

MEASURE C
AGREEMENT TO ESTABLISH PROGRAM ELIGIBILITY
AND FUNDING REQUIREMENTS

Regional Public Transit Program: New Technology Reserve Sub Program
Grantee: City of Fresno
Project: FAX Microtransit Pilot Project

This Program Eligibility and Funding Agreement (“**Agreement**”) is made and entered into on _____, 2018 by and between the City of Fresno (hereinafter referenced as “**Grantee**”) and the Fresno County Transportation Authority (“**Authority**”).

RECITALS

WHEREAS, passage of the Measure C Extension created within the Regional Public Transit Program a subprogram entitled “New Technology Reserve” (aka Advanced Transportation Technology), the purpose of which was to finance research, or to provide funding for implementation of projects intended to reduce traffic congestion, energy consumption and air emissions resulting from less vehicular traffic and less surface street congestion; and to improve mobility in more densely developed areas by providing convenient and direct transit service; and

WHEREAS, in accordance with the Measure C Extension Expenditure Plan (“Expenditure Plan”) and most notably Appendix B thereto, further details regarding the funding and implementation of the New Technology Reserve (“NTR”) subprogram are set forth in the “Measure C Extension Strategic Implementation Plan (“SIP”); and

WHEREAS, the SIP identifies entities eligible for NTR funding to include Fresno COG, Fresno County, and the cities within Fresno County; and, eligible projects to include evaluation, planning, design, and construction of new transit technologies; and

WHEREAS, in April 2018, Fresno COG issued a Call for Projects to those eligible entities for Cycle II of NTR funding for advanced transit projects of regional significance in the area of research, development, demonstration, and deployment that would advance public transit and transportation to be funded through the NTR; and

WHEREAS, Grantee submitted a "Project Application" that requested reservation from eligible Measure C Extension funds of a grant in the amount of \$500,948 to pilot the feasibility of implementing a mobility on demand transit service to provide mobility to underserved areas, to expand the reach of FAX buses, and to reduce operating costs, capital costs, and vehicle miles travelled (hereinafter the "Project"), with a matching fund commitment of \$25,000. Said application was evaluated by the New Technology Multidisciplinary Advisory Group ("MAG"), who recommended the approval of the full amount of grant funding requested; and

WHEREAS, funding made available through this Agreement shall be available solely for operating costs and software licensing as identified in the Project Application; and

WHEREAS, the Authority is authorized to approve funding for payment to Grantee in accordance with this Agreement, the SIP, and the Expenditure Plan, for funding of the Project; and

WHEREAS, on October 10, 2018, based primarily on the recommendations of the MAG, which were based upon the MAG's review of the applications and supporting documentation submitted by applicants for NTR funding (including the Grant Application for this Project, hereinafter referenced as "the Application," a copy of which is attached as Appendix 1 hereto), the Authority's Board approved the reservation of \$500,948 in NTR funding to be made available for implementation of the Project with the understanding that Grantee, would provide a minimum of \$25,000 in matching funds or services; and

WHEREAS, on October 10, 2018, the Authority's Board further directed Authority staff to draft this Agreement, for the purpose of establishing program implementation requirements and the terms and conditions governing the rights and obligations of the respective parties hereunder; and

WHEREAS, Authority and Grantee now desire to enter into this Agreement, which serves to establish requirements for Grantee's use of the funding provided hereunder, as well as delineating the respective rights and obligations of the parties regarding use of Measure C funds as authorized for use by Grantee for the purposes specified hereunder, including but not limited to conditions and limitations on Grantee's right to receipt of payment hereunder.

NOW, THEREFORE, in consideration of the mutual promises and undertakings herein made and the mutual benefits to be derived there from, the parties hereto represent, covenant and agree as follows:

AGREEMENT

ARTICLE I

Covenants of Grantee

Grantee hereby expressly agrees to abide by the terms and conditions of this Agreement, the applicable provisions of the SIP, and the Application, which acknowledgment and agreement is a condition for Grantee's receipt of Measure C funds available under the NTR subprogram; and Grantee further agrees to comply with the Expenditure Plan, and all adopted Policies and Procedures of the Authority as applicable, as well as any subsequent amendments, updates, or other applicable plans.

