

RSTP EXCHANGE/STBG COOPERATIVE AGREEMENT

THIS AGREEMENT, ENTERED INTO ON THE DATE BELOW STATED is between the San Luis Obispo Council of Governments, referred to herein as "SLOCOG", and the

CITY OF ARROYO GRANDE

a municipal corporation and political subdivision of the State of California, referred to herein as the "CITY".

RECITALS

WHEREAS, SLOCOG and the CITY are authorized, pursuant to requirements of the Fixing America's Surface Transportation (FAST Act), FAST Act § 1109(a), to enter into a Cooperative Agreement for any transportation purpose within the CITY; and

WHEREAS, The FAST Act's Surface Transportation Block Grant Program acknowledging that this program has the most flexible eligibilities among all Federal-aid highway programs and aligning the program's name with how FHWA has historically administered it; and

WHEREAS, the SLOCOG Board approved allocation of regional Surface Transportation Block Grant Program (STBGP) funds for the projects identified on the attached Table 1 (summary table and project summary sheets) and STBGP Program continues all prior STP eligibilities (see in particular 23 U.S.C. 133(b)(15), as amended, each of the individual project is herein referred to as "PROJECT"; and

WHEREAS, SLOCOG intends to exchange its apportionment of Federal Surface Transportation Block Grant Program (STBGP) funds for Regional Surface Transportation Exchange (RSTP Exchange) funds for the PROJECTs, therefore eliminating the non-federal match and compliance with the National Environmental Policy Act (NEPA); and

WHEREAS, all applicable laws, regulations, and policies relating to the use of Regional Surface Transportation Program Exchange (RSTP Exchange) funds for the PROJECTs, shall apply notwithstanding any other provisions of this Agreement; and

WHEREAS, all obligations of the CITY under the terms of this Agreement are subject to funding appropriation by the Legislature, and the receipt and allocation of funding by SLOCOG; and

NOW, THEREFORE, in consideration of the above noted findings and considerations, the parties agree as follows:

- 1) The CITY agrees to administer each PROJECT and conduct the applicable environmental process required under the California Environmental Quality Act (CEQA) for each PROJECT.
- 2) The CITY agrees to advertise, open and review bids, and to award the contract for each applicable PROJECT (or combination of projects) as needed, in accordance with State laws.
- 3) The CITY agrees that all phases of each PROJECT will be developed in accordance with policies, procedures, practices, standards, regulations, and laws that apply to the CITY, Caltrans (where appropriate), and SLOCOG General Programming Requirements, the 2016 Annual Exchange Agreement and subsequent STBGP annual exchange agreements between SLOCOG and the State of California (Department of Transportation). If in the judgment of SLOCOG a project may impact a street, road or highway owned or controlled by a jurisdiction other than CITY (including without limitation the County, another city, or the State of California), SLOCOG may require the CITY to establish a project development team (PDT) composed of representatives of such jurisdictions, as well as SLOCOG.

