad Hoc Committee In June 2016, the SANBAG Board President appointed this ad hoc committee.</p>	<p>To provide direction relative to the Council of Governments annual work plan.</p>	<p>Alan Wapner, Ontario – Chair Curt Emick, Apple Valley (will alternate between meetings with Eric Schmidt) Josie Gonzales, Supervisor Bill Jahn, Big Bear Lake Larry McCallon, Highland L. Dennis Michael, Rancho Cucamonga Frank Navarro, Colton James Ramos, Supervisor Janice Rutherford, Supervisor Eric Schmidt, Hesperia (will alternate between meetings with Curt Emick)</p>

Communication: SANBAG Committee Membership (Committee Membership)

SANBAG Technical Advisory Committees

COMMITTEE	PURPOSE	MEETING SCHEDULE
<p>Transportation Technical Advisory Committee (TTAC) Committee membership consists of a primary staff representative of each SANBAG member agency designated by the City Manager or County Administrative Officer.</p>	<p>SANBAG’s Transportation Technical Advisory Committee was formed by SANBAG management to provide input to SANBAG staff on technical transportation-related matters and formulation of transportation-related policy recommendations to the SANBAG Board of Directors. The TTAC is not a Brown Act committee.</p>	<p>Generally meets on the first Monday of each month at 1:30 PM, at SANBAG.</p>
<p>City/County Manager’s Technical Advisory Committee (CCM TAC) The committee is made up of up to two representatives of the County Administrator’s Office and the city manager or administrator from each city and town in the County.</p>	<p>SANBAG’s City/County Manager’s Technical Advisory Committee was established in the Joint Powers Authority that established SANBAG. The primary role of the committee is to provide a forum for the chief executives of SANBAG’s member agencies to become informed about and discuss issues facing SANBAG. It also provides a forum for the discussion of items of mutual concern and a way to cooperate regionally in addressing those concerns. The CCM TAC is a Brown Act Committee.</p>	<p>Meets on the first Thursday of each month at 10:00 AM, at SANBAG.</p>
<p>Planning and Development Technical Forum (PDTF) Committee membership consists of a primary staff representative of each SANBAG member agency designated by the City Manager or County Chief Executive Officer.</p>	<p>The SANBAG Planning and Development Technical Forum was formed by SANBAG management to provide an opportunity for interaction among planning and development representatives of member agencies on planning issues of multijurisdictional importance. The PDTF is not a Brown Act Committee.</p>	<p>Meets the 4th Wednesday of each month at 2:00 p.m. at the Depot (in the SCAG Office).</p>
<p>Project Development Teams</p>	<p>Project Development Teams (PDTs) are assembled for all major project development activities by SANBAG staff. Teams are generally composed of technical representatives from SANBAG, member jurisdictions appropriate to the project, Caltrans, and other major stakeholder entities that have significant involvement in the project. PDTs make recommendations related to approaches to project development, evaluation of alternatives, and technical solutions. PDTs meet on a regular basis throughout the project phase to review progress and to provide technical input required for project development. The PDTs are not Brown Act Committees.</p>	<p>Varies with the PDT, at SANBAG.</p>

Communication: SANBAG Committee Membership (Committee Membership)

San Bernardino Associated Governments



MISSION STATEMENT

To enhance the quality of life for all residents, San Bernardino Associated Governments (SANBAG) will:

- Improve cooperative regional planning
- Develop an accessible, efficient, multi-modal transportation system
- Strengthen economic development efforts
- Exert leadership in creative problem solving

To successfully accomplish this mission, SANBAG will foster enhanced relationships among all of its stakeholders while adding to the value of local governments.

Approved June 2, 1993
Reaffirmed March 6, 1996