- 1.1 **Project Scope, Schedule and Funding Program.** The project scope, schedule, and funding details are included in the Application attached herein as Appendix 1 to this Agreement. The City Council of the City of Fresno previously has approved, by appropriate Resolution, the participation by Grantee in the Project.
- 1.2 **Eligibility for Funding.** The Authority's Board has determined, in reliance upon the recommendation of the MAG which based its recommendation on its review of the Grant Application, that the Project meets one or more of the following eligibility requirements for NTR funding, as set forth in the Application and the SIP:
 - 1.2.1 Reduce traffic congestion and vehicle miles traveled
 - 1.2.2 Reduce energy consumption and dependence on fossil fuels
 - 1.2.3 Reduce air emissions and greenhouse gas emissions.
 - 1.2.4 Improve access to safer, more convenient travel for Fresno County residents.

- 1.3 **Compliance with California PUC Code 142257.** Grantee agrees to the following:
- 1.3.1 Grantee shall account for Project funds received pursuant to Public Utilities Code Section 142257. Grantee shall maintain current records in accordance with generally accepted accounting principles, and shall separately record expenditures for each type of eligible purpose. Grantee shall make such records available to the Authority for inspection or audit at any time.
- 1.4 **Compliance with Other Laws.** In performance of its obligations relating to implementation and administration of Project, Grantee shall at all times comply with all federal, state and local laws, ordinances and regulations currently in force as well as those that are subsequently enacted, promulgated or amended and thereby become applicable during the term of this Agreement.
- 1.5 **Measure C Funds Defined.** For purposes of this Agreement, Measure C funds are deemed to be available under the NTR, subject to the limitations and conditions specified in this Agreement, the SIP, and the Application. Provided, however, that unless another amount receives formal advance approval by means of a subsequent written amendment to this Agreement, the total cumulative amount of Measure C funds allocated under the NTR for the Project shall not exceed the maximum amount of \$500,948 specified in the initial paragraph of Article II herein below.
- 1.6 **Maintenance of Project Records.** Grantee shall maintain complete and accurate records for the Project for which funding is made available hereunder. All such records shall be maintained on a generally-accepted accounting basis and be clearly identified and readily accessible. Grantee shall provide free access to the Authority at all times to such books and records. Grantee shall maintain all work data, documents, and proceedings relating to this Agreement for a period of five (5) years from the date of final audit from the Authority.
- 1.7 **Invoices.** Grantee shall submit invoices to the Authority no more frequently than monthly for activities conducted over the prior unbilled month. These documents shall include the following specified information:

- 1.7.1 Monitoring Expenditures and Progress Payments. Grantee will monitor expenditures and progress payments against the “not to exceed” limits specified both in Article II and Section 1.5 of this Agreement, and for substantial conformity with the projections set forth in the Budget/Schedule as set forth in the Application which is attached hereto as Appendix 1.
- 1.7.2 Project Progress. If Project costs have not been invoiced for a six-month period, Grantee agrees to submit a written explanation of the absence of the Project’s progress to the Authority, along with a target billing date and a target billing amount.
- 1.7.3 Direct and Indirect Costs. Grantee may include in the Project invoice, direct and indirect costs of the Project. Indirect costs (as defined by OMB Circular A-87) will be considered an eligible expense.
- 1.7.4 Copies of Invoices. Grantee shall provide the Authority with two (2) copies of appropriate source documentation to substantiate Project expenses or costs.
- 1.7.5 Eligible Project Cost Request Deadline. Invoices for eligible Project costs incurred by Grantee shall be submitted to the Authority on the approved form. The appropriation request will specify the use of the funding and the manner in which other sources of funding for the Project were applied, in substantial conformity with the projections set forth in the Budget/Schedule as set forth in the Application which is attached hereto as Appendix 1. The Authority’s Executive Director will review invoices for accuracy and sufficiency in terms of compliance with the foregoing requirements. Unsatisfactory or inadequate invoices will be returned to Grantee for correction and resubmission. Upon receipt of a proper invoice, eligible Measure C NTR funds (as applicable) shall be provided to the Grantee within 45 days.
- 1.7.6 Use of Funds. Grantee shall use Measure C NTR funds in accordance with this Agreement and in a manner consistent with all applicable provisions of the Expenditure Plan and SIP, and the Application.
- 1.8 Award of Project. Grantee shall administer the Project, including but not limited to its advertisement and award of all contracts relating to the Project, in accordance with all applicable legal requirements as provided above in

Section 1.4 and in full conformity with the standards applied by Grantee in the administration of its own projects or activities.