- 4) The CITY agrees to construct each PROJECT in accordance with the plans and specifications of the CITY (and Caltrans when PROJECT involves state highway facilities), and in accordance with the conditions of funding adopted by SLOCOG.
- 5) The CITY agrees to maintain the facilities constructed, improved, or otherwise modified.
- 6) The CITY agrees to utilize, for each PROJECT, an amount of Regional or Urban RSTP Exchange funds equal to or less than that adopted by SLOCOG, and that SLOCOG's total obligation shall not exceed the amounts shown in **Table 1** unless a greater amount has been authorized in advance in writing by SLOCOG.
- 7) The CITY agrees to account for all costs for the PROJECTS to be paid by SLOCOG pursuant to this Agreement and agrees to perform all the reimbursable work for each project according to the billing period identified in the project summary sheets.
- 8) After the opening of bids on applicable PROJECTS, the CITY shall notify SLOCOG of any cost overruns or underruns to the original cost estimate. The following will be assumed and reflected in SLOCOG's RSTP Exchange accounting spreadsheets:
 - a) If less funding than what was programmed is required for a PROJECT, the cost savings will be made available for reprogramming into another CITY project as approved by SLOCOG.
 - b) If more funding than what was programmed is required for a PROJECT, the CITY will be solely responsible for providing the additional funding, which can be comprised of various non-regional funding sources, including cost savings from other CITY RSTP Exchange projects.
- 9) The CITY may submit an invoice for reimbursement of funds expended for each PROJECT no more than once a month, using the attached Reimbursement Request Form (**Exhibit A**). All Payments will be prorated between CITY and SLOCOG based on the agreed percentages of funding, as adopted by SLOCOG and listed on each project summary sheet. All invoices must contain the following:
 - a. RSTP Exchange PROJECT number and name
 - b. A brief description of work accomplished during the billing period.
 - c. A copy of the consultant's bill to the CITY (if applicable).
 - d. Amount expended by the CITY during the billing period, with evidence of funds expended (e.g. a copy of a CITY check to consultant or accounting documentation, etc.)
 - e. Amount requested for reimbursement for the billing period
- 10) SLOCOG agrees to reimburse the CITY within 30 days of receipt of a completed reimbursement request form (**Exhibit A**) with all applicable attachments and signatures or as funds become available on a "1st come, 1st served" basis, an amount expended by the CITY during the invoices' billing period less the aforesaid proration. If a PROJECT receives both Regional and Urban Regional Surface Transportation Exchange funding (referred to in Exhibits hereto as "Regional" and "Urban" respectively), reimbursements shall be made on a pro rata basis from each source for SLOCOG's share. SLOCOG's total obligation for each PROJECT cost shall not exceed the amount shown in **Table 1**, unless SLOCOG has in writing authorized a greater amount per adopted SLOCOG policy.
- 11) Within two months of either the execution of this agreement or each PROJECT's completion and all work incidental thereto, whichever comes later, the CITY must provide SLOCOG certification in the form provided in **Exhibit B** hereto, of completion in accordance with the provisions in this Agreement, and a final invoice containing those items listed above. In the event that final project costs are less than those listed on Table 1, hereto, the funds shall be reallocated in accordance with SLOCOG RSTP Exchange policy **Exhibit C**.
- 12) If this project has been paid for either entirely, or in part with Regional RSTP Exchange funds, and CITY, or any of its officials, chooses to publicly memorialize participation in said project, then CITY shall also memorialize SLOCOG's financial participation in said project in a manner agreeable to SLOCOG. This paragraph shall apply to, but is not limited to, signage during construction, representation at dedications and placement of plaques or other objects of memorialization, whether at or near the project site or not.

- 13) The CITY grants to the State of California and/or SLOCOG access to the CITY's books and records for the purpose of verifying that RSTP Exchange funds paid are properly accounted for and the proceeds are expended in accordance with the terms of this Agreement. All documents shall be available for inspection by authorized Caltrans and/or SLOCOG agents at any time during the PROJECT development and for a four-year period from the date of completion, or for one year after the audit is completed or waived by Caltrans and/or SLOCOG, whichever is later.
- 14) Upon completion of all work under this Agreement, ownership and title to all materials will automatically be vested in the CITY and no further agreement will be necessary to transfer ownership to the CITY.
- 15) If existing public and/or private utilities conflict with the PROJECT construction or violate the CITY's encroachment policy (as applicable), the CITY shall make all necessary arrangements with the owners of such utilities for their protection, relocation or removal. The CITY shall review the plans for protection, relocation or removal. If there are costs of such protection, relocation, or removal which the CITY must legally pay, the CITY shall pay the cost of said protection, relocation or removal, plus cost of engineering, overhead and inspection. If any protection, relocation or removal of utilities is required, such work shall be performed in accordance with CITY policies and procedures.
- 16) The CITY shall defend, indemnify and save harmless SLOCOG, its officers and employees from all and any claims, demands, damages, costs, expenses, judgments, attorneys' fees or any liability arising out of this Cooperative Agreement to the performance or attempted performance of the provisions hereof, or any project referred to in the Exhibits hereto. Nothing contained in the foregoing indemnity provision shall be construed to require CITY to indemnify SLOCOG against any responsibility of liability in contravention of Civil Code section 2782.
- 17) If the CITY transfers its risk connected with design or construction of this project to independent contractors, CITY agrees to use its best efforts to obtain the independent contractor's inclusion of SLOCOG as an indemnitee and in any insurance procured by such independent contractor(s) for the project, to name SLOCOG as an additional insured.
- 18) Both the CITY and SLOCOG shall designate a Project Coordinator who shall represent the respective agencies and through whom all communications between the parties to this agreement shall occur.
- 19) Both parties agree that if, in the course of carrying out the PROJECT, there is a disagreement among the Project Coordinators over the direction of the project, the matter will be forwarded through a three step conflict resolution process. First, resolution will be attempted between the CITY Manager and SLOCOG Executive Director. If a dispute continues, a determination shall be made by the SLOCOG Executive Committee, and, if required, final determination by the full SLOCOG Board.
- 20) Nothing in the provisions of this Agreement is intended to create duties, obligations, or rights for third parties not signatories to this Agreement or affect the legal liability of either party of the Agreement by imposing any standard of care with respect to the maintenance of local roads different from the standard of care imposed by law.
- 21) No alteration or variation of the terms of this Agreement shall be valid unless made in writing and signed by the parties thereto, and no oral understanding or agreement not incorporated herein or in the attached **Table 1** shall be binding on any of the parties thereto.
- 22) This Agreement may be terminated or provisions contained therein may be altered, changed, or amended by mutual consent, in writing, of the parties hereto.
- 23) Prior to award of a contract for any PROJECT, SLOCOG may terminate the applicable PROJECT in the Cooperative Agreement by written notice, provided SLOCOG pays the CITY for all PROJECT-related costs reasonably incurred by the CITY prior to termination. Also, prior to award of a contract for any PROJECT, the CITY may terminate the applicable PROJECT in the Cooperative Agreement by written notice, provided the CITY pays SLOCOG for all costs reasonably incurred by SLOCOG prior to termination.

SIGNATURES:

CITY OF ARROYO GRANDE

SAN LUIS OBISPO
COUNCIL OF GOVERNMENTS

By: _____
Caren Ray Russom, Mayor

By: _____
Peter Rodgers, Executive Director

Date: _____

Date: _____

ATTEST:

By: _____
Jessica Matson, City Clerk

APPROVED AS TO FORM AND LEGAL EFFECT:

By: _____
Isaac Rosen, City Attorney

By: _____
Jon Ansolabehere, SLOCOG Counsel

Date: _____

Date: _____

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TABLE 1
CITY PROJECTS
for
Agreement No. AG-FAST-02

SLOCOG#	Project Name	RSHA	USHA	Balance
SMAPAG01U	Urban Area Apportionment FY 21/22-26/27; Local Choice Funds	\$ -	\$ 413,400	\$ 413,400
SMAPAG04R	Halcyon Road Safe Routes to School Improvements	\$ 749,000	\$ -	\$ 749,000

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EXHIBIT A
San Luis Obispo Council of Governments
Regional Surface Transportation Program Exchange (RSTP Exchange)

REIMBURSEMENT REQUEST FORM

Agency Name: _____ Date: _____

Contact Person: _____

Project Number(s): Regional: _____ Urban: _____

Project Title: _____

This Invoice Covers Work Completed from: ____ / ____ / ____ to: ____ / ____ / ____

Project Budget Information: **(complete box below - refer to cooperative agreement "Table 1" for budget information)**

Total SPENT This invoice	\$ -			When using electronic format: fill in unshaded areas only
	Regional	Urban	Other Sources Non Regional	TOTAL (must equal 100%)
Reimbursement Rate by Fund Source <small>(must be consistent with Exhibit A Project Sheet)</small>				0%
Pro-rata Reimbursement by Funding Source <small>(Regional/Urban)</small>	\$ -	\$ -	\$ -	\$ -

Please send a check for \$ _____
Total RSTP Exchange share due this invoice (total of heavier shaded boxes above)

- Attachments: 1) A brief description of work completed; and
 2) Consultant invoices
 3) Proof of payment (e.g. copy of **CITY** check to consultant).