- 1.9 **Monitoring and Performance Evaluation.** Grantee shall submit periodic reports to Authority, on either a quarterly or semi-annual basis, as directed by the Authority's administration based on the nature and duration of that specific project. Each such report will provide a status of activities completed or achieved during the immediately preceding period and also will include an evaluation of the Project's performance based on those metrics identified in the Performance Measures portion of the project application. Said reports are due to Authority within 30 days of the end of the reporting period.

ARTICLE II

Covenants of Authority

Authority agrees to provide to the Grantee Measure C Extension funds available under the NTR, up to the maximum amount of \$500,948 approved for the implementation of the Project, in accordance with the terms and conditions set forth herein, and in compliance with the Expenditure Plan and the SIP, the Application, and all adopted Policies and Procedures of the Authority as applicable, as well as any subsequent amendments, updates, or other applicable plans.

- 2.1 **Eligible Project Cost Payments.** The Authority shall make payments to Grantee for actual incurred eligible Project costs in accordance with the provisions of this Agreement and consistent applicable provisions of with the SIP. To receive payments for eligible Project work completed, Grantee shall comply with the following procedures:
- 2.1.1 **Ineligible Costs.** The Authority reserves the right to recover payment from Grantee if an invoice includes ineligible Project costs.
 - 2.1.2 **Payment Amount.** The amount of payments to Grantee for eligible Project costs shall be made pursuant to the SIP and this Agreement.
 - 2.1.3 **Suspension of Payment.** Payments for eligible Project costs shall be suspended without interest when a dispute arises as to whether or not a cost item(s) is eligible for payment.

2.1.3.1 Dispute Resolution. All disputes shall be settled in accordance with the laws of the State of California. Once a dispute has occurred, the Authority and Grantee shall attempt to resolve the dispute informally in a mutually agreeable manner.

2.2 Right to Conduct Audit. The Authority shall have the right to conduct an audit of all Grantee's records pertaining to the Project at any time following completion of the eligible Project work.

2.2.1 Notice of Audit. The Authority must provide at least 30 days' advance notice to Grantee if an audit is to be conducted.

ARTICLE III

Mutual Covenants

The Authority is released from any liability to Grantee regarding the Authority's administration and issuance of the Measure C proceeds except for any breach of Authority's fiduciary duty as set forth in the Expenditure Plan and SIP.

3.1 Effective Date and Term. This Agreement shall become effective as of the date of its full execution by the parties and shall remain in full force and effect following its final approval by the Authority's Board, for a period of twelve (12) months following the date of Grantee's completion of eligible Project work, unless sooner terminated as provided in Section 3.2 or in Section 3.4 or unless the Agreement's term is extended by formal approval of a subsequent amendment hereto in accordance with Section 3.8.

3.2 Discharge. This Agreement shall be subject to discharge as follows:

3.2.1 Termination by Mutual Consent. This Agreement may be terminated at any time by mutual consent of Grantee and Authority. If this Agreement is mutually terminated by the parties, Grantee will no longer receive Measure C funds under the NTR for its proposed Project, unless a new agreement between Grantee and Authority relating to such Project is formed; and in the event of such mutual termination, those funds remaining from the originally reserved funding allocation of \$500,948 shall be returned by the Authority to the general NTR funding pool.

3.2.2 Discharge Upon Completion of Grantee's Program. Except as to any rights or obligations which survive discharge as specified in Section 3.14, upon completion of Grantee's completion of eligible Project work, this Agreement shall be discharged, and the parties shall have no further obligation to each other.

3.2.3 Termination by Authority. The Authority reserves the right to terminate the Agreement at any time by giving written notice to Grantee of such termination and specifying the effective date thereof. If this Agreement is terminated by the Authority as provided herein, Grantee will be paid by the Authority for eligible Project costs incurred prior to termination of the Agreement, consistent with the requirements of the Program referenced herein and in the SIP and Application. In that event, all finished or unfinished documents and other materials shall, at the option of the Authority, become its property subject to the terms and conditions of Section 1.6.