Signed: _____
 (Agency Rep.)

Shaded boxes below for SLOCOG Use

Regional Planner Approval	Accounting Initials

**EXHIBIT B
PROJECT COMPLETION FORM
for
RSTP Exchange Projects**

This form notifies SLOCOG of project completion in accordance with the provisions in the Cooperative Agreement noted below. *Our records indicate that the project listed below, funded all or in part with RSTP Exchange funds, has been completed:*

Project Name: _____

Project Number(s): _____

Cooperative Agreement Date (Recipient Agency): _____

Approved RSTP amount: _____

I _____ certify, on behalf of the CITY/County
name of authorized official

of _____, that the project named above was completed
name of jurisdiction

on _____ in accordance with the provisions set forth in the cooperative
approximate date of completion

agreement dated _____. It is my understanding that all savings
date jurisdiction representative signed

from a cost underrun will be returned to _____ for
CITY/county or SLOCOG

reprogramming in accordance with the cooperative agreement.

Signed: _____
signature of authorized official

Date: _____
date signed

Return completed and signed Project Completion Forms within 2 months of the completion of each project to:

SLOCOG
1114 Marsh Street
San Luis Obispo, CA 93401
Attn: Stephen Hanamaikai

EXHIBIT C

Project Eligibility by Fund Program - Project eligibility requirements by funding program are summarized below.

- I. Regional Surface Transportation Program.** The Surface Transportation Program (STP) provides flexible funding that may be used by States and localities for projects to preserve and improve the conditions and performance on any Federal-aid highway, bridge and tunnel projects on any public road, pedestrian and bicycle infrastructure, and transit capital projects, including intercity bus terminals. SLOCOG's 2014 RTP will provide guidance on priority routes for regional funding consideration.

The STP program supports national performance goals as defined in FAST-Act, but there are no measures tied specifically to this program. Eligible costs for funds under these programs include pre-project initiation documents (Pre-PID), project study reports (PSR), preliminary engineering (PE), right-of-way acquisition (RW), capital costs, and construction costs associated with an eligible activity.

Eligible Project Activities:

- Construction, reconstruction, rehabilitation, resurfacing, restoration, preservation, or operational improvements for highways, streets, and roads; bikeways and other surface transportation improvements.
- Replacement, rehabilitation, and preservation of bridges on any public road, including construction or reconstruction necessary to accommodate other modes.
- Construction of new bridges on a Federal-aid highway.
- Capital costs for transit projects eligible for assistance under chapter 53 of title 49, including vehicles and facilities used to provide intercity passenger bus service.
- Carpool projects, fringe and corridor parking facilities and programs, including electric and natural gas vehicle charging infrastructure, bicycle transportation and pedestrian walkways, and ADA sidewalk modification.
- Highway and transit safety infrastructure improvements and programs, installation of safety barriers and nets on bridges, hazard eliminations, mitigation of hazards caused by wildlife, railway-highway grade crossings.
- Highway and transit plans research and development.
- Capital and operating costs for traffic monitoring, management and control facilities and programs, including advanced truck stop electrification.
- Surface transportation planning.
- Transportation Alternatives; newly defined, includes most transportation enhancement eligibilities with the exception of landscaping.
- Transportation control measures (e.g. as defined by region's APCD Clean Air Plan)
- Development and establishment of transportation management systems.
- Environmental mitigation efforts
- Modifications to intersections with high accident rates or levels of congestion.
- Infrastructure-based ITS capital improvements consistent with the Central Coast ITS Implementation Plan.
- Environmental restoration and pollution abatement.

- Control of noxious weeds and establishment of native species.
- Congestion pricing projects and strategies, including electric toll collection and travel demand management strategies and programs.
- Recreational trails projects.
- Construction of marine terminals.
- Truck parking facilities.
- Surface transportation infrastructure modifications within port terminal boundaries, only if necessary to facilitate direct intermodal interchange, transfer, and access into and out of the port.
- Construction and operational improvements for a minor collector in the same corridor and in proximity to an NHS route if the improvement is more cost-effective (as determined by a benefit-cost analysis) than an NHS improvement and will enhance NHS level of service and regional traffic flow.