3.3 Indemnity. It is mutually understood and agreed, relative to the reciprocal indemnification of Authority and Grantee:

3.3.1 Grantee shall fully defend, indemnify and hold harmless Authority, and any officer or employee of Authority, against any and all damages, liabilities, claims and expenses, arising out of Grantee's errors, omissions, negligent acts or willful misconduct during the term of this Agreement. It is also fully understood and agreed that, pursuant to Government Code Section 895.4, Grantee shall fully defend, indemnify and hold the Authority harmless from any liability imposed for injury as defined by Government Code Section 810.8 occurring by reason of anything done or omitted to be done by Grantee under this Agreement or in connection with any work, authority, or jurisdiction delegated to Grantee under this Agreement.

3.3.2 Authority shall fully defend, indemnify and hold harmless Grantee, and any officer or employee of Grantee, against any and all damages, liabilities, claims and expenses, arising out of Authority's errors, omissions, negligent acts or willful misconduct during the term of this Agreement. It is also fully understood and agreed that, pursuant to Government Code Section 895.4, Authority shall fully defend, indemnify and hold Grantee harmless from any liability imposed for

injury as defined by Government Code Section 810.8 occurring by reason of anything done or omitted to be done by Authority under this Agreement or in connection with any work, authority, or jurisdiction delegated to Authority under this Agreement.

3.4 Limitation. All obligations of the Authority under the terms of this Agreement are expressly subject to the Authority's continued authorization to collect and expend the sales tax proceeds provided by Measure C Extension funds. If for any reason the Authority's right to collect or expend such sales tax proceeds is terminated or suspended in whole or part, the Authority shall promptly notify the Grantee, and the parties shall consult on a course of action. If, after twenty-five (25) working days, a course of action is not agreed upon by the parties, this Agreement shall be deemed terminated by mutual or joint consent; provided, that any future obligation to fund from the date of the notice shall be expressly limited by and subject to: (i) the lawful ability of the Authority to expend sales tax proceeds for the purposes of the Agreement; and (ii) the availability, taking into consideration all the obligations of the Authority under all outstanding contracts, agreements to other obligations of the Authority, of funds for such purposes.

3.5 Notices. Except as may be otherwise required by law, any notice to be given shall be written and shall be either personally delivered, sent by facsimile transmission or by first class mail, postage prepaid and addressed as follows:

AUTHORITY:

Mike Leonardo, Executive Director
Fresno County Transportation Authority
2220 Tulare Street, Suite 2101
Fresno, CA 93721
Ph: (559) 600-3282 Fax: (559) 600-1499

RESPONSIBLE AGENCIES:

Gregory Barfield, Interim Director
City of Fresno Department of Transportation
2223 G Street
Fresno, CA 93706
Ph: (559) 621-1520

- 3.5.1 Notice personally delivered is effective when delivered. Notice sent by facsimile transmission is deemed to be received upon successful transmission. Notice sent by first class mail shall be deemed received on the fifth day after the date of mailing. Either party may change the above address by giving written notice pursuant to this paragraph.
- 3.6 **Additional Acts and Documents.** Each party agrees to do all such things and take all actions, and to make, execute and deliver such other documents and instruments, as shall be reasonably requested to carry out the provisions, intent and purpose of the Agreement.
- 3.7 **Integration.** This Agreement represents the entire Agreement of the parties with respect to the subject matter hereof. No representations, warranties, inducements or oral agreements have been made by any of the parties except as expressly set forth herein, or in other contemporaneous written agreements.
- 3.8 **Amendment.** This Agreement may not be changed, modified, or rescinded except in writing, signed by all parties hereto, and any attempt at oral modification of this Agreement shall be void and of no effect.
- 3.9 **Independent Agency.** Grantee renders services under this Agreement as an independent agency under the Agreement. None of the Grantee's agents or employees shall be agents or employees of the Authority and none of the Authority's agents or employees shall be agents or employees of the Grantee agency.
- 3.10 **Assignment.** The Agreement may not be assigned, transferred or pledged by any party without the express written consent of all parties hereto.
- 3.11 **Binding on Successors.** This Agreement shall be binding upon each of the parties and their respective successor(s), assignee(s) or transferee(s). Provided however that this provision shall not be construed as an authorization to assign, transfer, or pledge this Agreement, other than as provided in Section 3.10 above.
- 3.12 **Severability.** Should any part of this Agreement be determined to be unenforceable, invalid, or beyond the authority of either party to enter into or carry out, such determination shall not affect the validity of the remainder of this Agreement, which shall continue in full force and effect; provided that, the

remainder of this Agreement can, absent the excised portion, be reasonably interpreted to give effect to the intentions of the parties.

- 3.13 Counterparts.** This Agreement may be executed in one or more counterparts and shall become effective when one or more counterparts have been signed by all of the parties; each counterpart shall be deemed an original but all counterparts shall constitute a single document.
- 3.14 Survival.** The following provisions in this Agreement shall survive discharge:
- 3.14.1 Grantee. As to the Grantee agencies, the following sections shall survive discharge: Section 3.3 (Indemnity),
- 3.14.2 Authority. As to Authority, the following section shall survive discharge: Section 2.2 (Right to Conduct Audit) and Section 3.3 (Indemnity).
- 3.15 Time.** Time is and shall be of the essence of this Agreement and each and all of its provisions in which performance is a factor.
- 3.16 Remedies Cumulative.** No remedy or election of remedies provided for in this Agreement shall be deemed exclusive, but shall be cumulative with all other remedies at law or in equity. Each remedy shall be construed to give the fullest effect allowed by law.
- 3.17 Applicable Law.** This Agreement shall be governed by, and construed and enforced in accordance with the laws of the State of California. The parties agree that this contract is made in and shall be performed in Fresno County, California.
- 3.18 Captions.** The captions in this Agreement are for convenience only and are not a part of this Agreement. The captions do not in any way limit or amplify the provisions of this Agreement and shall not affect the construction or interpretation of any of its provisions.
- 3.19 No Continuing Waiver.** The waiver by any party of any breach of any of the provisions of this Agreement shall not constitute a continuing waiver or a waiver of any subsequent breach of the same, or of any other provision of this Agreement.

- 3.20 **No Rights in Third Parties.** Nothing in this Agreement, express or implied, is intended to confer any rights or remedies under or by reason of this Agreement on any third party, nor is anything in this Agreement intended to relieve or discharge the obligation or liability of any third party to any party to this Agreement, nor shall any provision of this Agreement give any third party any right of subrogation or action over or against any party to this Agreement.
- 3.21 **Attorney's Fees and Costs.** Authority and Grantee each will bear its own respective costs, including attorney's fees, in connection with any legal proceedings related to the interpretation or enforcement of this Agreement or any of the terms and conditions hereof.
- 3.23 **Exhibits and Recitals.** The Recitals and Exhibits to this Agreement are fully incorporated into and are integral parts of this Agreement.
- 3.24 **Signator's Warranty.** Each party warrants to each other that he or she is fully authorized and competent to enter into this Agreement in the capacity indicated by his or her signature and agrees to be bound by this Agreement as of the day and year first mentioned above upon the execution of this Agreement by each other party.
- 3.25 **Force Majeure.** Any party shall be excused from performing its obligations under this Agreement during the time and to the extent that it is prevented from performing by an unforeseeable cause beyond its control, including but not limited to: any incidence of fire, flood; acts of God; commandeering of material, products, plants or facilities by federal, state or local government; national fuel shortage; or a material act or omission by any party; when satisfactory evidence of such cause is presented to that other party, and provided further such nonperformance is unforeseeable, beyond the control and is not due to the fault or negligence of the party not performing.

Signatures on next page

IN WITNESS WHEREOF, the undersigned parties have executed this Agreement on the day and year first written above.

FRESNO COUNTY TRANSPORTATION AUTHORITY

ATTEST

By: _____
(Signature)

Name: Ernest "Buddy" Mendes
(Typed)

Title: Chairman of the Authority

By: _____
(Signature)

Name: Mike Leonardo
(Typed)

Title: Executive Director

APPROVED AS TO LEGAL FORM:
DANIEL C. CEDERBORG,
COUNTY COUNSEL:

APPROVED AS TO ACCOUNTING
FORM

By: _____
(Signature)

Name: Michael E. Rowe
(Typed)

Title: Principal Deputy County Counsel

By: _____
(Signature)

Name: Oscar J. Garcia, CPA
(Typed)

Title: Auditor-Controller/Treasurer-Tax Collector

CITY OF FRESNO

ATTEST

By: _____
(Signature)

Name: Gregory Barfield
(Typed)

Title: Interim Director

By: _____
(Signature)

Name: _____
(Typed)

Title: _____

APPROVED AS TO LEGAL FORM

BY: 