Available Funding

- Direct urban and rural apportionment up to minimum required equal to 110%, plus 15%, of the FY 1990/91 allocation of Federal Aid Secondary (FAS) based upon 2010 census data (initiated in 2015). Final apportionment tables will be developed for the August 2017 Board meeting.
- Regional discretionary funds of \$5.0M through FY 2021.

EXHIBIT D**General Programming Policies - All Fund Programs**

SLOCOG's 2014 Regional Transportation Plan / Sustainable Communities Strategy identifies an overall goal to develop a multi-modal transportation system which is balanced, coordinated, safe, cost effective, environmentally sound, economically supportive, meeting all the financially reasonable transportation needs of all citizens in San Luis Obispo County. General programming policies affecting the decision making and project selection of the surface transportation system are summarized as follows:

1. SLOCOG will strive to be fair and equitable in the allocation of funding between the various subregions in the county and among member jurisdictions.
2. SLOCOG will adhere to the federal and state statutes, policies, regulations and guidelines applicable to each fund being allocated, and require recipients of grants to do the same.
3. SLOCOG will recommend projects for funding that are:
 - Deliverable
 - Consistent with the goals, policies, and programs of the 2014 Regional Transportation Plan
 - Regionally Significant
 - Responsive to immediate funding and project needs
 - Consistent with specific criteria of a particular funding program
 - High likelihood of leveraging other funding (state, federal and/or local)
4. SLOCOG will seek to implement all programs in a timely and efficient manner.
5. SLOCOG will seek to maximize the use of the funds for general public benefit, and will marshal other funds when possible to complete funded projects by prioritizing joint-funded projects.
6. SLOCOG will integrate social equity factors in to the decision making process by applying the findings generated from the Disadvantaged Communities Assessment that is now amended in to the 2014 RTP/SCS.
7. SLOCOG will, to the extent feasible, assure the integration of all projects with jurisdiction, region and statewide transportation plans, providing a comprehensive, systematic approach to resolving transportation problems in the region.
8. SLOCOG will retain maximum flexibility of federal programs under FAST ACT, where feasible, and will also seek to exchange Surface Transportation Block Grant Program (STBGP) (federal) funds for Regional Surface Transportation Program (RSTP) Exchange (state) funds, for reasons of cost efficiency and simplicity in administration. Through the RSTP Exchange funds ultimately become (local) funds.
9. SLOCOG will retain a continuing commitment to emphasize quality and promote excellence in the development of competitive proposals, seeking to fund the best possible projects in terms of cost effectiveness, public benefit and regional and local significance.
10. SLOCOG will reserve discretionary funds for advance development work to ensure regionally significant projects are well scoped, alternatives assessed, accurate estimates prepared, and a finance plan for implementation is developed.

11. SLOCOG will reserve off-the-top funding for programs identified in the 2014 RTP/SCS, including Transportation Demand Management (i.e. Rideshare), Active Transportation Partnership Program, Highway Safety Improvement Program and Safe Routes to School.
12. SLOCOG will maintain funding commitments for existing programmed projects as long as those projects have achieved the project delivery milestones set out at the time of programming. Unavoidable delays to the project delivery milestones will be considered on a case by case basis.
13. SLOCOG will commit a portion of discretionary funding to match and leverage other competitive state-wide grant programs (e.g. new SB1 programs, State of CA Active Transportation Program, Highway Safety Improvement Program (HSIP) for projects of regional significance.)
14. SLOCOG may consider using the above referenced fund sources to address surface transportation needs as identified in the June 7th 2017 SLOCOG Board Staff Report item B-3 2018 RTIP Fund Assumptions Programming Approach - Table 2 Sections 1, 2, and 3, and defer the programming of funds on needs identified in Section 4 (Other Multi-Modal Needs, including bicycle, pedestrian, and public transit related needs).

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